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NEW JERSEY TURNPIKE AUTHORITY

ANNUAL REPORT 1968

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To live, and act, and serve the future hour.
—WORDSWORTH

ON THE COVER: AERIAL VIEW OF THE NEW PASSAIC RIVER BRIDGE UNDER CONSTRUCTION, ADJACENT TO THE EXISTING BRIDGE, AT THE RIGHT. PHOTOGRAPHY BY AL OLECK.



THEODORE DOLL, JR. OF NORTH BERGEN TAKES OATH AS NEW TURNPIKE COMMISSIONER ON JUNE 13. FROM LEFT: GOVERNOR RICHARD J. HUGHES, DOLL, EXECUTIVE DIRECTOR WILLIAM J. FLANAGAN AND SUPERIOR COURT JUDGE SIDNEY GOLDMAN, WHO ADMINISTERED OATH. MR. DOLL, VICE CHAIRMAN, SUCCEEDS WILLIAM A. STERNKOPF, JR. ON THE THREE-MAN BOARD.

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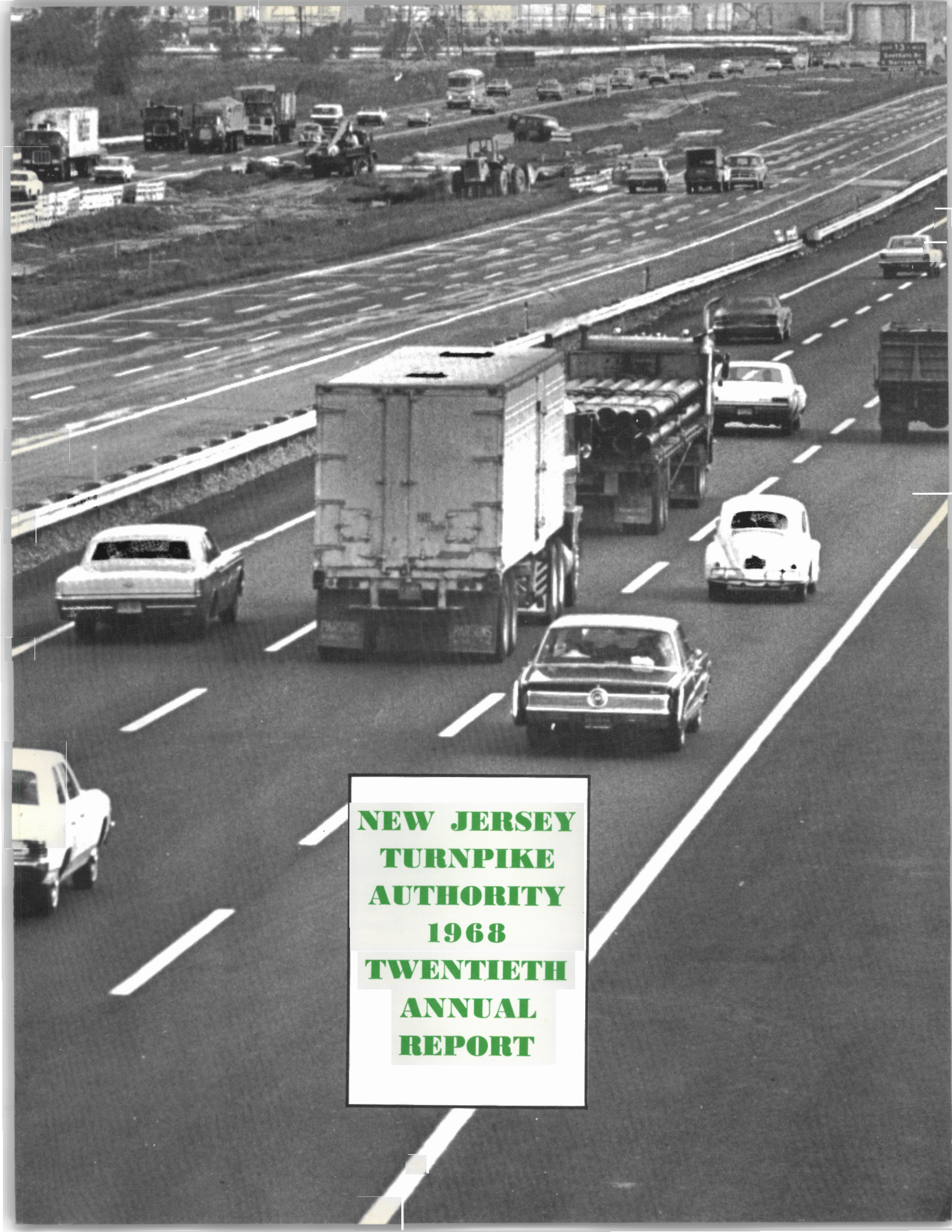


NEW JERSEY TURNPIKE AUTHORITY 1968 TWENTIETH ANNUAL REPORT

LETTER OF TRANSMITTAL



RICHARD J. HUGHES
GOVERNOR OF NEW JERSEY

WIDENING CONSTRUCTION ON MEDIAN NEAR OUR WOODBRIDGE INTERCHANGE.

JOSEPH MORECRAFT, JR., CHAIRMAN
THEODORE DOLL, JR., VICE CHAIRMAN
ANGUS M. HARRIS, TREASURER

NEW JERSEY TURNPIKE AUTHORITY

(201)247-0900 NEW BRUNSWICK, N.J. 08903

January 24, 1969

To the Honorable Richard J. Hughes, Governor
and the Members of the New Jersey Legislature:

This Annual Report, the twentieth issued by the New Jersey Turnpike Authority since its inception in 1949, covers the seventeenth full year of operations of the State's first toll highway of modern times.

The progress made during these years is culminating in the advances being made with the Widening Program, now nearing the halfway mark, which will provide the traveling public with a dual/dual highway along the heavily patronized northern thirty miles.

The results achieved in a project of such magnitude, the bond financing making it possible, and the other improvements and betterments completed or undertaken in 1968, are reviewed within these pages. All our efforts were keyed to the continuing growth of traffic-- reaching another record high of 78,205,075 revenue vehicles, for a 6.4 percent increase over 1967. Scheduled for completion on January 1,1970, the widened Turnpike is projected to accommodate our traffic demands for another generation.

In our program to build for the future, we are grateful to you the Governor, the members of the Legislative branch and the State and local government agencies who have cooperated with us in this great venture.

Respectfully submitted,

JOSEPH MORECRAFT, JR.
Chairman

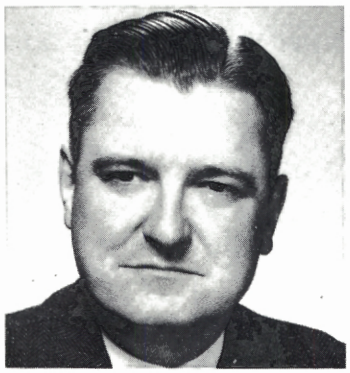
THEODORE DOLL, JR.
Vice Chairman

ANGUS M. HARRIS
Treasurer





JOSEPH MORECRAFT, JR.
CHAIRMAN



THEODORE DOLL, JR.
VICE-CHAIRMAN



ANGUS M. HARRIS
TREASURER



WILLIAM J. FLANAGAN
EXECUTIVE DIRECTOR



GROVER C. RICHMAN, JR.
GENERAL COUNSEL



LILLIAN M. SCHWARTZ
SECRETARY & ASST. TREASURER



NEW JERSEY TURNPIKE AUTHORITY

New Brunswick, New Jersey

AUTHORITY MEMBERS

Joseph Morecraft, Jr., Chairman • Theodore Doll, Jr., Vice-Chairman • Angus M. Harris, Treasurer • William A. Stemkopf, Jr. (Authority Member 1961-1968; Vice-Chairman 1962-1968) • Grover C. Richman, Jr., General Counsel • Lillian M. Schwartz, Secretary & Assistant Treasurer

STAFF

William J. Flanagan, Executive Director • Neville R. Ashcroft, Comptroller • Oliver K. Compton, Jr., Assistant to the Executive Director & Acting Director of Purchasing • Howard S. Heydon, Chief Engineer • Joseph R. Postizzi, Senior Attorney • John P. Lesher, Director of Tolls • Paul M. Weckesser, Traffic Engineer • Anthony E. DeSimon, Director of Maintenance • Horace A. Tani, Director of Public Information • Robert G. Ott, Director of Systems & Data Processing

CONSULTING ENGINEERS
Howard, Needles, Tammen & Bergendoff

AUDITORS
Peat, Marwick, Mitchell & Co.

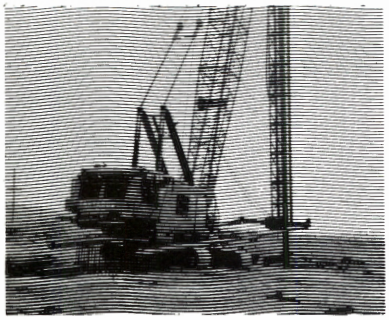
TRAFFIC AND REVENUE CONSULTANTS
Coverdale & Colpitts

BOND COUNSEL
Hawkins, Delafield & Wood

FINANCIAL ADVISOR
Smith, Barney & Co.



NEWARK BAY-HUDSON COUNTY EXTENSION SWEEPING EAST THROUGH JERSEY CITY. NEW YORK SKYLINE IN BACKGROUND.



CHAPTER I

A PROMISE ON WAY TO FULFILMENT

The promise of a greater New Jersey Turnpike approached the midpoint of fulfilment as the Authority closed its books on the 17th full year of operations—a year marked by ever-increasing traffic volumes to justify that promise.

At year's end the Authority, having negotiated its third successful bond financing in the amount of $125 million, prepared for the final, third year of its expansion program, scheduled for completion on January 1, 1970.

By that date it is expected that the nation's first dual/dual highway of such magnitude will be opened to the public along the most heavily travelled section of any American toll facility. There will be 12 lanes in each direction for a distance of 26 miles and 10 lanes for another four miles. These additional lanes will supplement the existing six-lane section from the Newark area to the terminus at Route 46 in Ridgefield Park.

The expansion program was two years old on November 15, 1968 and since that day when the Authority commissioners broke ground on the site of the new interchange

at Kearny, the program has dominated virtually every facet of Turnpike operations. Every department has reflected the urgency of the new venture, with greater demands imposed upon administrative and field personnel alike and new incentives and ideas looking to the future being generated all along the line. From this cooperative undertaking arose the need for greater safety and efficiency as the new Turnpike began to take shape.

The progress of the widening program has been quietly dramatic.

As 1968 ended, some 48 percent of construction work on widening projects ranging the northern 30 miles from Edison to Ridgefield Park was completed, a rate of progress the Authority anticipates will be exceeded during the final thrust forward in 1969.

By 1968 a total of 83 construction contracts totaling over $275 million had been awarded, 18 of which were completed or near completion. From this accumulation of work, 10 new roadway miles out of the total of 60 miles projected for the widening, were opened to traffic in the Edison, Linden, Newark Airport and Woodbridge areas.

Farther north, where the widened Turnpike will branch off into the new meadowland spur of six and four lanes, paralleling the west bank of the Hackensack River, the largest structure of the entire undertaking—the new high-level Laderman Bridge over the Passaic River—began to rise. Of the bridge's 60 piers, 12 have been completed and work on the contract for the structural steel superstructure has passed the halfway mark. In the Spring of 1969 the contract for the concrete deck of the 7,000-foot bridge will be awarded.

This new bridge, named after Harry Laderman, the toll collector killed in the line of duty in 1967, will parallel the existing Passaic River Bridge which accommodates traffic along the mainline to the Lin-Tunnel Interchange Complex, while to the north, six miles above the present Hackensack River Bridge, construction progressed satisfactorily on the second Hackensack River crossing. The substructure of this new bridge, 4,000 feet long, was



INSTALLING SAND DRAINS FOR NEW MEADOWLAND SPUR IN RIDGEFIELD.



CHAPTER I
A PROMISE ON WAY TO FULFILMENT

95 percent completed at year's end, the steelwork was 65 percent done, and here, too, the contract for the concrete deck was awarded late in December.

There are 150 structures to be built in the overall widening program, and 20 of these have been completed.

Other phases of the expansion have seen much of the embankment material pumped in hydraulically from Raritan Bay and lower New York harbor, taken in barges up the Hackensack River, with the sand loaded into holding basins, from where dredges pump the material to the embankments. The last of this sandfill operation is scheduled to be completed in the Spring.

The work was unavoidably slowed by the nature of the underlying clay which, because it is so soft, has to be loaded very slowly and the water squeezed out of it.

What could be considered the more unusual contracts were awarded for an utility building for the new Edison Interchange connecting with Interstate 287, and another utility building at Woodbridge, for the new interchange complex to provide direct connection with the Garden State Parkway. Construction of these buildings was begun in December. In addition, the program saw several sign and lighting contracts awarded.

New construction techniques emerged during the year. Of particular interest was the employment, for the first time, of new equipment at the Newark Airport Interchange project. A 36-foot wide machine, first seen in the East, was put to work paving three lanes at once.

Keeping abreast of scientific advances, a nuclear testing device has been used to check the density of embankment material, to make sure of its compactness by the use of gamma rays. The techniques replaces the old-fashioned gauge method.

Safety considerations underly the basic planning of the widening concept. The new roadways being laid out will be independent of each other, precluding the hazardous maneuvers of crossing over from one roadway to the other. They will be separated by resilient guard rails, permitting the utmost in traffic protection. Commercial vehicles will be restricted to the outer lanes,



and there will be shoulders on the new bridges as another safety feature.

When the dual/dual Turnpike becomes a reality, it is estimated that it will have required some 722,000 tons of concrete, one million pounds of asphalt, 22 million pounds of reinforcing materials and a total of 118 million pounds of steel. Add to that 196 miles of piling to build the 150 structures. Putting all these things together are nearly 3,000 workers and 2,000 pieces of heavy equipment.

To cover the costs for this massive improvement, the Authority to date has sold three bond issues—$179 million in October 1966, $75 million in June 1968 and another $125 million in October 1968, for a total of $379 million to pay the cost of construction, right-of-way acquisitions, utilities and engineering fees. If prices hold at present levels, the Authority anticipates a final bond issue of approximately $189 million to meet financing costs of the widening program.

If the expansion program has increased the tempo of Turnpike operations, the unprecedented traffic has multiplied the day-by-day routine work load of personnel along the 131 miles of roadways.

From the 73.5 million revenue vehicles using the Turnpike in 1967, a sizeable increase of 6.4 percent was noted in 1968, when a total of 78,205,075 vehicles of all types paid tolls. Thus, in the 17 years of operation, traffic rose by 55.5 million vehicles, or almost 400 percent.

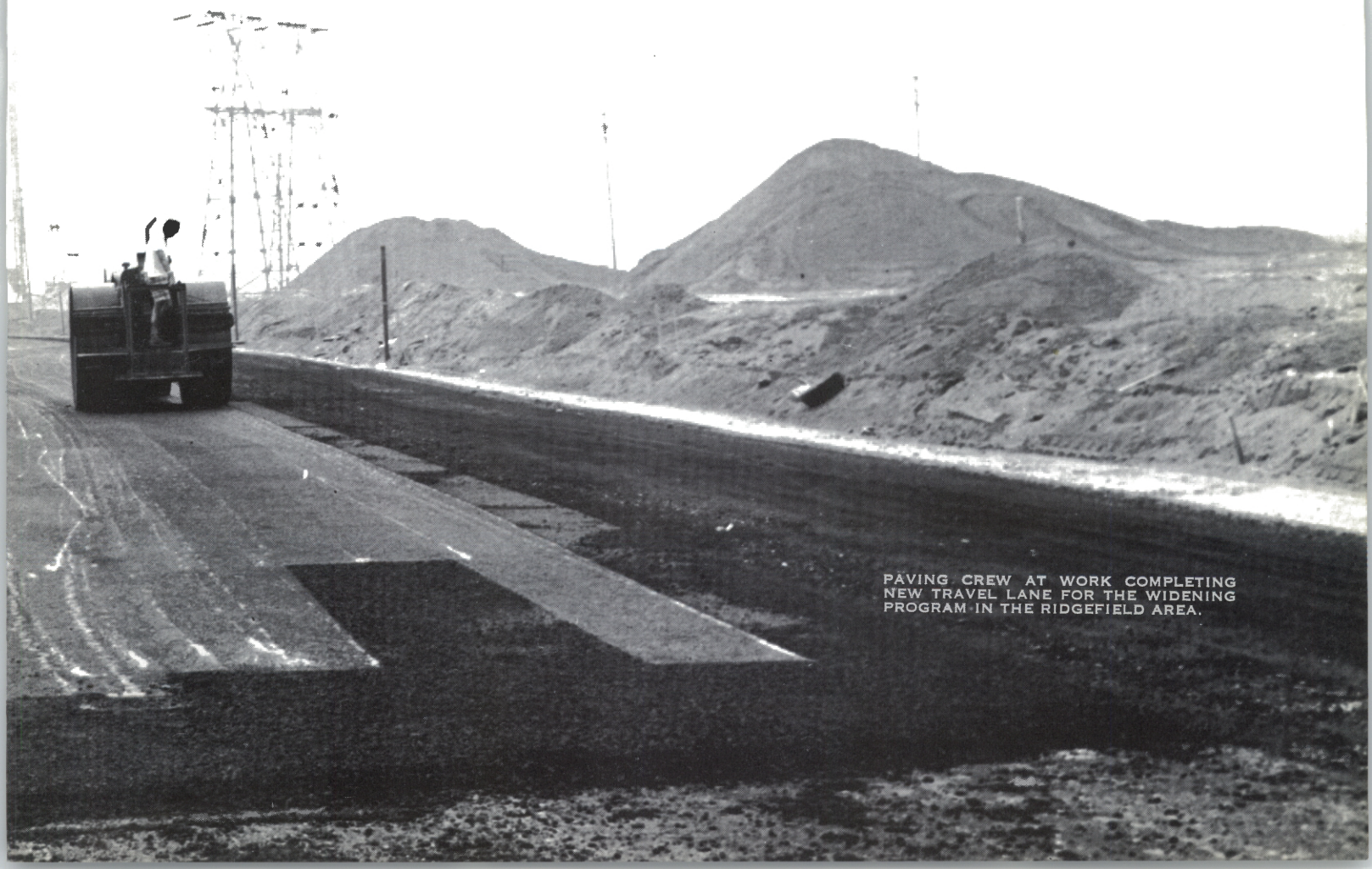
Therein lies the reason for the widening of the northern 30 miles, where has been concentrated more than 60 percent of all Turnpike traffic.

To keep pace with this vehicular surge, to maintain and control it in safety within the best possible efforts of human ingenuity, the Authority's component branches worked in unison.

Implementing the work of engineers, a continuing program of safety was in effect. Important problems of signing and traffic protection were studied and resolved by Traffic Engineering, adopting the latest techniques and seeking out new ones, such as devices for fog detection and control.

Safety was also the keynote in traffic regulations as toll collectors continued to exclude from the road all vehicles considered unsafe.

The around-the-clock protection provided by Troop D of the State



PAVING CREW AT WORK COMPLETING NEW TRAVEL LANE FOR THE WIDENING PROGRAM IN THE RIDGEFIELD AREA.



CHAPTER I

A PROMISE ON WAY TO FULFILMENT

Police in enforcing the State's motor vehicle laws and the Authority's traffic regulations was an important factor in reducing the accident rate. The troop's special task force details assigned to keep commercial vehicles in conformable traffic limits and safety procedures deserve commendation.

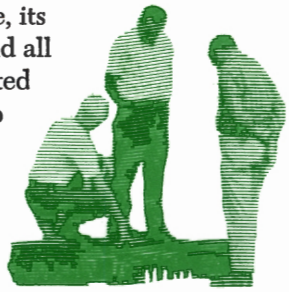
The Authority's concern with safety was accompanied by its regard for the comfort and convenience of its millions of patrons. Improvements have been made in Howard Johnson restaurants and Citgo stations at many of its 14 service areas.

Sections of roadway have been resurfaced, bridge decks repaired and other existing structures updated.

It is significant that in this continuing program of improvement, in the widening program as well as the routine every-day work of maintenance and construction repair, there was a minimum of interference with traffic. If patrons did not see the machines at work alongside the travel lanes, they would not have become immediately aware that the Turnpike was being transformed into a super 12-

lane facility. An example has been the ingenious method of laying out detours that did not seem like detours at all but part of the regular roadway.

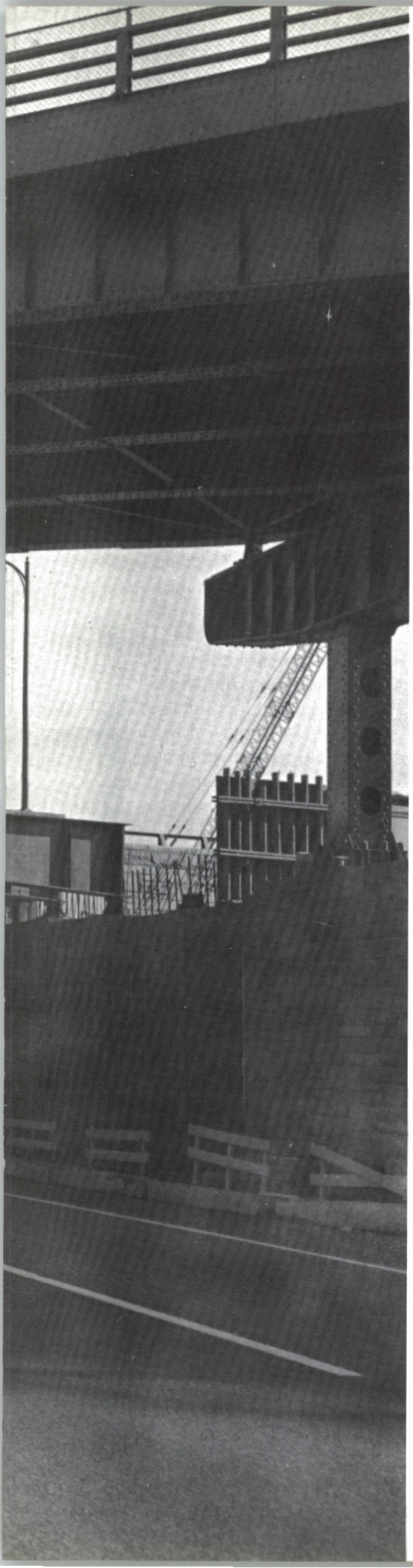
Altogether, 1968 has been a year of considerable progress toward the ultimate goal of providing a highway facility to expedite in safety the travel needs of the next generation. Dedicated to this objective have been the men and women who have cooperated with us during the year—the Authority's staff and working personnel at all levels, its State Police, its consultants and all others associated in our effort to usher in the 70's with a greater New Jersey Turnpike.



MEN AND EQUIPMENT ENGAGED IN BRIDGE FOUNDATION CONSTRUCTION FOR THE NEW PASSAIC RIVER SPAN. VIEW IS LOOKING SOUTH IN KEARNY.



TROOPER ON TRAFFIC PROTECTION DUTY DURING STEEL ERECTION FOR WIDENING WHERE GARDEN STATE PARKWAY CROSSES OVER THE TURNPIKE.





CHAPTER II

EMPHASIS ON SAFETY PAYS DIVIDENDS

Traffic and accident statistics continue to reflect, even with substantial increases in traffic volumes, that the New Jersey Turnpike is one of the safest toll facilities in the nation, when based on comparisons of total mileage accumulated on all toll roadways. More than 78 million vehicles travelled the Turnpike during 1968. These vehicles travelled more than 2.14 billion miles.

Despite this overflow of traffic, the Turnpike experienced an accident rate comparable to the previous year. But the injury rate was down almost 10 points from 1967, while the rate of fatalities (37 in 1968) dropped from 2.16 to 1.72. (There were 44 fatalities in 1967).

The main responsibility of the Traffic Engineering Department is to provide a safe roadway for our patrons, and to see that regulations and procedures are constantly improved to insure that safety for the travelling public and Turnpike employees. To this end, the Department has worked closely with the widening consultants and section engineers, the State Police assigned to the Turnpike, and the Engineering Department.

During 1968, new structures for new interchanges, ramps, overpasses and interstate route connections were built in conjunction with the Widening Program, scheduled for completion in January 1970. This Department issued 126 construction permits and addenda to widening contractors and utility companies, instituting new, strict procedures for construction operations for the contractors' adherence. Twelve temporary detours were built to direct traffic around construction sites with a transition from the mainline to the detours, designed to maintain a normal speed throughout the entire construction area. 74 construction permits and addenda were issued to contractors for all other contract and survey work on the Turnpike.

A study conducted last year by this Department regarding the speed limit signs on the road, showed that a change-over to red neon would create a better visibility of the signs. During 1968, this change over was accomplished, and at the present time, all speed limit signs incorporate the use of red neon. This installation has proven very effective in the improvement of the sight distances for the signs, esppecially during periods of adverse weather conditions.

The Emergency Services section of the Department supervised the handling of more than 70,000 disabled vehicles, all accidents, and property and vehicle fires. Under their direction, 30 contract garages, 22 fire companies and 36 ambulance squads helped to effect a safer Turnpike for all patrons.

Under the direction of the Executive Director and this Department, the Turnpike Employee Safe-



CHAPTER II

EMPHASIS ON SAFETY PAYS DIVIDENDS

ty Committee was formed to provide a greater level of safety for Turnpike employees. This Committee, consisting of 12 members, will handle all safety problems and hazardous conditions on the Turnpike, as reported to the Committee by 30 representatives from all districts and interchanges. The Committee was selected through applications and elected by ballots, submitted by every Turnpike employee. The Committee consists of four toll collection personnel (two supervisory and two non-supervisory—two each from the north and south), four maintenance personnel (two supervisory and two non-supervisory—two each from the north and south), one administration employee, one representative from the Labor Relations Committee, the Chairman (the Deputy Traffic Engineer), and the Assistant Chairman (the Turnpike Safety Coordinator). The Committee, at present, is handling many safety matters, attempting to gain solutions and to correct hazardous conditions in all areas of Turnpike operations.

With the ever increasing volumes of traffic, and the resulting increased responsibilities of the Turnpike Authority, Troop D of the New Jersey State Police continued to contribute its manpower and law enforcement techniques to help enforce all Turnpike regulations. During 1967, a total of 43,762 summonses were issued to violators. In 1968, the issuance of summonses increased to 45,552. State Police statistics also show a definite increase in the apprehension of persons for violations other than motor vehicle violations. Noteworthy was the vigilance of troopers in intercepting the flow of narcotics, dangerous weapons and untaxed cigarettes along the Turnpike.



Six men from Troop D were assigned to construction details, assisting the widening contractors, consultants, and Turnpike employees, with all related construction activities, the surveillance of traffic and the direct enforcement of regulations.



CAPT. WILLIAM J. KENNEDY, COMMANDER OF STATE POLICE TROOP D ON THE TURNPIKE, AND WILLIAM J. FLANAGAN, EXECUTIVE DIRECTOR OF THE AUTHORITY, LOOK OVER COLLECTION OF 30 HANDGUNS AND A HAND GRENADE SEIZED BY TROOPERS IN ONE MONTH FROM VEHICLES IN DRIVE AGAINST ILLEGAL GUN TRAFFIC.

INTENSIFIED LAW ENFORCEMENT ACTIVITY IN 1968 ALSO ACCOUNTED FOR MILLIONS OF DOLLARS IN NARCOTICS CONFISCATED FROM VEHICLES BY TURNPIKE STATE POLICE. HERE TROOPER JOHN BILLICK AND CAPT. KENNEDY ARE SHOWN WITH RECORD HAUL OF 800 POUNDS OF MARIJUANA SEIZED BY BILLICK ON NOV. 1.



TURNPIKE SAFETY RECORD

ACCIDENTS

	1968	1967
Accidents	2,034	1,896
Accident Rate	94.8	93.0
Personal Injuries	1,509	1,628
Injury Rate	70.3	79.9
Fatal Accidents	34	40
Fatalities	37	44
Fatality Rate	1.72	2.16

AIDS TO MOTORISTS

	1968	1967
Mechanical	28,862	26,494
Gasoline	8,589	8,989
Flat Tires	11,982	11,946
Overheat	2,455	2,295
Other	23,712	23,994
Total Aids	75,600	73,718
Aids	1 per 1,034 vehicles	1 per 997 vehicles
Aids per day	207	202

ENFORCEMENT

	1968	1967
Summonses Issued	45,552	43,762
Criminal Arrests	1,189	708

SEVENTEEN YEARS OF OPERATION

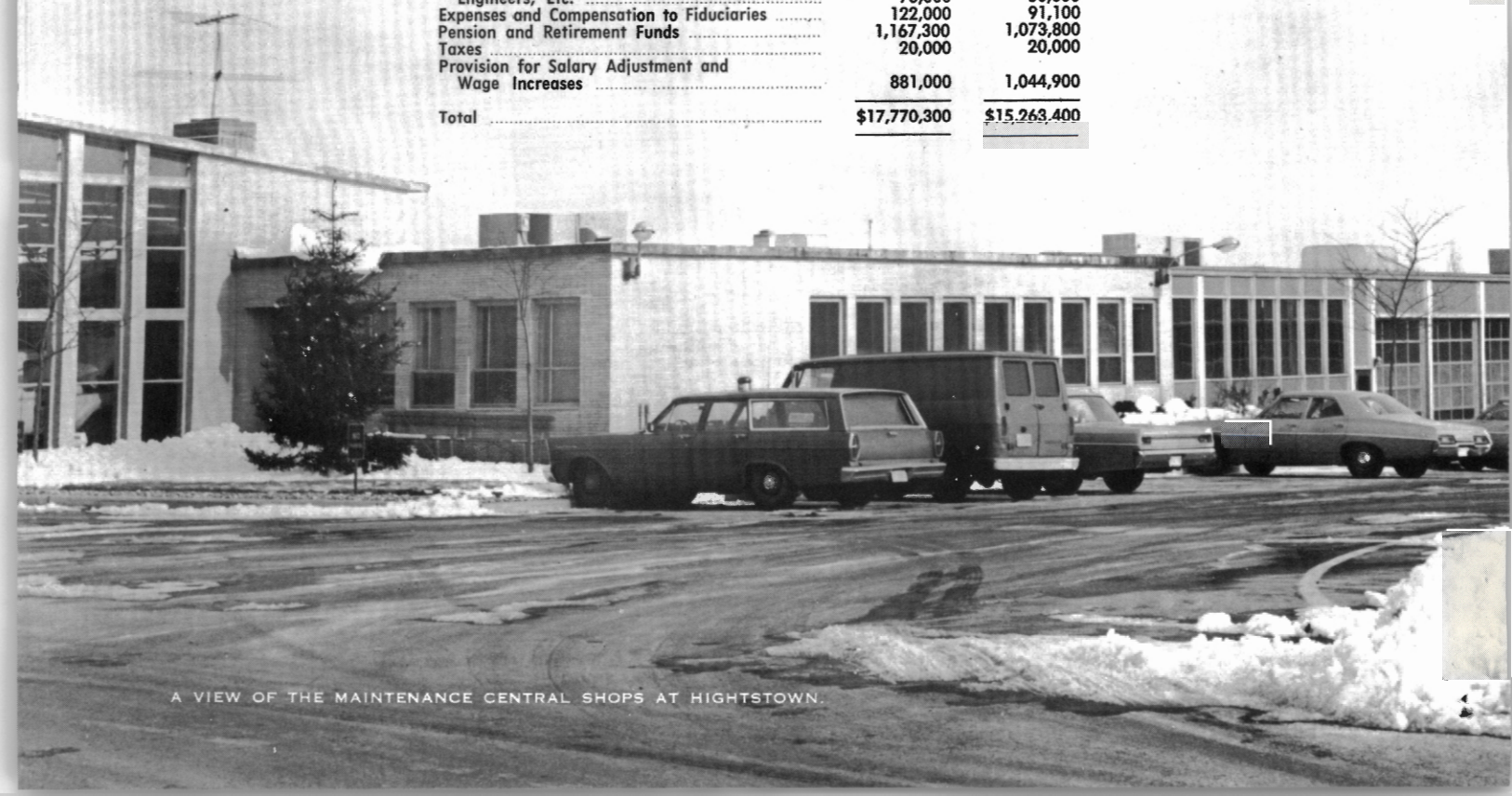
	REVENUE VEHICLES	REVENUE MILEAGE	REVENUE TOLL	CONCESSION REVENUES	TOTAL REVENUES
1951*	787,195	38,246,174	$ 587,326	$ 32,861	$ 620,274
1952	17,948,325	765,807,780	16,241,267	1,523,038	17,829,635
1953	22,005,078	868,606,100	19,192,647	1,853,880	21,510,629
1954	24,555,441	927,393,967	20,756,344	1,826,777	23,217,762
1955	25,888,319	939,672,825	21,122,503	1,859,952	23,905,624
1956†	31,588,224	1,064,377,974	24,513,371	2,056,530	27,767,583
1957	39,269,643	1,200,254,680	29,022,910	2,370,516	32,840,440
1958	41,615,115	1,232,527,909	30,159,491	2,400,793	34,114,718
1959	46,199,339	1,343,847,970	33,317,927	2,602,998	37,317,332
1960	49,083,017	1,414,759,197	35,583,987	2,650,147	39,508,455
1961	51,737,682	1,471,802,723	37,192,652	2,649,106	40,998,727
1962	54,900,745	1,560,490,809	39,240,487	2,660,029	43,081,305
1963	56,677,379	1,610,706,177	40,778,566	2,749,777	44,798,607
1964	60,707,631	1,753,074,755	44,148,839	3,436,989	49,031,874
1965	64,957,715	1,856,395,130	46,122,200	3,624,311	51,296,301
1966	69,850,328	1,944,951,873	48,609,809	3,752,280	53,990,370
1967	73,528,656	2,030,844,201	51,229,549	3,976,450	56,848,226
1968	78,205,075	2,138,002,435	55,339,724	4,323,562	61,316,667

* Section of Turnpike Opened November 5, 1951.

† Pennsylvania and Newark Bay—Hudson County Extensions Opened in 1956.

OPERATIONS BUDGET 1969-1968

	1969	1968
Administrative—General	$ 662,800	$ 580,000
Systems and Data Processing	411,100	355,300
Accounting	208,100	193,900
Traffic Control and Police	2,316,800	1,914,000
Toll Collection	4,782,300	4,287,600
Maintenance, Repair, Replacement and Reconstruction	6,015,000	4,745,500
Engineering	290,400	258,400
Real Estate	21,800	52,700
Insurance	798,700	586,200
Professional Fees to Auditors, Consulting Engineers, Etc.	73,000	60,000
Expenses and Compensation to Fiduciaries	122,000	91,100
Pension and Retirement Funds	1,167,300	1,073,800
Taxes	20,000	20,000
Provision for Salary Adjustment and Wage Increases	881,000	1,044,900
Total	$17,770,300	$15,263,400



A VIEW OF THE MAINTENANCE CENTRAL SHOPS AT HIGHTSTOWN.



GOVERNOR HUGHES SIGNING DOCUMENT AUTHORIZING THIRD WIDENING BOND ISSUE FOR $125 MILLION ON OCTOBER 18. VICE CHAIRMAN HARRIS, EXECUTIVE DIRECTOR FLANAGAN AND CHAIRMAN MORECRAFT ARE SEATED AT THE LEFT. VICE CHAIRMAN DOLL ALSO ATTENDED MEETING WITH THE GOVERNOR'S BOND ISSUING AUTHORITY AND UNDERWRITERS' REPRESENTATIVES.





CHAPTER III

MEETING FINANCIAL OBLIGATIONS

The General Revenue Bond Resolution adopted by the Authority on September 22, 1966 provides for the redemption of all General and Second Series Bonds by January 1, 1976. It further provides that, at November 30, 1968 the total of such bonds outstanding shall not exceed $251,000,000. After taking into consideration any moneys in the sinking funds available for bond redemption, at November 30, 1968 the total of these bonds outstanding was $235,464,000 computed as follows:

Outstanding	$243,319,000
To be called Jan.1, 1969 from moneys in sinking funds, either under firm purchase contract or computed at call price.	7,855,000
Total	$235,464,000

The General Sinking Fund requirement for the 12 months ending November 15, 1969 is $7,048,000 as to the 1950 Issue and $678,000 as to the 1951 Issue. At December 31, 1968 there had been provided $2,886,348 for the 1950 Issue and $277,661 for the 1951 Issue.

Interest coverage for the General and Second Series Bonds in the last three years was:

	1968	*1967*	*1966*
Before extraordinary expenses	5.59	4.65	4.06
After extraordinary expenses	5.18	4.12	3.65

A combination of increasing net revenues after operating expenses and decreasing interest cost arising from bond redemption accounts for these increases in coverage. In years gone by, at its peak, the annual bond interest cost was $15,100,500. In '68 it was $8,314,225.

The new Turnpike Revenue Bonds do not participate in the revenues until the last of the General and Second Series Bonds are redeemed or provision for redemption is in hand. Interest on these new bonds is funded from the proceeds of sale of the bonds until January 1, 1976. To date, the new bonds have been issued in the following amounts at coupon and net interest cost as follows:

Amount	Year of Issue	Coupon	Net Interest Cost
$179,000,000	1966	4.75%	4.7981%
75,000,000	1968	5.125	5.1692
125,000,000	1968	5.20	5.2445

The average net interest cost of the three issues is 5.0188%. Present estimates are that further bond issues totaling $189,000,000 will be required to complete the widening program.

Extraordinary charges financed from the reserves in accordance with provisions of the Bond Resolutions totaled $3,384,843 in 1968. Major portions of this cost had to do with pavement repair and bridge work. The total of these



CHAPTER III

MEETING FINANCIAL OBLIGATIONS

charges since inception to December 31, 1968 is $33,413,690.

Further improvements and betterments to the Turnpike were made in 1968 at a cost of $7,826,923. The cumulative cost from inception to December 31, 1968 is $77,668,871 which was charged to the following funds (See Statement of Cost of Investment in Facilities in the financial statements.)

To the General Reserve Fund	$10,253,186
To the Second Series Maintenance Fund	53,306,441
To the 1966 Turnpike Improvement Fund (note)	14,109,244
	$77,668,871

Note: Provision is made in the General Revenue Bond Resolution for charges to the proceeds of the sale of the new bonds of certain amounts for improvements and betterments.

Of these moneys, $16,398,561 came from the proceeds of sale of bond issues. All other moneys were supplied from the revenues.

At December 31, 1968 all reserve requirements pertaining to the General and Second Series Bonds had been fully met except for a deficiency in the Second Series Maintenance Fund of $694,446 which will be supplied from transfers from the Second Series Interest Reserve Fund. There were moneys in the capital project accounts of $240,488 withdrawn from the Second Series Maintenance Fund.

The Annual Budget of Operating Expenses for the calender year 1968 was $15,263,400. Expenses for the year totaled $14,870,104.

In 1968 investment income totaled $1,457,059. In 1967 the total was $1,476,783. These amounts included interest on time deposit of moneys in the sinking funds of $102,678 and $13,449 respectively. Interest earned and capital gain on investments in the Construction Fund, the Special Projects Account and the Bond Interest Fund accrue to the respective funds and are not treated as revenues in accordance with the provisions of the General Revenue Bond Resolution.

At December 31, 1968 market value of our investments was approximately $1,500,000 below cost thereof. This book loss need cause no concern as maturities are spaced to meet estimated cash needs.

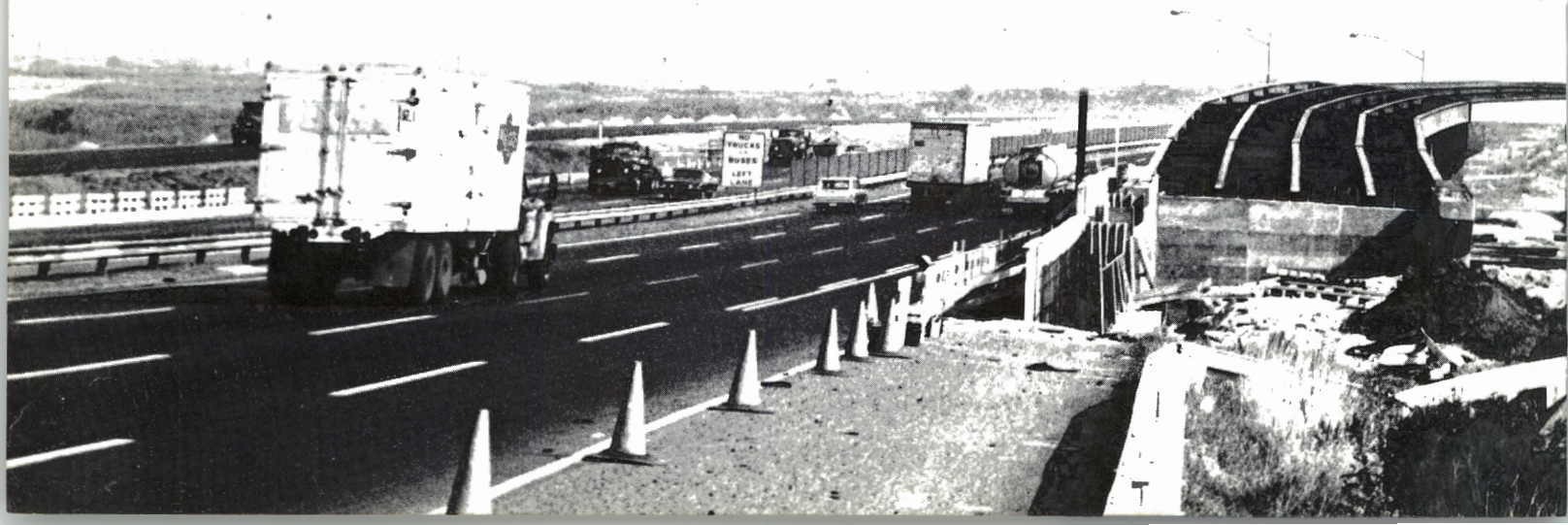
Present estimate of the cost of construction of the widening by the Consulting Engineer is $375,000,000 which includes a reserve for contingencies of $1,338,000. Of this amount $336,837,000 had been committed at December 31, 1968 at which date unpaid commitments were $169,775,000.

Moneys in hand in the Construction Fund pertaining to the Newark Bay-Hudson County Extension totaled $227,266 at December 31, 1968 and are considered adequate to pay any remaining costs.

There follow the financial statements and supporting schedules as reported on by Peat, Marwick, Mitchell & Co., auditors to the Authority.



WIDENING CONSTRUCTION IS TRANSFORMING THE TERRAIN AT ELIZABETH.



FINANCIAL STATEMENTS

PEAT, MARWICK, MITCHELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
RAYMOND-COMMERCE BUILDING
NEWARK, N. J. 07102

New Jersey Turnpike Authority
New Brunswick, New Jersey:

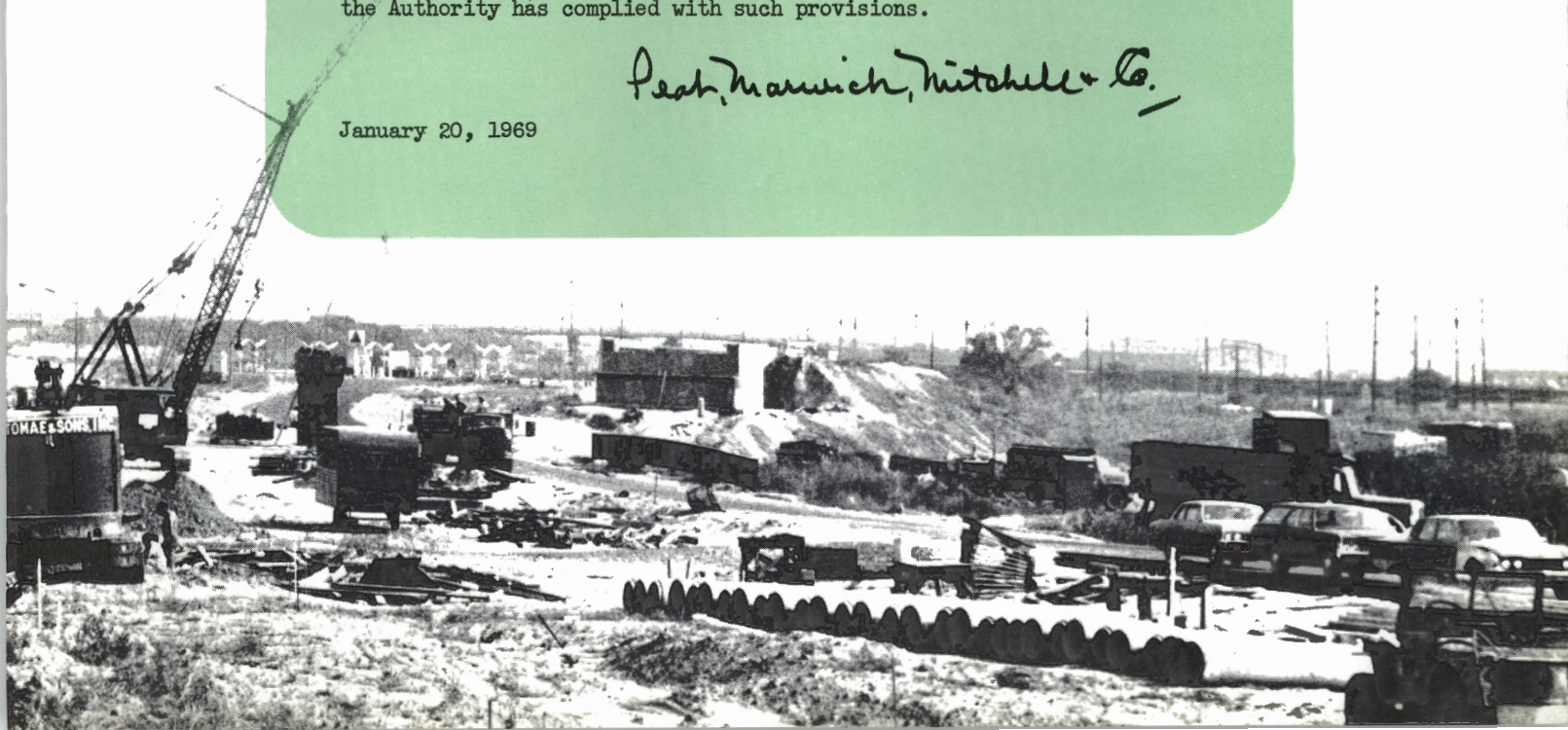
We have examined the statement of assets and liabilities of the New Jersey Turnpike Authority as of December 31, 1968, the related statements of revenues and expenses and application of revenues after expenses, interest and extraordinary charges for the year then ended, and the statement of cost of investment in facilities to December 31, 1968. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the assets and liabilities of the New Jersey Turnpike Authority as of December 31, 1968, the revenues resulting from its operations and the application thereof for the year then ended, and the cost of investment in facilities to December 31, 1968, in conformity with accounting principles set forth in note 1 of Notes to Financial Statements, applied on a basis consistent with that of the preceding year. The current year's supplementary data included in Schedules 1 through 6 have been subjected to the same auditing procedures and, in our opinion, are stated fairly in all material respects when considered in conjunction with the basic financial statements taken as a whole.

Further, we have read the provisions of the Bond Resolutions relating to the receipt and application of funds and, in our opinion, based on our examination of the financial statements referred to above, the Authority has complied with such provisions.

Peat, Marwick, Mitchell & Co.

January 20, 1969





Statement of Assets and Liabilities — December 31, 1968

with comparative figures for 1967

ASSETS

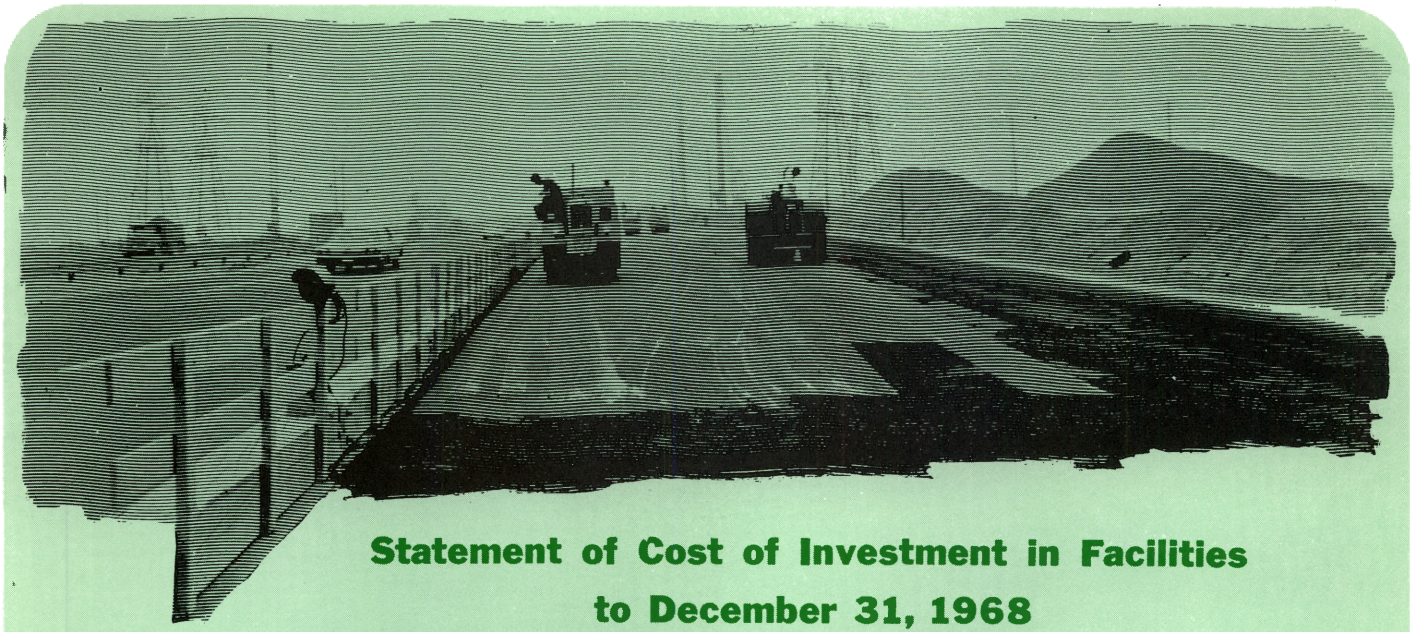
	1968	1967
Operating accounts:		
Cash	$ 348,189	717,177
Investments—at cost (Schedule 1)	680,260	1,229,072
Accounts receivable	407,044	368,901
	1,435,493	2,315,150
Funds allocated from reserve to provide for major improvements, repairs, replacements, maintenance, etc.:		
Cash	240,488	400,786
Deposits in condemnation cases	—	450,875
Accounts receivable	—	40,218
Cost of studies for proposed projects	6,489	6,505
	246,977	898,384
Other funds, including reserve funds (Schedule 2)	33,255,344	28,035,176
Total operating accounts	34,937,814	31,248,710
Construction accounts (Schedule 4)	195,436,450	122,513,350
Cost of investment in facilities	706,182,666	570,543,956
	$936,556,930	724,306,016

See accompanying notes to financial statements.



LIABILITIES

	1968	1967
Operating accounts:		
Withholdings from employees	$ 147,000	119,305
Toll revenues received in advance	86,027	82,370
Other liabilities	1,729	1,680
	234,756	203,355
Funds allocated from reserve to provide for major improvements, repairs, replacements, maintenance, etc.:		
Amounts retained from contractors	110,110	227,140
Total operating accounts	344,866	430,495
Construction accounts (Schedule 4)	12,364,227	3,787,834
Bond indebtedness (Schedule 3):		
General revenue bonds	186,481,000	195,545,000
Second series revenue bonds	53,536,000	76,064,000
Turnpike revenue bonds	379,000,000	179,000,000
Total bond indebtedness	619,017,000	450,609,000
Bond indebtedness retired from revenues	216,418,196	184,841,546
Revenues retained in funds and other accounts	88,412,641	84,637,141
	$936,556,930	724,306,016



Statement of Cost of Investment in Facilities to December 31, 1968

with comparative figures for 1967

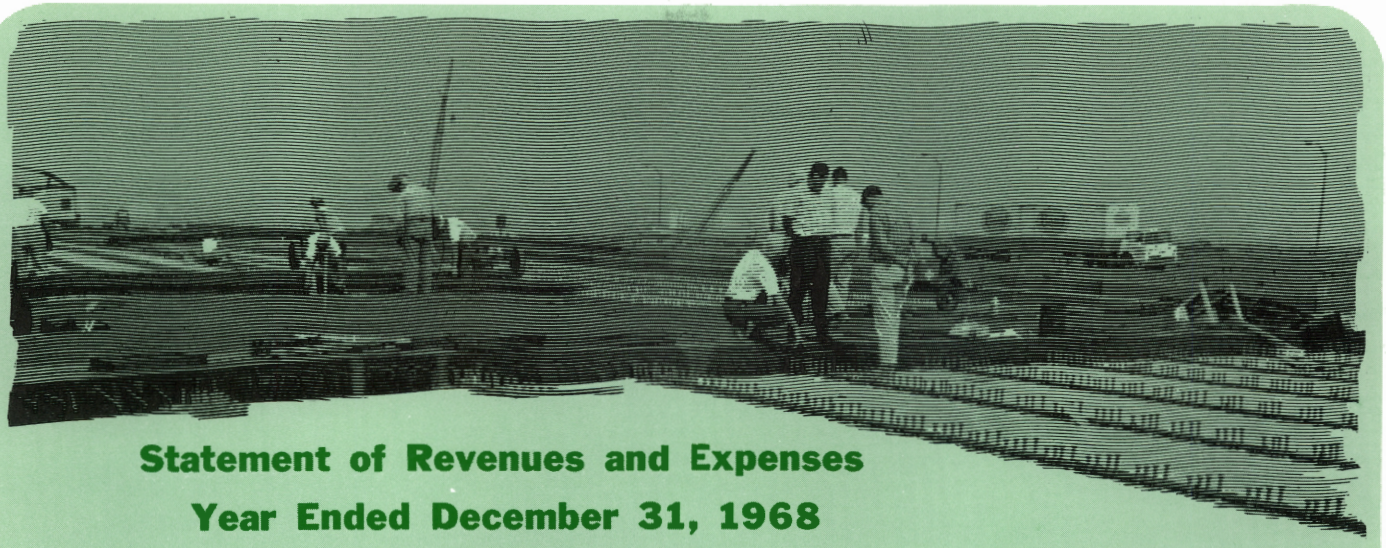
	Original Turnpike	Newark Bay-Hudson County and Pennsylvania Extensions	Additional Traffic Lanes and Service Areas (Note 1)	1966 Turnpike Improvement (Note 2)	Improvements, Enlargements and Betterments (Note 1)	Total to December 31, 1968	Total to December 31, 1967
Engineering and architectural	$ 17,569,745	8,168,129	2,345,403	14,601,972	10,259,925	52,945,174	46,152,566
Land, easements and rights-of-way	20,607,763	7,295,508	18,233	10,641,086	2,674,941	41,237,531	37,273,973
Construction, including cost of training and equipping operating personnel, machinery and equipment and miscellaneous pre-operating expenses	230,726,485	110,407,684	28,142,810	154,451,495	50,428,634	574,157,108	459,365,065
Other costs, including administration	1,368,897	447,012	53,854	1,295,166	110,963	3,275,892	2,820,659
Financial	8,439,872	15,975,349	2,577,427	29,462,299	88,970	56,543,917	41,326,784
	278,712,762	142,293,682	33,137,727	210,452,018	63,563,433	728,159,622	586,939,047
Less income from interim investment of construction funds, etc.	1,093,951	5,856,122	726,101	14,296,976	3,806	21,976,956	16,395,091
	$277,618,811	136,437,560	32,411,626	196,155,042	63,559,627	706,182,666	570,543,956

Notes:

(1) Cost of Additional Traffic Lanes and Service Areas includes $211,882, and Improvements, Enlargements and Betterments includes $61,270,310 provided from retained revenues.

(2) Financial cost of the 1966 Turnpike Improvement includes $22,054,434 interest on Turnpike Revenue Bonds from October 4, 1966, date of initial financing, and $6,883,100 discount on the sale of the bonds.

See accompanying notes to financial statements.



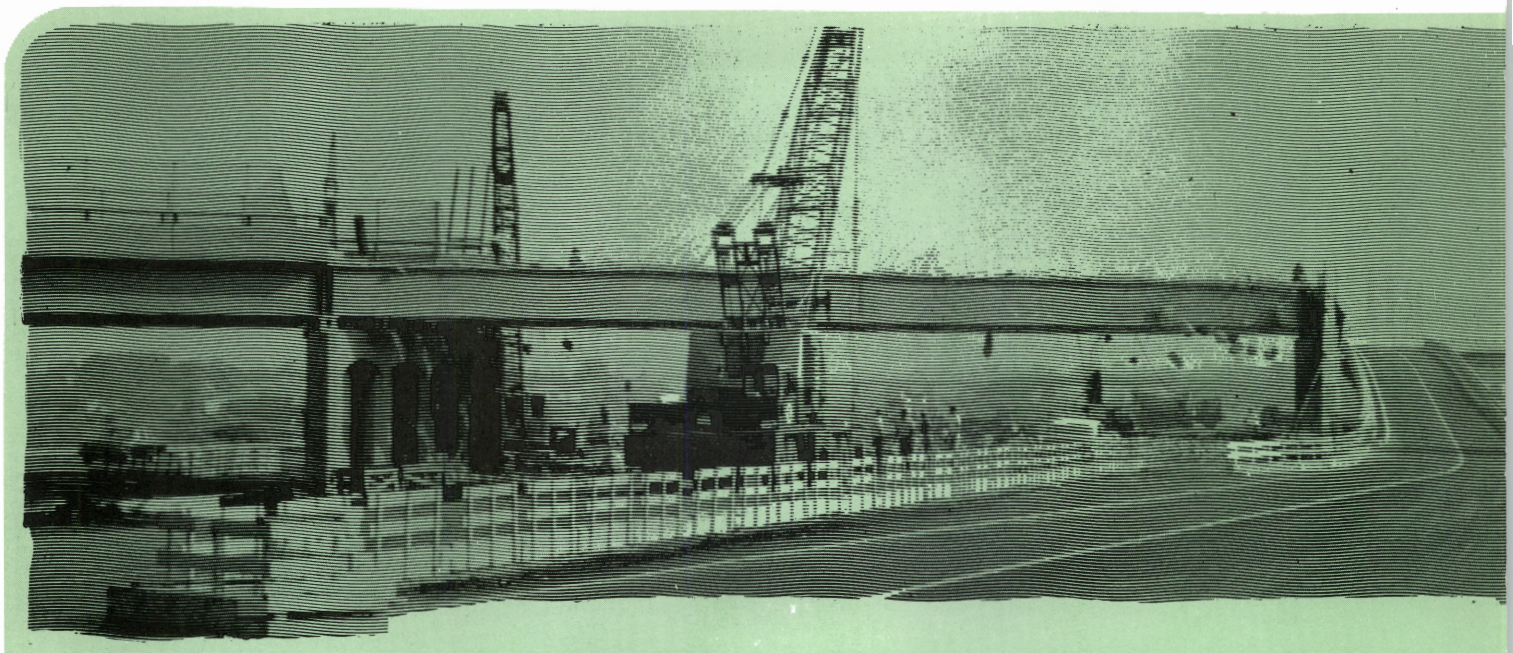
Statement of Revenues and Expenses

Year Ended December 31, 1968

with comparative figures for 1967

	1968	1967
Revenues:		
Toll revenue (Schedule 6)	$55,339,724	51,229,549
Concession revenue	4,323,562	3,976,450
Income from investments	1,457,059	1,476,783
Miscellaneous	196,322	165,444
	61,316,667	56,848,226
Budgeted operating expenses:		
Administration:		
General	616,882	544,924
Toll audit	389,133	328,176
Accounting	201,761	167,839
Operation:		
Traffic control and police	2,117,213	1,711,320
Toll collection	4,452,381	4,144,600
Maintenance, repair, replacement and reconstruction	4,970,032	4,597,770
Engineering	283,776	256,651
Real estate	16,891	15,499
Insurance	585,346	487,869
Professional fees and compensation	68,720	74,302
Expense and compensation of fiduciaries	131,964	83,295
Pension and retirement	1,012,746	906,060
Taxes	29,714	18,634
Cash discounts	(6,455)	(4,153)
	14,870,104	13,332,786
	46,446,563	43,515,440
Interest on bonds (excluding interest on Turnpike revenue bonds charged to cost of facilities):		
General revenue bonds	6,178,126	6,431,796
Second series revenue bonds	2,136,099	2,923,024
	8,314,225	9,354,820
	38,132,338	34,160,620
Extraordinary charges:		
Repairs, replacements and maintenance items of a type not recurring annually or at short intervals	3,384,843	4,966,037
Revenues after expenses, interest and extraordinary charges (see accompanying statement) (Note 1)	$34,747,495	29,194,583

See accompanying notes to financial statements.



Statement of Application of Revenues After Expenses,

	Combined Total	Revenue Fund	Interest Funds	Reserve: General Interest Reserve Fund	Reserve: General Bond Reserve Fund
Balance December 31, 1967	$277,141,187	4,726,419	112,671	3,209,402	7,000,000
Add:					
Revenues after expenses, interest and extraordinary charges for year ended December 31, 1968	34,747,495	(422,120)	(22,434)	—	—
Discount (premium) on bonds retired, net	604,655	—	—	—	—
Transfer of excess reserve requirements	—	—	—	(133,509)	—
Transfers from second series maintenance fund	—	—	—	—	—
Proceeds from sale of property after certification of completion	15,350	—	—	—	—
Revenues invested in facilities during year	—	—	—	—	—
Change in net assets of other operating accounts	—	911,058	—	—	—
	312,508,687	5,215,357	90,237	3,075,893	7,000,000
Less:					
Principal amount of bonds retired, including $31,576,650 from revenues and $15,350 from construction moneys	15,350	—	—	—	—
Balance December 31, 1968	$312,493,337	5,215,357	90,237	3,075,893	7,000,000
Comprised as follows:					
Proceeds from sale of bonds	$ 7,662,500	—	—	162,500	7,000,000
Bond indebtedness retired from revenues	216,418,196	—	—	—	—
Revenues retained	88,412,641	5,215,357	90,237	2,913,393	—
	$312,493,337	5,215,357	90,237	3,075,893	7,000,000

See accompanying notes to financial statements.



Interest and Extraordinary Charges to December 31, 1968

Other Fund Accounts

Funds		Sinking Funds						
Second Series Interest Reserve Fund	Second Series Maintenance Fund	General Bonds	Second Series Bonds	Total (Schedule 2)	Funds for Major Improvements, Repairs, Replacements, Maintenance, etc.	Net Assets of other Operating Accounts	Revenues Invested in Facilities	Bond Indebtedness Retired from Revenues
7,606,400	4,731,001	387,564	261,719	28,035,176	671,244	2,111,796	61,481,425	184,841,546
—	917,957	8,170,173	29,488,762	38,132,338	(3,384,843)	—	—	—
—	—	718,702	(114,047)	604,655	—	—	—	—
(2,252,800)	1,507,969	133,509	744,831	—	—	—	—	—
—	(2,851,373)	—	—	(2,851,373)	2,851,373	—	—	—
—	—	140	15,350	15,490	—	—	(140)	—
—	—	—	—	—	(907)	—	907	—
—	—	—	—	911,058	—	(911,058)	—	—
5,353,600	4,305,554	9,410,088	30,396,615	64,847,344	136,867	1,200,738	61,482,192	184,841,546
—	—	9,064,000	22,528,000	31,592,000	—	—	—	(31,576,650)
5,353,600	4,305,554	346,088	7,868,615	33,255,344	136,867	1,200,738	61,482,192	216,418,196
—	—	—	—	7,162,500	—	500,000	—	—
—	—	—	—	—	—	—	—	216,418,196
5,353,600	4,305,554	346,088	7,868,615	26,092,844	136,867	700,738	61,482,192	—
5,353,600	4,305,554	346,088	7,868,615	33,255,344	136,867	1,200,738	61,482,192	216,418,196



Investments - December 31, 1968

Schedule 1

	Interest Rate	Maturity (Note 1)	Par Value	Cost
Operating fund:				
United States Treasury bills	—%	various	$ 700,000	680,260
Second series interest fund:				
United States Treasury bills	—	June 26, 1969	80,000	77,411
General interest reserve fund:				
United States Treasury bills	—	various	2,585,000	2,513,374
United States Treasury notes	5⅝	Feb. 15, 1969	500,000	500,000
			3,085,000	3,013,374
General bond reserve fund:				
United States Treasury bills	—	various	4,245,000	4,128,443
United States Treasury notes	5⅝	Feb. 15, 1969	1,170,000	1,170,000
United States Treasury notes	4¾	May 15, 1972	1,700,000	1,700,000
			7,115,000	6,998,443
Second series interest reserve fund:				
United States Treasury bills	—	various	1,800,000	1,748,609
United States Treasury notes	5⅝	Feb. 15, 1969	2,800,000	2,800,000
			4,600,000	4,548,609
Second series maintenance fund:				
United States Treasury bills	—	various	4,250,000	4,134,972
Construction fund—1966 Turnpike improvement (Note 3):				
United States Treasury bills	—	various	14,000,000	13,721,469
Thirteen Banks for Cooperatives' debentures	5.55	Apr. 1, 1969	2,000,000	1,997,813
Federal National Mortgage Association debentures	4.65	May 12, 1969	2,000,000	1,991,875
Federal Home Loan Bank notes	6	May 26, 1969	3,000,000	3,000,000
Certificates of Deposit (Note 2)	—	various	47,500,000	47,500,000
			68,500,000	68,211,157
Total carried forward			$88,330,000	87,664,226

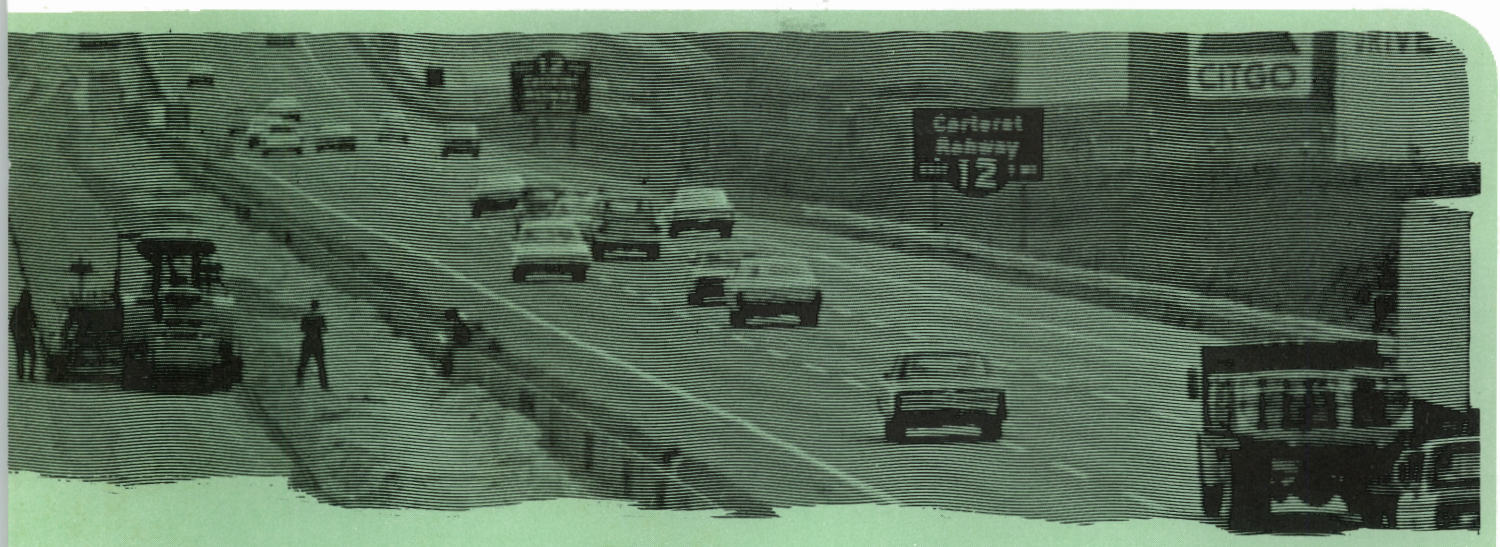
Notes:

(1) United States Treasury bills mature periodically to August 31, 1969.

(2) Certificates of deposit bear interest at annual rates of 5¾% to 6% and mature periodically to June 12, 1969. The certificates which total $48,100,000 were issued by the following banks—The Chase Manhattan Bank, N.A., $21,790,000; Fidelity Union Trust Company, $1,360,000; Bankers Trust Company, $2,940,000; Chemical Bank New York Trust Company, $21,750,000; National Newark & Essex Bank, $260,000. Where required, such certificates are secured by a pledge of direct obligations of the United States by appropriate amounts as required by the bond resolution.

(3) Investments of the Construction Fund and Bond Interest Fund—1966 Turnpike Improvement have been valued at the lower of cost or the principal amount thereof in accordance with the terms of the General Bond Resolution.

(4) As of December 31, 1968 the aggregate market value of the investments was approximately $1,500,000 less than cost.



	Interest Rate	Maturity (Note 1)	Par Value	Cost
Total brought forward			$ 88,330,000	87,664,226
Bond interest fund—1966 Turnpike improvement (Note 3):				
United States Treasury bills	—%	June 26, 1969	100,000	96,764
United States Treasury bonds	4	Oct. 1, 1969	3,220,000	3,059,000
United States Treasury bonds	4	Feb. 15, 1970	1,284,000	1,217,393
United States Treasury notes	5	Nov. 15, 1970	3,357,000	3,287,762
United States Treasury notes	5¼	May 15, 1971	3,440,000	3,422,800
United States Treasury bonds	4	Feb. 15, 1972	3,610,000	3,382,119
United States Treasury bonds	4	Aug. 15, 1972	3,683,000	3,448,209
United States Treasury bonds	4⅛	Nov. 15, 1973	3,835,000	3,559,359
United States Treasury bonds	3⅞	Nov. 15, 1974	8,238,000	7,517,175
United States Treasury notes	5¾	Nov. 15, 1974	2,976,000	2,976,000
United States Treasury notes	6	May 15, 1975	6,310,000	6,310,000
Federal Home Loan Bank notes	5⅜	Mar. 25, 1969	3,135,000	3,097,772
Federal Home Loan Bank notes	6¼	Apr. 25, 1969	1,290,000	1,290,000
Federal Intermediate Credit Bank debentures	5⅝	July 1, 1969	2,120,000	2,120,000
Federal National Mortgage Association debentures	6	Dec. 12, 1969	3,548,000	3,546,334
Federal National Mortgage Association debentures	4⅝	Apr. 10, 1970	2,000,000	1,930,000
Federal National Mortgage Association debentures	6.60	June 10, 1970	3,650,000	3,650,000
The Twelve Federal Land Banks bonds	6	July 20, 1970	1,417,000	1,411,686
Federal National Mortgage Association debentures	5¾	Oct. 13, 1970	2,353,000	2,353,000
Federal National Mortgage Assn. Participation Certificates	6.30	Apr. 8, 1971	5,430,000	5,430,000
Federal National Mortgage Association debentures	4½	Sept. 10, 1971	3,530,000	3,366,737
Export-Import Bank Participation Certificates	6⅝	Sept. 19, 1971	2,500,000	2,500,000
Federal National Mortgage Assn. Participation Certificates	5	Jan. 19, 1972	1,560,000	1,505,400
Federal National Mortgage Assn. Participation Certificates	5½	June 29, 1972	4,220,000	4,180,750
The Twelve Federal Land Banks bonds	5⅞	Oct. 23, 1972	2,650,000	2,650,000
Federal National Mortgage Assn. Participation Certificates	6.45	Apr. 9, 1973	6,120,000	6,120,000
Federal National Mortgage Association debentures	4¼	June 12, 1973	3,755,000	3,525,006
Federal National Mortgage Association debentures	6	Oct. 1, 1973	2,815,000	2,815,000
The Twelve Federal Land Banks bonds	4½	Feb. 20, 1974	3,915,000	3,684,994
Export-Import Bank Participation Certificates	5⅛	May 4, 1974	6,480,000	6,239,150
The Twelve Federal Land Banks bonds	4⅜	Apr. 21, 1975	7,919,000	7,280,092
			110,460,000	106,972,502
Special Projects:				
United States Treasury bills	—	various	950,000	926,891
Certificates of Deposits (Note 2)	—	various	600,000	600,000
			1,550,000	1,526,891
Deposits in Condemnation:				
United States Treasury bills	—	various	9,750,000	9,469,387
Total investments			$210,090,000	205,633,006



Other Funds — December 31, 1968

Schedule 2

	Cash on deposit with Trustee, Special Trustee and Sinking Fund Agent	Investments in United States Government obligations—at cost (Schedule 1)	Total December 31, 1968	Total December 31, 1967
Revenue fund	$ 5,215,357	—	5,215,357	4,726,419
Interest funds:				
General bonds	3,942	—	3,942	3,327
Second series bonds	8,884	77,411	86,295	109,344
	12,826	77,411	90,237	112,671
Reserve funds:				
General interest reserve fund	62,519	3,013,374	3,075,893	3,209,402
General bond reserve fund	1,557	6,998,443	7,000,000	7,000,000
Second series interest reserve fund	804,991	4,548,609	5,353,600	7,606,400
Second series maintenance fund	170,582	4,134,972	4,305,554	4,731,001
	1,039,649	18,695,398	19,735,047	22,546,803
Sinking funds (Note 1):				
General sinking fund:				
3¼ %—1950 issue	176,268	—	176,268	351,262
3.20%—1951 issue	169,820	—	169,820	36,302
	346,088	—	346,088	387,564
Second series sinking fund (Note 2):				
3⅜ %—1953 issue	6,328,315	—	6,328,315	173,105
3 %—1954 issue	1,458,649	—	1,458,649	86,892
2.80%—1955 issue	81,651	—	81,651	1,722
	7,868,615	—	7,868,615	261,719
	8,214,703	—	8,214,703	649,283
	$14,482,535	18,772,809	33,255,344	28,035,176

Notes:

(1) Approximately $469,000 had been committed on firm orders to purchase bonds to be delivered in January 1969.

(2) Includes $7,786,090 reserved for bonds of the 1953 and 1954 issues in the principal amounts of $6,265,000 and $1,444,000, respectively, called for redemption on January 1, 1969 at 101 as provided for in the bond resolutions.

Bond Indebtedness — December 31, 1968

Schedule 3

with comparative figures for 1967

	Original amount authorized and issued	Acquired and cancelled in prior years	Amount outstanding Dec. 31, 1967	Acquired by Sinking Fund and cancelled during 1968	Amount outstanding Dec. 31, 1968
General revenue bonds:					
Turnpike revenue bonds (1950 issue), 3¼%, maturing January 1, 1985	$220,000,000	59,086,000	160,914,000	8,498,000	152,416,000
Turnpike revenue bonds (1951 issue), 3.20%, maturing January 1, 1986	35,000,000	369,000	34,631,000	566,000	34,065,000
	255,000,000	59,455,000	195,545,000	9,064,000	186,481,000
Second series revenue bonds, maturing July 1, 1988:					
Series B, 3⅜ % (1953 issue)	150,000,000	96,389,000	53,611,000	15,360,000	38,251,000
Series B, 3 % (1954 issue)	27,200,000	17,203,000	9,997,000	2,573,000	7,424,000
Series B, 2.80% (1955 issue)	34,000,000	21,544,000	12,456,000	4,595,000	7,861,000
	211,200,000	135,136,000	76,064,000	22,528,000	53,536,000
Turnpike revenue bonds:					
Series A, 4¾% (1966 issue), maturing January 1, 2006	179,000,000	—	179,000,000	—	179,000,000
Series B, 5⅛% (1968 issue), maturing January 1, 2008	75,000,000	—	—	—	75,000,000
Series C, 5.20% (1968 issue), maturing January 1, 2008	125,000,000	—	—	—	125,000,000
	379,000,000	—	179,000,000	—	379,000,000
	$845,200,000	194,591,000	450,609,000	31,592,000	619,017,000

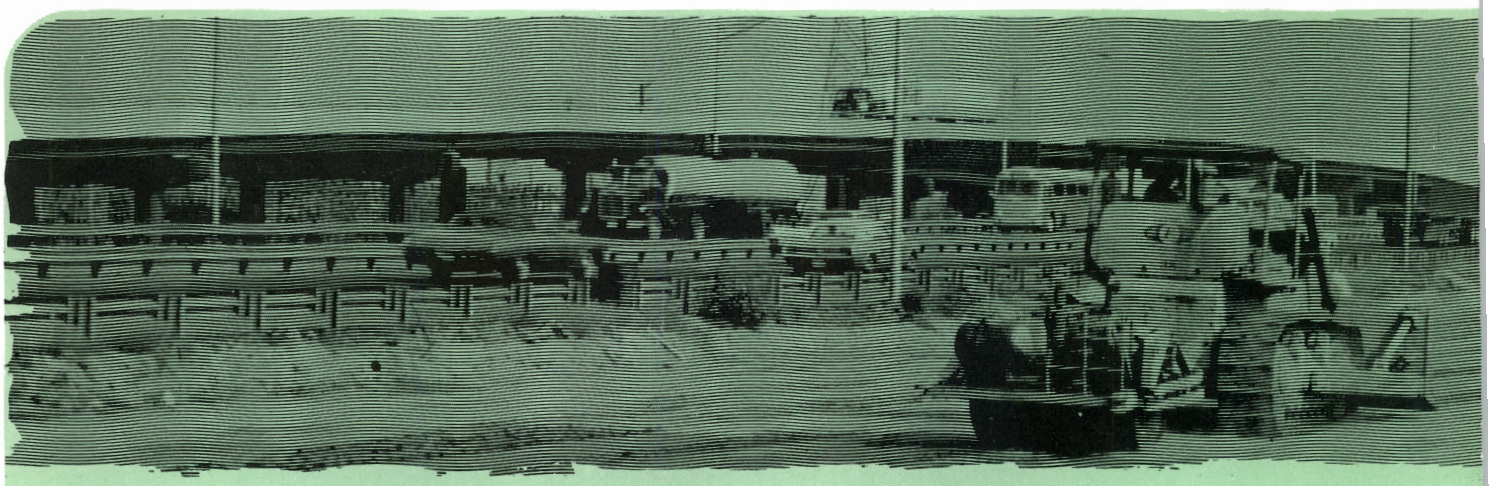
Note—To December 31, 1968 bond indebtedness totaling $226,183,000 had been retired, of which amount $216,418,196 had been retired from revenues and $9,764,804 from excess construction funds.

Schedule 4

Summary of Construction Accounts — December 31, 1968

with comparative figures for 1967

	1966 Turnpike Improvement			Newark Bay-Hudson County Extension	Total December 31,	
	Construction Accounts	Bond Interest Fund	Special Projects		1968	1967
ASSETS						
Cash	$ 3,507,608	13,046	74,552	227,266	3,822,472	2,845,117
Deposits in condemnation cases (including $9,469,387 invested in United States Treasury bills)	14,467,902	—	75,000	—	14,542,902	11,347,288
Interim investments of construction funds—at cost (Schedule 1)	68,211,157	106,972,502	1,526,891	—	176,710,550	108,134,156
Accrued interest purchased	57,250	82,369	—	—	139,619	13,444
Deposits, other than condemnation	130,261	—	—	—	130,261	143,539
Accounts receivable	90,646	—	—	—	90,646	29,806
	$86,464,824	107,067,917	1,676,443	227,266	195,436,450	122,513,350
LIABILITIES						
Amounts retained from contractors and engineers	$12,350,825	—	13,402	—	12,364,227	3,787,834



Cash Receipts and Disbursements - Year Ended December 31, 1968

	Combined Total	Operating Accounts	Funds for Major Improvements, Repairs, etc.	Revenue Fund	General Interest Fund	Second Series Interest Fund
Cash balances, December 31, 1967	$ 9,878,462	717,177	400,786	4,726,419	3,327	109,344
Receipts:						
Revenues (including income of $1,457,059 on investments)	61,284,137	56,796	9,584	59,827,078	142,414	38,529
Transfers of income on investments	—	(56,796)	(9,584)	1,457,059	(142,414)	(38,529)
Transfers from revenue fund	—	13,926,517	—	(60,795,199)	6,178,741	2,113,050
Income on construction investments	6,060,053	—	—	—	—	—
Sale or redemption of investments	253,514,385	3,687,544	—	—	6,107,586	2,211,464
Proceeds from sale of property after certification of completion	15,490	—	—	—	—	—
Transfers of excess reserves	—	—	—	—	—	—
Transfers from second series maintenance fund	—	—	2,851,373	—	—	—
Proceeds from sale of bonds including accrued interest of $872,656	197,372,656	—	—	—	—	—
Transfers from construction accounts	—	—	—	—	—	—
	528,125,183	18,331,238	3,252,159	5,215,357	12,289,654	4,433,858
Disbursements:						
Budgeted operating expenses	14,870,104	14,870,104	—	—	—	—
Interest on bond indebtedness	20,683,925	—	—	—	6,178,126	2,136,099
Purchase of investments including accrued interest	318,775,104	3,112,945	—	—	6,107,586	2,288,875
Retirement of bond indebtedness of $31,592,000	30,987,344	—	—	—	—	—
Payment of cost of construction, studies and extraordinary repairs, replacements and maintenance items	121,183,561	—	3,462,546	—	—	—
Deposits in condemnation cases	2,744,739	—	(450,875)	—	—	—
Deposits other than condemnation	(13,278)	—	—	—	—	—
	509,231,499	17,983,049	3,011,671	—	12,285,712	4,424,974
Cash balances, December 31, 1968	$ 18,893,684	348,189	240,488	5,215,357	3,942	8,884

DEPOSITORIES	Cash Balance	Market Value of Securities Pledged to Secure Deposits
Operating Accounts:		
First Jersey National Bank	$ 116,899	2,153,125
The Peoples National Bank of New Brunswick	177,190	911,875
Toll collectors and other imprest funds	54,100	—
Funds for Major Improvements, Repairs, etc.:		
First National Bank of Passaic County	67,897	2,645,156
National Community Bank	172,591	1,426,832
Revenue Fund:		
Fidelity Union Trust Company	921,950	6,178,024
The National State Bank	4,293,407	5,553,096
All Other Funds:		
The Chase Manhattan Bank, N. A.	13,089,650	23,932,800
	$18,893,684	42,800,908



Schedule 5

General Interest Reserve Fund	General Bond Reserve Fund	Second Series Interest Reserve Fund	Second Series Maintenance Fund	General Bonds Sinking Funds	Second Series Bonds Sinking Funds	1952 Bond Resolution Construction Funds	1966 Turnpike Improvement		
							Construction Accounts	Special Projects	Bond Interest Fund
83,001	36,485	71,015	236,508	387,564	261,719	227,995	2,495,359	76,959	44,804
167,579	357,035	336,471	245,973	—	102,678	—	—	—	—
(167,579)	(357,035)	(336,471)	(245,973)	—	(102,678)	—	—	—	—
—	—	—	917,957	8,170,173	29,488,761	—	—	—	—
—	—	—	—	—	—	—	2,842,020	50,430	3,167,603
5,239,215	8,218,074	7,595,863	9,503,028	—	—	—	188,432,670	3,632,689	18,886,252
—	—	—	—	140	15,350	—	—	—	—
(133,509)	—	(2,252,800)	1,507,969	133,509	744,831	—	—	—	—
—	—	—	(2,851,373)	—	—	—	—	—	—
—	—	—	—	—	—	—	195,772,656	1,600,000	—
—	—	—	—	—	—	—	(62,457,391)	—	62,457,391
5,188,707	8,254,559	5,414,078	9,314,089	8,691,386	30,510,661	227,995	327,085,314	5,360,078	84,556,050
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	12,369,700
5,126,188	8,253,002	4,609,087	9,143,507	—	—	—	203,496,023	4,464,587	72,173,304
—	—	—	—	8,345,298	22,642,046	—	—	—	—
—	—	—	—	—	—	729	116,974,347	745,939	—
—	—	—	—	—	—	—	3,120,614	75,000	—
—	—	—	—	—	—	—	(13,278)	—	—
5,126,188	8,253,002	4,609,087	9,143,507	8,345,298	22,642,046	729	323,577,706	5,285,526	84,543,004
62,519	1,557	804,991	170,582	346,088	7,868,615	227,266	3,507,608	74,552	13,046



Schedule 6

Toll Revenue — Year Ended December 31, 1968

with comparative figures for 1967

Class	Description	1968 Toll revenue	1968 Vehicles	1967 Toll revenue	1967 Vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	$35,480,887	65,930,693	$33,763,158	62,113,603
2	Vehicles having two axles other than type described under Class 1	4,144,495	4,519,751	4,192,227	4,422,962
3	Vehicle (vehicles), single or in combination, having three axles	2,639,003	1,641,811	2,145,060	1,521,660
4	Vehicle (vehicles), single or in combination, having four axles	6,525,746	3,391,507	6,031,567	3,250,376
5	Vehicle (vehicles), single or in combination, having five axles	6,546,126	2,716,016	5,097,433	2,216,119
6	Vehicle (vehicles), single or in combination, having six or more axles	13,258	5,297	9,274	3,936
	Non-revenue vehicles (Note 2)	—	421,240	—	403,131
		55,349,515	78,626,315	51,238,719	73,931,787
	Deduct toll adjustments	9,791		9,170	
		$55,339,724		$51,229,549	

NOTES:

(1) On October 1, 1967, the Authority, upon recommendation of its Traffic Engineers, put into effect revised vehicle classifications and toll rates. Information included above for periods prior to October 1, 1967 has been reclassified to conform to the new classifications.

(2) Non-revenue vehicles represents traffic of members, officers and employees of the Authority actually in the performance of their duties or traveling to or from such duties, members of the New Jersey State Police Force, members of Fire Departments or local Police Departments actually in the performance of their duties, ambulances, rescue squads or necessary vehicles of concessionaires.



NOTES TO FINANCIAL STATEMENTS

(1) ACCOUNTING PRINCIPLES:

(a) Authorizing legislation—The New Jersey Turnpike Authority is a body corporate and politic created by the New Jersey Turnpike Authority Act of 1948 as amended and supplemented, authorized to construct, maintain, repair and operate turnpike projects at locations established by law, and to issue turnpike revenue bonds of the Authority, subject to prior approval in writing of the Governor and of either or both the State Treasurer and the Comptroller of the Treasury, payable solely from tolls and other revenues of the Authority. Under the provisions of the Act, turnpike revenue bonds and the interest thereon shall not be deemed to constitute a debt or liability or a pledge of the faith and credit of the State or any political subdivision thereof.

The Authority has no stockholders nor equity holders and all revenues of the turnpike are required to be deposited by the Authority with, or in the name of, a special trustee to be applied in accordance with the provisions of the bond resolutions.

Accounts of the Authority are maintained in accordance with the principles set forth in this note, which are based on the provisions of the bond resolutions and on the Authority's interpretation of said resolutions.

(b) Investment in facilities—Consists primarily of amounts expended to acquire right-of-way, construct and place in operation the turnpike, its extensions and related facilities. In accordance with the bond resolutions there have been included in construction costs expenses in connection with the offering, selling and issuance of bonds; discount on the sale of bonds; commitment fees under bond purchase agreements; cost of certain real estate in excess of right-of-way requirements which may be sold and the proceeds applied in reduction of construction costs; and interest on bonds (less income earned on unexpended construction funds) and administrative and legal expenses during the construction period. This amount also includes the cost of improvements, enlargements and betterments to the original facility.

(c) Interest—Interest on bond indebtedness is payable semi-annually on January 1, and July 1, of each year. Interest due on January 1, 1969 of $12,000,807 had been deposited with the paying agent as of December 31, 1968 (as in the previous year) and, accordingly, there is no liability shown in the accounts for such interest at that date.

(d) Pension and retirement plans—Employees of the Authority are covered by the Public Employees Retirement System of the State of New Jersey. Pension plan expense of $686,585 for 1968 ($601,716 in 1967) is based on annual billings received from the Retirement System and recorded on a cash basis. Authority employees are also covered by the Federal Social Security Act.

(e) Operations—Toll revenues are recorded as earned, income on investments and from concessions is recorded when collected and costs of construction, improvements, enlargements and betterments to the facility and operating expenses (including

NOTES TO FINANCIAL STATEMENTS

materials and supplies) are recorded when paid.

The Annual Budget of Operating Expenses as filed for the year 1968 amounted to $15,263,400 as compared with cash disbursements during 1968 for operating expenses of $14,870,104.

The bond resolutions state that operating expenses shall not include any allowance for depreciation and accordingly no provision for depreciation has been included in the accounts or in the accompanying financial statements. In the absence of a provision for depreciation, effective recovery of construction costs is expected to be accomplished through the required allocation of available revenues to the respective sinking funds for retirement of the related bond indebtedness. During 1968 $38,552,765 was made available for the retirement of bonds, $38,537,415 of which was from revenues and reserves and $15,350 from construction moneys.

The Authority, with the approval of the Consulting Engineer, may direct the Trustee to transfer funds from the Second Series Maintenance Fund to special accounts to pay the cost of repairs, replacements or maintenance items of a type not recurring annually or at short intervals and for which moneys were not provided in the budgeted operating expenses. Transfers may also include funds for major improvements and certain studies. During the year ended December 31, 1968, transfers for such purposes amounted to $2,851,373. From funds so provided during the current and preceding year, expenditures were made for major improvements in the amount of $907 which has been added to the cost of investment in facilities and $3,384,843 for repairs, replacements and maintenance items which has been reflected as an extraordinary charge in the accompanying Statement of Revenues and Expenses.

Net revenues for the year 1968 as defined in the 1966 bond resolution amounted to $47,390,150 (revenues $61,316,667, less amounts paid from the Revenue Fund into the Operating Fund, $13,926,517). For the year 1967, net revenues as defined, were $42,511,402.

(2) AGREEMENT WITH BOND HOLDERS:

To provide funds for the construction of the turnpike and extensions, the Authority authorized on February 10, 1950, an issue of $220,000,000 Turnpike Revenue Bonds (1950 issue); on September 19, 1951, an issue of $35,000,000 Turnpike Revenue Bonds (1951 issue), both referred to as General Revenue Bonds; on November 18, 1952, an issue of $32,024,000 Second Series Bonds (Series A) of which $30,000,000 was issued; on October 14, 1953, an issue of $150,000,000 Second Series Bonds (Series B) of which $30,000,000 has been used to retire the Second Series Bonds (Series A); on April 14, 1954, an issue of $27,200,000 Second Series Bonds (Series B), and on March 17, 1955, an issue of $34,000,000 Second Series Bonds (Series B).

For the purpose of financing a portion of the cost of construction of a turnpike widening and improvement program and certain special projects related in general to the turnpike system, the Authority authorized on September 22, 1966, an issue of $179,000,000 Turnpike Revenue Bonds, Series A, on June 5, 1968, an issue of $75,000,000 Turnpike Revenue Bonds, Series B, and on October 18, 1968, an issue of $125,000,000 Turnpike Revenue Bonds, Series C.

Minimum annual sinking fund payments sufficient to retire the General Revenue Bonds by maturity are required in increasing annual amounts. The minimum sinking fund requirement for the annual period ended November 15, 1968 has been satisfied. The requirement for the annual period ending November 15, 1969 is $7,726,000. No minimum annual sinking fund payments are required for the Second Series Bonds (Series B) which mature July 1, 1988; however, all remaining revenues, after satisfying the requirements of all other funds provided for in the bond resolutions are allocated to the Second Series Sinking Fund.

In the bond resolutions relating to the Turnpike Revenue Bonds, the Authority has covenanted to charge such tolls as shall be required in order that net revenues will be at least sufficient, together with other available funds, to retire or provide for the retirement of all the General Revenue Bonds and Second Series Bonds by January 1, 1976.

Prior to such retirement, interest on the Turnpike Revenue Bonds will be payable from a portion of the bond proceeds deposited in the Bond Interest Fund and the investment earnings of such fund. On and after the retirement of all of the General Revenue Bonds and Second Series Bonds, the Turnpike Revenue Bonds will be payable from and secured by pledge of the revenues of the turnpike system.

Sinking fund requirements for the Turnpike Revenue Bonds commence with the annual period ending November 15, 1978.

During the year 1968 the remaining revenues, excess reserve requirements and excess construction moneys applicable to Second Series Bonds of $30,248,943 were transferred to the Second Series Sinking Fund and allocated to sub-sinking funds as follows:

Series B, 3⅜ %	(1953 Issue)	$21,629,767
Series B, 3 %	(1954 Issue)	3,962,136
Series B, 2.80%	(1955 Issue)	4,657,040
		$30,248,943

In addition, $8,303,822 was transferred to the General Sinking Fund satisfying in full the remaining amount due for the annual period ended November 15, 1968 and including $3,164,009 in partial payment on the amount due for the annual period ending November 15, 1969. General Revenue Bonds and Second Series Bonds, at the election of the Authority, may be redeemed at varying premium rates other than by operation of the respective sinking funds, as set forth in the bond resolutions.



CHAPTER IV

TOLLS OPERATION STREAMLINED

A steady shift program for toll collectors went into full operation at all Interchanges on April 1, 1968. The initial phase of the steady shift schedule was started in the Southern Division on May 22, 1967 and gradually implemented at all Interchanges on a trial basis.

Reaction of toll collectors to new work schedule is being evaluated and results of the trial period will determine whether the steady shift program will be instituted in 1969 on a permanent basis.

Some 400 full-time toll collectors were on the work roster at the close of 1968. The work force is expected to be increased by 25 more men in 1969 because of the increased traffic volume.

The new and enlarged Interchange 13 at Elizabeth was opened to traffic in its entirety on July 31, 1968 and the old interchange was subsequently closed.

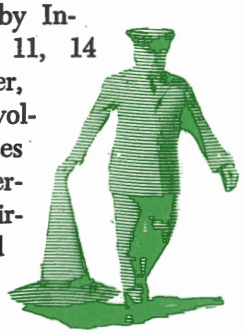
The first new interchange in the Widening Program, located in Woodbridge, is expected to be completed and opened to traffic before the end of 1969. The new interchange will link the Garden State Parkway at Woodbridge and the existing Interchanges 10 and 11 will be abandoned.

When new Interchange 11 in Woodbridge is opened, new and modern toll collection entry lane equipment will be introduced and instituted for the purpose of expediting traffic and promoting greater security measures.

The first major change in toll collector uniforms will be introduced on a limited scale in the Southern Division during the first part of 1969 with distribution on a full scale scheduled over a period of two years.

Basic changes in the uniform entails switch-over to a dark blue jacket with brass buttons, grey shirt, grey trousers with a blue stripe down each side, maroon necktie, blue cap and black peak. Another feature of the new uniform is the elimination of the trail blazer patch worn on the left shoulder of the shirt and coat. It is replaced by a circular Turnpike insignia worn over the left pocket of the shirt and jacket. The new uniform will supersede the blue colored uniform with tan shirt and blue tie.

Traffic in 1968 continued upward with the largest increases noted at Interchange 13 in Elizabeth, followed closely by Interchange 18, 11, 14 and 17. However, highest total volume of vehicles occured at Interchange 14 (Airport) followed by Interchange 18.



NEW JERSEY TURNPIKE TOLL COLLECTORS IN 1969 WILL BE WEARING NEW UNIFORM, MODELED AND DISPLAYED BY LAWRENCE WAGNER.



TRAFFIC AND TOLL REVENUES

REVENUE VEHICLES

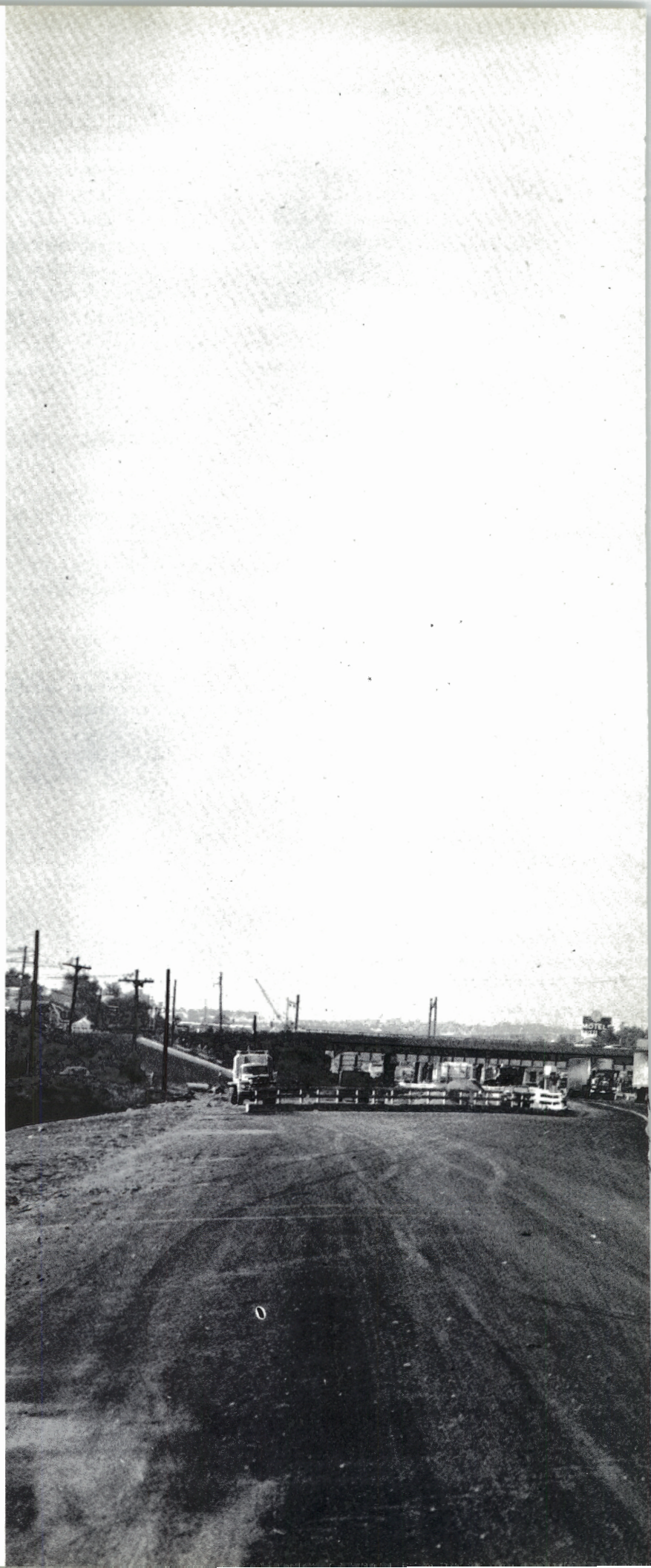
	1968	1967
January	5,584,613	5,499,556
February	5,489,760	4,619,490
March	6,126,323	5,937,461
April	6,532,316	5,971,305
May	6,769,859	6,329,086
June	7,020,766	6,687,706
July	7,191,553	6,741,472
August	7,573,486	6,987,434
September	6,770,710	6,372,425
October	6,688,618	6,320,792
November	6,306,483	6,108,408
December	6,150,588	5,953,521
	78,205,075	73,528,656

REVENUE MILEAGE

	1968	1967
January	140,009,386	140,109,224
February	142,355,817	117,726,064
March	160,182,220	158,673,122
April	179,436,155	163,417,104
May	179,381,271	169,829,277
June	198,901,031	187,076,173
July	209,217,164	205,234,309
August	227,069,807	207,729,414
September	189,116,649	182,207,012
October	174,188,023	170,562,871
November	170,703,467	166,669,007
December	167,441,445	161,610,624
	2,138,002,435	2,030,844,201

TOLL REVENUES

	1968	1967
January	$ 3,834,077	$ 3,655,947
February	3,772,947	3,122,447
March	4,220,121	4,064,734
April	4,619,480	4,089,673
May	4,710,769	4,314,196
June	5,051,228	4,693,226
July	5,261,194	4,858,839
August	5,585,673	5,043,129
September	4,834,405	4,503,535
October	4,684,072	4,430,255
November	4,431,217	4,293,539
December	4,334,541	4,160,029
	$55,339,724	$51,229,549



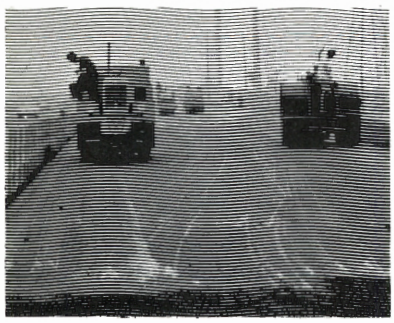
NOTE: On October 1, 1967, the Authority put into effect revised vehicle classifications and toll schedules which were recommended by its Traffic Engineers, Coverdale & Colpitts, who certified that no decrease in toll revenue will result from these changes and pointed out that approximately 98.2% of last year's traffic would not be affected by these changes. The figures set forth applicable to periods prior to that date have been recast to conform to these revised classifications.

CLASS	DESCRIPTION	1968 No. of Vehicles	1968 Percent of Total Revenue Vehicles	1968 Revenue	1968 Percent of Total Indicated Toll Revenue	1967 No. of Vehicles	1967 Percent of Total Revenue Vehicles	1967 Revenue	1967 Percent of Total Indicated Toll Revenue
1	Passenger Car, Motorcycle, Taxi or Hearse, Light Truck	65,930,693	84.3	$35,480,887	64.1	62,113,603	84.5	$33,763,158	65.9
2	Vehicle having two axles other than type described under Class 1	4,519,751	5.8	4,144,495	7.5	4,422,962	6.0	4,192,227	8.2
3	Vehicle (Vehicles), single or in combination, having three axles	1,641,811	2.1	2,639,003	4.8	1,521,660	2.1	2,145,060	4.2
4	Vehicle (Vehicles), single or in combination, having four axles	3,391,507	4.3	6,525,746	11.8	3,250,376	4.4	6,031,567	11.8
5	Vehicle (Vehicles), single or in combination, having five axles	2,716,016	3.5	6,546,126	11.8	2,216,119	3.0	5,097,433	9.9
6	Vehicle (Vehicles), single or in combination, having six or more axles	5,297		13,258		3,936		9,274	
	Sub Total	78,205,075	100.0	55,349,515	100.0	73,528,656	100.0	51,238,719	100.0
	Non-Revenue Vehicles*	421,240				403,131			
	Sub Total	78,626,315		55,349,515		73,931,787		51,238,719	
	Less Toll Adjustments			9,791				9,170	
	Total	78,626,315		$55,339,724		73,931,787		$51,229,549	
Daily Average Revenue Vehicles		**213,675**				**201,448**			
Daily Average Toll Revenue				**$151,201**				**$140,355**	

*Non-revenue vehicles represent traffic of members, officers and employees of the Authority actually in the performance of their duties of traveling to or from such duties, members of the New Jersey State Police Force, members of Fire Departments or local Police Departments actually in the performance of their duties, ambulances, rescue squads or necessary vehicles of concessionaires, and vehicles of contractors used in construction of the turnpike and its buildings.



NORTHBOUND TRAFFIC MAKING AN EASY DETOUR DURING CONSTRUCTION ON THE MEDIAN IN WOODBRIDGE AREA.



CHAPTER V

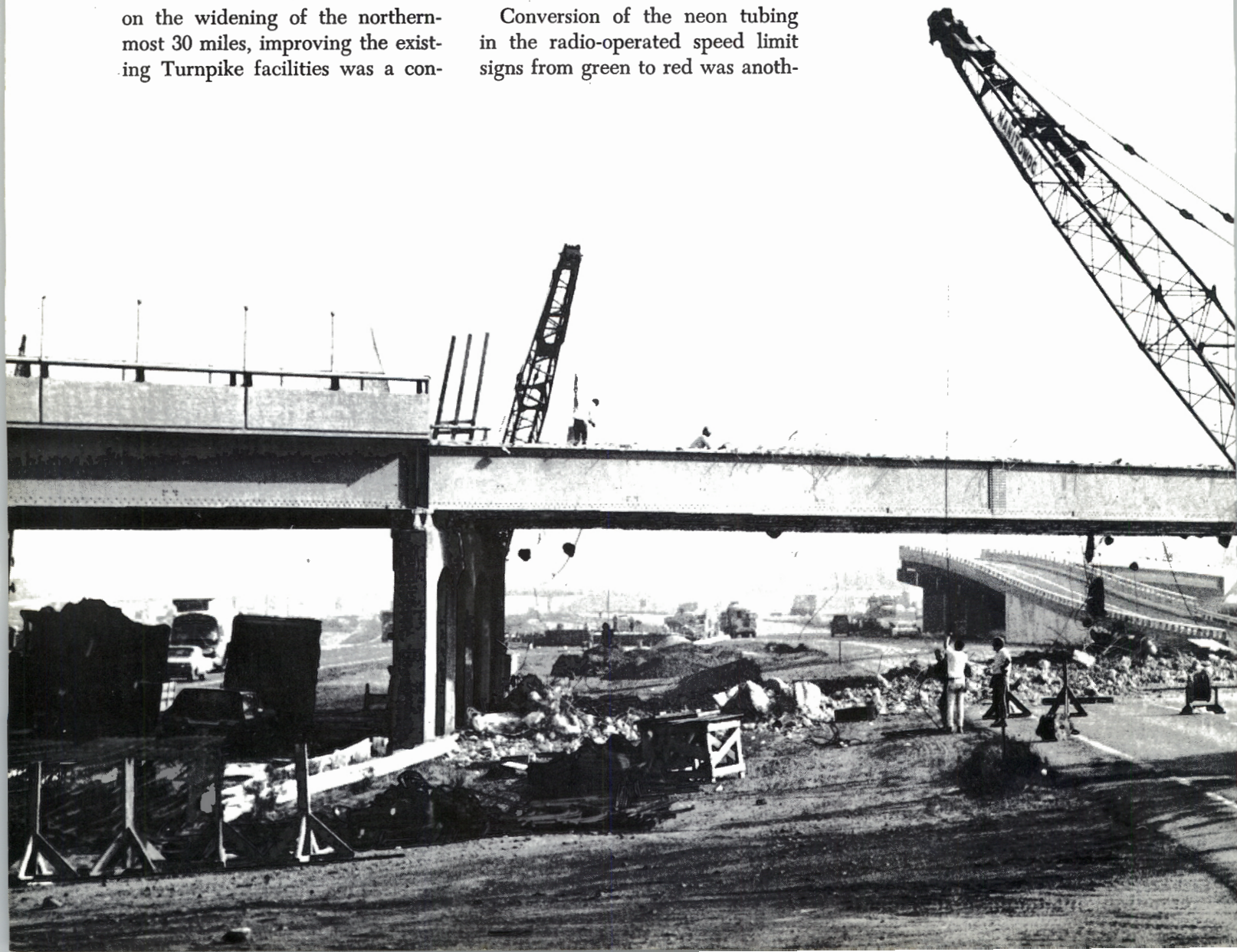
IMPROVING EXISTING FACILITIES

While the bulk of construction for 1968 was concentrated on the widening of the northernmost 30 miles, improving the existing Turnpike facilities was a continuing challenge to the ingenuity of the Engineering staff. New work was undertaken from Service Area 1-S (Clara Barton) in the south to the Susquehanna Railroad Viaduct near Route 46 in the north, and on both the Pennsylvania and Hudson County extensions of the Turnpike.

The emphasis on safety for patrons and employees alike is demonstrated in several of these projects. A new U-turn overpass at Maintenance District No. 4 (Milltown) was designed, and all concrete substructure and associated embankments constructed in 1968. This structure, when completed early next spring, will provide for grade separated ingress and egress to the Maintenance District, as well as a grade separated U-turn for police and maintenance vehicles.

Conversion of the neon tubing in the radio-operated speed limit signs from green to red was another, less obvious, example of safety planning and the fulfillment of such planning. The original green tubing loses brilliance in the winter at low temperatures. Experimentation proved that the red tubing now in use not only maintains its brilliance at lower temperatures, but is also more discernable than the green. Maintenance personnel, in coordination with the Traffic Engineering Department, completed the conversion prior to the winter season.

A program for the installation of additional bumper blocks at all toll

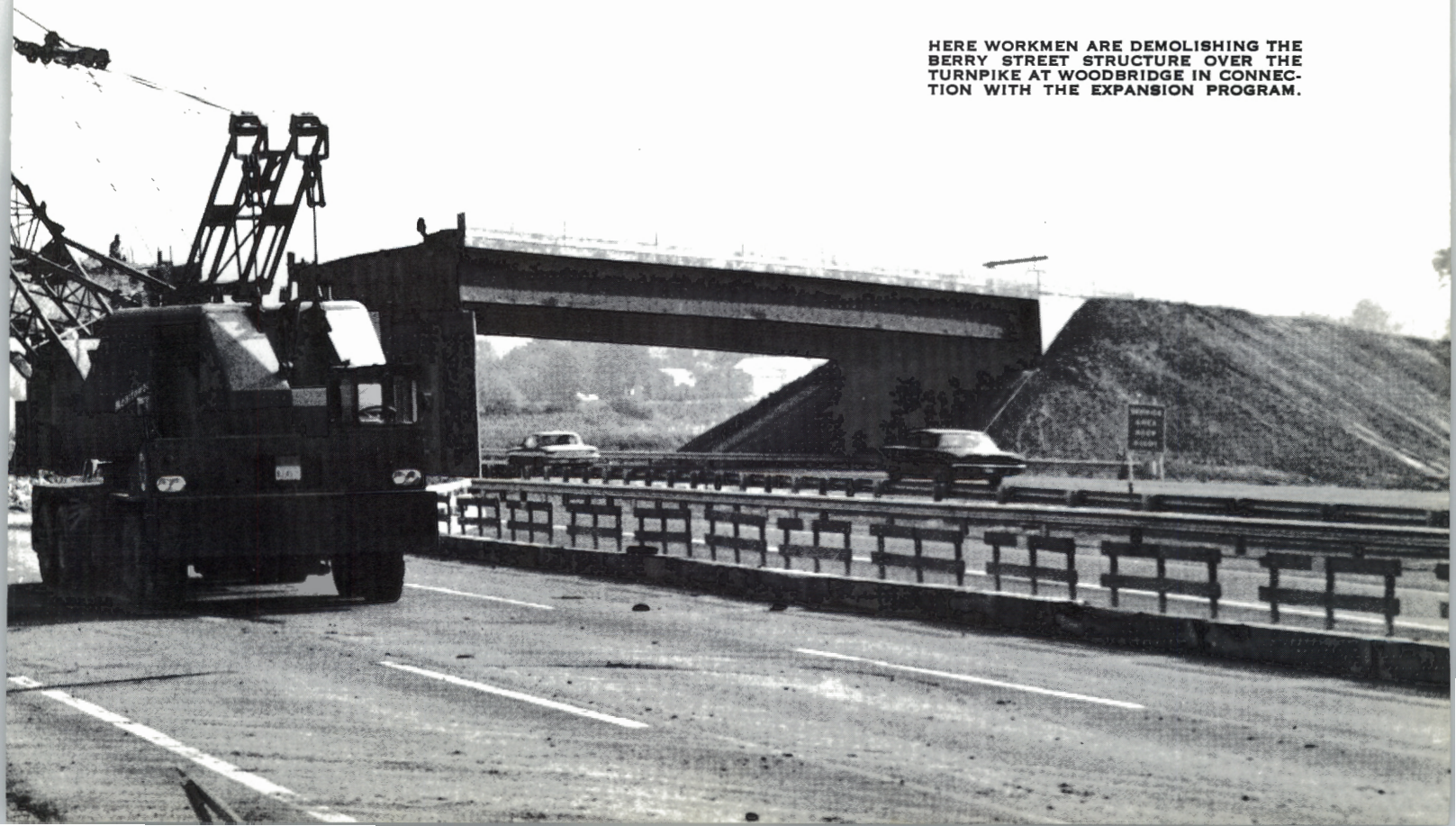


lanes at barrier type plazas was approved in 1968. The design was completed and a contract awarded. Work will be underway during the beginning of January of 1969. This is another illustration of the continuing pattern of improved safety for employees and traveling public.

Major rehabilitation of bridge decks, encompassing patching, deck slab replacements and the continuation of the program to overlay deck slabs with an epoxy membrane and special bridge deck asphaltic overlay, progressed in 1968. Deck slab refurbishment was undertaken on 41 structures, including mainline and both extensions. Although bridge decks are a continuing problem, it is not surprising, in light of the age of the structures and the unparalleled traffic densities, that maintenance costs have increased.

Deck slab replacements on decks treated in past years by the above mentioned epoxy and asphalt system have been virtually non-existent. The evaluation of other systems for the protection of structural decks is underway. The Delaware River Bridge at Florence, New Jersey, jointly owned by the New Jersey Turnpike Authority and the Pennsylvania Turnpike Commission, was the subject of a joint engineering study by the two Authorities, and a contract was completed in 1968 providing for immediate repairs to deck slab expansion and contraction joints.

At Service Area 1-N (Clara Barton) the existing parking lot was expanded to provide for parking of an additional 100 cars. At the same time the drainage in this relatively flat area was improved. At Service Area 7-S (Molly Pitcher) the existing well, located inside the building, was completely overhauled and its capacity doubled. This project required the utmost cooperation and coordination between Engineering and Maintenance staffs, as well as the contractor and restaurant personnel. The restaurant service was never interrupted, although major piping and electrical wiring changes were accomplished while the project was underway. The existing snack bars at Service Areas 3-S (Walt Whitman) and 8-N (Joyce Kilmer) could formerly be used only during the summer, since patron areas were exposed to the



HERE WORKMEN ARE DEMOLISHING THE BERRY STREET STRUCTURE OVER THE TURNPIKE AT WOODBRIDGE IN CONNECTION WITH THE EXPANSION PROGRAM.



CHAPTER V

IMPROVING EXISTING FACILITIES

weather. These snack bars were completely enclosed, and heating capability installed in 1968. New "Y" lights and island shelters were installed at Service Area 11-N (William F. Halsey). This installation of new and more efficient lighting completes the program begun four years ago to convert all mainline service areas to a new, standard lighting and standard fuel island configuration.

Maintenance Department personnel and contractors working under their supervision completed the installation in 1968 of new compressors and condensers for the air conditioning system at Service Area 6-N (Woodrow Wilson), and were also responsible for necessary alterations required to properly ventilate the Boiler Rooms at Service Areas 4-N (James Fennimore Cooper), 8-N and 10-S (Thomas Edison).

Painting of the Chaplain Washington Memorial Bridge, spanning the Passaic River, was substantially completed in 1968. This bridge contains an estimated 21,000 tons of structural steel, and is the largest Authority-owned bridge. In addition, 17 smaller structures were painted by contractor forces in 1968. A program to paint toll plazas was substantially completed by Maintenance forces as well.

Resurfacing of existing roadways continued in 1968. Thirty lane

miles, requiring 44,000 tons of asphalt, were overlaid in 1968. The work was divided into two construction contracts, both of which were designed and supervised by the Engineering Department. These pavements, incidentally, are 16 years old, and were never before resurfaced. Again, considering the unprecedented traffic densities, this pavement has given remarkably good service. In conjunction with resurfacing, it is the policy of the Authority to completely renew and update the associated roadway drainage in the areas being resurfaced. Good drainage is recognized as the most important aspect of good highway construction.

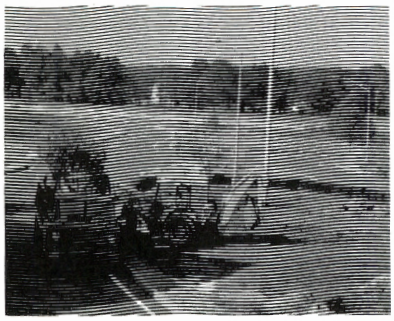
Repair of the wooden fender systems protecting Authority owned bridges over the Hackensack and Passaic Rivers, as well as the Newark Bay Bridge, was required and accomplished in 1968. Increased river traffic, especially in the Hackensack River, and the location of the Turnpike bridges, with relation to nearby railroad bridges, have combined to increase the exposure to damage of these fender systems. An intensified surveillance of these bridge pier fenders by Maintenance Department personnel has been most helpful in eliminating the improper use of these fenders by passing tug boats and barges.

The year 1968 saw the completion of the design for the expansion of the Administration Building Complex at New Brunswick. Work will be underway early in 1969 on the construction of the new buildings and associated site work. Plans call for the construction of a new office building containing 37,500 square feet of office space and a new 7,700 square foot building for State Police and Maintenance Communications.

A great deal of concentration and effort has gone into the current Widening program, and will, of course, continue through 1969. This major effort, however, has in no way detracted from the policy of maintaining the New Jersey Turnpike as the nation's number one toll road.



IRONWORKERS ENGAGED IN BOLTING UP THE STRUCTURAL STEEL FOR A BRIDGE SPANNING THE ELIZABETH RIVER.



CHAPTER VI

MAINTENANCE AIDS WIDENING

The functions of the Maintenance Department during 1968 were fundamentally divided into two categories: 1. The regular routine work that has to be done to keep the highway and related areas in a number one condition. 2. The functions necessary to make the widening program easier of accomplishment, with greater efficiency in maintaining a schedule.

The theme of everyday operations was to improve the overall appearance and facilities the average person is most cognizant of. Therefore, Maintenance personnel undertook the painting of toll booth areas, including toll booths, canopies and building trim work.

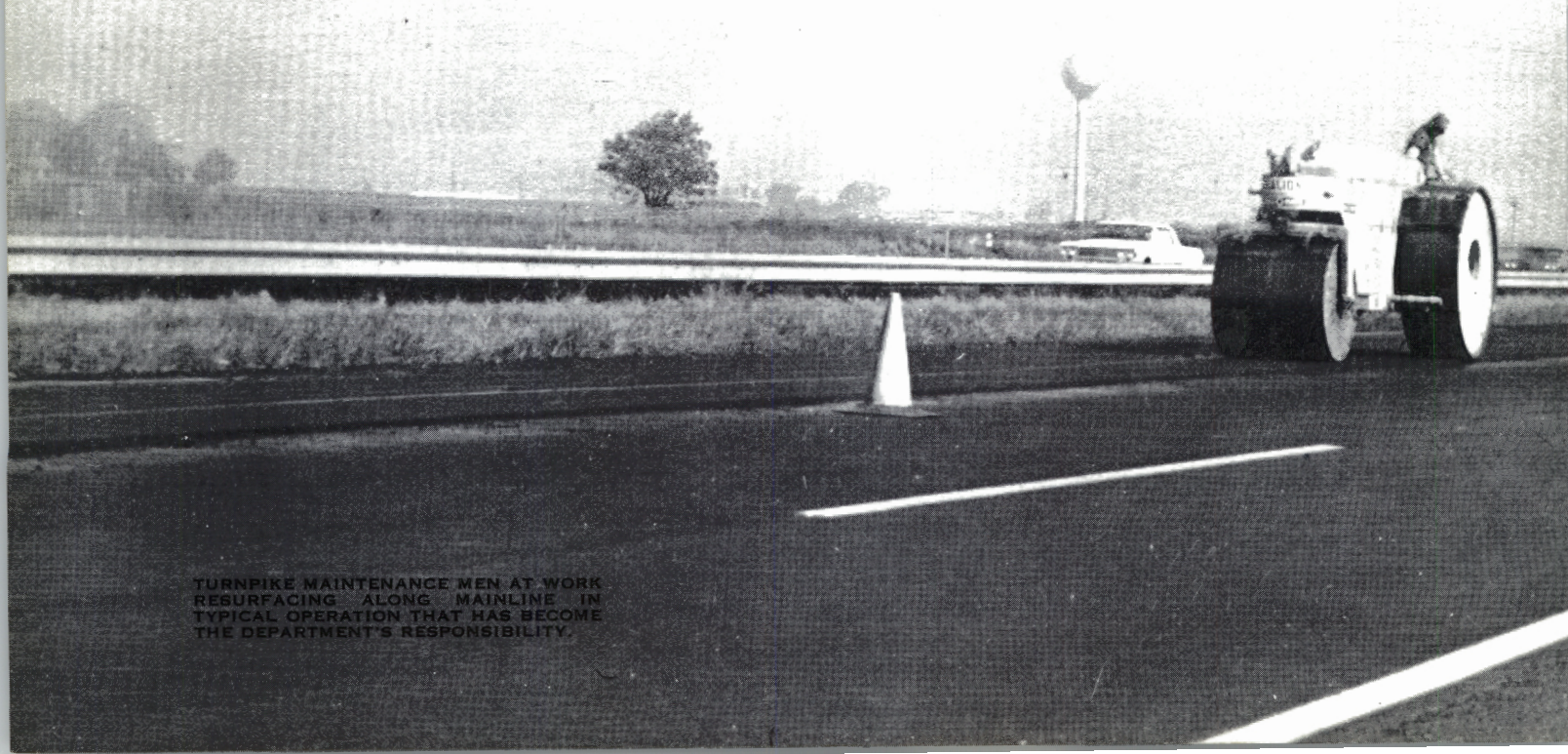
Also, particular attention was paid to the landscaping of all interchanges and service areas so that the approaches to the Turnpike would be more appealing to Turnpike patrons. The landscaping of all service areas in the southern end of the Turnpike has been replanted so that the aspect of all rest areas has been greatly improved.

In the vicinity of the widening construction, the regular maintenance program has gone on with the addition of protective measures for the travelling public and assistance to the Traffic Engineering Department in all detour and ramp change-over traffic problems. There was also constant surveillance of new drainage facilities so that there will be no adverse effect on the existing roadway in times of severe storms.

Maintenance has continued with its educational program by extending the apprentice program with an additional course, run by staff members of the Automotive Equipment Section, which is set up to teach all automotive apprentices the fundamental theories and mechanical application that is required knowledge for working on every type of automotive equipment used on the Turnpike. Classes for this training are held twice a week, after working hours, at Central Shops in Hightstown and are thoroughly planned and scheduled with help received from automotive and trucking industries.

A new program in Modern Supervision has been instituted for all supervisors within the Maintenance Department. The course consists of training for two hours a week for a 10-week period using the teaching techniques as set up by International Correspondence Schools. All classes are instructed by members of the Maintenance staff who have given their time because of the importance of this training. As of 1968, 36 supervisors have completed the course and the results have been so successful that the continuation of this course is expected through 1969.

In June of 1968 Maintenance took over the car maintenance for the State Police assigned to the Turnpike. In order to handle this function efficiently three new me-



TURNPIKE MAINTENANCE MEN AT WORK RESURFACING ALONG MAINLINE IN TYPICAL OPERATION THAT HAS BECOME THE DEPARTMENT'S RESPONSIBILITY.

chanics and one supervisor were trained and added to the number of mechanics in the Automotive Section.

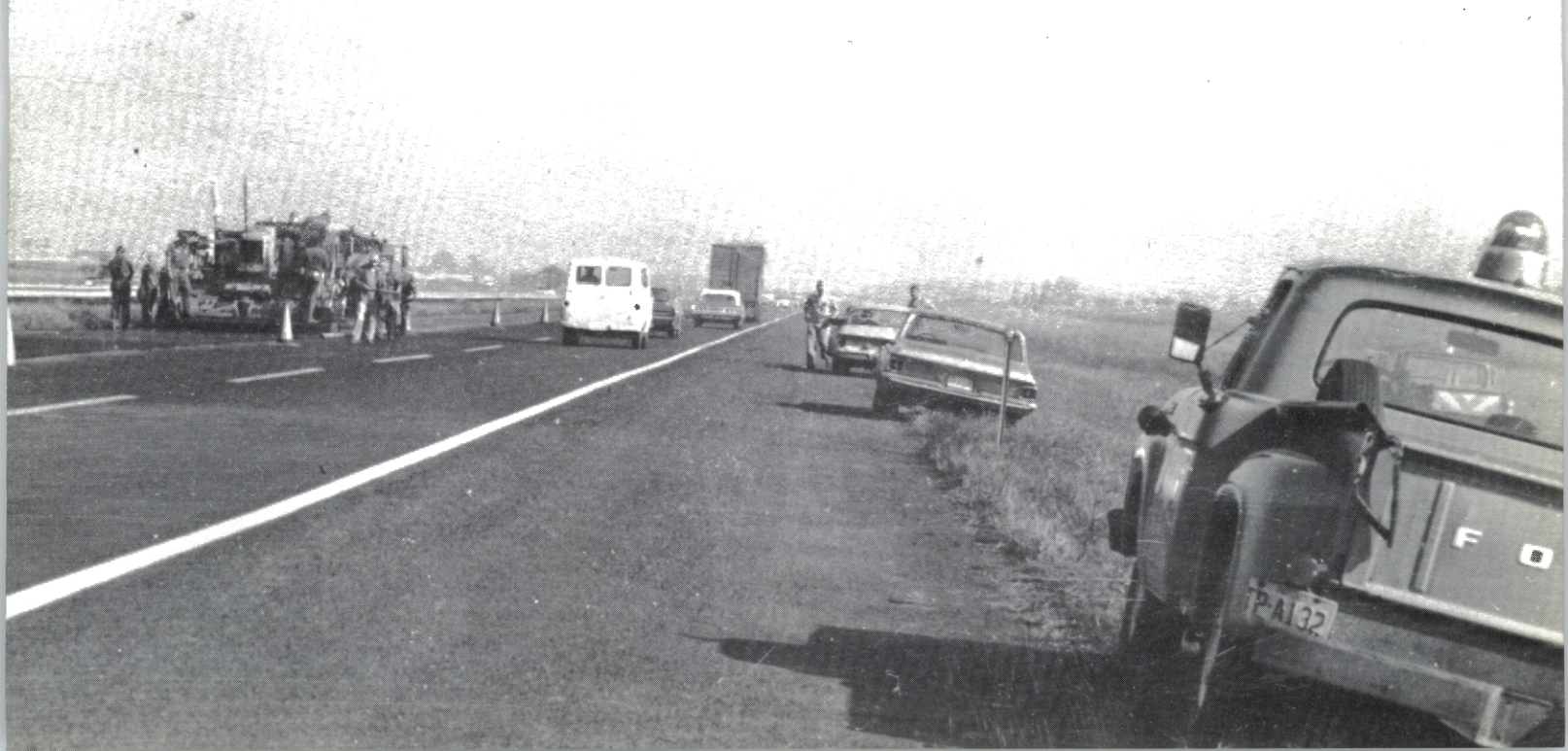
The staff personnel of the Department have played an important role during the year in the special design requirements of the technical functions that are to be incorporated in the new Administrative Building addition in the widening program; as well as the new buildings to be constructed for Maintenance District 8 and the new Northern Division Headquarters which will be the site of coordination for the Northern Division Maintenance encompassing the entire new widening program.

The Communications Section had a very active year in doing repairs, in attending meetings with industrial leaders in the communications industry so that they would be familiar with all of the latest equipment and systems that might possibly be considered in our future expansion programs. Also, there was the installation of a modern dial telephone switchboard at Hightstown with an interconnection to the Administration Building at New Brunswick. New radio replacement equipment and an increase in teletype equipment, as well as regular maintenance required for original and additional two-way mobile radio equipment, along with the Turnpike telephone system and the interconnection of the New Jersey Bell Telephone system in the widening areas, have kept the Communications Section busy, many times for more hours than the regular working day. Central Control has had its busiest year in the number of roadway aids and emergency calls because of the highest volume of traffic in history.

Building Maintenance, Electrical and Carpenter Shops have ventured into many new areas that were not required in previous years. Air conditioning modifications and improvements have been made at Service Areas 1-S (Clara Barton), 3-S (Walt Whitman), 6-N (Woodrow Wilson), 7-S (Molly Pitcher), 10-S (Thomas Edison) and E-S (Peter Stuyvesant), in order to give more comfort to employees and patrons. All neon speed limit signs have been changed over in cooperation with Traffic Control and four overhead radio controlled warning signs have been removed and replaced to a more advantageous position on the side of the roadway by our Electrical Section. The air conditioning system in the Administration Building has had several components replaced and the system modified.

Interchange 13-N (Elizabeth) was shut down and completely dismantled by personnel of the building trades during September. New treadle frames have been installed in several of the northern toll booth areas. At four service areas there was a new installation of air and water lines housed in transite pipes, from the main building to the pump islands, with the necessary manholes, so that any future problems can be repaired or replaced without disturbing the roadway. This type of installation has been successful and will be continued in other service areas in 1969.

The Sewage and Water Treatment Section had a successful year with no serious emergencies or breakdowns. However, to prevent future problems water softener tanks were replaced at Service Area 10-S, a new water meter installed at Service Area 8-N (Joyce Kilmer), new drive units for settling tanks were installed at Service Areas 8-N and 4-N (Fenimore Cooper), and the sand beds at 8-N Sewage





CHAPTER VI
MAINTENANCE AIDS WIDENING

Plant were reconstructed.

In the Southern Division Roadway Section, the resurfacing program in the southern end and a section of the Pennsylvania Extension, was completed according to schedule. All work in the service areas in the Southern Division was accomplished in cooperation between the road forces and the trade shops. Painting at interchanges, as well as several bridge structures in the Southern Division, was performed by the Southern Division structure painting crew.

The Northern Division road forces handled traffic problems caused by widening construction and repair of roadway and shoulders damaged by intense traffic and heavy construction loads. All work in the Northern Division service areas was a cooperative effort between the roadway forces and the building trades. A new feature was a complete construction job consisting of a new toll lane at Interchange 11 at Woodbridge. This included area lighting, toll island construction, drainage, curbing, treadle installation, cut and fill operation, paving, and maintenance of traffic.

The trend of updating obsolete equipment was continued in 1968. Besides ordinary replacement, three new aerial ladder trucks were obtained for heavy electrical work, one new heavy boom truck and a new four full wheel road sweeper were acquired for the Northern Division and two new backhoes and loaders purchased.

Maintenance inspections were again held in the Spring and Fall. The Spring Inspection, which covered all of the Trade Shop areas, was won for the third time by the Communications Section. We now have retired the first plaque that was designed for the Spring series, by giving it permanently to the Communications Section. The Fall inspection, which covers the seven districts of the road forces and the two divisions, was won for the second time in a row by District 1 in Swedesboro. The Fall inspection plaque has now been won by District 3, once by District 6 and twice



THE TURNPIKE EMERGES CLEAR AND DRY AS MAINTENANCE CREWS PUT FINISHING TOUCHES ALONG SHOULDER SHORTLY AFTER FIRST SNOWSTORM OF THE SEASON ON DECEMBER 15.

by District 1.

The Maintenance Department was proud to recognize the fact that the winner of the Harry Laderman Scholarship was the daughter of Walter G. Beck, a Turnpike landscaper. It was the first scholarship awarded in memory of the collector killed while on duty.

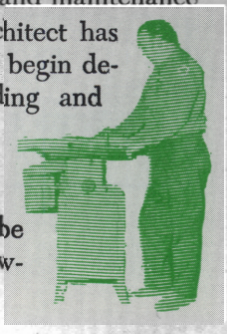
The Maintenance Department was host to the Maintenance Committee of the International Bridge, Tunnel and Turnpike Association at the Spring Meeting held at Cherry Hill, N.J. The Director of Maintenance, A. E. DeSimon, was Chairman of the Spring Meeting, assisted by members of the staff who gave technical papers during the meeting.

In the interest of health and welfare, Maintenance personnel were given eye examinations by the Turnpike physician and received recommendations as to whether eye correction was needed or further investigation should be followed up by their personal physicians.

The winter of 1967-1968 was a mild one in terms of snowfall but a severe one in terms of quick freeze and icing conditions. The maintenance crews were called out on 15 occasions to protect the public from ice and snow conditions and at no time during the winter was any area of the Turnpike closed because of snow or ice. A total of 12,556 tons of salt was used during the winter.

Among additional accomplishments completed by Maintenance, primarily for the immediate future, was the completed construction of 16 heliport landing locations along the length of the Turnpike; also the reality of getting the District 4 U-Turn overhead bridge under contract so that it will be completed by the Fall of 1969.

An architect has been designated to project the design and planning for the construction of District 8 building facilities and maintenance yard. And, an architect has been appointed to begin designing the building and yard requirements for the new Northern Division Headquarters to be located in the Newark area.







CHAPTER VII

PERSONNEL PACES EXPANSION

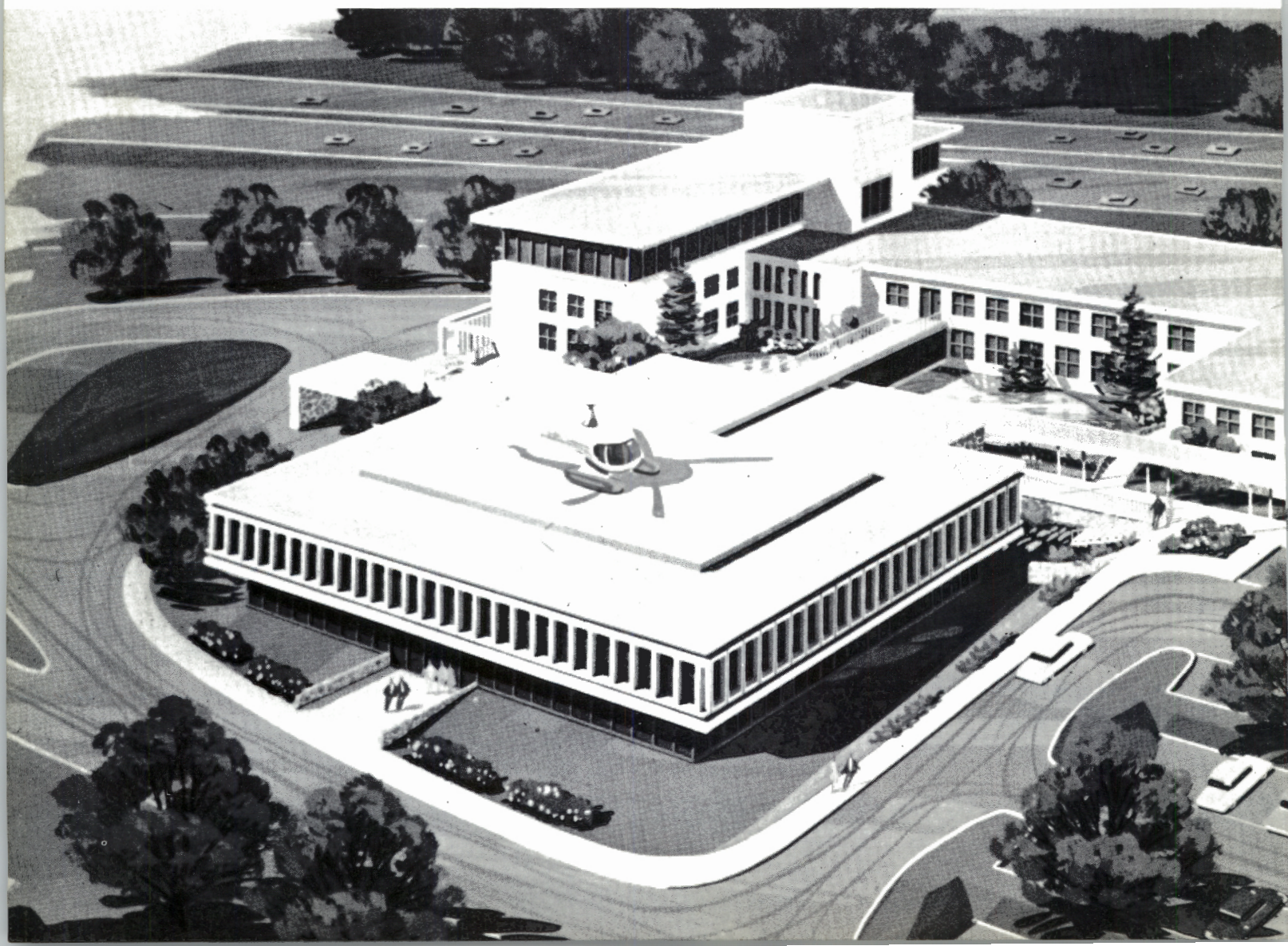
The continuing increase in traffic, coupled with the widening program, produced a corresponding growth of all departmental functions. This resulted in the hiring of additional personnel, bringing total employment to 1172, with 519 in toll collection, 429 in Maintenance and 224 in Administration. Included are 38 part-time employees.

In 1967 there were 1120 on the rolls, including the same number of part-timers.

The steady shift program was in full swing during 1968 for toll collectors, while in Maintenance the apprenticeship program continued to give the desired results.

The Authority established a well-rounded health program with the adoption of a Dental Plan for all its fulltime employees. The first such plan placed into effect by any public agency, it provides coverage at no expense to employees and dependents and augments basic hospitalization, medical-surgical and major medical benefits.

The Medical Section administered flu innoculation to 435 employees and conducted eye tests for all members of the Maintenance Department. In addition, 155 employees donated to the Turnpike Blood Bank in the sixth year of the pro-



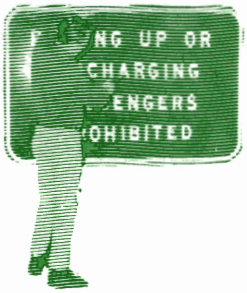
gram. The inaugural of the Harry Laderman Scholarship Fund, in memory of the toll collector killed in the line of duty in 1968, saw Karen-Jo Beck, daughter of a Maintenance employee, the winner of the first award in this annual competition.

As part of its new salary program, the Authority granted the second annual longevity payment of $250.00 to all employees with 10 years or more of service. At the same time, the first phase of the three-year salary program went into effect in 1968, with an across-the-board increment of $300 for all employees. The sum of $400 will be paid on January 1, 1969 and $500 in 1970, for a total of $1,200. The regular increases based on performance reviews and established increment schedules were authorized.

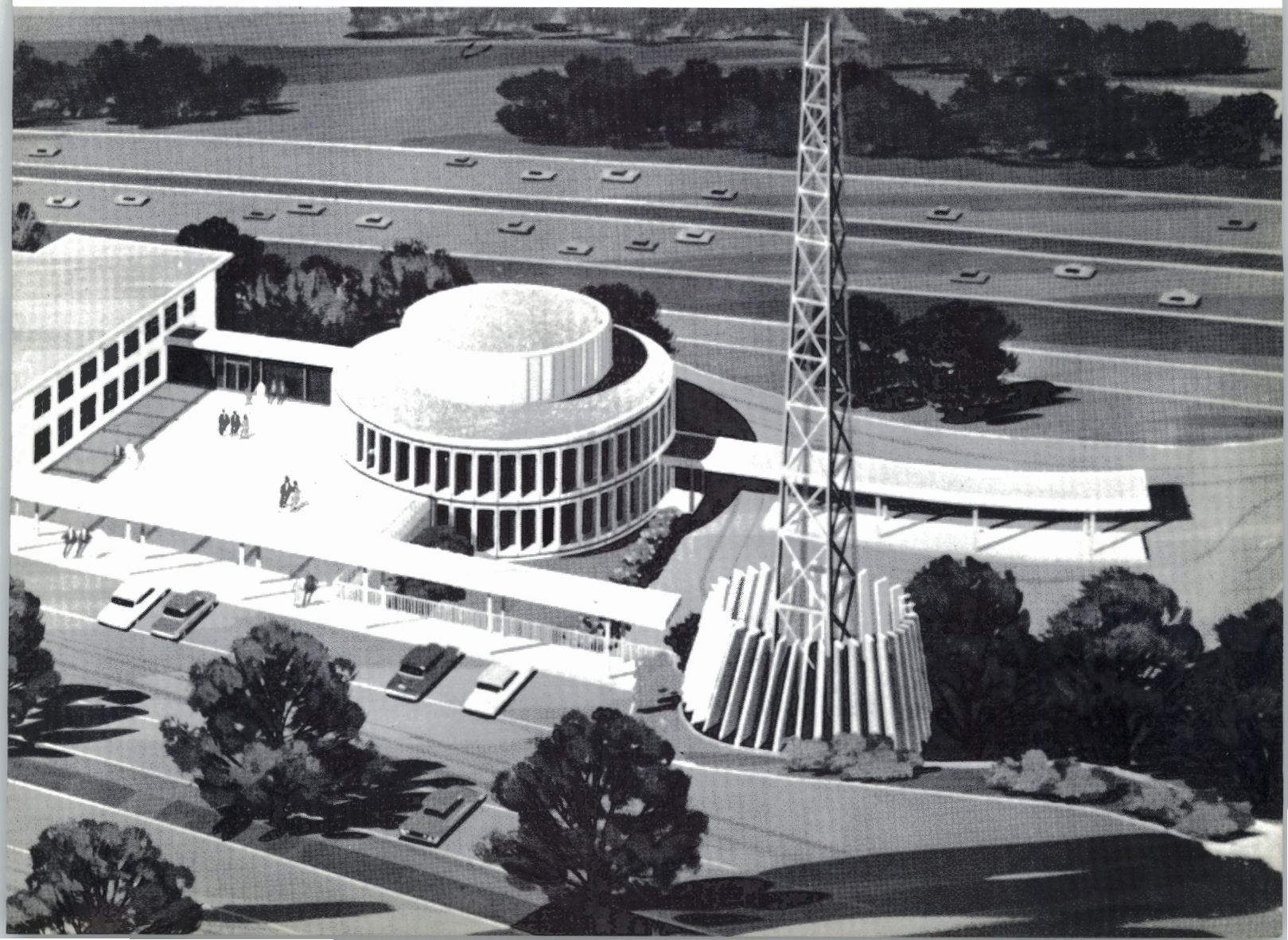
The Employee Relations Improve-Committee (ERIC) continued to sponsor off-duty activities for members of the Turnpike family. It conducted social events in the spring and fall, and capped the year's calendar with the seventh annual Christmas Family Reunion for Authority personnel and members of their families.

Labor relations were again handled by a four-man team of employees who made on-the-spot appearances to assist men in the field and suggested needed enforcement of established work policies and changes where necessary.

With the anticipated openings of new facilities under the Widening Program, recruitment of new personnel will be accelerated to meet the demands of all departments.



ARCHITECT'S RENDERING OF PROJECTED ADMINISTRATION BUILDING EXPANSION NEAR INTERCHANGE 9 - NEW BRUNSWICK.





CHAPTER VIII

REAL ESTATE ACQUISITION FOR WIDENING

The Legal-Real Estate Department, in its third year of operation since its merger, (formerly it consisted of two separate departments) has been singly successful in its property acquisition program.

During the calendar year of 1968, property acquisitions have kept pace, and in many instances, possession and title were obtained far in advance of contractors' needs.

The year 1968 can really be considered the critical period insofar as property acquisition is concerned, since the bulk of Widening contracts were awarded in 1968.

Real estate functions of the Department in relation to the Widening program, consist of two phases: the acquisition period, when a complaint is filed and possession is taken; and the actual trial when the condemnation Commissioners and/or the courts determine the fair market value that the Authority should pay for the property.

In 1968 the Authority acquired all of the property necessary for its expansion program in what could be considered the "Acquisition Year", involving property having an appraised value of $3,172,080.

The year 1969, however, can be called the "Litigation Year" as we enter the second phase of the program and commence to litigate for the market value of the property before the Commissioners or on Appeal before the Susioners on Appeal before the Superior Court of New Jersey. The appraised value of properties in litigation is approximately $6,250,000.

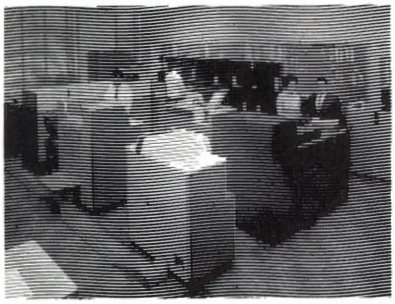
Of the approximately 800 property owners involved in the Widening Project, about 15 percent will result in litigation, the balance having been amicably settled.

In addition, there are pending other cases, which the Legal Department is handling, involving suits of contractors for extras, litigation for easement rights and drainage purposes and cases in which the Authority is attempting to recover property damage sustained as a result of accidents on the Turnpike.

The Department, under the direction of General Counsel, Grover C. Richman, Jr., continues to provide legal counsel assistance and guidance to members of the Authority, the staff and the employees in the performance of their duties.







CHAPTER IX

SYSTEMS AND DATA PROCESSING

Systems and Data Processing, the newest Authority department, made good progress in 1968 in accomplishing its objectives of providing systems advice and services as well as data processing services for other Authority departments.

The projects include numerous "one-time" special jobs as well as many that have been established as repetitive and routine. Demand for the Department's services are increasing monthly.

The most important project of the year involved the study, computerization and ultimate integration of attendance, payroll and fringe benefit accounting into a single automated system. The key to this function is, of course, the EDP principle that one source document (the time sheet) can be used for simultaneous updating of numerous records.

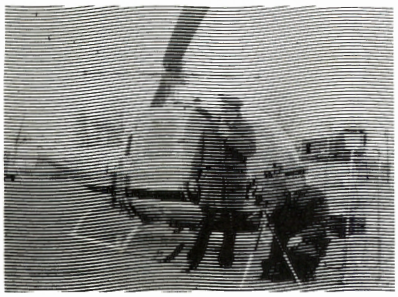
Equally important, was the redesigning of the payroll stub to include, along with extensive pay information, a year-to-date description of the Employee's Attendance Record (vacation, sick time, etc.) and a totalized report of "Amounts paid by the Authority for Your Fringe Benefits" (Social Security, insurance, retirement, hospitalization, etc.). The employee adds the dollar value of fringe benefits to his pay and he knows the total dollar value of his job every time he gets a check.

The computer for this redesigned payroll system is the new Univac 9200, a very low cost unit which will gradually be assigned other related tasks.

Inventory and Budget control are the next tasks to be faced, and related to these is a study of feasibility of Cathode Ray Tube inquiry units that could provide up-to-minute budget or inventory data on a line item basis. If this type of inquiry console proves feasible, a request for inventory data will display the status of the desired item at each of our seven inventory locations. A request for budget status will instantly display the complete budget or a single line item, and the Executive Director can question the overall Authority budget while at the same time a department head is reviewing his department budget.



THE NEW HACKENSACK RIVER BRIDGE UNDER CONSTRUCTION IN MEADOWLAND BETWEEN CARLSTADT AND RIDGEFIELD.



CHAPTER X

TELLING THE TURNPIKE STORY

Keeping abreast of the New Jersey Turnpike's progress, the Public Information Department continued to focus its attention on the Authority's expanding operations in a year of unprecedented activity.

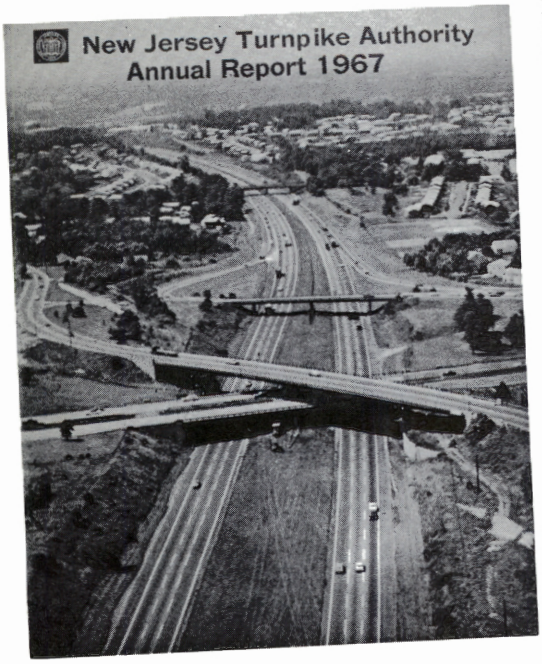
Through the medium of the printed and spoken word it conveyed the factual story of developments in the various fields of the Turnpike organization. The Widening Program, proceeding through its second year of construction, created greater demands for information from the press and general public. These were met by increasing cooperation with the news and radio media, in addition to the call upon its services from the public sector, with reference not only to traffic matters but also questions about the expansion program.

Newsmen covering the Turnpike, particularly those attending the Authority's semi-monthly meetings, received updated information on the progress of construction for in-depth accounts on the widening, some of which were supplemented by in-flight coverage by helicopter. Flight coverage was also used to supply the Authority with television tapings of construction progress, giving the commissioners instant replay reports at their meetings.

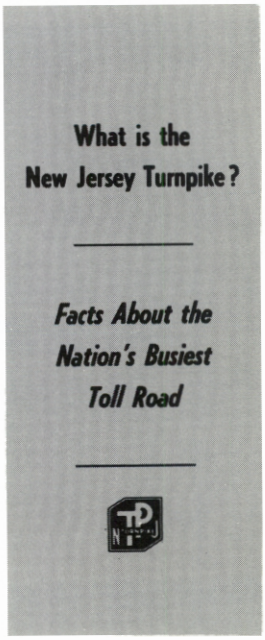
The interest shown in the New Jersey Turnpike's expansion program ranged beyond the nation's borders. During the year, representatives of foreign governments and engineering firms visited the Turnpike to see first-hand what was being done to enlarge the road into the first dual-dual highway of its kind. The visitors came from Spain, the Philippines, Australia, France, Denmark and Germany.

In addition, tours were conducted for engineering college students, the Highway Research Board, the International Bridge, Tunnel and Turnpike Association, besides high school and Scout groups.

The flow of information was also sustained by a diversity of literature published for general distribution. A new supply of the New







Jersey Turnpike map folder was printed for our patrons and travel associations, while increasing interest in the expansion program made it necessary to issue additional copies of the widening map, accompanied by the fact sheet summarizing the program.

In the preparation of the Authority's Annual Report, the Public Information Department had the cooperation of the Authority's executive staff which supplied the reports of their individual areas of activity. Department heads were frequently consulted on operational matters, providing the coordination necessary for the dissemination of accurate and timely information.

The Public Information Department concerned itself, too, with the need to keep the Authority's employees apprised of matters dealing with Turnpike operations as well as personnel developments and activities. To this objective, the Department continued to issue the employees' monthly house organ, Pike Interchange, which marked in September the start of its 10th year of publication.

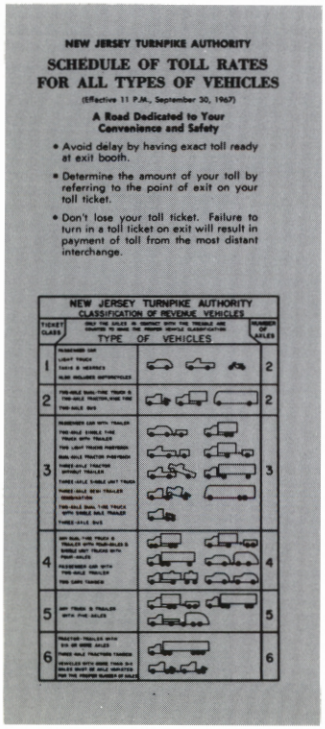
The Department was closely allied with the programs of the Employee Relations Improvement Committee (ERIC). It was, as in the past, the clearing house for the promotion of ERIC activities, including the Suggestions Program, for which hundreds of ideas submitted by employee were processed, after they are received by Personnel, for review by department heads and eventual consideration for awards by the Suggestions Plan.

In 1968 a total of 39 awards went to 37 employees for suggestions the Committee felt were designed to improve Turnpike operations on the basis of efficiency or safety.

In an overall function, serving this and other departments in illustrating Turnpike events, was the Photographic Section which worked closely, too, with State Police Troop D on the many incidents requiring spot news coverage. Another of its assignments was the videotaping by helicopter of widening progress and the aerial observations for press photographers and reporters.

In all, the Department, relatively small in size, was able to meet the demands imposed upon it by our expanding operations.




NEW JERSEY TURNPIKE AUTHORITY

SCHEDULE OF TOLL RATES FOR ALL TYPES OF VEHICLES

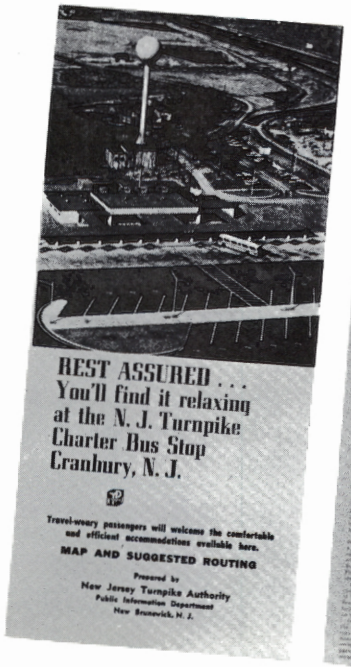
(Effective 11 P.M., September 30, 1967)

A Road Dedicated to Your Convenience and Safety

- Avoid delay by having exact toll ready at exit booth.
- Determine the amount of your toll by referring to the point of exit on your toll ticket.
- Don't lose your toll ticket. Failure to turn in a toll ticket on exit will result in payment of toll from the most distant interchange.

NEW JERSEY TURNPIKE AUTHORITY
CLASSIFICATION OF REVENUE VEHICLES

TICKET CLASS	TYPE OF VEHICLES	NUMBER OF AXLES
1		2
2		2
3		3
4		4
5		5
6		6


REST ASSURED . . .
You'll find it relaxing at the N. J. Turnpike Charter Bus Stop Cranbury, N. J.

Travel-weary passengers will welcome the comfortable and efficient accommodations available here.

MAP AND SUGGESTED ROUTING

Prepared by
New Jersey Turnpike Authority
Public Information Department
New Brunswick, N. J.


PIKE INTERCHANGE

PUBLISHED BY AND FOR THE EMPLOYEES OF THE NEW JERSEY TURNPIKE AUTHORITY

VOL. VIII, No. 11

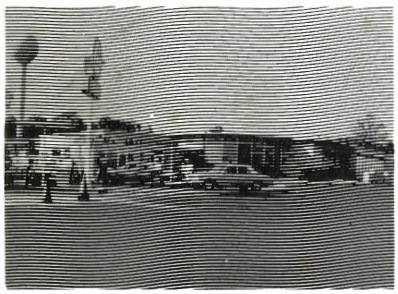
The TP Stayed on Top of Summit Conference

Governor Hughes Lauds Turnpike's Role

Automated Toll Collection For Pike Explored

Kosygin, With Troop D Security Escort, Finds Pike Best Road to the Summit

HJ Restaurant Missed Out As Summit Site?



CHAPTER XI

PATRON SERVICES MULTIPLY

The job of providing service to patrons in the service areas is challenging and never finished for the Division of Patron Services. There has been a great increase in business by the concessionaires in the past five years. During this time, restaurant sales have increased 24.25% and gasoline sales 49.41%. Most of the additional business occurs during the holiday and summer periods.

In order to provide satisfactory service with the increase of restaurant business, a new snack bar was constructed at the John Fenwick Service Area (1-N) and a temporary one was installed at the Clara Barton Service Area (1-S). Also, the main parking lot at this service area, 1-S, is being enlarged to prevent congestion and increase business. In five other snack bars, equipment changes were made to provide additional food items and faster service. Kitchens in the restaurants at the James Fennimore Cooper (4-N) and the Molly Pitcher (7-S) service areas were modernized by the relocation of existing equipment and addition of new. Restaurant buildings are in the process of being painted on the exterior and painted and refurbished in the interior.

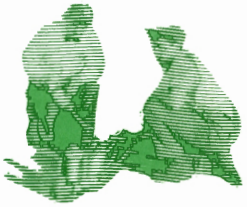
A cafeteria will be installed in 1969 to partially replace the type of food service at the Richard Stockton Service Area (6-S) restaurant. If this operation is acceptable to patrons, other cafeterias will be installed in order to provide faster service.

The gift shop at the Thomas Edison Service Area (10-S) restaurant was relocated to the rotunda area. As this has proven very successful with increased sales, four other gift shops are planned for relocation during 1969.

In order to provide satisfactory service with the normal increase in business and from the Turnpike widening program, including the modification of interchanges that will have additional feeder highways, consideration is being given to enlarge the restaurant facilities at seven service areas and construct one new service area near Elizabeth which will be opposite the present William F. Halsey Service Area (11-N) location. There will also be a service station for vehicles at this new service area.

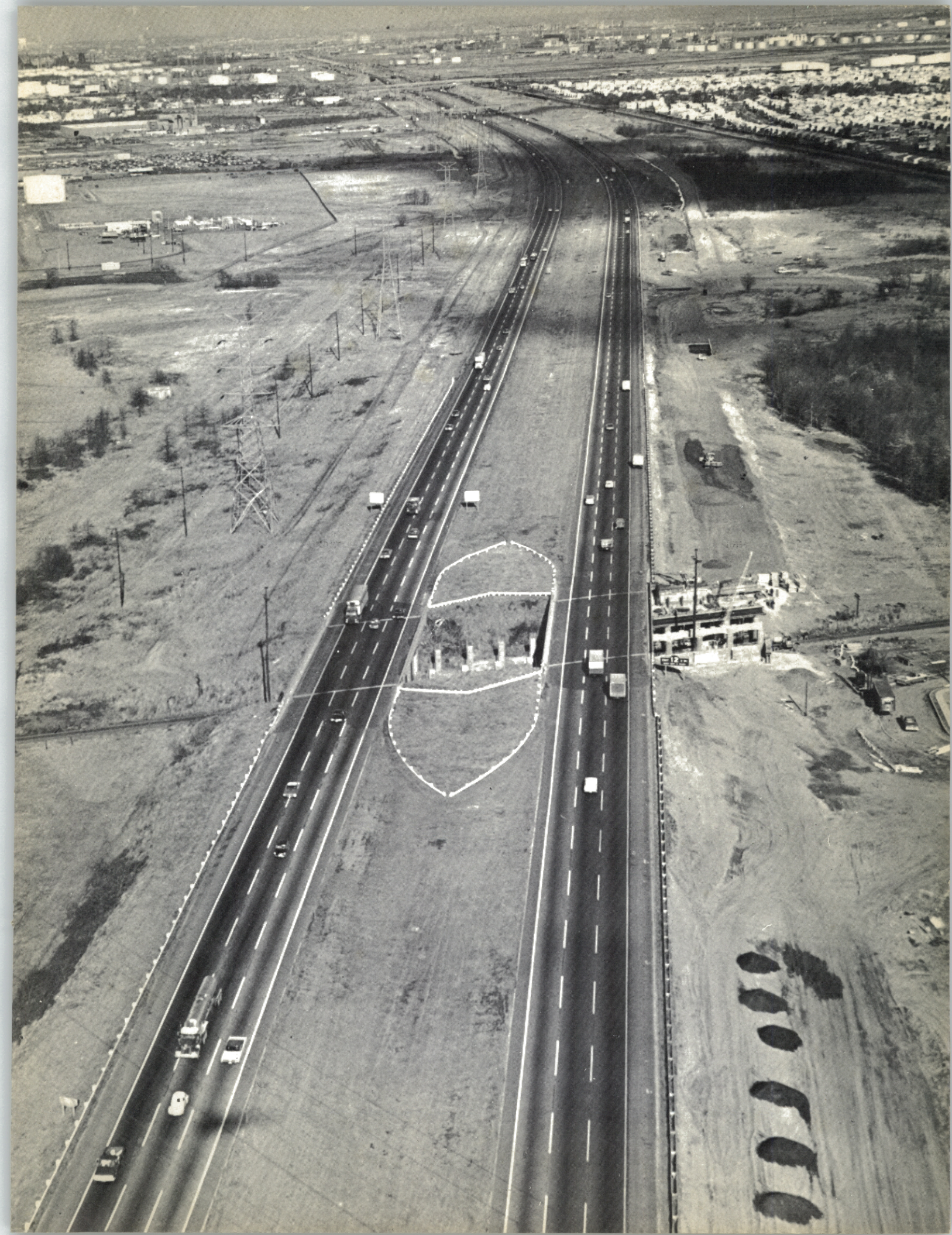
As a 49.41% increase occurred in gasoline sales during the past five years, the service station phase of the service area operation had to be revised. Pump islands were lengthened in order to double the dispensing capacity at eight service areas. New fuel dispensers, modern pump island lighting and new shelters were also installed in 12 service areas. As diesel sales have greatly increased even more than for gasoline, new islands were constructed at six service stations for the exclusive use of trucks. The service stations were repainted and all of the originally installed vehicle lifts were replaced with the modern type that is more adaptable for use with compact and foreign vehicles.

The Turnpike Authority is aware of its obligations and responsibilities in providing proper service in the service areas, especially in meeting the increased demands anticipated in the near future when the widening program is completed.



OLIVER K. COMPTON, JR., ASSISTANT TO EXECUTIVE DIRECTOR WILLIAM J. FLANAGAN, DISCUSSES OPERATIONS WITH ERNEST BUTCHER, MANAGER, PATRON SERVICES, AND ROBERT AMBROSE, SHIFT MANAGER AT HOWARD JOHNSON'S RESTAURANT, THOMAS EDISON SERVICE AREA, WOODBRIDGE.







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HIGHWAY SAFETY BUREAU
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