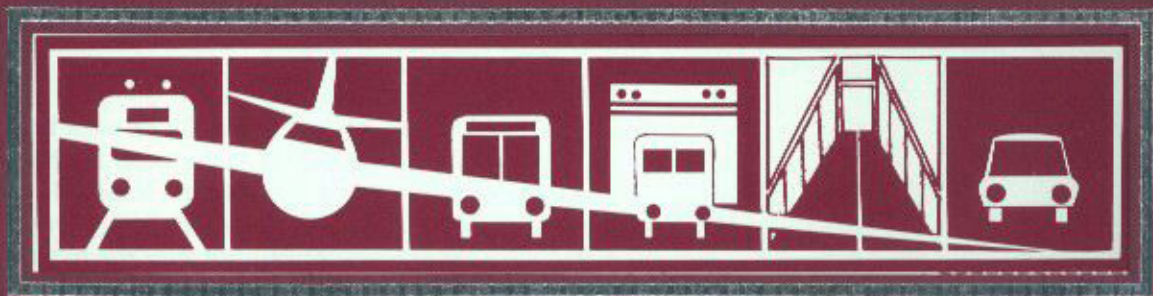


New Jersey Transportation
Trust Fund Authority



1987 Annual Report

October 1, 1987

Dear Governor Kean:

I am pleased to present you with the 1987 Annual Report of the New Jersey Transportation Trust Fund Authority. It shows clearly the amount of critical work accomplished with the funding provided by the original Trust Fund legislation, and demonstrates the size of the task left before us. The general condition of the state's roads, bridges, and public transit is better than it has been in decades. Yet this funding has only taken us the first step on the way to our long term goal of returning New Jersey's transportation system to the best in the nation.

I look forward to joining you and the Legislature in making stable funding for transportation a permanent legacy for the citizens of New Jersey.

Sincerely yours,

Hazel Frank Gluck
Chairwoman
Transportation Trust Fund Authority



THOMAS H. KEAN,
GOVERNOR



HAZEL FRANK GLUCK,
AUTHORITY CHAIRWOMAN



Alfred C. DeCotiis,
Vice Chairman



Bruce G. Coe



Feather O'Connor,
State Treasurer



T. Joseph Semrod

Four years in three

The initial New Jersey Transportation Trust Fund program was envisioned by its creators as a four-year program. However, by the second construction season when the Department of Transportation had geared up and gained momentum, it became apparent that the Department could accomplish in three years what had originally been envisioned for four. The Department of Transportation and NJ TRANSIT, with the approval of the Legislature and the Trust Fund Authority, decided to tackle projects as they were ready. After so many years of awaiting funding, many were ready!

This third year of trust funding has allowed New Jersey to continue to repair the neglect of four decades, caused by inadequate funding and the uncertainty of year-to-year state appropriations. These two factors had all but crippled rational planning. Repairs and construction to New Jersey's transportation network had become hit-or-miss, a giant game of catch up against an insurmountable backlog.

This energetic utilization of Transportation Trust Fund monies is credited with fueling the economic boom which the state now enjoys. After three years of the Transportation Trust Fund, New Jersey is one of the nation's leaders in economic growth and employment. Our unemployment rate has dropped to the second lowest in the nation – the lowest of the industrialized states.

Few disagree that the economic turnaround is due to Governor Thomas H. Kean's economic recovery program which set a high priority on an improved modern transportation system.

This \$2.7 billion effort represents an outstanding accomplishment by the Department, NJ TRANSIT and the State Legislature, sharing the foresight to implement the greatest transportation improvement program in the history of the state: new, safer highways and bridges, new buses and trains, repaved and widened older roads, safety improvements at intersections, sound barriers to shield residential areas from highway noise, local road improvements in every county. The funding provided by the Trust Fund program has begun to restore New Jersey's roads and bridges and public transit to among the best in the nation.

This success is also reflected in the creation of thousands of construction-related jobs, quality of life, pride in being New Jerseyans – and, of course, safer roads, bridges and public transit.

This spring, Transportation Commissioner Hazel Frank Gluck went before the Legislature to renew the now depleted Trust Fund. At the time, all that was left for the Fiscal 1988 construction program was \$54 million for local aid. Senator Walter Rand of Camden County, long a friend of transportation, alternately proposed a one-year stop-gap funding mechanism until after the November 1987 elections. His proposal, which was passed, raised the bonding limit on the existing Trust Fund to provide one more year only of funding.

By raising the bonding cap and providing additional state funds, the Rand bill provided a total of \$323 million to the Department which included the \$54 million for local aid.

In December the Legislature once again began considering legislation to renew the Trust Fund on a long-term basis.

The Transportation Trust Fund offered two new funding mechanisms under which counties and municipalities could undertake a number of local projects which would otherwise have gone unfunded or been funded with difficulty by local jurisdictions.

MUNICIPAL AID

The Trust Fund has spurred road improvements in almost every municipality in New Jersey in two ways. Local officials have applied for \$15 million a year through the Department's local aid application process. An additional \$4 million a year has been made available to them for emergency local repairs and improvements in a discretionary account administered by the Transportation Commissioner.

COUNTY AID

Thanks to the Trust Fund, every county and New Jersey's major urban centers received an amount of 100% state funds equal to the amount which would have been allocated under the Federal Aid Urban System (FAUS) program.

Even those counties which were not eligible for the FAUS program received a minimum of \$300,000 dollars under the Trust Fund's FAUS Swap program. Because the funding was 100% state, the counties and municipalities which received the monies were relieved of the need to meet time-consuming federal restrictions and requirements and were required instead to meet those standards established by the New Jersey Department of Transportation.

This annual program provided \$35 million each year of which just under \$4 million was allocated as discretionary and emergency aid by the Commissioner of Transportation.

The FAUS funds were still available and were matched by the Department and used for projects on New Jersey's qualifying roadways.

*Acting Executive Director
Roger E. Nutt, Authority
Secretary Sandra M. Allen
and Authority Treasurer
Robert F. Lurie prepare
for a Trust Fund Authority
meeting.*



Overview
of state
projects
funded in
the first
three
years of
the
Transportation
Trust
Fund.

ATLANTIC COUNTY

ROUTES UNDER CONSTRUCTION

*9, 40, 322. Doughty Rd. intersection; realignment of 'S' curve; Pleasantville
*152. Six structures, replacement, Egg Harbor, Somers Point

ROUTES COMPLETED

*40&322. Main, Franklin and Chestnut Sts.; intersection improvements; Pleasantville
*40&322. Route 322 to Route 9, resurfacing, Atlantic City
*54. Bridge over Great Egg Harbor, demolition, Egg Harbor, Folsom

BERGEN COUNTY

ROUTES UNDER CONSTRUCTION

*I-287. Route 202, Montville to New York State Line; grading, paving, structures; Bergen, Passaic and Morris Counties
*17. Terrace Ave.-Polifly Rd. to New York State Line; reconstruction, widening, barrier curb, safety; from Hasbrouck Heights to Mahwah
*Palisades Interstate Parkway, rehabilitation
*9W. East Clinton Ave. to New York State Line; pavement reflectors, glare screening, resurfacing, guide rail, intersection improvements; Tenafly, Alpine
*17. Terrace Ave., replace bridge, Hasbrouck Heights

*4. Bridge over Passaic River and Route 20; rehabilitation; Paterson, Elmwood Park

ROUTES COMPLETED

*95. HOV lane approach to George Washington Bridge; signing, resurfacing; Fort Lee
*4. 17 hightower lights at Routes 4 and 17 interchange, Paramus
*17. Route 17 and Franklin Rd., park and ride, Ridgewood
*17. Terrace Ave.-Polifly Rd. to New York State Line; resurfacing; from Hasbrouck Heights to Mahwah
*7. Bridge over Passaic River; rehabilitation; Belleville, North Arlington, Kearny
*46. Traffic circle cut-through; frontage roads, signals, barrier curb, reconstruction; Lodi



Route 70 Bridge over Bear Swamp Road

BURLINGTON COUNTY

ROUTES UNDER CONSTRUCTION

*130/206. Municipal Dr. to Ward Ave.; additional lanes, culvert extension, overhead signs; Bordentown
*38. Rancocas Creek to Pemberton Rd.; dualization; Lumberton, Hainesport, Mt. Holly
*73. High St. to east of Route 38, resurfacing, Maple Shade

ROUTES COMPLETED

*130. Lakeshore Dr. to Milepost 44.75; resurfacing, rehabilitation; Bordentown
*70. Bridge rehabilitation over Bear Swamp Rd. and Pole Bridge Branch, Pemberton and Southampton
*70. Vicinity of Upton Station Rd., bridge removal, Pemberton

CAMDEN COUNTY

ROUTES UNDER CONSTRUCTION

*90. Haddonfield Rd. to Route 73; grading, paving, structures; Moorestown, Cinnaminson, Pennsauken

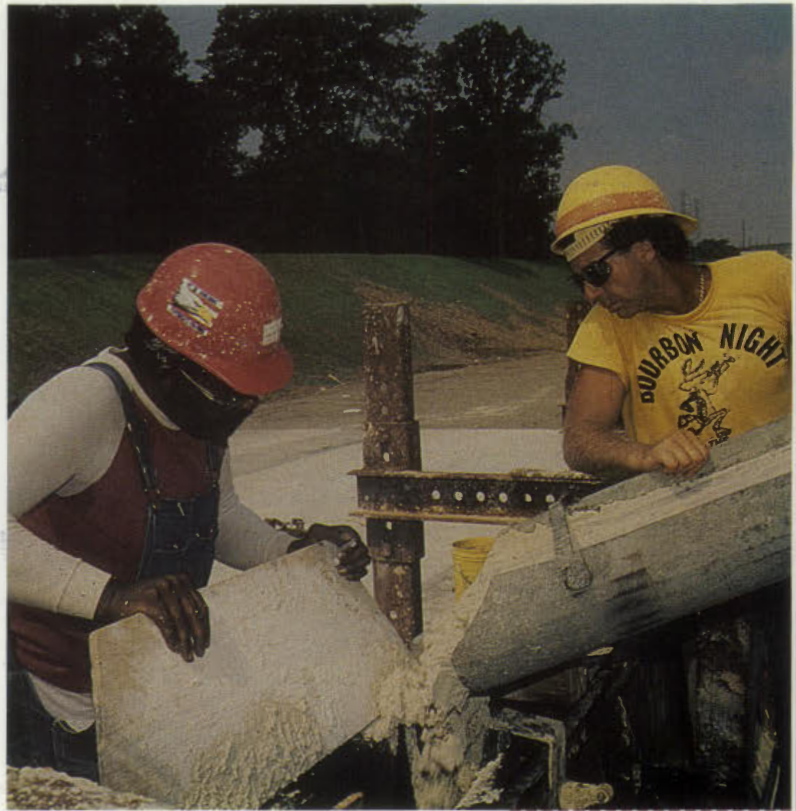
ROUTES COMPLETED

*30. Laurel Rd./Berlin Rd., jughandles, Somerdale and Stratford
*30. Intersection at Clementon Rd.-Berlin Rd.; improvements, reconstruction; Clementon
*30. Broadway Ave. to Collingswood Circle; resurfacing; Lindenwold, Laurel Springs, Stratford, Somerdale, Magnolia, Lawnside, Barrington, Haddon Heights, Audubon, Oaklyn, Collingswood, Haddon Township

CAPE MAY COUNTY

ROUTES COMPLETED

*50. County Route 631, intersection improvement, Upper Township



Route 73/90

CUMBERLAND COUNTY

ROUTES UNDER CONSTRUCTION

*47. Chestnut St. to Route 55E, drainage, resurfacing, Vineland
*49. Deck replacement over Muskee Creek, Maurice River Township

ROUTES COMPLETED

*47. Orange St. to C St., resurfacing, Millville
*49. Barrett's Run Culvert replacement, Hopewell Township
*49. Cedar St. to Third Ave., resurfacing, Millville

ESSEX COUNTY

ROUTES UNDER CONSTRUCTION

*1&9. Northbound over Waverly Yards; bridge rehabilitation; Newark
*1&9. Bridge rehabilitation over Pulaski Skyway; Newark, Jersey City

ROUTES COMPLETED

*280. Clifton St. to I-80; safety improvements; Parsippany, Troy Hills, East Hanover, Livingston, Roseland, Orange, East Orange, West Orange, Newark

*1&9. Port St. to 1&9, signs, Newark

*21. Clay St. to Raymond Blvd.; reversible lane and minor widening; Newark

*21. Vicinity of Poiner St. to Vanderpool St.; ramp revisions and intersection improvements; Newark

*124. 200' west of Park Ave. to 300' east of Tuscan St.; drainage; Maplewood

*22. Bridge rehabilitation over Waverly Yards, Newark



Route 55 Freeway

GLOUCESTER COUNTY

ROUTES UNDER CONSTRUCTION

***295.** Delaware St. to Repaupo Rd.; additional lane; Paulsboro Borough, Greenwich, E. Greenwich, and Logan Townships

***55.** Route 40 to north of Tylers Mill Rd.; grading, paving, structures; Franklin, Elk, Mantua, Harrison, Clayton, Glassboro

ROUTES COMPLETED

***45, 130.** Colonial Dr. to Park Ave.; resurfacing; West Deptford Township, Westville Borough

***55F.** Route 40 to Route 42; grading, paving, structures; Deptford, Mantua, Washington, Elk, and Harrison Townships, Glassboro, Clayton

HUDSON COUNTY

ROUTES UNDER CONSTRUCTION

***1&9T.** Milepost 1.9 to 3.4, resurfacing, safety, Jersey City

***495.** Vicinity of NJ Turnpike eastern alignment to vicinity of Lincoln Tunnel; resurfacing; North Bergen, Union City, Weehawken

***169.** JFK Blvd. to Route 185 and from Margaret St. to East 19th St.; grading, paving, structures; Bayonne, Jersey City

***185.** Harbor Dr. to Linden Ave.; grading, paving, structures; Jersey City

***1&9.** Bridge over St. Paul's, rehabilitation, Jersey City

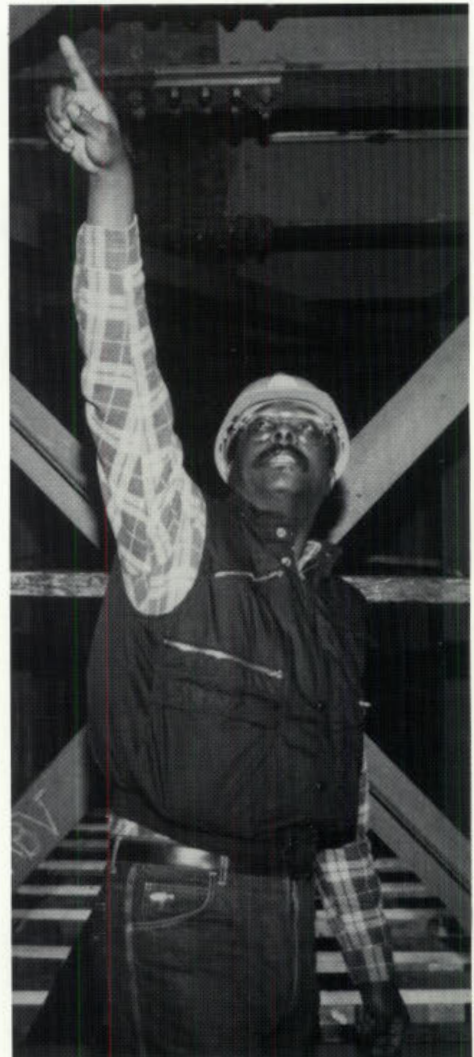
***1&9.** Bridge over Pulaski Skyway; rehabilitation; Jersey City, Kearny, Newark

***495.** Bridge over Marginal St., Park Ave.; rehabilitation; Union City, North Bergen

ROUTES COMPLETED

***7.** Bridge over Erie Lackawanna RR, rehabilitation, Kearny

***7.** Bridge over Hackensack River, rehabilitation, Kearny, Jersey City



Route 495 bridge repairs

HUNTERDON COUNTY

ROUTES UNDER CONSTRUCTION

- *78. Milepost 4.35 to 16.45; various bridge deck protective systems; from Greenwich Township, Warren County to Clinton, Hunterdon County
- *31. Flemington Circle to I-78, widen to four lanes, Flemington

ROUTES COMPLETED

- *78. East of Bloomsbury Rd. to west of Asbury Rd., east of Tunnel Rd. to East Baptist Church; resurfacing; Greenwich, Bethlehem, and Union Townships
- *22. Route 22 and Route 523 intersection; left-turn slots, signalization, bridge replacement; Readington Township

MERCER COUNTY

ROUTES COMPLETED

- *I-195. East of I-295 interchange to Arena Dr.; grading, paving, structures; Hamilton Township
- *295. Kuser Rd. to north of I-195 interchange; grading, paving, structures; Hamilton Township

- *1. Trenton to New Brunswick (Overpass at Quakerbridge Rd., Lawrence); various improvements,
- *D&R Canal Bridges #1, #2, #3, #4

MIDDLESEX COUNTY

ROUTES UNDER CONSTRUCTION

- *27. Northbound and southbound ramps to Route 444; improvements, existing ramps; Woodbridge
- *18. New bridge over Lawrence Brook, New Brunswick
- *27. Bridge over Raritan River; rehabilitation; New Brunswick, Highland Park

ROUTES COMPLETED

- *287. Structures over Raritan River, Raritan Canal, Lehigh Valley RR, Reading RR, Elizabeth Ave., Main St.; deck replacement, shoulder rehabilitation; Piscataway and Bridgewater
- *35. Cliffwood Ave. to Cheesequake Creek; temporary improvements; Keyport and Aberdeen
- *444. Wood Ave. and Route 444 Interchange, Metropark Stage II; new ramps with bridge over Garden State Parkway; Woodbridge
- *1&9. Green St., circle improvement, Woodbridge
- *27. How Lane and Veronica Ave.; intersection improvements; New Brunswick
- *1&9. Bridge over Conrail, rehabilitation, Avenel



Route 18 Bridge over the Lawrence Brook

- *9. Bridge over Raritan River, rehabilitation, Sayreville
- *35. Victory Bridge, repair of operating machinery, Sayreville
- *35. Smith St. to Victory Plaza Circle; interim safety improvements on Victory Bridge; Sayreville and Perth Amboy



Cut-through of Eatontown Circle

MONMOUTH COUNTY

ROUTES UNDER CONSTRUCTION

***18F.** Wyckoff Rd. to Deal Rd.; highway on new alignment; Tinton Falls, Eatontown and Ocean Townships
***33F.** Route 9 to Halls Mill Rd. (Freehold bypass); highway on new alignment; Freehold

ROUTES COMPLETED

***9.** Route 526 to Stanley Blvd.,

dualization, Lakewood and Howell

***35.** Eatontown Circle, cut-through and signs, Eatontown

***71.** Milepost 5.92 to 6.65, Shark River to Sylvan; resurfacing; Belmar, Neptune

***79.** Route 18 to north of County Route 520, Milepost 3.35 to 6.85; safety at intersections of Neuman Springs Rd. and School House Rd.; Marlboro

MORRIS COUNTY

ROUTES UNDER CONSTRUCTION

***287.** Route 202, new alignment, Montville to New York State Line
***24F.** Bridges over Route 24; new construction; Florham Park, Madison,

Chatham, Morristown

***206.** Vicinity of Edgewood Rd. to vicinity of Melville Place; resurfacing, safety, shoulder upgrading; Closter, Mt. Olive, Roxbury

ROUTES COMPLETED

***287.** South of South St. to vicinity of Route 10; barriers; Morris, Hanover, Morristown

***46.** Milepost 22.6 to 24.5, Musconetcong River to Naughtright Rd.; resurfacing; Hackettstown to Mt. Olive

***10.** East of Powder Mill Rd., east of Route 53; widening jughandles; Parsippany-Troy Hills

***24.** I-287 to Kings Road, resurfacing, Morristown, Morris Township

***80.** Bridge west of Morris Canal to Mill Rd., rehabilitation, Wharton



Route 23

OCEAN COUNTY

ROUTES UNDER CONSTRUCTION

*88. Garden State Parkway to Park Ave.; grading, paving, structures; Lakewood and Brick Townships

ROUTES COMPLETED

*9. Mill Creek Rd. and Ocean Gate Dr.; intersection improvements; Berkeley Township

*9. Washington St. to Lookout St.; drainage, resurfacing; Toms River, Dover Township

*70. Laurelton Circle improvements, Brick Township

*88. Inland waterway, roadway approaches, Point Pleasant Borough

*35. Milepost 29.5 to 34.4, resurfacing, Eatontown to Red Bank

*71. Milepost 7.5 to 9.0; Ocean Blvd. resurfacing; Neptune and Asbury Park

*37. Westbound, Hospital Dr. jughandles, Dover Township

*37. Vicinity of Oak Ridge, jughandles at St. Catherine Blvd., Mule Rd.; resurfacing; Dover Township

*Toms River Park and Ride

PASSAIC COUNTY

ROUTES UNDER CONSTRUCTION

*287. Route 202, new alignment, Montville to New York State Line

*80. Riverview Dr. to Passaic River; bridge deck protective systems; Totowa, Paterson and West Paterson

*23. New York Ave. to north of Ratzer Circle; reconstruction, dualization, Wayne

ROUTES COMPLETED

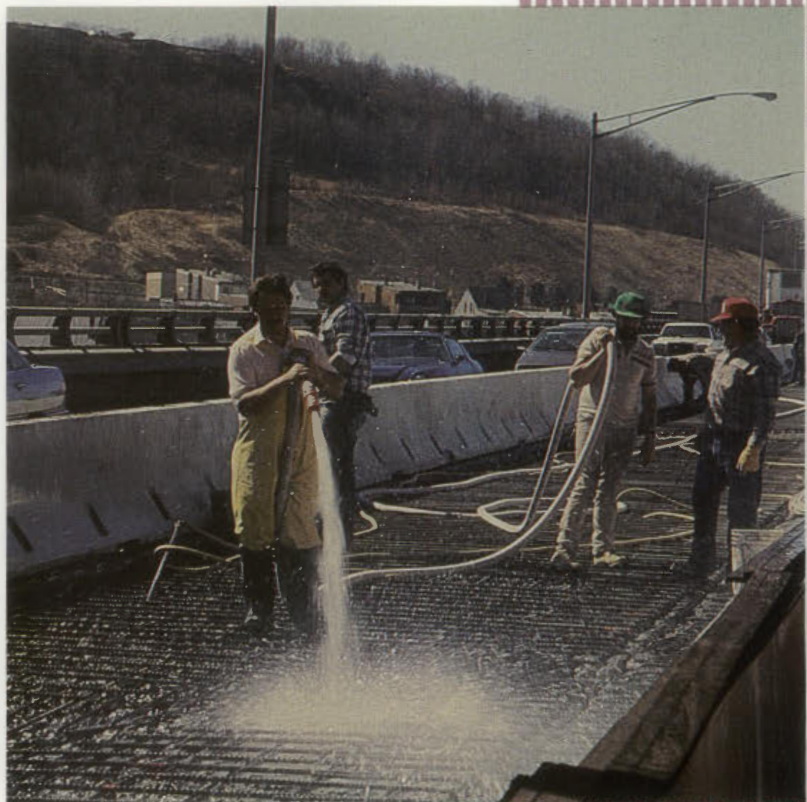
*46. Lexington Ave. intersection and Lexington and Randolph Ave.; engineering for ramps, intersection improvements and signals; Clifton

*21. Northbound ramp to Route 3, overlay, Clifton

SALEM COUNTY

ROUTES COMPLETED

*45. Bridge over Conrail; improvements to roadway approaches, Woodstown



I-80

SOMERSET COUNTY

ROUTES COMPLETED

*78. West of Route 287 to east of Plainfield Ave.; resurfacing, deck repair; Watchung

*78. Rattlesnake Bridge Rd., Burnt Mills Rd., Dead River Rd.; increase vertical clearance; Bedminster and Warren Townships

*287. North Maple Ave. to Somerset-

Middlesex Co. Line, safety

*287. Structures over Raritan River, Easton Ave., Raritan Canal, Lehigh Valley RR, Reading RR, Elizabeth Ave., Main St.; deck replacement, shoulder rehabilitation; Piscataway and Bridgewater

*22. Mercer St. to Middlebrook, resurfacing, Bridgewater

SUSSEX COUNTY

ROUTES UNDER CONSTRUCTION

- *94. 100' south of Lasinski Rd. to 500' north of Lasinski Rd.; realignment, intersection improvements; Hardyston
- *517. Interchange and bridge over Route 15; new construction; Sparta

ROUTES COMPLETED

- *23. Intersection at County Route 565, improvements, Wantage
- *206. County Route 630 and Pine Rd.; intersection improvements; Frankford
- *183. Route 46 to Route 206; highway improvements to relieve congestion; Stanhope

UNION COUNTY

ROUTES COMPLETED

- *78. Plainfield Ave. to Baltusrol Rd.; new alignment; Berkeley Heights, Summit, Scotch Plains
- *78. Baltusrol Rd. to Springfield Ave.; paving inner roads; Millburn Township, Springfield, Summit

- *78. Springfield Ave. to east of Burnet Ave.; safety improvements; Union Township
- *1&9. Bayway Circle cut-through, Linden
- *439. Morris Ave. to Irvington Ave., new bridge, Hillside, Union

WARREN COUNTY

ROUTES UNDER CONSTRUCTION

- *78. Milepost 4.35 to 16.45; various bridge deck protective systems; Greenwich to Clinton
- *78. East of Bloomsbury Rd. to west of Asbury Rd., east of Tunnel Rd. to East Baptist Church; resurfacing; Franklin and Bethlehem Townships
- *78. Route 173 to east of Bloomsbury Rd. and from Musconetcong River to east of Jutland Rd.; bridge rehabilitation; Pohatcong, Greenwich, Franklin, Bethlehem, and Union Townships
- *78. Delaware River to Still Valley interchange; new alignment; Pohatcong, Alpha, Greenwich, Phillipsburg
- *80. West of Morris Canal to Mill Rd., bridge rehabilitation, Wharton



I-78

NJ TRANSIT: A THREE-YEAR PERSPECTIVE

Between 1985 and 1987, the New Jersey Transportation Trust Fund has contributed \$212.4 million to public transit in New Jersey, serving as the anchor in the continuing effort to meet the capital needs of the state's public transportation network.

As a stable source of state funding for public transit capital improvements, the Trust Fund has provided the local match for hundreds of millions of dollars in federal Urban Mass Transportation Administration (UMTA) grants for NJ TRANSIT. The Trust Fund has been a vital component of NJ TRANSIT's approximately \$800 million capital program between 1985 and 1987.

Of the \$212.4 million appropriated to NJ TRANSIT during the past three years, \$93.2 million has been used as the matching share of UMTA grants totalling \$430.1 million. The Transportation Trust Fund has aided NJ TRANSIT in improving the safety, reliability and maintenance for the state's bus and railroad patrons, and has enabled NJ TRANSIT to make vital capital improvements that are benefitting bus and rail riders as well as enhancing employee performance and productivity.

It has contributed to a wide range of projects, from rail and bus equipment acquisitions to infrastructure improvements to design and engineering work for major public transit capital investments planned for the coming decade.

Over the life of the Trust Fund, it has contributed \$141.4 million to NJ TRANSIT's rail capital improvement projects and \$71 million to bus capital projects. These projects have continued the transformation of the state's public transit system into a modern, responsive network that is prepared to meet the transit needs of the state today and the growth needs of the future.



*NJ TRANSIT operates 531
revenue trains over 10 rail lines.*

The following is a summary of some of the major contributions the Trust Fund has made to NJ TRANSIT's capital improvement programs over the past three years.

\$58 million in major rail construction projects, including \$11.5 million for the electrification of the North Jersey Coast Line and \$32.5 million for the reconstruction of the Atlantic City Line.

\$36.5 million for the purchase of bus rolling stock and equipment, including \$7.3 million for buses and equipment allocated to private carriers.

\$34.1 million for the purchase, overhaul, or rehabilitation of rail rolling stock, including several rail car projects which will expand the peak-hour seating capacity of the rail system by more than 11,000 seats.

\$23.1 million in rail infrastructure improvements, including bridge right-of-way improvements.

\$18.5 million for design and engineering, land acquisition, construction and renovation of bus maintenance facilities throughout the state.

\$15.2 million in planning, design and engineering cost for proposed rail and Hudson River Waterfront transit capital investments.

\$10.3 million in rail passenger facility improvements, including station, passenger information and parking projects.



NJ TRANSIT serves passengers on 189 bus routes.

NEW JERSEY TRANSPORTATION TRUST FUND
AUTHORITY

Financial Statements and
Supplementary Information

June 30, 1987

(With Auditors' Report Thereon)

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KPMG Peat Marwick

Certified Public Accountants

Peat Marwick Main & Co.

Princeton Pike Corporate Center
P.O. Box 7468
Princeton, NJ 08540

The Honorable Members of New Jersey
Transportation Trust Fund Authority:

We have examined the combined balance sheet of New Jersey Transportation Trust Fund Authority as of June 30, 1987 and the related combined statement of revenues, expenditures and changes in fund balances for the year then ended. 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 aforementioned combined financial statements present fairly the financial position of New Jersey Transportation Trust Fund Authority at June 30, 1987 and its revenues, expenditures and changes in fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The supplementary information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Peat Marwick Main & Co.

October 13, 1987

New Jersey State Library

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Combined Balance Sheet

June 30, 1987
(with comparative total memorandum figures for 1986)

	Funds held by Authority			Fund held by Trustee	Account group	Total	
	Revenue	Authority reserve	Transportation improvement	Debt service	General bonds	(memorandum only) 1987	1986
Assets:							
Cash	\$ -	3,250	-	-	-	3,250	100
Accounts receivable - State of New Jersey	23,583,334	-	-	-	-	23,583,334	28,055,563
Investments (note 2)	-	197,513	340,415,016	38,977,779	-	379,590,308	242,521,730
Accrued interest receivable (note 2)	-	-	2,076,535	608,055	-	2,684,590	2,961,584
Interfund receivable (payable)	(23,583,334)	100,000	15,056,903	8,426,431	-	-	-
Amount to be provided for retirement of bonds (note 3)	-	-	-	-	251,780,000	251,780,000	56,635,000
Total assets	\$ -	300,763	357,548,454	48,012,265	251,780,000	657,641,482	330,173,977
Liabilities:							
Vouchers payable	-	28,250	96,586	-	-	124,836	20,000
Accrued interest payable (note 3)	-	-	-	586,174	-	586,174	165,748
Transportation system bonds payable (note 3)	-	-	-	-	251,780,000	251,780,000	56,635,000
Total liabilities	-	28,250	96,586	586,174	251,780,000	252,491,010	56,820,748
Fund balances:							
Reserved for debt service requirement (note 3)	-	-	-	12,144,091	-	12,144,091	6,678,229
Reserved for debt service reserve requirements (note 3)	-	-	-	35,282,000	-	35,282,000	9,043,716
Reserved for advances to State special transportation fund	-	-	357,451,868	-	-	357,451,868	257,425,003
Unreserved - designated for operating expenses	-	272,513	-	-	-	272,513	206,281
Total fund balances	-	272,513	357,451,868	47,426,091	-	405,150,472	273,353,229
Total liabilities and fund balances	\$ -	300,763	357,548,454	48,012,265	251,780,000	657,641,482	330,173,977

See accompanying notes to combined financial statements.

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Combined Statement of Revenues,
Expenditures and Changes in Fund Balances

Year ended June 30, 1987
(with comparative total memorandum figures for 1986)

	Funds held by Authority			Fund held by Trustee Debt service	Total (memorandum only)	
	Revenue	Authority reserve	Transportation improvement		1987	1986
Revenues (notes 3 and 4):						
State appropriations	\$ 88,000,000	-	-	-	88,000,000	93,000,004
Commercial vehicle fees and taxes	30,000,000	-	-	-	30,000,000	35,000,000
Toll road authorities	25,000,000	-	-	-	25,000,000	25,000,000
Net interest income (note 2)	-	12,562	17,389,894	2,384,662	19,787,118	19,787,870
	<u>143,000,000</u>	<u>12,562</u>	<u>17,389,894</u>	<u>2,384,662</u>	<u>162,787,118</u>	<u>172,787,874</u>
Other financing sources:						
Bond proceeds, less underwriters' discount of \$1,460,000 (note 3)	-	-	178,540,000	20,000,000	198,540,000	-
Operating transfers in, net	-	98,026	119,349,882	23,552,092	143,000,000	153,000,004
	-	98,026	297,889,882	43,552,092	341,540,000	153,000,004
Total revenues and other sources	<u>143,000,000</u>	<u>110,588</u>	<u>315,279,776</u>	<u>45,936,754</u>	<u>504,327,118</u>	<u>325,787,878</u>
Expenditures:						
Operating expenses	-	44,356	-	-	44,356	60,892
Financing costs (note 3)	-	-	252,911	-	252,911	222,630
Bond interest expense (note 3)	-	-	-	9,377,608	9,377,608	4,078,860
Payments for State transportation costs	-	-	215,000,000	-	215,000,000	123,000,000
Principal retirement of bonds payable (note 3)	-	-	-	4,855,000	4,855,000	4,635,000
	-	44,356	215,252,911	14,232,608	229,529,875	131,997,382
Other financing uses:						
Operating transfers out	143,000,000	-	-	-	143,000,000	153,000,004
Total expenditures and other uses	<u>143,000,000</u>	<u>44,356</u>	<u>215,252,911</u>	<u>14,232,608</u>	<u>372,529,875</u>	<u>284,997,386</u>
Excess of revenues over expenditures	-	66,232	100,026,865	31,704,146	131,797,243	40,790,492
Fund balance at June 30, 1986	-	206,281	257,425,003	15,721,945	273,353,229	232,562,737
Fund balance at June 30, 1987	\$ -	272,513	357,451,868	47,426,091	405,150,472	273,353,229

See accompanying notes to combined financial statements.

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Notes to Combined Financial Statements

June 30, 1987

(1) Summary of Significant Accounting Policies

New Jersey Transportation Trust Fund Authority (the Authority) is a public body constituted as an instrumentality of the State of New Jersey, organized and existing under and pursuant to the New Jersey Transportation Trust Fund Authority Act of 1984 (the Act) to provide the payment for and financing of all, or a portion of, the costs incurred by the Department of Transportation for the planning, acquisition, engineering, construction, reconstruction, repair and rehabilitation of the State's transportation system. Pursuant to the Act, the Authority may issue its bonds to provide the payment for and financing of all or a portion of the State's share of the costs of such programs to the extent that State appropriations to the Authority and other available Authority revenues in each fiscal year are insufficient to fund such costs. The Act currently provides that the aggregate principal amount of bonds, notes or other obligations, including subordinated indebtedness, of the Authority may not exceed \$600,000,000.

The accounting policies of the Authority conform with generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

(A) Basis of Presentation - Fund Accounting:

The accounts of the Authority are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the Authority:

Fund types:

- . The Revenue Fund - to account for the proceeds of specific revenue sources (State appropriations, toll road authority contracts) that are legally restricted to expenditure for specified purposes;
- . The Authority Reserve Fund - to account for the operating expenditures of the Authority;
- . The Transportation Improvement Fund - to account for the accumulation of resources for payment of state transportation system costs.
- . The Debt Service Fund - to account for the accumulation of resources for the payment of principal and interest on Transportation System Bonds;

Account Group:

Account groups are used to establish accounting control and accountability for the Authority's general long-term debt. The following is the Authority's account group:

- . General Bonds Account Group - This group of accounts is established to account for all long-term debt of the Authority.

(Continued)

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Notes to Combined Financial Statements, Continued

(1) Summary of Significant Accounting Policies, cont.

(B) Basis of Accounting:

The modified accrual basis of accounting is followed by the various agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred, if measurable. Interest on bond indebtedness is recorded on the accrual basis.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

Assessments to toll road authorities are recorded as revenues in the year the assessments are levied, even if payments are made in annual installments. State appropriations are recorded in accordance with contractual requirements. Installments for assessments and appropriations not yet paid by the State of New Jersey are recorded as accounts receivable - State of New Jersey.

(C) Investments:

Investments are stated at cost plus unamortized premium or less unamortized discount.

(D) Total (Memorandum Only):

Total "Memorandum Only" columns contain the totals of the similar accounts of the various Funds. Since the assets of the Funds are restricted, the combination of the accounts, including assets therein, is for convenience only and does not indicate that the combined assets are available in any manner other than that provided for in the bond resolution.

(2) Investments

The Authority's investments at June 30, 1987 are as follows:

	<u>Cost</u>
U. S. Government and Agency obligations	\$ 134,874,330
State of New Jersey cash management account	<u>244,715,978</u>
	<u>\$ 379,590,308</u>

The market value of the Authority's investments at June 30, 1987 was \$378,606,222.

(Continued)

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Notes to Combined Financial Statements, Continued

(3) Transportation System Bonds Payable

Transportation System Bonds payable at June 30, 1987 is composed of the January 15, 1985 original issue of \$61,270,000 of Series A Bonds, maturing serially from December 15, 1985 through December 15, 1994 at interest rates ranging from 4.75% to 8.00% and the December 1, 1986 issue of \$200,000,000 of Series A Bonds, maturing serially from June 15, 1988 through June 15, 1997 at interest rates ranging from 4.10% to 6.00%. The remaining Bonds mature and bear interest as follows:

<u>1985 Series A Bonds</u>		
<u>December 15,</u>	<u>Amount</u>	<u>Interest rate</u>
1987	\$ 5,110,000	5.75 %
1988	5,405,000	6.25
1989	5,745,000	6.75
1990	6,130,000	7.10
1991	6,565,000	7.40
1992	7,055,000	7.60
1993	7,590,000	7.80
1994	<u>8,180,000</u>	8.00
	<u>\$ 51,780,000</u>	

<u>1986 Series A Bonds</u>		
<u>June 15,</u>	<u>Amount</u>	<u>Interest rate</u>
1988	16,095,000	4.10
1989	16,755,000	4.40
1990	17,495,000	4.60
1991	18,300,000	4.80
1992	19,180,000	5.00
1993	20,135,000	5.20
1994	21,185,000	5.40
1995	22,330,000	5.60
1996	23,580,000	5.80
1997	<u>24,945,000</u>	6.00
	<u>\$ 200,000,000</u>	

The 1985 Series A Bonds maturing on December 15, 1992, 1993 and 1994 and the 1986 Series A Bonds maturing on or after June 15, 1993 are subject to redemption prior to maturity, in whole or in part, at any time after December 15, 1991 and June 15, 1992, respectively, at varying premium rates.

(Continued)

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Notes to Combined Financial Statements, Continued

(3) Transportation System Bonds Payable, cont.

One or more series of additional bonds may be issued at any time or from time to time for the purpose of financing the cost of transportation improvements. Pursuant to the New Jersey Transportation Trust Fund Authority Act of 1984, the Authority shall minimize debt incurrence by first relying on appropriations and other revenues before incurring debt to meet its statutory purposes.

The Bonds are primarily secured by payments received or to be received by the Authority from the State of New Jersey as described in note 4.

(4) Revenue Contracts

Pursuant to a contract signed with the State of New Jersey, the Authority will receive revenues during the fiscal year ending June 30, 1988 from state appropriations, which are funded from assessments to toll road authorities, commercial vehicle fees and motor fuel taxes, pursuant to Article VIII, Section 2 of the State Constitution. Revenues in the amount of \$201,000,000 have been appropriated by the State to the Authority for the fiscal year ending June 30, 1988.

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY
 Schedule of Cash Receipts and Disbursements
 Year ended June 30, 1987

	Revenue fund	Authority reserve fund	Transportation improvement fund	Debt service fund	Total (memorandum only)
Cash balances at June 30, 1986	\$ -	100	-	-	100
Receipts:					
State appropriations	88,263,895	-	-	-	88,263,895
Commercial vehicle fees and taxes	35,000,000	-	-	-	35,000,000
Toll road authorities	24,208,334	-	-	-	24,208,334
Net interest income	-	12,562	18,158,445	2,179,440	20,350,447
Bond proceeds	-	-	178,540,000	20,000,000	198,540,000
Sale of investments	-	-	49,450,000	-	49,450,000
Operating transfers	<u>(147,472,229)</u>	<u>68,026</u>	<u>127,008,434</u>	<u>20,395,769</u>	<u>-</u>
	-	80,588	373,156,879	42,575,209	415,812,676
Disbursements:					
Operating expenses	-	36,106	-	-	36,106
Financing costs	-	-	156,325	-	156,325
Bond interest expense	-	-	-	8,957,182	8,957,182
Payments for State transportation costs	-	-	215,000,000	-	215,000,000
Principal retirement of bonds payable	-	-	-	4,855,000	4,855,000
Purchase of investments	<u>-</u>	<u>41,332</u>	<u>158,000,554</u>	<u>28,763,027</u>	<u>186,804,913</u>
	-	77,438	373,156,879	42,575,209	415,809,526
Cash balances at June 30, 1987	\$ -	<u>3,250</u>	-	-	<u>3,250</u>

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Investments

June 30, 1987

	<u>Interest rate</u>	<u>Maturity date</u>	<u>Cost</u>	<u>Market value</u>
Authority reserve fund:				
State of New Jersey cash management account	various	various	\$ 197,513	197,513
Transportation improvement fund:				
State of New Jersey cash management account	various	various	240,071,710	240,071,710
Federal Land Bank Bonds, \$20,000,000 par value	7.25 %	Jul. 20, 1987	20,012,360	19,981,250
Federal Home Loan Bank Bonds, \$15,000,000 par value	8.05	Dec. 28, 1987	15,145,729	15,084,375
Federal Land Bank Bonds, \$20,000,000 par value	7.85	Jan. 20, 1988	20,159,236	20,050,000
Federal Home Loan Bank Bonds, \$20,000,000 par value	6.35	Aug. 25, 1988	20,017,161	19,787,500
Federal Home Loan Bank Bonds, \$25,000,000 par value	6.35	Oct. 25, 1988	<u>25,008,820</u>	<u>24,750,000</u>
			<u>340,415,016</u>	<u>339,724,835</u>
Debt service fund:				
State of New Jersey cash management account	various	various	4,446,755	4,446,755
Federal Farm Credit Bank Bonds, \$9,025,000 par value	10.95 %	Jan. 22, 1990	9,000,900	9,583,422
U. S. Treasury Notes, \$5,881,900 par value	5.41	Jun. 15, 1991	5,881,900	5,881,900
U. S. Treasury Notes, \$19,825,000 par value	6.50	Nov. 15, 1991	<u>19,648,224</u>	<u>18,771,797</u>
			<u>38,977,779</u>	<u>38,683,874</u>
Total (memorandum only)			<u>\$ 379,590,308</u>	<u>378,606,222</u>



