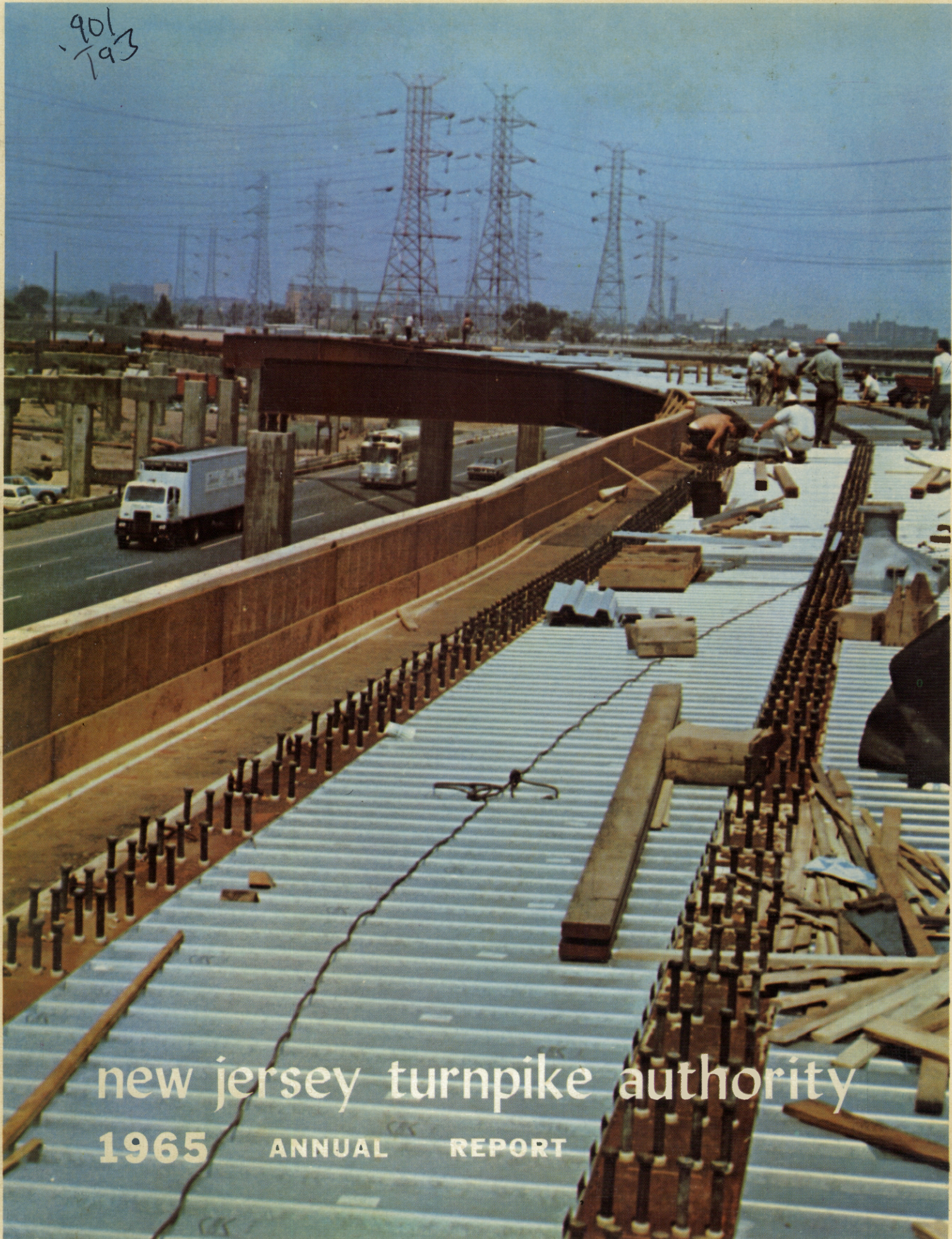
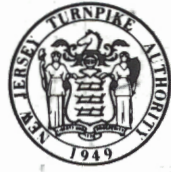


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new jersey turnpike authority
1965 ANNUAL REPORT



new jersey



Northbound exit ramp at Elizabeth, with south-bound entry ramp shown here nearing completion.



searay turnpike authority

1965

seventeenth
annual
report

COVER PHOTO: Construction crews at work on northbound exit ramp over Turnpike mainline at new Elizabeth Interchange. Photography by Alexander W. Oleck.

Progress, therefore, is not an accident, but a necessity . . . It is a part of nature.

—Herbert Spencer



RICHARD J. HUGHES
Governor of New Jersey

letter of transmit

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JOSEPH MORECRAFT, JR., CHAIRMAN
WILLIAM A. STERNKOPF, JR., VICE CHAIRMAN
ANGUS M. HARRIS, TREASURER

NEW JERSEY TURNPIKE AUTHORITY

NEW BRUNSWICK, N. J.

January 24, 1966

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

This Annual Report of the New Jersey Turnpike Authority, reviewing the fourteenth year of operations, is issued at an historic moment in the 17-year history of the Authority.

As we recount in these pages the record of another year of progress, we take also a forward look at the greater responsibilities facing us. On the day before the Authority closed its books on 1965, it received the approval of the Governor and the State's Bond Issuing Authority to proceed with the proposed expansion of the northern section of the Turnpike.

The plans now underway envision the greatest single construction effort undertaken by the Turnpike Authority since the original roadway was built and will also involve a financing program calling for one of the largest bond issues in history.

The data contained in this Report point up the need for expansion quite clearly. A total of nearly 65 million revenue vehicles used the Turnpike in 1965. This was an increase of 7% over 1964, but the full impact of the growth trend is felt by noting that the traffic volume in 1952, the first full year of operations, was under 18 million, or 47 million less than 1965.

To you, the Governor, Members of the Legislature, the State Highway Commissioner and other State and local officials whose interest in the Turnpike has helped us move forward to a realization of our goals in serving the public, the Authority is deeply indebted.

Respectfully submitted,

JOSEPH MORECRAFT, JR.
Chairman

WILLIAM A. STERNKOPF, JR.
Vice Chairman

ANGUS M. HARRIS
Treasurer



25



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new jersey turnpike



AUTHORITY MEMBERS

Joseph Morecraft, Jr., *Chairman*

William A. Sternkopf, Jr., *Vice Chairman*

Angus M. Harris, *Treasurer*



Grover C. Richman, Jr., *General Counsel*

Lillian M. Schwartz, *Secretary-Ass't Treasurer*

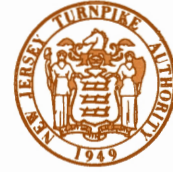
authority

NEW BRUNSWICK, NEW JERSEY



William J. Flanagan
Executive Director

STAFF



Neville R. Ashcroft
Comptroller



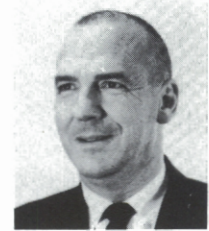
Ralph L. Fisher
Chief Engineer



Joseph R. Postizzi
Senior Attorney



John P. Leshner
Director of Tolls



Howard S. Heydon
Director of Maintenance



Paul M. Weckesser
Traffic Engineer



Oliver K. Compton, Jr.
Ass't to the Executive Director and Acting Director of Purchasing



Robert P. Kenney
Director of Personnel



Horace A. Tani
Director of Public Information

The Authority breaks ground for new Interchange 8-A on September 8, 1965. From left: Vice Chairman Sternkopf, Chairman Morecraft, Executive Director Flanagan and Treasurer Harris.

Consulting Engineers

Howard, Needles, Tammen & Bergendoff

Auditors

Peat, Marwick, Mitchell & Co.

Traffic and Revenue Consultants

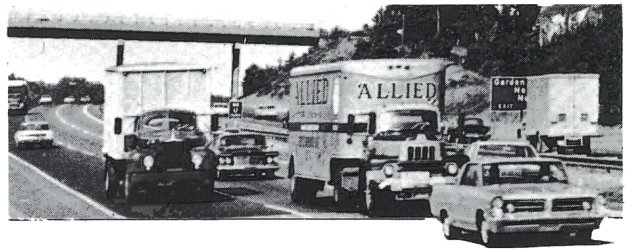
Coverdale & Colpitts

Bond Counsel

Hawkins, Delafield & Wood

Financial Advisor

Smith, Barney & Co.



keeping pace with traffic

Record traffic volumes generated further growth in Turnpike services during 1965. The peak was again reached in August, with 6,381,900 revenue vehicles and \$4,779,900 in toll revenues. On July 2 an all-time daily high of 251,069 vehicles was recorded.

For the year, the daily traffic average rose to 177,966 from 166,322 in 1964.

Reflecting these traffic increases, Howard Johnson Company sales went up by \$390,712 with 27,900,000 patrons being served. The Charter Bus Stop accommodated 24,143 buses and 583,821 customers, increasing sales by \$43,910.

CITGO Cities Service serviced 3 million vehicles, 200,000 more than in 1964. Its gasoline sales went up from 26 to 28 million gallons. Contributing to the increase was the installation of modern pump island "Y" lighting and shelters at the service stations.

The increasing volume in toll tickets made it necessary for the Authority to contract for the purchase of a Type 1050 Computer with a data processing speed double that of the Solid State 90 machine, at less cost. The new computer will be able to handle ticket volumes up to 90 million vehicles a year.



operations budget 1965-1966

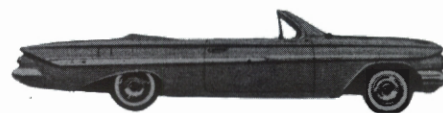
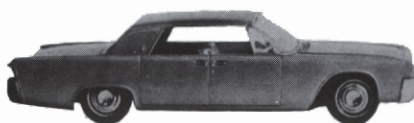
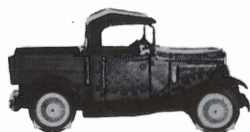
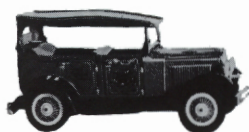
	1966 Budget	1965 Budget
Administration—General	\$ 492,500	\$ 441,800
Toll Audit	277,000	276,400
Accounting	155,600	156,100
Traffic Control and Police	1,671,900	1,468,100
Toll Collection	3,662,600	3,421,600
Maintenance, Repair, Replacement and Reconstruction	4,611,400	4,436,400
Engineering	242,600	231,800
Real Estate	23,400	13,300
Insurance	324,000	391,600
Professional Fees and Compensation to Counsel, Auditor, Consulting Engineer, Etc.	75,500	74,500
Fees and Compensation to Fiduciaries	102,600	117,500
Pension and Retirement Funds	622,800	524,800
Taxes	19,500	18,000
Tercentenary Contribution		10,000
Provision for Salary and Wage Increases	333,600	102,100
	\$12,615,000	\$11,684,000

YEARS

OF

OPERATION

fourteen

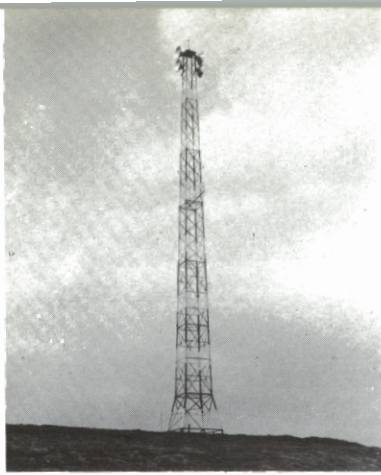


	REVENUE VEHICLES	REVENUE TOLL	REVENUE MILEAGE	CONCESSION REVENUES	TOTAL REVENUES
1951*	787,195	\$ 587,326	38,246,174	\$ 32,861	\$ 620,274
1952	17,948,325	16,241,267	765,807,780	1,523,038	17,829,635
1953	22,005,078	19,192,647	868,606,100	1,853,880	21,510,629
1954	24,555,441	20,756,344	927,393,967	1,826,777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

* Section of Turnpike Opened November 5, 1951.

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





TOP: Radio tower at Moorestown Maintenance yards. CENTER: Entrance to the Turnpike at Route 46, Ridgefield Park. BOTTOM: Maintenance men installing one of many radio-controlled signs along southern end of the Turnpike.

marked advances in Turnpike safety were made possible with the adoption of new mechanical and personnel techniques by the Authority in 1965.

Among the new measures taken in 1965 to promote traffic safety was the platooning of State Police personnel for construction surveillance and enforcement. This State Police activity has reduced violations in construction areas, aided in the enforcement of the traffic laws and streamlined a chain of command between the Authority and the enforcement agency. It is presently felt that the arrangement between State Police, the Authority and the contractors is a successful one that will be expanded for future construction widening.

Another forward step is the alteration of the standard signing shapes that have so long been associated with the New Jersey Turnpike. This means changing ovals, truncated prisms, and other known geometric forms to the simple rectangular and square sign configurations. These changes are being made by the Maintenance Department under the guidance of a signing master plan for the Turnpike developed by the Traffic Engineering Department. The alterations are being made gradually as the present



safety

signing is damaged by accident or deteriorated by the weather.

Still another advance is a capital budget project where the Traffic Engineering Department is approaching the climax of a program designed to erect three signs at principal highway arterial connections to the northern extreme of the New Jersey Turnpike. These signs will provide motorists with advanced notice and a subsequent opportunity to detour to alternate routes with minimum inconvenience. This may result from a trailer ban, adverse weather conditions, restrictions or closure or other reasons. These signs are positioned on the approaches from the Lincoln Tunnel and the George Washington Bridge and allow motorists to use alternate Route 3 for east-west travel and Routes 1 and 9 for north-south travel.

MONITORING SYSTEM

A mobile traffic counting and monitoring station was placed in operation during the year. This mobile station makes it possible to collect data at any location on the Turnpike, pertaining to total vehicle volume, commercial vehicle volume, individual lane volume, average lane speed and lane densities. All of this information will be permanently recorded on digital and analog recorders and will be available for extensive analysis.

During the year, wind velocity and direction detectors were installed at six strategic locations along the Turnpike. Wind velocity and direction, together with weather conditions in the area, are recorded for each location at the time a trailer ban is put into effect and then recorded every four hours for the duration of



and policing

safety
and policing

Continued



Maintenance men resurfacing lane coned off from traffic as a safety measure on the Newark Bay-Hudson County Extension.



Trooper Paul Hydock inspects new sign erected outside Administration Building directing public to State Police Headquarters.

the ban. Analysis of the data accumulated by these stations will provide the basis for the establishment of a standard procedure for imposing the trailer bans.

A total of 51 additional electronic changeable speed signs were placed in operation, bringing the number of such signs in operation on the Turnpike to 75. These signs make it possible to change the speed limit at any one location, or on the entire Turnpike, from a standard speed limit of 60 miles per hour to 30 miles per hour in five mile per hour increments, from the Central Radio Control Station located in New Brunswick. This is the first complete installation of this type of speed control on any toll road in the country.

ROAD SERVICES AT HIGH LEVEL

During the year 1965, thirty garages under contract handled vehicles that became disabled as a result of mechanical trouble or were involved in accidents. These garages have a total of 175 pieces of equipment which are capable of handling any type of vehicle on the Turnpike.

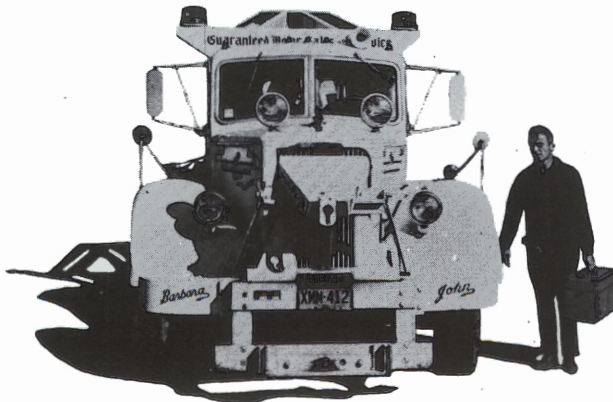
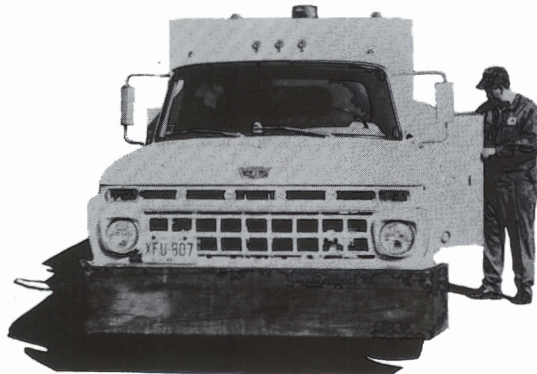
The Cities Service Oil Company continued to service disablements of a non-mechanical nature with a new fleet of trucks attractively painted with new colors and a new name CITGO, but with the same high quality of service.

Both the Cities Service Oil Company and the contract garages operated under the direction of the State Police and the Radio Control Dispatcher Operation which was instituted in 1964 and has proven to be highly effective.

The same 22 fire companies and 36 ambulance squads that have been with the Turnpike since its inception handled all emergencies that fell within the area of their respective responsibilities. All of these organizations, which receive voluntary contributions from the Authority, performed in their usual commendable manner.



turnpike safety record



ACCIDENTS	1965	1964
Accidents	1,711	1,659
Accident Rate	91.8	94.3
Personal Injuries	1,321	1,362
Injury Rate	70.9	77.4
Fatal Accidents	25	26
Fatalities	29	29
Fatality Rate	1.56	1.65

AIDS TO MOTORISTS	1965	1964
Mechanical	24,192	29,005
Gasoline	9,246	9,457
Flat Tires	11,224	11,481
Overheat	2,314	1,819
Other	16,128	11,951
Total Aids	63,104	63,713
Aids	1 per 1,035 vehicles	1 per 959 vehicles
Aids per day	173	174

ENFORCEMENT	1965	1964
Summonses Issued	37,070	34,502
Criminal Arrests	153	341

traffic and toll



REVENUE VEHICLES

	1965	1964
January	4,094,723	4,130,814
February	4,212,557	4,084,280
March	4,941,328	4,781,000
April	5,357,660	4,883,181
May	5,557,274	5,265,455
June	5,904,259	5,651,243
July	6,168,910	5,845,082
August	6,381,933	6,039,359
September	5,772,215	5,298,480
October	5,686,746	5,223,359
November	5,428,633	4,857,836
December	5,451,477	4,647,542
	64,957,715	60,707,631

TOLL REVENUES

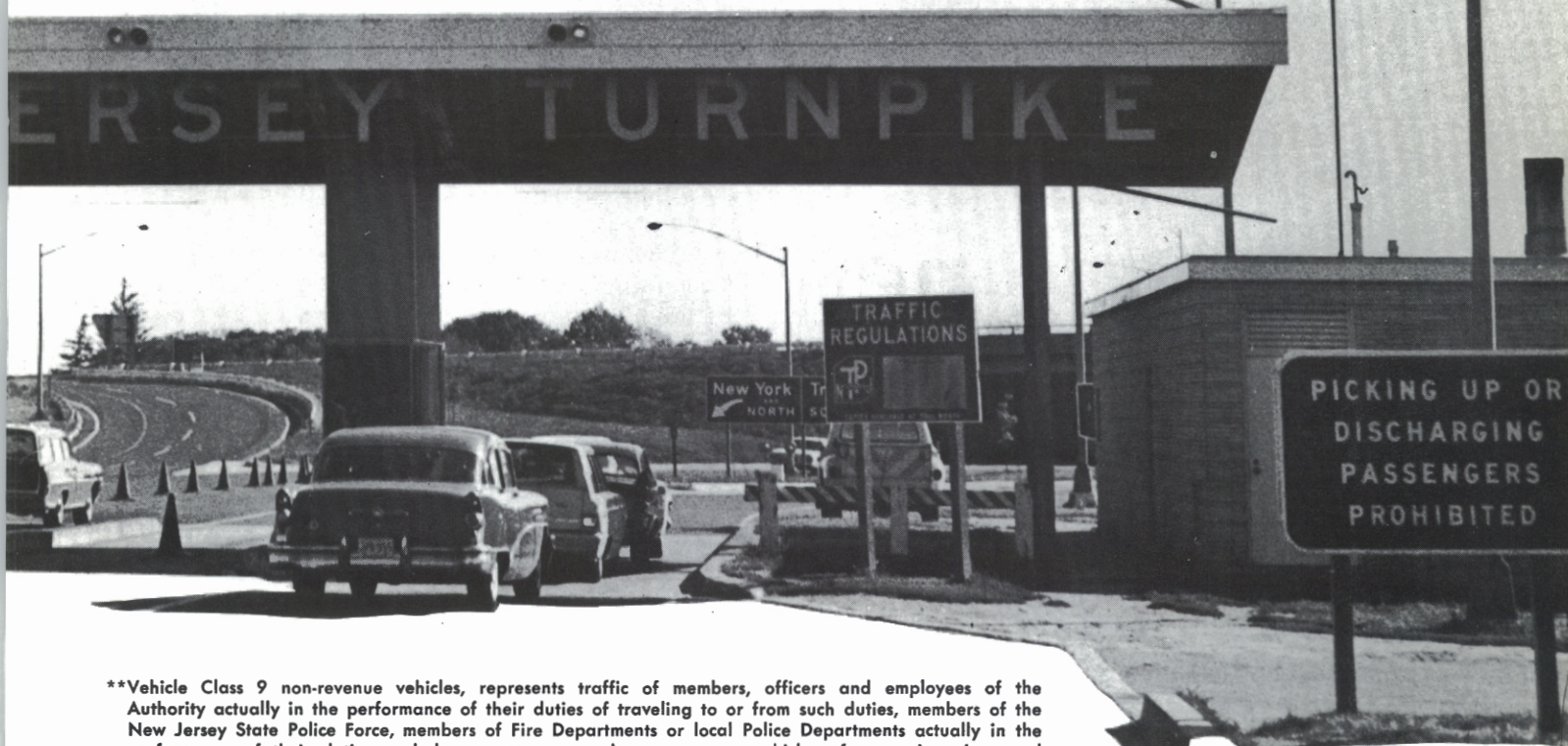
	1965	1964
January	\$ 2,837,210	\$ 2,887,779
February	2,908,285	2,896,512
March	3,397,748	3,391,690
April	3,814,181	3,497,631
May	3,894,612	3,791,832
June	4,245,537	4,197,001
July	4,601,475	4,449,323
August	4,779,957	4,666,215
September	4,182,117	3,941,213
October	3,959,020	3,739,544
November	3,774,024	3,445,885
December	3,733,790	3,248,072
	\$46,127,956	\$44,152,697

REVENUE MILEAGE

	1965	1964
January	108,746,169	107,942,061
February	113,503,572	108,533,925
March	128,023,116	133,166,272
April	154,541,435	136,988,839
May	156,808,244	151,729,423
June	170,761,618	168,574,184
July	195,084,110	183,359,514
August	202,621,677	194,631,515
September	170,255,556	157,049,476
October	158,019,482	145,909,324
November	150,599,968	138,336,512
December	147,430,183	126,853,710
	1,856,395,130	1,753,074,755



revenues



**Vehicle Class 9 non-revenue vehicles, represents 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.

CLASS	DESCRIPTION	1965				1964			
		No. of Vehicles	Percent of Total Revenue Vehicles	Revenue	Percent of Total Indicated Toll Revenue	No. of Vehicles	Percent of Total Revenue Vehicles	Revenue	Percent of Total Indicated Toll Revenue
1	Passenger car, motorcycle, taxi, hearse, 2-axle single-tire truck, 2-axle tractor without semi-trailer	54,964,998	84.6	\$30,815,537	66.8	51,467,196	84.8	\$29,842,724	67.6
2	Passenger car with trailer, 2-axle single-tire truck with trailer, 3-axle tractor without semi-trailer	165,609	.3	228,592	.5	143,185	.2	199,632	.4
3	2-axle dual-tire truck.....	2,496,526	3.8	2,342,100	5.1	2,369,211	3.9	2,251,681	5.1
4	3-axle single-unit truck.....	250,775	.4	268,448	.6	199,931	.3	225,808	.5
5	3-axle semi-trailer combination	983,048	1.5	1,539,994	3.3	984,548	1.6	1,537,772	3.5
6	Four or more axle semi-trailer combination truck and full trailer combination ..	4,546,508	7.0	9,289,551	20.1	4,104,372	6.8	8,523,846	19.3
7	Buses	1,550,251	2.4	1,643,734	3.6	1,439,188	2.4	1,571,234	3.6
	Sub Total	64,957,715	100.0	\$46,127,956	100.0	60,707,631	100.0	\$44,152,697	100.0
9	Non Revenue**	369,399				335,834			
	Sub Total	65,327,114		\$46,127,956		61,043,465		\$44,152,697	
	Less Toll Adjustments			5,756				3,858	
	Total	65,327,114		\$46,122,200		61,043,465		\$44,148,839	
	Daily Average Revenue Vehicles	177,966				165,868			
	Daily Average Toll Revenue			\$126,362				\$120,625	

new construction and improvements

Steel, asphalt and concrete were the leading materials this year for another highly productive construction season. Projects during 1965 were numerous and varied from the large Elizabeth Interchange Complex to the rehabilitation of wells in the water system.

Five million pounds of high-strength, corrosion-resistant structural steel were utilized on one contract alone for the new ramp structures at the Elizabeth Interchange. A new toll plaza with ten lanes and a modern utility building featuring all-electric heating is designed to fit into the largest, most active traffic hub of Union County, where Interstate Route I-278, the Goethals Bridge, Route 1 and the Turnpike connect. Two ramps of this massive interchange complex were opened in mid-November with the remaining work phased into 1966.

Twenty bridge decks were overlaid with coal tar epoxy resin and 1½" neoprene modified asphalt with asbestos additive bituminous concrete.

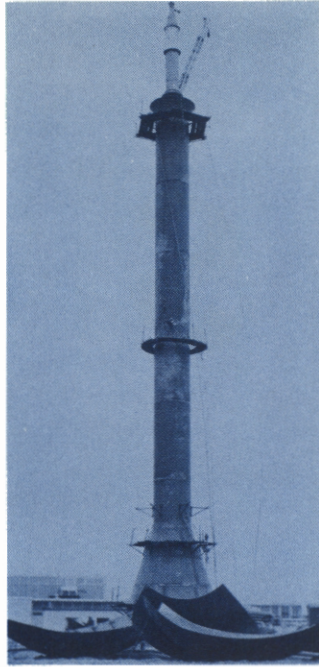
Improvements were also made throughout the Turnpike by various construction contracts such as installation of new island "Y" lights at Service Areas 6N and 6S; new shelter houses for the gasoline islands at Service Area 10S; new registers and diffusers in five service areas; new air conditioning equipment for Service Areas 10N and 12S; freezer and refrigerator alterations at nine service areas; protective bridge fencing on three overpasses and median fencing at two service areas and new traffic materials storage sheds at Maintenance District 5.

A new grade separation "U" turn was completed in 1965 at Maintenance District 2 to permit State Police and Maintenance personnel





New snack bar under construction at the Thomas Edison Service Area, Woodbridge.



The construction of a new water tower at Woodrow Wilson Service Area in Hamilton Township.



Resurfacing work goes on uninterrupted in night-time as traffic tapers off along northern section of Turnpike.

to enter and exit the Turnpike roadways over a new structure with full acceleration and deceleration lanes.

Remote-controlled, illuminated changeable speed-limit signs similar to those previously installed on the northern end of the Turnpike were also added to the southern end from Interchanges 1 to 9. This now places the entire length of the Turnpike under changeable speed-limit signing. A new sign bridge was added at Interchange 4 and a new sign of a cantilever design was installed at New Brunswick Interchange 9.

Extensive water and sewer requirements were handled with little difficulty because of several projects which were under way through the 1965 season. These improvements were effected at Service Areas 6N, 6S, 1N and 1S, wherein a new watersphere of 150,000 gallons

and one of 200,000 gallons were constructed. Sewage plant improvements tripled the capacity at Service Areas 6N and 6S. Five deep wells were entirely rehabilitated, and water softening equipment was improved in these areas.

Roadway resurfacing again amounted to approximately 55,000 tons of overlay and was handled mainly by the Engineering Department during design and supervision.

A new Interchange, 8A, at Forsgate Road in Middlesex County, was begun in 1965; and it is expected to be opened to traffic in the early months of 1966.

All of the new construction and improvements throughout the year—as diversified and varied as they were—contain the same basic ingredients of skilled men, top-quality materials and good engineering applications utilizing the best construction methods and equipment available.





maintenance performance in 1965 included the more obvious tasks of snow and ice control, line striping, painting, mowing and pavement repair.

Of equal importance, but not generally apparent, was the continuing work of preventive maintenance to protect the Authority's investments in its many facilities and properties.

To keep up with its many responsibilities the department has been organized as follows:

ROAD DIVISIONS

There are two divisions. The Southern consists of three districts, and a division crew for a total complement of 108 covering the southern 69 miles. The Northern has four districts, and a division crew for a total of 124 men, covering the northern fifty miles.

During the year the division forces became operational. Bridge and structure painters were added and bridge painting was begun. It is anticipated that these crews will be doubled in 1966 to provide 12 bridge painters in each division.

In 1965, for the first time, most of the mowing was done with temporary summer help.

This made available skilled regular manpower for other urgent work.

BUILDING DIVISION

The Building Division has 87 employees including skilled craftsmen in many trades. Among them are electricians responsible for the lighting and other electrical facilities, including the Authority's toll equipment.

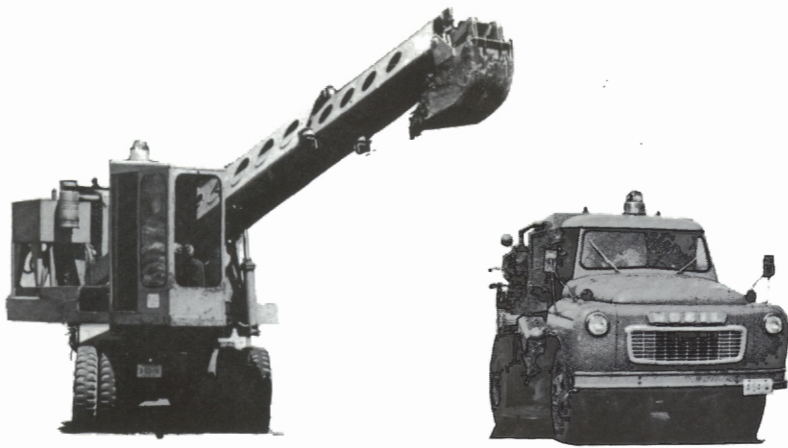
The Authority has its own sign shop and installation crew to take care of approximately 3,500 signs. Wooden signs are gradually being replaced with aluminum.

The Carpenter/Paint Section, in addition to being responsible for sign maintenance, handled general building maintenance and painting.

The Building Mechanical Section, with plumber-steamfitters and building mechanics, tended to the mechanical systems installed in the many buildings as well as the water supply and sewage systems in the service areas. The group constantly checked the Authority's emergency generators for the police radio and interchange facilities in the event of a power failure. A new, much larger, mobile generator was purchased and the Authority is now in a position to provide full power requirements at any of the service area buildings.

maintenance operations





EQUIPMENT DIVISION

The Equipment Division numbers 20 employees responsible for the overall supervision and repair of all maintenance equipment.

Several new pieces were purchased, including a heavy duty back-hoe and a high pressure storm sewer cleaner. Refuse collection trucks were replaced with new vehicles equipped to handle containerized loads; all service area refuse is now handled more efficiently.

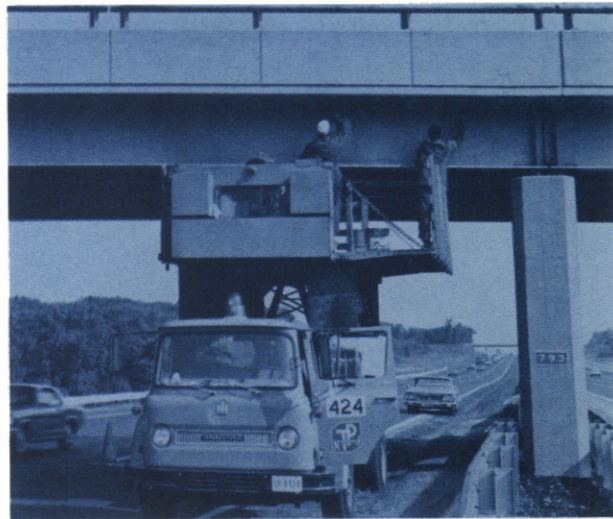
COMMUNICATION SECTION

This section of 18 men operated in two groups. The central dispatching group handled all Turnpike communications, including over 300 motorist aids on peak days. The other group of technicians had charge of the police and maintenance mobile communications and the associated microwave equipment, besides the intra-turnpike telephone and teletype systems. Seventy-six remote control signs were maintained by the section.

A multi-channel tape recording system was installed at New Brunswick to provide a complete message logging system.

LANDSCAPING SECTION

This branch completed ornamental plantings at the four southern service areas and at Inter-



Newly - formed bridge painting operation at work on one of the numerous overpasses, using hydraulic lift truck. At left, truck boom being used to erect new, larger signs.



maintenance
operations

Continued



Additional exit lane under construction at Interchange 9, New Brunswick, by Turnpike Authority's maintenance men and equipment.

changes 8 and 9 and the Central Shops area.

In cooperation with the United States Department of Labor, a Neighborhood Youth Corps project was established to provide gainful employment and training for disadvantaged young men. The program provides eight hours of classroom study, two hours of counseling and 30 hours on work projects each week. The Federal Government reimburses the Authority for 90 percent of the costs.

WATER AND SEWAGE SECTION

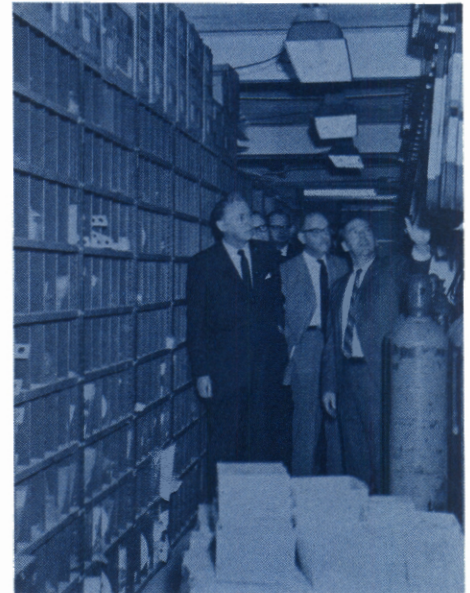
This group of 15 men was responsible for the operation and first line maintenance of five water supply and six major sewage systems.

With the severe drought in the Northern section of the State, reprocessed water from the Authority's sewage plant in Cranbury was trucked to the northern portions of the Turnpike for use in watering ornamental plantings, cleaning toll lanes and other uses.

ADMINISTRATIVE SECTION

This section had 18 employees responsible for the central administrative control, personnel and budget and also had charge of inventory control, purchasing and the central stores.

Executive Director William J. Flanagan and staff inspecting fully-equipped stock room in New Central Shops Building, Hightstown.





toll Collection marked up another record year in 1965. A force of 481 handled nearly 65,000,000 vehicles and collected more than \$46 million in toll revenues.

Despite the closing of the World's Fair in October, increased traffic volumes continued through the end of the year. Augmenting the field staff during the heavy traffic in the summer were 50 toll collectors.

Traffic lanes were increased from 160 to 172 during the year.

Completion of the first phase in the construction of the new Elizabeth Interchange brought on 10 additional lanes. Because of the nature of the construction, it will operate as a split interchange until the project is completed in 1966.

With the opening of the Verrazano-Narrows Bridge, the traffic pattern shifted from the Hol-



toll collection

land Tunnel and other areas to Elizabeth, where the weekly average was increased by two-thirds.

There will be increased demands made upon Toll Collection as a result of the new facilities, including Elizabeth and the 8-A Interchange in Monroe Township, scheduled to open in the Spring of 1966.

program for

1966



new Jersey, like most other sections of the country, is undergoing fundamental changes that affect all aspects of the way of life of its citizens.

It is expected that during the next 20 years more than half of the growth in population of the greater Metropolitan area will occur in New Jersey. Points of origin and destination will form a more complex pattern generally unsuited for railroad passenger transportation.

Historically New Jersey has been a transportation corridor for trips in a north-south direction. We are becoming part of a tremendous urban complex that makes essential the immediate construction of additional traffic lanes.

An expanded Turnpike is also needed to provide the strong north-south distributor for the east-west Interstate routes which terminate at the Turnpike. The routes will feed large volumes of traffic to the Turnpike and expansion is necessary to provide a balanced system and to insure a proper return on the large investment made in these highways.

In order to provide the additional traffic lanes that are needed now, the Turnpike has engaged consultants to prepare plans and supervise construction for widening the Turnpike from a new interchange with the Parkway in Woodbridge Township to Route U.S. 46 in Ridgefield Park.

The consultants are:

1. Frederick R. Harris, Inc.—Section 5A, from vicinity of Ford Avenue to Woodbridge Avenue.
2. Knoerle, Bender, Stone and Associates—Section 5B, from vicinity of Woodbridge Avenue to Morses Creek.
3. DeLeuw, Cather & Co.—Section 6A, Morses Creek, Linden to Humbold Avenue, Elizabeth.
4. McFarland-Johnson—Section 6B, Humbold Avenue, Elizabeth to north end of Oak Island Viaduct, Newark.
5. Goodkind and O'Dea and Hayden, Harding & Buchanan, Inc.—Section 6C, Oak Island Viaduct to the vicinity of Raymond Boulevard, Newark.
6. Howard, Needles, Tammen & Bergendoff—Section 6D, Raymond Boulevard, Newark to vicinity north of Newark Turnpike, Kearny.
7. Brown Professional Engineers, Inc.—Section 7A, vicinity north of Newark Turnpike, Kearny to vicinity north of Route 3, Lyndhurst, East Rutherford.
8. Louis Beiger and Associates—Section 7B, vicinity north of Route 3 to Route 46, in East Rutherford, Carlstadt, Ridgefield Park.



In addition, the firm of Woodward-Clyde-

Sherard and Associates has been engaged as Soils Consultants.

Construction plans are well advanced and right-of-way is being acquired for the new interchange with Routes 287, 440 and Woodbridge Avenue. Contracts will be advertised in a few months. New interchanges will also be required for other Interstate routes which will terminate at the Turnpike.

Also, a new interchange is being built in South Brunswick and Monroe Township to connect with the new State Highway Route 32. This will provide needed traffic service for the local area. It was also instrumental in bringing to New Jersey a \$750 million housing development, now under construction.

The Turnpike is thus aiding in meeting the challenge of adjacent states and playing an important part in the continued prosperity of New Jersey.

The new ten-lane toll plaza under construction at relocated Interchange 13 at Elizabeth, scheduled for completion in early 1966.



General view of site for new Interchange 8-A in South Brunswick and Monroe Township. Completion date is projected for 1966.





(Left) Information Director H. A. Tani, Artist Ahlgrim and Staff Photographer Al Oleck discuss Report. (Right) School children learn about New Jersey Turnpike on one of many information tours.



public information

With the pace of Turnpike operations stepped up in preparation for the projected widening program, greater demands were placed upon the Authority for a continuing presentation of its role and aims as an important link in the State's economy.

Even though the Turnpike in 1965 stood on the threshold of its greatest expansion undertaking, the extent of its traffic growth in itself accounted for much of the increased demand for information about its activities and operations.

Through the cooperation of the press and radio, the Public Information Department obtained wide coverage of Turnpike news. This included construction projects in progress or pending, traffic situations, State Police enforcement activities, and items of a general nature.

The adoption in April of a new policy dealing with foreign diplomats who violate the traffic laws on the Turnpike produced nationwide publicity that was highly favorable. The new policy, announced by Executive Director Flanagan, authorizes state troopers to escort off the Turnpike vehicles with diplomatic immunity if they are repeated offenders.

To assist the general public in a better understanding of the Turnpike, the Department in 1965 issued a new brochure on the Authority's

history and operations. It also published a pamphlet answering questions most frequently asked about the Turnpike, and a circular on the Charter Bus Stop for distribution to bus companies throughout the country.

Growing interest in the services offered by the Authority was evidenced by the increase in the number of guided tours of Turnpike facilities conducted by the Department for the benefit of school children and other youth groups in the State.

A large volume of mail requests for information was received from patrons as well as students in and outside the State.

The information facilities were not confined to outside groups. The Pike Interchange, monthly employee publication, began its seventh year in September, 1965. The paper, staffed entirely by Authority personnel, covered the whole range of employee and Authority activities. The format featured pictures provided by the pictorial section under a staff photographer. The section also served outside agencies, publications and individuals while working with other Turnpike departments in need of photo coverage.

Publication of the Authority's Annual Report was another responsibility of the Public Information Department, with the cooperation of the various department heads in reporting their activities.

legal and real estate

With the advent of major construction projects on the Turnpike, including the new Elizabeth and Edison Interchange Complexes, the Real Estate section, now incorporated in the Legal Department, has gone into full operation. In 1965, for example, over 90 parcels were being acquired for the Edison project.

Arrangements are being made to appraise, negotiate and acquire all of the properties needed for the projected expansion of the Turnpike, and the Department was awaiting formal adoption of the program.

Court litigation involving contractor's claims, construction contracts and condemnation have been handled by this Department under General Counsel Grover C. Richman, Jr.

The Department continued to furnish legal assistance to other branches of the Authority. Such services range from legal supervision of bid openings to daily consultations with Authority engineers in the preparation of plans and specifications, and the continuance of an excellent record in the recovery of Authority property claims at an experience range that exceeds 94%.

PURCHASING DEPARTMENT

As the operations of the Turnpike embrace new techniques, the burden is placed upon the Purchasing Department to acquire the many supplies, equipment, and various services necessary to implement these changes. During 1965, a staff of four handled hundreds of purchase requisitions. New and improved bidding instructions have been published which contain essential information to prospective bidders.

An office supply catalogue for internal use also has been published standardizing the requisitioning procedure.

Recognizing the anticipated needs accompanying roadway expansion, the Department is planning ahead to assure vigorous competitive bidding among Turnpike suppliers.



Grover C. Richman, Jr., Turnpike General Counsel, who has over-all direction of expanded department.

Artist's rendering of proposed Turnpike Interchange in Edison Township, project to be coordinated with State's construction of Interstate Route 287.



the Employee Relations Improvement Committee (ERIC), established in 1962, continued to operate with new ideas and achievements in fostering a greater rapport among the Authority's personnel.

The year was marked by innovations, staged in cooperation with field employees. There was the Spring Fling, held on May 8, a festive affair featuring Italian cuisine and provincial surroundings, the first of a series of annual events following the style of a particular ethnic segment of our society.

The affair, entirely sponsored by Turnpike employees, assisted by the Howard Johnson staff, raised funds to help defray the expenses of the employees' Fall Dinner-Dance on October 9. At that event, called the Fall Frolic, the Turnpike family was able to participate in a more formal affair at a substantial reduction in price.

Success of the ERIC program was not limited to social occasions. The Suggestions Award Program was widely supported and has resulted, since its inception in December 1962, in 107 em-



Scene at the Annual Fall Dinner - Dance, attended by capacity throng on Oct. 9.

ployees winning a grand total of \$3,700.

ERIC's Blood Bank, conducted with the cooperation of the Authority and the Red Cross, drew, as in the previous three years, enthusiastic employee response.

The Committee continued its practice of inviting field employees to join in the discussion of plans and new ideas. It also continued to sponsor visitations by new employees for the third year, enabling these people to become acquainted with the Authority, its facilities and functions.

Symbolic of its fresh, new outlook, the ERIC trademark of a lively baby received additional exposure on identity cards entitling Turnpike personnel to privileges on projects and services planned for their benefit.

Climactic event of the year was the annual Turnpike Christmas family reunion at St. Thomas Auditorium, Old Bridge, on December 11. Some 3,000 persons attended the three-part program, at which Santa Claus distributed toys to all the children in what was the largest turnout since the event was first held in 1962.

the eric program

Turnpike employees being processed in third year of Blood Bank Program (right). Part of crowd of 3,000 greet Santa Claus' arrival at Christmas reunion (below).



personnel

for the first time in the Turnpike's history, the force of permanent employees exceeded 1,000 in 1965, as the Authority kept pace with the mounting manpower demands.

At the same time, major changes were made in personnel policies, and on July 1, 1965, a handbook on the new procedures was distributed to all employees. Among these changes were improvements to the benefit plan and, for the first time, the health plan was made available to some 45 retired employees.

A labor relations team of four Turnpike employees was named by Executive Director William J. Flanagan to serve as a fact-finding body to assist in implementing the new policies.

The Authority sponsored a Neighborhood Youth Program and eleven enrollees from disadvantaged families were placed in the Maintenance Department, under the supervision of the Landscaping Section.

A Medical Section was established within the Personnel Department in January 1965, and is manned by a full-time registered nurse and a part-time physician. All pre-employment examinations are conducted by the Medical Section and a program of periodic examination of employees has been undertaken. Also, stepped-up medical services are being made available to employees.



Personnel Director Robert P. Kenney (left) confers with his assistants, Daniel Donahue and Mrs. Valeria Dalesandro.

The year 1965 saw eight employees complete a span of service ranging up to 16 years. The 16-year mark was attained by Mrs. Lillian M. Schwartz, Authority secretary and assistant treasurer, first employee hired on April 4, 1949, and John P. Leshar, Director of Tolls, September 22, 1949. Six others with the Turnpike for 15 years in 1965 were Kenneth C. Massey (Maintenance), John Hinterberg (Real Estate), Charles R. Schino (Purchasing), Neville R. Ashcroft (Comptroller), and Wadsworth M. Minor and Charles Stevenson (Accounting). In addition, 322 employees or about one-third of the total personnel, observed 10 years or more with the New Jersey Turnpike during the year.



at December 31, 1965 the Authority had redeemed a total of \$136,129,000 par value of its bonds and had in the sinking funds sufficient money to redeem at current sinking fund call prices additional bonds totaling \$7,497,000 of which latter \$7,438,000 were called for redemption on January 1, 1966. Bonds in the principal amount of \$35,000 were purchased on firm order but delivered subsequent to the year end. Total redemption and provision therefor at current call prices equaled

General Bonds	\$46,378,000
Second Series Bonds	97,248,000
Total all issues	\$143,626,000

This represents 18.2% of General Bonds; 46.0% of Second Series Bonds and 30.8% of all bonds issued. Average cost per \$100 of these redemptions to date, including moneys in the sinking funds at prevailing sinking fund call prices, is

General Bonds	98.477
Second Series Bonds	97.900
All Issues	98.086

The sinking fund requirement for the 1950 Issue of General Bonds for the twelve month period ending November 15, 1966 is \$6,895,000 of which \$3,723,730 had been supplied at December 31, 1965.

In the fiscal year 1965 the average daily gross income was \$140,538; in 1964 it was \$133,967. The daily average required in 1965 to pay annual interest on all bonds issued and outstanding, the actual operation expenses for the year and the General Bond sinking fund requirement for the twelve-month period ended November 15, 1965 was \$78,362. Interest coverage in 1965 and 1964 was as follows:

	1965	1964
Before extraordinary charges	3.70	3.37
After extraordinary charges	3.34	2.97

Extraordinary charges, financed from the reserves in accordance with the provisions of the bond resolutions in 1965, were somewhat under those of the preceding year—\$3,918,261 vs. \$4,574,702. As in prior years the major portion of these charges reflected necessary work on repair and replacement of pavement and bridges. The total of such charges from inception to December 31, 1965 is \$20,855,482.

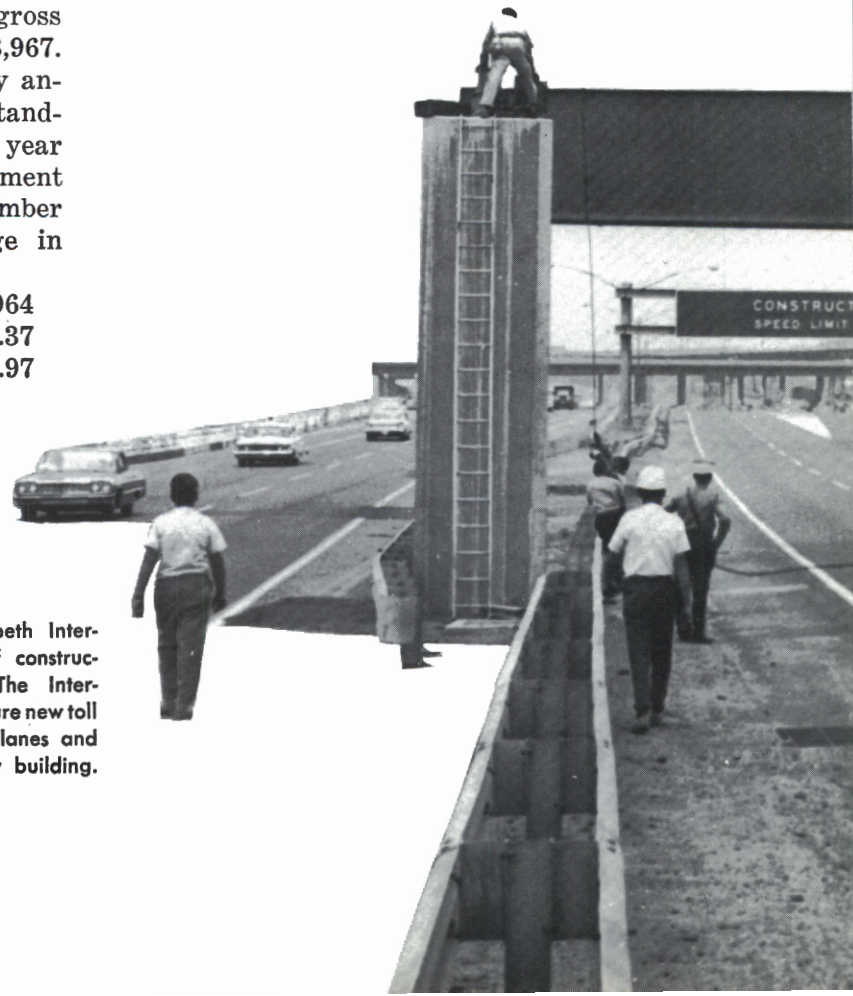
In 1965 the Authority continued its program of improvements and betterments to the Turnpike. In all, since inception the amount committed for these purposes approximated \$60,111,000 at December 31, 1965. This sum includes approximately \$13,493,300 for a major enlargement of Interchange 13 at Elizabeth. Against these commitments there has been charged to the reserves at the year end (See Statement of Cost of Investment in Facilities in the financial statements)

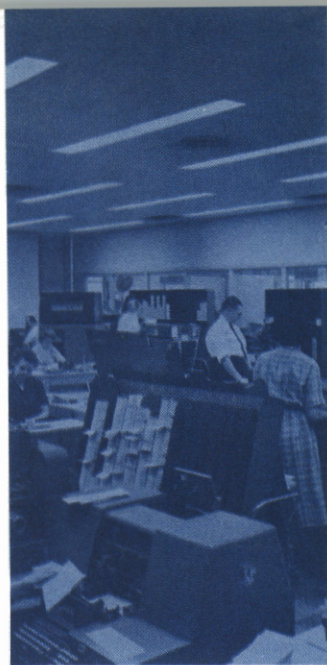
To the General Reserve Fund	\$10,239,150
To the Second Series	
Maintenance Fund	41,435,092

(Continued on page 32)

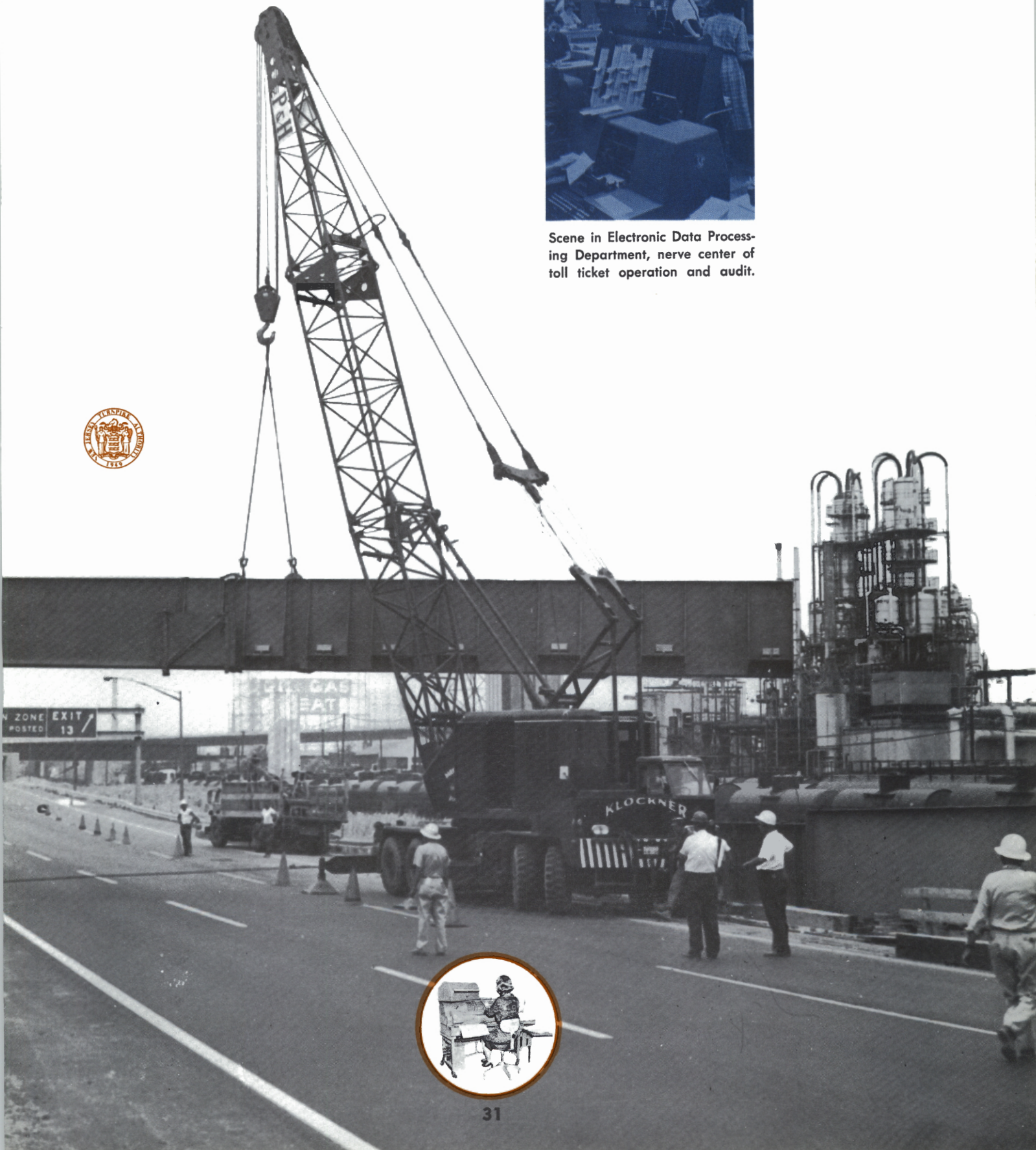
finance

Scene at Elizabeth Interchange, hub of construction activity. The Interchange will feature new toll plaza with ten lanes and a modern utility building.





Scene in Electronic Data Processing Department, nerve center of toll ticket operation and audit.



Of these moneys, \$2,251,294 came from proceeds of the sale of bonds. All other moneys were supplied from the revenues.

Commitments not yet charged at December 31, 1965, both as to extraordinary expenses and cost of improvements and betterments, approximated \$10,037,000.

At December 31, 1965 all reserve requirements had been fully met except for a deficiency in the Second Series Maintenance Fund of \$1,373,881, which deficiency in due course will

be made good from the revenues. There were also moneys and securities in the Capital Project Accounts, withdrawn from the Second Series Maintenance Fund, totaling \$2,230,169.

The Annual Budget of Operating Expenses for the fiscal year 1965 was \$11,684,000. Actual disbursements totaled \$11,045,728.

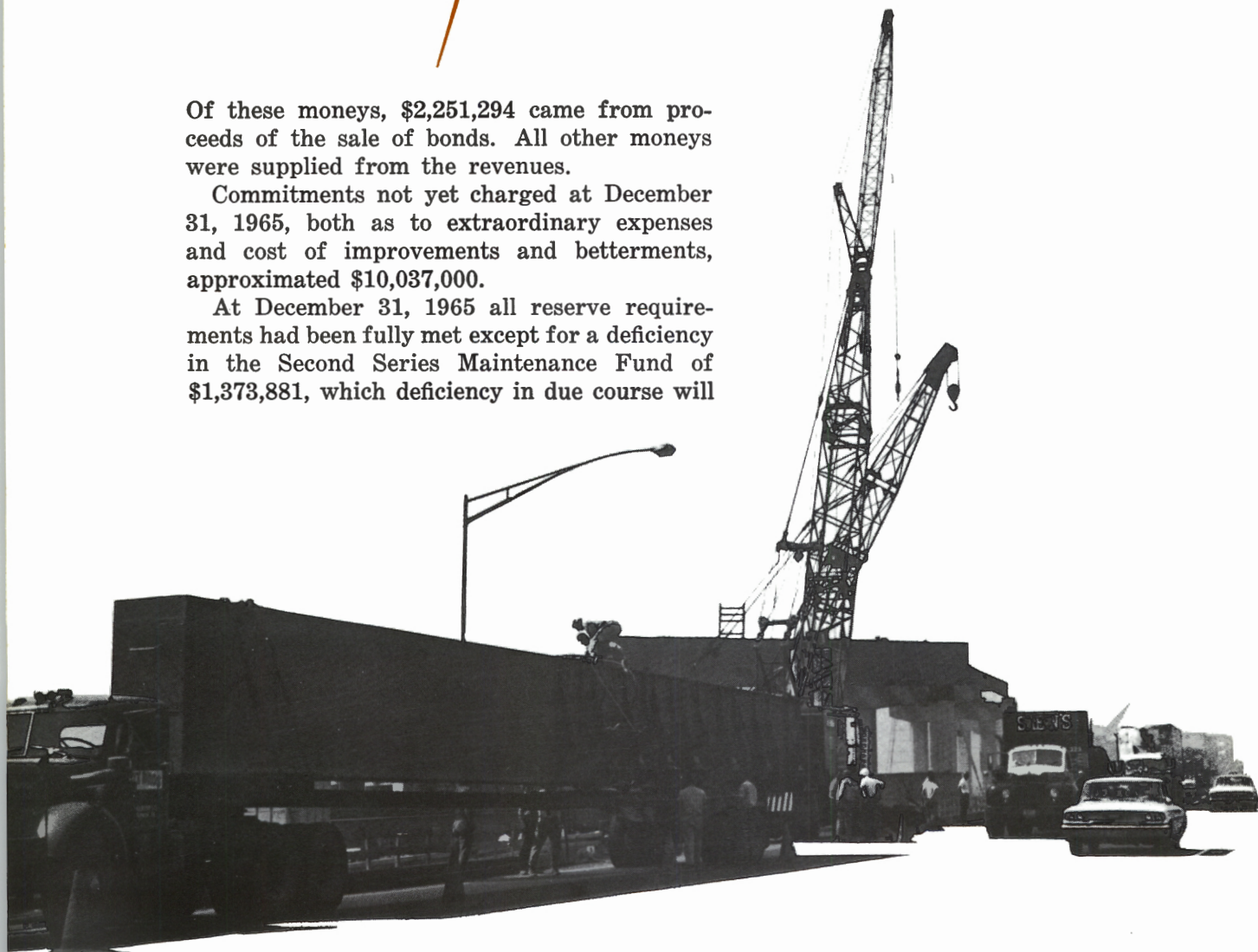
Attention is directed to the Statement of Application of Net Revenues after Interest and Extraordinary Charges to December 31, 1965. This statement, among other things, records the disposition of the net revenues received in 1965.

Schedule I lists investment holdings of the Authority at par and at cost at the year end. Market value at the year end approximated \$85,000 below cost. No capital loss is antici-

pated. In 1965 investment income was \$1,493,066. In 1964 it was \$1,306,601. These amounts included interest received on time deposits of moneys in the sinking funds awaiting call date of \$169,156 and \$125,236 respectively.

Certification of completion of construction of the Newark Bay-Hudson County Extension has not yet occurred due to certain incompleted real estate transactions, though considerable progress was made in the year just ended. The net balance remaining in the Proceeds Fund is more than adequate to cover any remaining costs.

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



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, 1965, the related statements of revenues and operating expenses and application of net revenues after interest and extraordinary charges for the year then ended, and the statement of cost of investment in facilities to December 31, 1965. 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, 1965, 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, 1965, 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 5 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.

Peat, Marwick, Mitchell & Co.

January 19, 1966



new jersey turnpike



Statement of Assets and Liabilities — December 31, 1965

ASSETS

Operating accounts:

Cash	\$ 367,051	
Investments—at cost (Schedule 1)	440,750	
Accounts receivable	334,742	
		<u>1,142,543</u>

Funds allocated from reserve to provide for major improvements, repairs, replacements, maintenance, etc.:

Cash	902,098	
Investments—at cost (Schedule 1).....	1,328,071	
Deposit in condemnation case.....	392,875	
Accounts receivable	100,631	
Cost of studies for proposed projects.....	25,395	
		<u>2,749,070</u>

Other funds, including reserve funds (Schedule 2).....	<u>37,861,999</u>	\$ 41,753,612
--	-------------------	----------------------

General reserve accounts:

Cash	60,332	
Investments—at cost (Schedule 1).....	440,485	
Cost of studies relating to approved projects	549,519	1,050,336
		<u>1,050,336</u>

Construction accounts (Schedule 4):

Cash and investments		3,071,443
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Cost of investment in facilities		498,215,022
---	--	--------------------

		<u>\$544,090,413</u>
--	--	-----------------------------

authority

Workmen paving exit ramp to relocated Interchange 13 at Elizabeth. Project completion is anticipated in 1966.



LIABILITIES

Operating accounts:

Withholdings from employees	\$	130,596	
Toll revenues received in advance.....		64,964	
Other liabilities		5,813	
		<u>201,373</u>	

Funds allocated from reserve to provide for major improvements, repairs, replacements, maintenance, etc.:

Amounts retained from contractors and engineers.....	<u>770,881</u>	\$	972,254
--	----------------	----	----------------

General reserve accounts:

Amounts retained from contractors and engineers			28,414
---	--	--	---------------

Construction accounts (Schedule 4):*

Amounts retained from contractors and engineers.....			471
--	--	--	------------

Bond indebtedness (Schedule 3):

General revenue bonds.....	212,581,000		
Second series revenue bonds.....	<u>117,490,000</u>		330,071,000

Bond indebtedness retired from revenues			129,266,580
--	--	--	--------------------

Revenues retained in funds and other accounts			83,751,694
			<u>\$544,090,413</u>

new jersey turnpike



Statement of Cost of Investment in Facilities to December 31, 1965

	Total	Original Turnpike	Newark Bay- Hudson County Extension	Penn- sylvania Extension	Additional Traffic Lanes and Service Areas (See Note)	Improvements, Enlargements and Betterments (See Note)	
						From General Reserve Fund	From Second Series Maintenance Fund
Engineering and architectural	\$ 32,987,553	17,569,760	6,681,059	1,487,070	2,345,403	831,849	4,072,412
Land, easements and rights-of-way	29,741,366	20,646,972	6,448,104	836,417	18,233	—	1,791,640
Construction	410,938,888	228,370,263	91,450,934	18,446,905	28,097,403	9,206,867	35,366,516
Maintenance organiza- tion, including miscel- laneous construction work	2,550,361	1,949,091	299,250	86,430	44,485	128,126	42,979
Toll collection and toll audit organization	595,798	412,631	80,144	17,755	—	27,091	58,177
Other costs, including administration	2,048,092	1,368,897	399,768	72,335	54,776	46,756	105,560
Financial	26,992,323	8,439,871	13,968,753	2,006,272	2,577,427	—	—
	505,854,381	278,757,485	119,328,012	22,953,184	33,137,727	10,240,689	41,437,284
Less income from inter- im investment of con- struction funds, etc.	7,639,359	1,093,951	4,271,752	1,543,824	726,101	1,539	2,192
	\$498,215,022	277,663,534	115,056,260	21,409,360	32,411,626	10,239,150	41,435,092

Note—Cost of Additional Traffic Lanes and Service Areas includes \$211,882 and Improvements, Enlargements and Betterments includes \$49,422,948 provided from retained revenues.

See accompanying notes to financial statements.

authority

New sign proclaims Joyce Kilmer service area, one of 14 named after celebrated Jerseyans. New aluminum chain link fence (left) bars southbound patrons from crossing roadway to service area.



Statement of Revenues and Operating Expenses Year Ended December 31, 1965

Revenues:

Toll revenue (Schedule 5).....		\$46,122,200
Concession revenue		3,624,311
Income from investments		1,493,066
Miscellaneous		56,724
		<u>51,296,301</u>

Budgeted operating expenses:

Administration:		
General	\$ 415,465	
Toll audit	273,621	
Accounting	140,990	
Operation:		
Traffic control and police	1,461,343	
Toll collection	3,452,535	
Maintenance, repair, replacement and reconstruction.....	4,053,632	
Engineering	244,861	
Real estate	7,350	
Insurance	279,653	
Professional fees and compensation.....	72,278	
Expense and compensation of fiduciaries.....	100,323	
Pension and retirement	522,825	
Taxes	17,652	
New Jersey Tercentenary contribution	10,000	
	<u>11,052,528</u>	
Less cash discounts	6,800	11,045,728
		<u>40,250,573</u>

Interest on bonds:

General revenue bonds	7,010,967	
Second series revenue bonds	3,865,381	10,876,348
		<u>29,374,225</u>

Extraordinary charges:

Repairs, replacements and maintenance items of a type not recurring annually or at short intervals.....		3,918,261
		<u>29,374,225</u>
Net revenues after interest and extraordinary charges (see accompanying statement)		<u>\$25,455,964</u>

See accompanying notes to financial statements.

new jersey turnpike



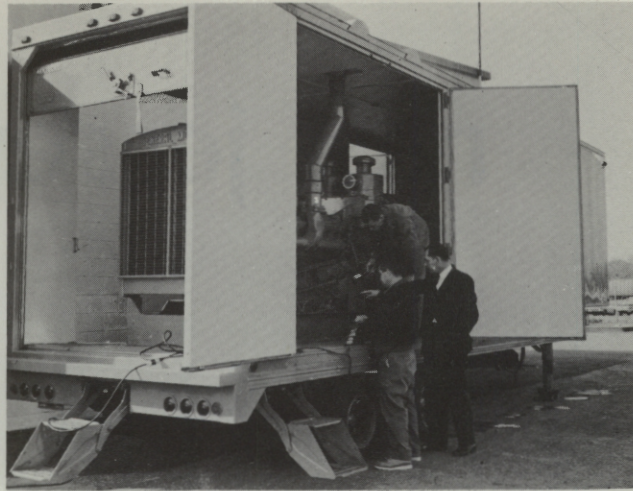
Statement of Application of Net Revenues After Interest

	Combined Total	Revenue Fund	Interest Funds	General Interest Reserve Fund	General Bond Reserve Fund
Balance December 31, 1964.....	\$195,242,311	4,080,666	25,695	3,656,990	7,313,980
Add:					
Net revenues after interest and extraordinary charges for year ended December 31, 1965.....	25,455,964	166,389	(8,035)	—	—
Discount (premium) on bonds retired, net	29,536	—	—	—	—
Transfer of excess reserve requirements	—	—	—	(150,312)	(300,219)
Transfers from second series maintenance fund	—	—	—	—	—
Proceeds from sale of property after certification of completion	140,008	—	4,250	—	—
Revenues invested in facilities during year	—	—	—	—	—
Change in net assets of other operating accounts	—	145,127	—	—	—
	<u>220,867,819</u>	<u>4,392,182</u>	<u>21,910</u>	<u>3,506,678</u>	<u>7,013,761</u>
Less:					
Principal amount of bonds retired, including \$11,672,750 from revenues and \$4,250 from con- struction moneys	4,250	—	—	—	—
Funds from construction accounts invested in facilities	135,758	—	—	—	—
Write-off of cost of studies on projects abandoned.....	23,121	—	—	—	—
	<u>163,129</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Balance December 31, 1965.....	<u>\$220,704,690</u>	<u>4,392,182</u>	<u>21,910</u>	<u>3,506,678</u>	<u>7,013,761</u>
Comprised as follows:					
Proceeds from sale of bonds	7,686,416	—	—	162,500	7,013,761
Bond indebtedness retired from revenues	129,266,580	—	—	—	—
Revenues retained	83,751,694	4,392,182	21,910	3,344,178	—
	<u>\$220,704,690</u>	<u>4,392,182</u>	<u>21,910</u>	<u>3,506,678</u>	<u>7,013,761</u>

See accompanying notes to financial statements.

authority

New mobile generator, built in van type trailer, can supply enough power to accommodate an entire service area.



and Extraordinary Charges to December 31, 1965

Other Fund Accounts

Funds		Sinking Funds			Funds for Major Improvements, Repairs, Replacements, Maintenance, etc.	Net Assets of other Operating Accounts	General Reserve Accounts	Revenues Invested in Facilities	Bond Indebtedness Retired from Revenues
Second Series Interest Reserve Fund	Second Series Maintenance Fund	General Bonds	Second Series Bonds	Total (Schedule 2)					
12,538,900	4,393,411	43,179	5,313,217	37,366,038	18,516	1,086,297	785,850	38,391,781	117,593,830
—	15,396,805	7,606,517	6,212,548	29,374,224	(3,918,261)	—	—	—	—
—	—	87,369	(57,833)	29,536	—	—	—	—	—
(789,900)	765,548	—	24,352	(450,531)	—	—	450,531	—	—
—	(17,065,403)	—	—	(17,065,403)	17,065,403	—	—	—	—
—	135,758	—	—	140,008	—	—	—	—	—
—	—	—	—	—	(11,028,591)	—	(214,459)	11,243,050	—
—	—	—	—	145,127	—	(145,127)	—	—	—
<u>11,749,000</u>	<u>3,626,119</u>	<u>7,737,065</u>	<u>11,492,284</u>	<u>49,538,999</u>	<u>2,137,067</u>	<u>941,170</u>	<u>1,021,922</u>	<u>49,634,831</u>	<u>117,593,830</u>
—	—	3,778,000	7,899,000	11,677,000	—	—	—	—	(11,672,750)
—	—	—	—	—	135,758	—	—	—	—
—	—	—	—	—	23,121	—	—	—	—
—	—	3,778,000	7,899,000	11,677,000	158,879	—	—	—	(11,672,750)
<u>11,749,000</u>	<u>3,626,119</u>	<u>3,959,065</u>	<u>3,593,284</u>	<u>37,861,999</u>	<u>1,978,188</u>	<u>941,170</u>	<u>1,021,922</u>	<u>49,634,831</u>	<u>129,266,580</u>
—	—	—	—	7,176,261	—	500,000	10,155	—	—
—	—	—	—	—	—	—	—	—	129,266,580
<u>11,749,000</u>	<u>3,626,119</u>	<u>3,959,065</u>	<u>3,593,284</u>	<u>30,685,738</u>	<u>1,978,188</u>	<u>441,170</u>	<u>1,011,767</u>	<u>49,634,831</u>	<u>—</u>
<u>11,749,000</u>	<u>3,626,119</u>	<u>3,959,065</u>	<u>3,593,284</u>	<u>37,861,999</u>	<u>1,978,188</u>	<u>941,170</u>	<u>1,021,922</u>	<u>49,634,831</u>	<u>129,266,580</u>

new jersey turnpike



Investments - December 31, 1965

Schedule 1

	Interest Rate	Maturity	Par Value	Cost
Operating accounts:				
Operating fund:				
United States Treasury bills	—%	Jan. 6, 1966	\$ 150,000	147,138
United States Treasury bills	—	Apr. 21, 1966	300,000	293,612
			<u>450,000</u>	<u>440,750</u>
Other funds:				
Reserve funds:				
General interest reserve fund:				
United States Treasury bills	—	Apr. 28, 1966	2,800,000	2,742,130
United States Treasury notes	4	May 15, 1966	500,000	499,922
United States Treasury notes	4	Feb. 15, 1967	240,000	239,640
			<u>3,540,000</u>	<u>3,481,692</u>
General bond reserve fund:				
United States Treasury notes	3 $\frac{1}{8}$	Feb. 15, 1966	1,000,000	1,000,000
United States Treasury bills	—	Apr. 28, 1966	3,150,000	3,084,847
United States Treasury notes	4	May 15, 1966	1,170,000	1,169,817
United States Treasury bills	—	June 30, 1966	50,000	48,824
United States Treasury notes	4	Aug. 15, 1966	400,000	399,400
United States Treasury notes	3 $\frac{1}{4}$	Aug. 15, 1967	1,300,000	1,293,906
			<u>7,070,000</u>	<u>6,996,794</u>
Second series bonds (Series B) interest reserve fund:				
United States Treasury bills	—	Apr. 28, 1966	4,100,000	4,015,262
United States Treasury notes	4	May 15, 1966	2,800,000	2,799,563
United States Treasury bills	—	June 30, 1966	200,000	195,294
United States Treasury notes	4	Aug. 15, 1966	1,150,000	1,148,275
United States Treasury notes	4	Feb. 15, 1967	2,550,000	2,546,175
United States Treasury notes	3 $\frac{1}{4}$	Aug. 15, 1967	650,000	646,953
			<u>11,450,000</u>	<u>11,351,522</u>
Second series bonds (Series B) maintenance fund:				
United States Treasury bills	—	Jan. 27, 1966	500,000	495,533
United States Treasury bills	—	Feb. 17, 1966	500,000	494,305
United States Treasury bills	—	Mar. 17, 1966	500,000	491,350
United States Treasury bills	—	Mar. 31, 1966	550,000	539,515
United States Treasury bills	—	Apr. 14, 1966	500,000	489,675
United States Treasury bills	—	Apr. 28, 1966	500,000	490,049
United States Treasury bills	—	May 5, 1966	500,000	489,616
			<u>3,550,000</u>	<u>3,490,043</u>
Total other funds			25,610,000	25,320,051
Total operating accounts carried forward.....			<u>\$26,060,000</u>	<u>25,760,801</u>

authority

Mainline, looking northeast, showing ramp signs to Newark Airport Interchange and Hudson County Extension. Area is one of busiest road sections in U.S.



	Interest Rate	Maturity	Par Value	Cost
Total operating accounts brought forward.....			\$26,060,000	25,760,801
Funds allocated from reserve to provide for major improvements, repairs, replacements, maintenance, etc.:				
United States Treasury bills	—%	Jan. 20, 1966	\$ 250,000	247,450
United States Treasury bills	—	Feb. 10, 1966	400,000	393,191
United States Treasury bills	—	Mar. 17, 1966	250,000	244,919
United States Treasury bills	—	Mar. 24, 1966	250,000	247,182
United States Treasury bills	—	June 23, 1966	200,000	195,329
			<u>1,350,000</u>	<u>1,328,071</u>
Total operating accounts			<u>27,410,000</u>	<u>27,088,872</u>
General reserve accounts:				
United States Treasury bills	—	Jan. 13, 1966	200,000	196,026
United States Treasury bills	—	Apr. 14, 1966	150,000	146,831
United States Treasury bills	—	June 23, 1966	100,000	97,628
Total general reserve accounts			<u>450,000</u>	<u>440,485</u>
Construction accounts:				
Second series proceeds fund (Series B—1953):				
United States Treasury bills	—	Apr. 21, 1966	<u>2,850,000</u>	<u>2,789,238</u>
Total investments			<u>\$30,710,000</u>	<u>30,318,595</u>

Note—As of December 31, 1965, the aggregate market value of the investments was approximately \$85,000 less than total cost.

new jersey turnpike



Other Funds — December 31, 1965

Schedule 2

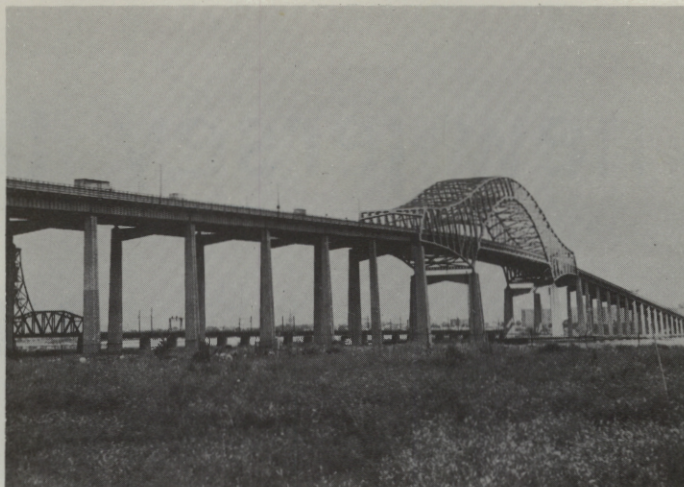
	Total	Cash on deposit with Trustee, Special Trustee and Sinking Fund Agent	Investments in United States Government obligations— at cost (Schedule 1)
Revenue fund	\$ 4,392,182	4,392,182	—
Interest funds:			
General bonds	2,711	2,711	—
Second series bonds (Series B).....	19,199	19,199	—
	<u>21,910</u>	<u>21,910</u>	<u>—</u>
Reserve funds:			
General interest reserve fund.....	3,506,678	24,986	3,481,692
General bond reserve fund.....	7,013,761	16,967	6,996,794
Second series bonds (Series B) interest reserve fund	11,749,000	397,478	11,351,522
Second series bonds (Series B) maintenance fund	3,626,119	136,076	3,490,043
	<u>25,895,558</u>	<u>575,507</u>	<u>25,320,051</u>
Sinking funds:			
General sinking fund:			
3¼ %—1950 issue (note 1)	3,959,065	3,959,065	—
Second series bonds (Series B) sinking fund:			
3¾ %—1953 issue (note 2)	3,592,066	3,592,066	—
3 %—1954 issue	316	316	—
2.80 %—1955 issue	902	902	—
	<u>3,593,284</u>	<u>3,593,284</u>	<u>—</u>
	<u>7,552,349</u>	<u>7,552,349</u>	<u>—</u>
	<u>\$ 37,861,999</u>	<u>12,541,948</u>	<u>25,320,051</u>

Notes:

- (1) Includes \$3,900,000 reserved for bonds called for redemption at par on January 1, 1966. In addition, approximately \$34,700 had been committed on firm orders to purchase bonds which were delivered in January, 1966.
- (2) Includes \$3,591,070 reserved for bonds in the principal amount of \$3,538,000 called for redemption on January 1, 1966 at 101½ as provided for in the bond resolution.

authority

Part of Hudson County Extension, showing center span over Newark Bay, looking east to Holland Tunnel connection.



Bond Indebtedness — December 31, 1965

Schedule 3

	Original amount authorized and issued	Acquired and cancelled in prior years	Amount outstanding Dec. 31, 1964	Acquired by Sinking Fund and cancelled during 1965	Amount outstanding Dec. 31, 1965
General revenue bonds:					
Turnpike revenue bonds (1950 issue), 3¼%, maturing January 1, 1985.....	\$220,000,000	38,641,000	181,359,000	3,778,000	177,581,000
Turnpike revenue bonds (1951 issue), 3.20%, maturing January 1, 1986.....	35,000,000	—	35,000,000	—	35,000,000
	<u>255,000,000</u>	<u>38,641,000</u>	<u>216,359,000</u>	<u>3,778,000</u>	<u>212,581,000</u>
Second series revenue bonds, maturing July 1, 1988:					
Series B, 3% (1953 issue)....	150,000,000	59,766,000	90,234,000	6,063,000	84,171,000
Series B, 3% (1954 issue)....	27,200,000	11,590,000	15,610,000	836,000	14,774,000
Series B, 2.80% (1955 issue)....	34,000,000	14,455,000	19,545,000	1,000,000	18,545,000
	<u>211,200,000</u>	<u>85,811,000</u>	<u>125,389,000</u>	<u>7,899,000</u>	<u>117,490,000</u>
	<u>\$466,200,000</u>	<u>124,452,000</u>	<u>341,748,000</u>	<u>11,677,000</u>	<u>330,071,000</u>

Note—To December 31, 1965 bond indebtedness totaling \$136,129,000 had been retired of which amount \$129,266,580 had been retired from revenues and \$6,862,420 from excess construction funds.

Schedule 4

Summary of Construction Accounts — December 31, 1965

ASSETS	Total	Original Turnpike	Newark Bay- Hudson County extension	Pennsylvania extension	Additional traffic lanes and service areas
Cash	\$ 282,205	717	179,042	9,129	93,317
Interim investment of construction funds—at cost (Schedule 1)	2,789,238	—	2,789,238	—	—
	<u>\$3,071,443</u>	<u>717</u>	<u>2,968,280</u>	<u>9,129</u>	<u>93,317</u>
LIABILITIES					
Amounts retained from contractors and engineers.....	\$ 471	471	—	—	—

new jersey turnpike authority



First section of steel girder being lifted into place for overhead exit ramp at the new Elizabeth Interchange 13.

Toll Revenue — Year Ended December 31, 1965 Schedule 5

Class	Description	Toll revenue	Revenue miles traveled by vehicles	Vehicles
1	Passenger car, motorcycle, taxi or hearse, two-axle single-tire truck	\$30,815,537	1,542,219,143	54,964,998
2	Passenger car with trailer, two-axle single-tire truck with trailer	228,592	9,121,591	165,609
3	Two-axle dual-tire truck, two-axle tractor without semi-trailer	2,342,100	53,195,614	2,496,526
4	Three-axle single-unit truck, three-axle tractor without semi-trailer	268,448	5,604,574	250,775
5	Three-axle semi-trailer combination, two-axle dual-tire truck with single-axle trailer	1,539,994	30,466,645	983,048
6	Four-axle single-unit truck, any dual-tire truck and trailer with four or more axles	9,289,551	172,876,306	4,546,508
7	Bus	1,643,734	42,911,257	1,550,251
9	Non-revenue vehicles*	—	—	369,399
		<u>46,127,956</u>	<u>1,856,395,130</u>	<u>65,327,114</u>
	Deduct toll adjustments	5,756		
		<u>\$46,122,200</u>		

*Vehicle Class 9, 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, and vehicles of contractors used in construction of the turnpike and its buildings.

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 and empowered to construct, maintain, repair and operate turnpike projects at such locations as shall be 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, 1966 of \$5,347,738 had been deposited with the paying agent prior to December 31, 1965 (as in the previous year) and, accordingly, there is no liability shown in the accounts for such interest at that date.

(d) 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 materials and supplies) are recorded when paid.

The Annual Budget of Operating Expenses as filed for the year 1965 amounted to \$11,684,000 as compared with cash disbursements during 1965 for operating expenses of \$11,045,728. The bond resolutions state that operating expenses shall not include any allowance for depreciation or amortization 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 will be accomplished through the required allocation of available revenues to the respective sinking funds for retirement of the related bond indebtedness. During 1965 \$13,843,418 was made available for the retirement of bonds; \$13,839,168 of which was from revenues and reserves and \$4,250 from excess 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, 1965, transfers for such pur-

poses amounted to \$17,065,403 including \$135,758 provided from construction accounts. From funds so provided during the current and preceding year, expenditures were made for major improvements in the amount of \$11,164,349 which has been added to the cost of investment in facilities and \$3,918,261 for repair, replacements and maintenance items which has been reflected as an extraordinary charge in the accompanying Statement of Revenues and Operating Expenses.

(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 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). The bond resolution covering the Second Series Bonds authorizes the issuance of additional bonds of this series under certain conditions.

Minimum annual sinking fund payments sufficient to retire the General Bonds by maturity are required in increasing amounts commencing with the annual period ended November 15, 1959 in respect of the 1950 bonds which mature January 1, 1985, and the annual period ending November 15, 1968 in respect of the 1951 bonds which mature January 1, 1986. The minimum sinking fund requirement applicable to the 1950 issue of General Bonds for the annual period ended November 15, 1965 has been satisfied. The requirement for the annual period ending November 15, 1966 is \$6,895,000. 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.

During the year 1965 the remaining revenues, excess reserve requirements and excess construction moneys applicable to Second Series Bonds of \$6,236,900 were transferred to the Second Series Sinking Fund and allocated to sub-sinking funds as follows:

Series B, 3% % (1953 Issue)	\$ 4,490,721
Series B, 3 % (1954 Issue)	782,955
Series B, 2.80% (1955 Issue)	963,224
	\$6,236,900

In addition, \$7,606,517 was transferred to the General Sinking Fund (1950 issue) satisfying in full the remaining amount due for the annual period ended November 15, 1965 and including \$3,723,730 in partial payment on the amount due for the annual period ending November 15, 1966.

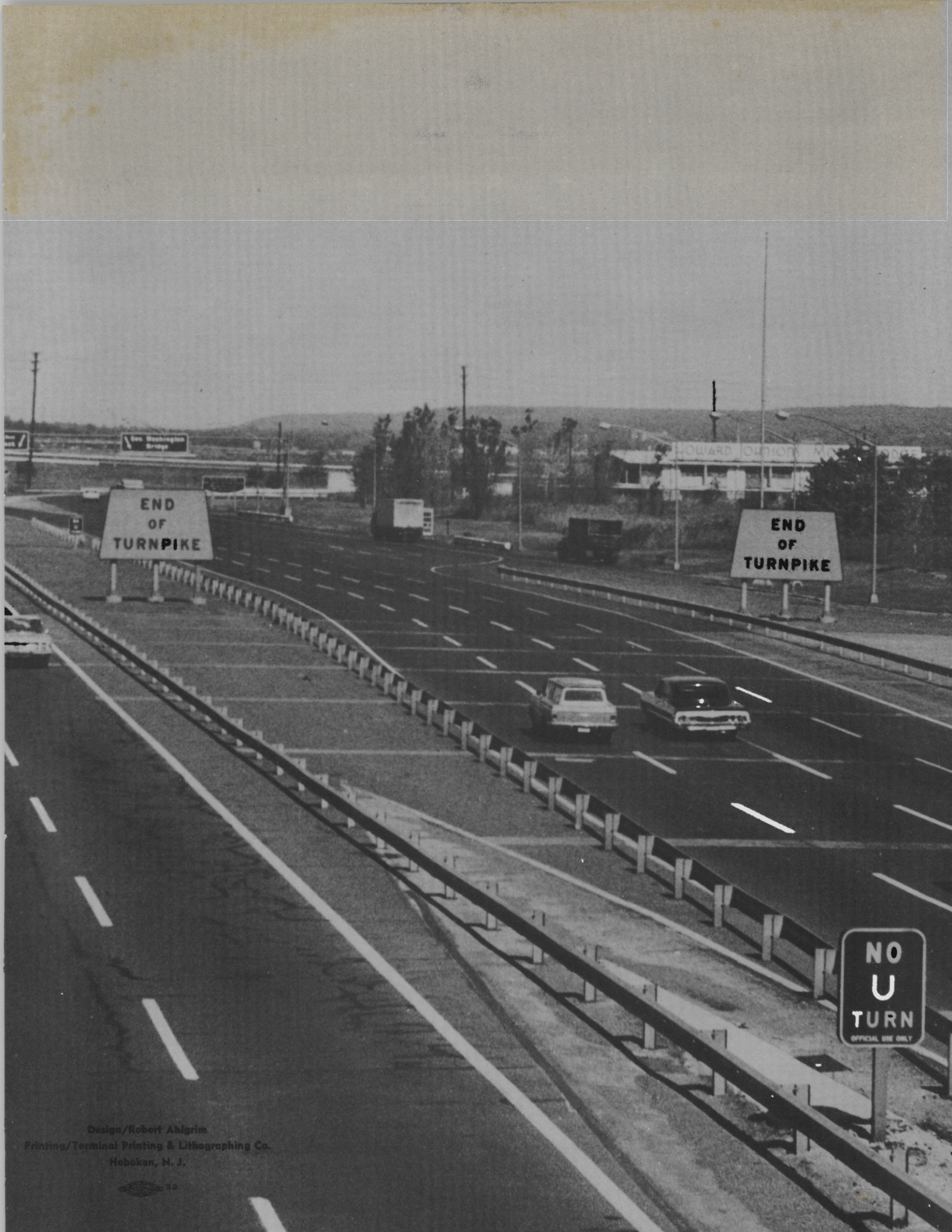
General Bonds and Second Series Bonds, at the election of the Authority, may be redeemed at varying premium rates other than by operation of the respective sinking funds, as set forth in the bond resolutions.

(3) GENERAL RESERVE FUND:

All funds accumulated in the General Reserve Fund to date have been allocated, as permitted by the Bond Resolution, to Special Funds for studies relating to extension, other turnpikes, the Turnpike or improvements, enlargements and betterments thereto and for the cost of such improvements, enlargements and betterments.

During 1965 \$450,531 of excess reserves in the General Interest Reserve and General Bond Reserve Funds became available to the General Reserve Fund due to lower requirements resulting from General Bond retirements. Of this amount \$150,719 was allocated to conduct studies and \$299,812 for the cost of improvements, enlargements and betterments.





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