

Governor, we feel that this is a proper vehicle in which to note our commendation of all members of the organization who, by their individual efforts, have contributed to the fine collective record of performance reflected here. Each of us joins in offering our sincere appreciation for your confidence and support.

Respectfully submitted,

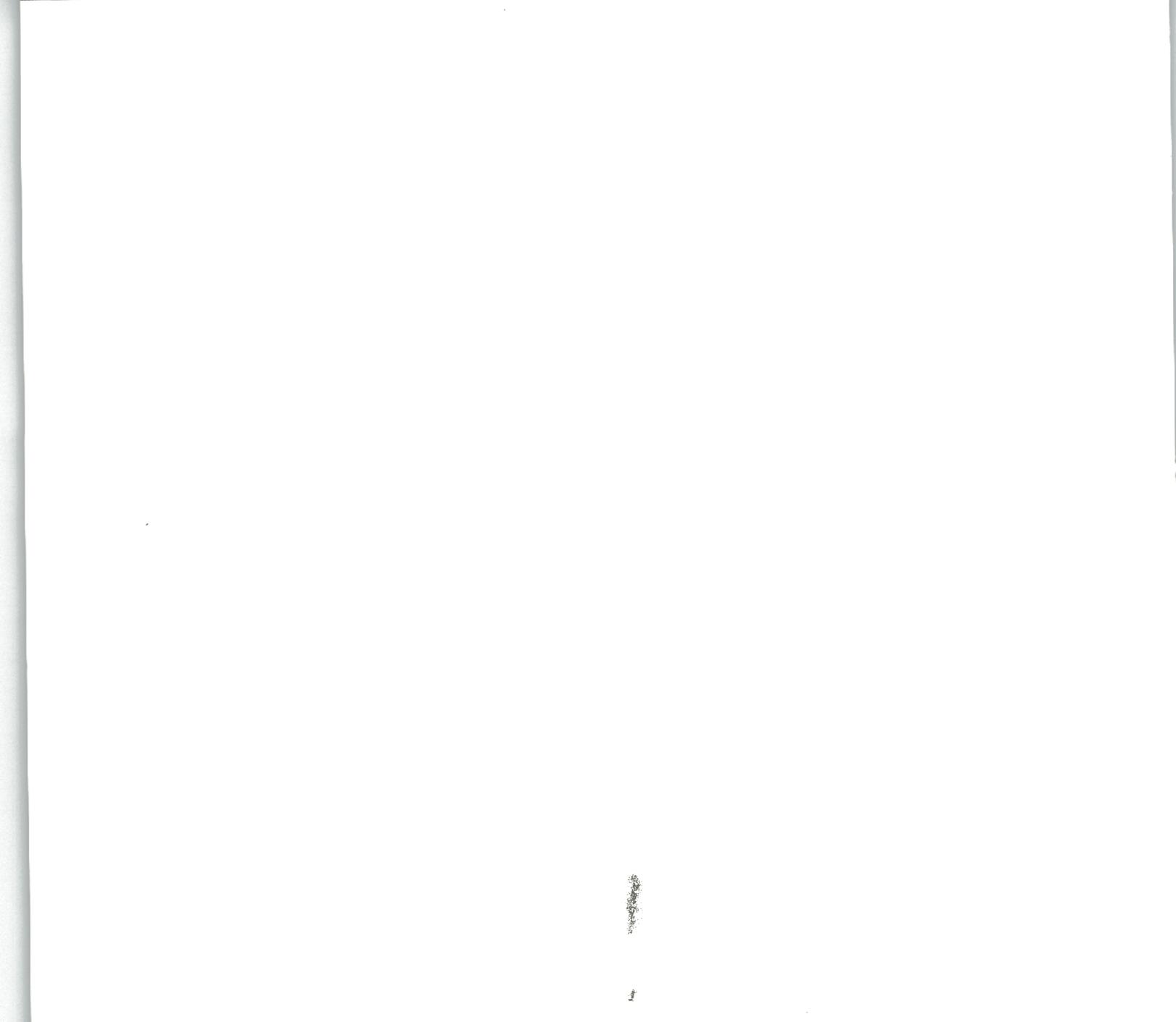
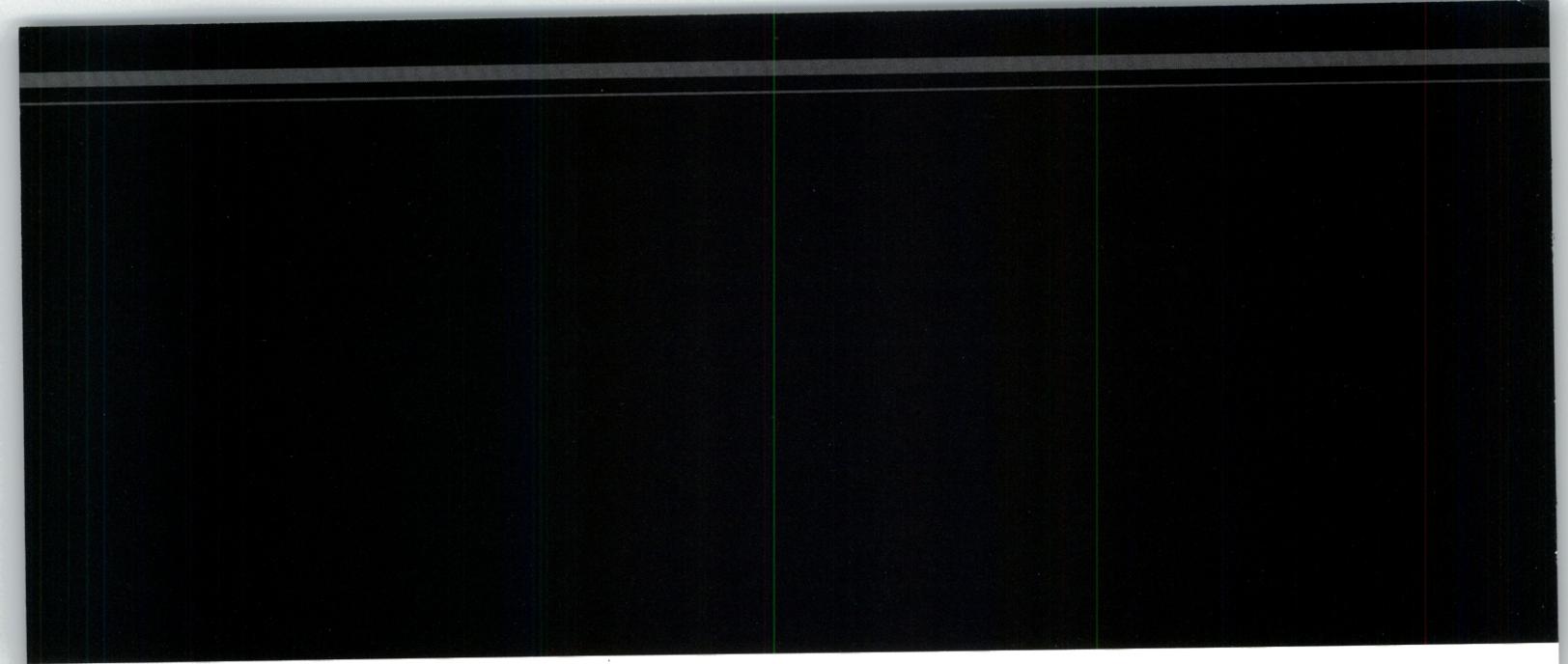
  
Joseph A. Sullivan  
Chairman

  
Dolores T. Prideaux  
Treasurer

  
Louis Slater  
Commissioner

  
Frank E. Rodgers  
Commissioner

  
Michael Kardon  
Commissioner



## Letter of Transmittal

To the Honorable Thomas H. Kean, Governor  
and Members of the New Jersey Legislature:

March 1, 1986

Pursuant to statute, we herewith submit a summary of the activities of the New Jersey Turnpike Authority covering fiscal 1985, our 34th year of service to the people of this State.

The 1985-90 Widening Program, our fifth major improvement since the Turnpike's inception, is underway and on schedule. It is our most ambitious effort to fulfill the single-minded purpose for which this Authority exists.

Evidence of other accomplishments during the year includes a variety of ongoing or new maintenance projects and facility enhancements including a new telephone system and mainframe computer. We have equaled our safest year with a 0.62 per 100 million miles traveled fatality rate -- no small accomplishment in a year when 167 million vehicles traveled 3.6 billion miles on our road.

Worthy of note is the fact that the Authority contributed \$12 million to the New Jersey Transportation Trust Fund for improvement of public highways. Another \$15.8 million accrued to the State in the form of sales taxes, employee income taxes and reimbursement for State Police patrols.

Also, the Authority provided financial support to the Meadowlands Transportation Brokerage Program, the State's Inter-Agency Co-ordination Committee and the Route 3 Corridor Study.

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Louis Slater  
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Michael Kardon  
Commissioner



Thomas H. Kean, Governor

## Staff

William J. Flanagan  
*Executive Director*

John M. Carroll  
*Comptroller*

Paul M. Weckesser  
*Chief Engineer*

Wallace R. Grant  
*Director of Maintenance*

Robert F. Dale  
*Director of Operations*

Herbert I. Olarsch  
*Senior Attorney*

William J. Burke  
*Director of Toll Collection*

Valeria J. Dalesandro  
*Director of Personnel*

Gordon R. Hector  
*Director of Public Information*

Richard R. Zysk  
*Director of Systems & Data Processing*

Daniel J. Donahue  
*Director of Purchasing*

Charles A. Dupuis, Jr.  
*Director of Risk Management*

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Wolff & Samson  
*General Counsel*

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Howard Needles Tammen & Bergendoff  
*Consulting Engineers*

Peat, Marwick, Mitchell & Co.  
*Auditors*

Wilbur Smith and Associates  
*Traffic & Revenue Consultants*

Kraft & Hughes  
*Bond Counsel*

Smith Barney, Harris Upham & Co., Inc.  
*Financial Advisors*

## 1985: The Mandate

The general 3% annual traffic growth rate that we experienced during the 1970's, that which can be depended upon when planning for the long-range future, was dramatically exceeded during the past three years.

An 8.2% increase occurred in 1983. That was exceeded by 8.5% in 1984 and continued at 7.1% in 1985. Those figures pushed the average up to 6% for the first half of the 1980's. The progressive increases were reported in the last two annual reports as were the preliminary steps taken to confront an unusual surge in traffic growth.

On May 10, Chairman Sullivan reported on the results of a conceptual engineering study, commissioned in February 1984, to determine the best way of accommodating the increasing traffic volume in the northern corridor. The 1985-90 Turnpike Widening Program was born with that announcement and has proceeded according to schedule through 1985.

Funding for the entire project was accomplished on November 21 when a \$2 billion issue of Turnpike Revenue Bonds sold out on that day. The stage is set for the Turnpike Authority to meet its statutory mandate to facilitate the safe and expeditious movement of vehicular traffic



### THE AUTHORITY

Reviewing preliminary plans in conceptual engineering study for proposed widening, left to right: Commissioners Frank E. Rodgers and Michael Kardon, Chairman Joseph A. Sullivan, Executive Director William J. Flanagan, Treasurer Dolores T. Prideaux and Commissioner Louis Slater.

in New Jersey. The language of our enabling legislation, in N.J.S.A. 27:23-1, compels the expansion and modification of Turnpike facilities in order to maintain the efficiency, integrity and safety of the Turnpike System.

The seeming imbrogllo of activities which produced this year's accomplishments was, in reality, an orchestration of the talents of 1,791 employees working to achieve the degree of service that our patrons have learned to expect. Following is an accounting of those activities by Departments...

## ■ Engineering

In keeping with the Authority's philosophy of providing safe and efficient travel throughout our corridor, engineering studies have begun on the 1985-90 Widening Program. This ambitious project will widen the road from six lanes to twelve lanes from Interchange No. 9 to Interchange No. 8A. The westerly alignment will also be widened from six lanes to twelve lanes from Newark to the northern Ridgefield Park terminus. One extra lane, north and south, will be added between Interchanges 11 and 14 to create a 14 lane dual/dual roadway.

An Environmental Impact Assessment has been underway since May 1985. It is expected that a Draft Environmental Impact Statement will be issued early in 1986. Informational meetings have begun and this process will culminate with three Public Hearings to be held by the Authority in mid-March 1986.

To date, seventeen Section Design Engineers have been retained by the Authority to handle roadway design while the Authority's Engineering Department and general engineering consultant will coordinate their work as well as that of the environmental and traffic consultants. Cost of the 1985-90 Widening Program is estimated at \$1.7 billion dollars and will include the relocation of two existing interchanges and the reconstruction of another.

Preliminary widening plans were completed at the end of 1985. Final design is scheduled to begin in February 1986.

The Engineering Department continued work on twenty construction projects in 1985 while awarding 42 new contracts during the year. The total construction cost of the new work is nearly \$26,000,000.

In keeping with the Authority's policy of providing improvements for traffic safety and patron convenience, the toll plaza at Interchange No. 11 was expanded while a ramp at the same interchange was realigned for a total cost of \$4,560,000. A 24 hour Stop Frame Photo Survey, done by this Department, showed the operation of the existing plaza and helped engineers design the improvements.

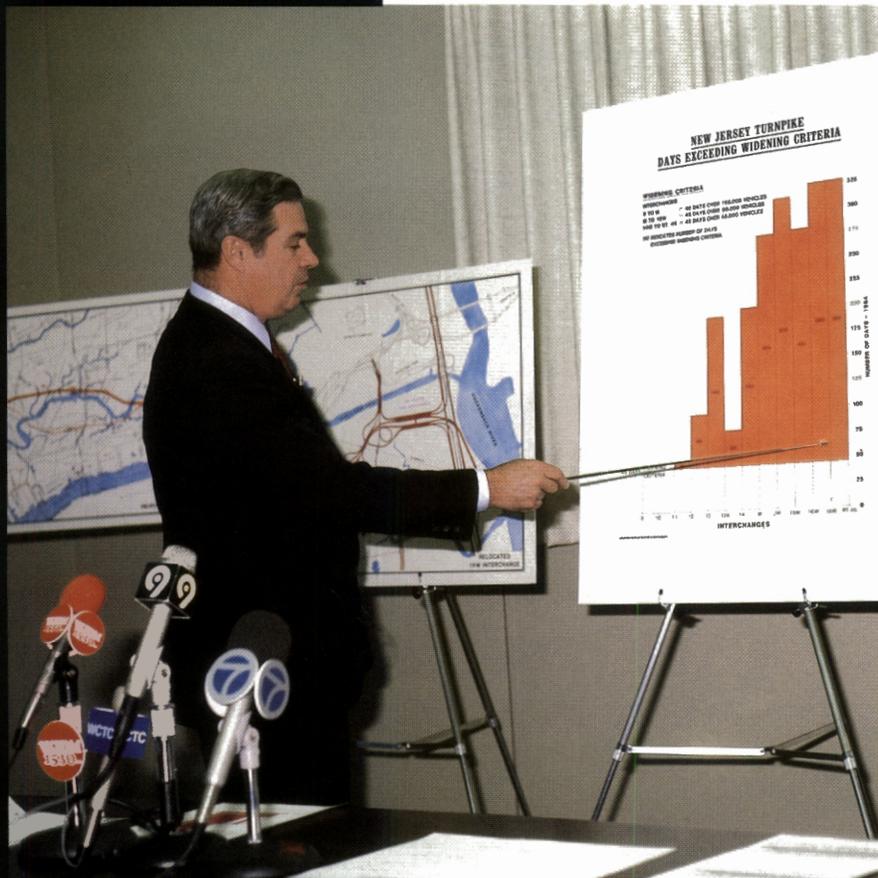
Concrete median barrier construction of the new heavy vehicle design continued from Mile 77 to Mile 81 on the Main Line Roadway as well as on the Newark Bay-Hudson County Extension for a cost of \$5,280,000. This new barrier is an improved design because of its ability to contain the larger, more heavily loaded truck traffic now permitted to use our roadways. This project was initiated in 1984 and will continue yearly until completion. It is anticipated that all median guardrail will be replaced within five years.

As part of the ongoing Bridge Maintenance Program, various steel structures were repainted in 1985. Included in this work were 32 bridges as well as 3 water towers and 3 fuel island canopies for a total cost of \$2,561,000. Bridge deck and joint work, resurfacing, and other miscellaneous structural repairs accounted for another \$7,000,000 in extraordinary maintenance costs to keep these vital links in our roadway system safe and sound.

Roadway resurfacing took place at various locations on the Turnpike to maintain our travel lanes in top condition. Over eleven miles in this continuing program were paved for a total cost of \$2,355,900 this year.

As part of the Authority's ongoing program to upgrade our service areas for increased capacity and to provide better facilities, Service Area 4N (James Fenimore Cooper) had the parking lots expanded and improved. Concurrently, fuel service islands were reconstructed. The cost for this project totaled \$1,267,000.

Building repair took place at various maintenance districts and interchanges, led by the upgrading of the vacated State Police area at District 2 for use by the Maintenance Department. This upgrading and repair work resulted in a total \$432,600 expenditure for all such projects. The Distribution and Storage Facility construction was completed in 1985. The Authority now has a much needed centrally located building for toll revenue ticket storage, toll supply distribution and general storage for all departments. This large facility, adjacent to Maintenance District 4, should adequately service the Authority's needs for



Chairman Sullivan explains the widening criteria chart during one of two press conferences. Chart depicts the number of days that the criteria were exceeded in various sections of the northern corridor. Section that he is indicating exceeded its criterion on 282 days during the year.

many years to come. Total cost for converting the former warehouse into office and storage space was \$634,100.

At the Administration Building, an Uninterruptible Power System was installed so as to keep our computer system functioning in the event of a power failure. Although the building has an emergency generator which comes on automatically in the event of a power failure; computers cannot tolerate even a momentary interruption. The "UPS" eliminates such an interruption and allows work with the computers to continue. A sophisticated Fire Detection/Suppression System was also provided at the computer center to protect personnel as well as machines. These two systems were installed for a total cost of \$170,200.

Also awarded in 1985 were contracts to completely replace the Administration Building's telephone system with a sophisticated new design that will handle the increased usage while providing many time saving and convenient features. The award amount of this contract is \$402,000.

The Authority's main computer will be replaced with a new model which will provide more capacity for the usual functions while also providing on and off site office automation capabilities. This contract was awarded this year for \$1,690,000.

The Authority participated in the Governor's Jersey Pride Campaign with the planting of 50 oak trees at Interchange No. 15E as the start of the Turnpike Region Environmental Enrichment Program. As part of the Authority's ongoing beautification program, Interchange Nos. 14 and 15W were landscaped. As another phase of our environmental effort, toll booth air quality studies have been initiated once again in 1985. The results of these studies will be compared with those done in 1975 and will be useful in evaluating employee work place safety as well as future toll booth design.

## ■ Maintenance

During the spring and summer of 1985, the Maintenance Department participated in the development of a State Police Firing Range. The project entailed clearing and grubbing of approximately two acres of land, the placement of back-stop embankment material, the completion of an access road and an on-site parking area.

During the 1984-1985 winter season, the Maintenance Department responded to fifteen snow events. Approximately 19,000 tons of salt were utilized during this period. Costs for materials, labor and contractor participation were approximately \$1.1 million. During this time the Authority initiated an evaluation of "Wetted Salt"—conventional rock salt sprayed with liquid calcium chloride. Benefits anticipated are cost savings for deicing chemicals, more rapid reaction time as well as increased effectiveness at lower temperatures. Should the results of the ongoing evaluation compare favorably with those anticipated, "Wetted Salt" facilities could be implemented Turnpike-wide.

The operation of the Turnpike's four sewage treatment plants and five water treatment plants has been contracted to an environmental engineering firm who specializes in treatment plant operation. Their service fully satisfies Turnpike operating requirements as well as necessary regulations of the State Department of Environmental Protection and the Federal Environmental Protection Agency.

A consultant was hired to assist in the development of a Maintenance Management System. A specifications document which will form a substantive basis for structuring and designing all aspects of the Maintenance Management

*Preventive maintenance for all equipment is the strict Turnpike rule. Here, snow plow receives new paint job following complete refurbishing before storage after the winter season.*



System was developed. This study completes one stage of our plans for ultimate maintenance computerization.

Expansion of the Turnpike's sign shop operation in Hightstown has been completed. Sign fabrication, which previously required the services of an outside vendor, is now performed "in-house." This has resulted in a substantial savings to the Turnpike.

A formal roof maintenance program was initiated in the Maintenance Department during 1985. Roof inspections are now conducted once per year in order to determine maintenance and replacement needs. A roofing consultant has been hired to assist with the program and to

train appropriate maintenance personnel in proper roof repair procedures. Roofs are now repaired by either Turnpike maintenance personnel or by roofing contractors, depending upon the scope of work involved.

In response to increasing concerns caused by the potential for exposure to various hazardous substances routinely transported along the Turnpike, 50% of the Maintenance Department's roadway supervisory staff participated in seminars sponsored by the New Jersey State Police. It is anticipated that the remaining

management personnel will receive similar training in the immediate future.

An automatic fuel management system was installed at the Central Shops facility in Hightstown. The system as developed utilizes a dual card system (present employee identification pass and vehicle card) and provides 24-hour unattended fuel accessibility. Experience to date indicates feasibility for Turnpike-wide implementation.

## ■ Operations

The Operations Department's observations at entry toll plazas resulted in a recommendation to install photoelectric detectors to assist toll collection personnel in rejecting overheight vehicles from entering the Turnpike and damaging overhead structures. In 1985 overhead detectors were installed at Interchange 13 replacing the chain bars presently used to detect illegal height vehicles prior to entry. Further plans call for the replacement of all chain bars with photoelectric detectors at all other Turnpike toll plazas.

As a result of traffic flow observations and an evaluation of accident reports at Interchange 11, the Operations Department recommended the need to add toll lanes and realign some of the ramps at this interchange. In May 1985, four toll lanes were added to the existing 20 toll lanes for a total of 24. In addition, ramp geometry was improved and new larger directional signs replaced existing signs. The Operations Department was instrumental in implementing unique construction staging plans which resulted in minimal delays to motorists exiting Interchange 11.

Progress continues to be made in the replacement of the Turnpike's neon speed limit signs with reflective vane matrix signs. This project was initiated by the Operations Department in an effort to save power, provide better visibility in direct sunlight and conform more closely to standard speed limit signs.

A project to install flashing warning lights in advance of barrier toll plazas began in 1985. Work is currently underway at Interchange 1 and five other barrier plazas will be rebid in the near future. These lights should improve the accident picture involving vehicles approaching the barrier toll plazas.



*The Turnpike maintains a complete sign shop for in-house production of all but its electronic traffic control signing. More than 2,000 of the "trailblazer" logos mark the routes to the Turnpike along feeder roads.*

The software for the Automatic Traffic Surveillance and Control System is in the process of being rewritten. The ability of the Turnpike to monitor and control traffic from the Operations Center will be enhanced by the new software. This enhancement will result in the capability of obtaining more detailed traffic data and will simplify the maintenance of the software.

A new agreement was signed on May 14, 1985 between the New Jersey Turnpike Authority and the Marriott Corporation. The result of the agreement will be a changeover of all 13 restaurants located on the New Jersey Turnpike to either Roy Rogers or Bob's Big Boy and in some of the larger areas a combination of both. The restaurants at the James Fenimore Cooper and Molly Pitcher Service Areas have been renovated to the new concept and were open to the public in August of 1985. In addition, the Clara Barton and John Fenwick Service Area

restaurants were converted and opened to the public in November of 1985. Construction on the Vince Lombardi Service Area restaurant started in December. All 13 service area restaurants are scheduled to be completed by June of 1986.

Renovation to the service station facilities at James Fenimore Cooper Service Area was completed in 1985. Additional renovation to the service station facilities at the Molly Pitcher Service Area commenced in December and will be completed in the Spring of 1986.

These changes greatly enhance the appearance of the service areas along the New Jersey Turnpike and will improve service to patrons traveling on the Turnpike.

The Operations Department is in the process of acquiring a hazardous material response vehicle which will contain the most sophisticated communications equipment and the necessary protective attire, including ultra twin respirators with cartridges, for various types of hazardous material incidents. A hazardous material response plan has been formulated and members of the Operations Department, along with certain members of the State Police, are in the process of taking advanced courses in handling hazardous material incidents. These procedures will

enable them to coordinate their activities with the Department of Environmental Protection, the State Police Emergency Management Response Unit and the responding fire departments so that the New Jersey Turnpike will have the most sophisticated program and procedure for the handling of hazardous material incidents or accidents.

During 1985, 238 vehicles left unclaimed at contract garage areas were disposed of by the Emergency Services Division of the Operations Department. In addition, the Emergency Services Division coordinated the operation of 33 contract garages, 40 ambulance squads, 26 fire departments and road service vehicles from the 13 service areas during 1985.

During the summer and fall of 1985, three safety breaks were held at Turnpike service areas. Nearly 1,500 patrons viewed films, picked up brochures and other promotional material, and sampled free coffee and pastry. Safety breaks are a cooperative effort among the New Jersey Turnpike, the State Police, Marriott Corporation and several public agencies concerned with traffic safety.

## Troop "D"

State Police assigned to Troop "D" continued their enforcement of the 55 mph speed limit in an effort to educate motorists to strictly adhere to the speed limit. The number of speeding summonses issued in 1985 was 33,255. The drinking driver is of prime concern to the State Police, as well as the Turnpike Authority. Special funding, solely for drinking

100 mvm. The fatality rate for 1985 is the same as the 1983 fatality rate which was the lowest since the opening of the Turnpike.

During 1985 Troop "D" personnel were deployed to maintain a uniform flow

pistol range, qualify, and then resume their patrols in a minimal amount of time.

State Police issued 71,031 summonses in 1985. Of these summonses, 28,995 were issued to trucks, 756 to buses, and 41,280 to all other vehicles. Minor infractions of the Motor Vehicle

*Camera crew sets up to film "Wise Guys," one of six movies having scenes on the Turnpike this year. "Wise Guys" is unique in that the entire movie was produced in New Jersey.*



driving, enabled the State Police to initiate DWI Supplemental Patrols on a regular basis. State Police arrested 744 motorists for driving while under the influence.

A total of 3,781 motor vehicle accidents were investigated by the State Police in 1985. During the early part of 1985, Troop "D" obtained a computer to assist in the close monitoring of motor vehicle accidents. At the end of every month, each station received a computer printout indicating the accidents occurring in each station area. The information given indicated the high accident areas, time of day, day of the week and weather conditions. This information enabled each Station Commander to concentrate patrols in the needed areas, and to initiate programs, in an attempt to decrease these accidents. Of the 3,781 accidents investigated in 1985, 21 were fatal accidents which resulted in 23 deaths, reflecting a fatality rate of 0.62% per

of traffic at the Meadowlands during sporting events and concerts. Supplemental programs were set up and patrols were placed at strategic locations insuring a smooth traffic flow, both before and after each event. These supplemental programs proved to be invaluable.

An additional supplemental program was initiated at the Express Bus Lanes (XBL) at Interchange 17. Personnel were utilized to assist with the high volume of bus traffic during the rush hour.

In the latter part of 1985, Troop "D" saw the completion of a new Pistol Firing Range, located at milepost 66 northbound. Since its completion, Troop "D" personnel have qualified two of the annually required three times at the new range. This proved to be an asset in that troopers on patrol could report to the

Code required issuance of 21,119 warnings. In addition, Troop "D" provided aid to 77,150 patrons. Toll evasions accounted for 187 summonses issued to those violators.

The Criminal Investigation Section accomplished 2,982 arrests, encompassing a broad spectrum ranging from rape to juvenile runaways. Making up a major portion of arrests were 544 for carrying deadly weapons and 1,763 for various narcotic violations, a majority being large quantities of marijuana and cocaine. Recovered property values were in excess of \$341,400 for confiscated narcotics seized and a total for 1985 in excess of \$8,547,684.

## Turnpike Safety Record

	1985	1984
<b>Enforcement:</b>		
Summonses Issued	71,031	73,613
Criminal Arrests	2,982	3,146
<b>Aids to Motorists:</b>		
Mechanical	43,863	42,337
Gasoline	5,666	5,818
Flat Tires	5,563	5,677
Overheat	1,012	989
Other	21,046	24,167
Total Aids	77,150	78,988
Aid Ratio	1 per 2,167 veh.	1 per 1,975 veh.
Aids Per Day	211	216
<b>Accident Information:</b>		
Accidents	3,781	3,420
Accident Rate	102.3	99.0
Personal Injuries	1,930	1,808
Injury Rate	52.2	52.4
Fatal Accidents	21	22
Fatalities	23	25
Fatality Rate	0.62	0.72

NOTE: Accident and fatality rates are computed on a basis of 100 million miles of travel.

*Trooper at the communications console in the new State Police station at Moorestown. Patrols for the southern third of the Turnpike between Exits 1 and 7A are dispatched from this installation.*



## ■ Toll Collection

Tolls, of course, are the primary source of revenue for the operation, maintenance, and management of our Turnpike. There are no federal, state or municipal taxes ever used by the New Jersey Turnpike Authority. The revenue is collected, one-toll-at-a-time, in more than 167 million transactions with the motoring public. The Toll Collection Department employees comprise the largest workforce on the Turnpike and they set the standard for good customer relations that prevail throughout the organization.

During the year, the Department's three divisions—Toll Collection, Park/Ride and Utility kept pace with increasing demands for their services. In Toll Collection, all training was accomplished as final portions of the new computerized toll system were phased into operation. Park/Ride saw use of its facilities in East Brunswick and Ridgefield at maximum capacity while plans moved forward for a new facility in Edison. And, the Utility Division continued its day-to-day housekeeping chores at our 27 toll plazas plus responding to snow handling duties during the winter period.

The new Storage and Distribution Center located adjacent to Maintenance District 4 contains storage areas for all Turnpike Departments plus a Tolls Department training facility. This much needed, centrally located, multi-purpose facility is supervised during the day by Tolls personnel and is electronically controlled at night by a computerized fire and intrusion alarm system monitored at the Operations Communication Center.

## ■ Purchasing

The business of handling thousands of requisitions and issuing purchase orders for a great variety of equipment and supplies accelerated in 1985. The Purchasing Department works closely with personnel of all other Turnpike departments to provide the best value possible through competitive bidding procedures. Exactly 3,608 purchase orders were released by the department during 1985 totaling \$12,843,452.66.

The Maintenance Department received a large allocation of supplies to facilitate their 24-hour, 7-day-a-week operation. Included were traffic cones, guardrail, patching materials, electrical supplies, plumbing and hardware, masonry and painting supplies. The vast automotive fleet received a complement of trucks, sedans and various lubricants. Included was a compact van with a telescopic aerial bucket. This will provide easier access for electricians when relamping traffic signs in congested areas where space limits the operation of heavier utility trucks. Snow plowing contracts and rock salt were provided to meet the harshness of winter; tractors and mowers



met the challenge of summer. A new prefabricated in-plant office building will be installed in the Northern Area to permit additional inventory storage space.

Our State Police maintain several stations on the Turnpike. They received new vehicles and equipment necessary for daily patrol operations along the Turnpike corridor.

With the completion of renovations on an existing building recently acquired, our Toll Collection staff relocated. Furniture, shelving and related equipment were purchased and installed for use by Tolls office personnel. All uniforming, including shirts, trousers and jackets, was also acquired.

Magnetic stripe toll tickets, vital to the operation of the Turnpike, were provided to the Systems & Data Processing Department.

Engineering received orders for specification books, proposal forms and blueprints essential to the function of their department.

Inspections are conducted at all Turnpike facilities to assure utmost safety

*Toll plaza at Interchange 4 gets complete refurbishing. Beginning with sandblasting, shown here, much of the work is done at night when traffic is at a minimum.*

to our patrons. These inspections resulted in repairs to deep well pump units and relining of gas storage tanks at Service Areas plus the addition of new fuel island shelter booths.

Impact attenuator devices, barrel-like structures, were ordered, filled with liquid calcium (to prevent freezing) and placed at strategic points on the Turnpike. These act as cushions to deter errant vehicles.



*Senior operators in Data Processing Center monitoring function of the mainframe computer and preparing magnetic tapes for processing.*

Flashing light assemblies were purchased. Mounted on wooden barriers, these alert motorists to construction sites which can alter the flow of traffic.

The Authority also participates under State of New Jersey Contracts, awarded to low bidders through their purchasing processes. These produce substantial savings to the Authority through joint-agency purchases.

The Director of Purchasing also acts in the capacity of Surplus and Salvage Officer. Through bi-monthly State auctions the Authority received \$407,113.50 from the sale of used vehicles and equipment. The sale of used toll tickets to the highest bidder produced \$7,409.60.

## ■ Systems & Data Processing

As the Department moves into the second half of this decade, we are prepared to step onto the leading edge of available computer technology.

Hundreds of man-hours were expended in a comprehensive review of current and future Turnpike plans, and final specifications were developed for our modern computer system. Included in this study were interviews and visits

with various vendors to ascertain their ability to meet our current, interim, and future requirements. Those vendors that displayed such an ability were invited to bid on our specifications. Digital Equipment Corporation (DEC) proved to be the successful bidder, and delivery of the new systems is expected in February 1986. Expectations are that our fifteen-year-old Main Frame, after all current programs are converted, will be 'unplugged' by July 1, 1986.

Our technical staff was expanded through acquisition of new personnel and in-house promotion to meet the volume of work involved in the continuing development of new and enhanced systems.

Our conversion to the computerized Toll Audit System was completed with the

last of the Interchanges coming on-line in the summer of 1985. Fine tuning of the system continues and should be completed during the first half of the new year.

Enhancement and reprogramming of the Automatic Traffic Surveillance and Control System were initiated during the year and completion is anticipated toward the end of 1986.

Our Systems Department, besides being deeply involved in the development of the specifications for the new

transactions on Thanksgiving eve, the Department was able to keep pace, despite the current obsolete equipment, and produce the required reports on a timely basis.

All this was accomplished while the daily processing and auditing of

of the Authority when he was sworn in as Commissioner on February 14.

Following the retirement of Oliver K. Compton, Jr. on February 1, Valeria J. Dalesandro was named Director of Personnel.

Other personnel changes during 1985 include the hiring of 113 new employees as replacements and 31 as additions. Ninety-nine employees left the Turnpike either through retirement, resignation, death or release.

**Other Activities:**

Tuition Refund Program—109 separate

*Chairman Sullivan presents a plaque to Governor Thomas H. Kean commemorating the occasion of his planting one of 50 trees at Interchange 15E to launch the Turnpike Region Environmental Enrichment (TREE) project as part of his Jersey Pride Program.*



computer, developed and installed new programs for processing on our current equipment. In addition, numerous 'One Time' projects were run to provide specific information to requesting departments.

Operations personnel were successful in implementing the move of our historical archives and ticket inventory to the Turnpike's new Distribution Center Building located in Milltown.

Even though record volumes were encountered during the past year, including a new single day record of 622,225

167,857,961 toll tickets and the preparation of weekly bills for the Authority's 1000 charge account customers continued as part of the day-to-day routine.

■ **Personnel**

In February 1985 Commissioner David M. Mandelbaum completed his term as member of the New Jersey Turnpike Authority. Michael Kardon became the fifth member

requests for tuition refund were acknowledged with reimbursements accomplished.

Promotional—121 promotions were made among all classifications of employees.

Grievances—18 grievance hearings at step 2 were held by the Labor Relations Committee and four issues were heard through arbitration.

Scholarship—Michael P. Farrell, son of Administrative Assistant-Toll Collection Francis Farrell, was 1985 Laderman Scholarship winner.

Longevity—286 employees have been with the Authority for 10 years and 634 employees have been with the Authority for at least 15 years. The 34th Annual Service Awards Banquet was held on December 3 honoring 35 employees with 25 and 30 years of service.

#### **Special Programs:**

Employee Assistance—The Authority has concluded its second year of participation in this program which, from all indications, continues to be a welcome success.

Blood Bank—Again, the regional concept was applied in our observance of two blood donor days during 1985. The result, 248 pints were added to the Authority's Blood Bank.

#### **Medical Section Activity:**

Visits to the Medical Section totaled 2,450. They were classified as non-occupational, job-connected, pre-employment, periodic and promotional exam visits.

## ■ Legal

The Legal Department has continued its program to dispose of properties from the abandoned Toms River Expressway Project.

The department has been involved in the litigation of several major lawsuits for the recovery of large property damage claims resulting from major accidents, several of which have resulted in the recovery of approximately \$100,000. The Authority has consistently benefited by the definitive efforts of the department in assisting Risk Management with recoveries in property damage claims resulting from accidents on the Turnpike.

The department has been responsible for preparing and implementing a comprehensive structure for acquisition and relocation services for the 1985-90 Widening Program. The firm of Abeles Schwartz Associates, Inc. has been retained to assist the Legal Department with acquisition and relocation services for the right-of-way for the subject Widening Program.

The department has continued its program of opposing applications to local boards and State agencies for commercial billboards directed at the Turnpike.

With the assistance of General Counsel's office, the department has received a favorable decision from the Appellate Division of the Superior Court of New Jersey defining the ability of the Authority to award contracts to operators of the restaurants on the Turnpike without the necessity of competitive bidding. This decision is the first of its type in the country and has received nationwide attention.

The Legal Department has assisted in labor grievances and disciplinary actions and has participated in Labor/Management matters.

The Employees' Deferred Compensation Plan has continued to be successful under the department's administration with total Plan assets now exceeding \$6,500,000.

## ■ Risk Management

For the third consecutive year, the insurance industry suffered record losses. This resulted in drastically higher premiums, severe underwriting requirements and a very restricted market.

Fortunately, the Authority was able to keep increases to an affordable limit because of our Loss Control programs and the use of Self-Funded programs in Workers' Compensation and Health Benefits.

Employees responded with enthusiasm to the new CPR (Cardio-Pulmonary Resuscitation) training program. 47 qualified as Basic Rescuers and 7 more were qualified as CPR Instructors.

A Safety Orientation Program was instituted in 1985 for new toll collectors. Of 52 persons put through the program, only one had a work-related accident in 1985! Of the total 554 on-the-job accidents, only 275 were involved in lost time. This compares with 539 total compensation claims in 1984.

Although traffic was sharply increased, the Turnpike suffered fewer accidents involving damage to our property. Only 812 in 1985 compared with 1,100 in 1984. The claims section recovered \$1,224,164 for these damages done by patrons.

## ■ Public Information

Press conferences on May 10 and November 7 were held at the Administration Building to announce plans for the 1985-90 Turnpike Widening Program. Another 33 press releases concerning other Turnpike business were issued during the course of the year.

Reporters attended the 12 monthly Turnpike Authority Commissioners' Meetings and information concerning the meetings was reported, on request, to those not in attendance.

Our patrons' newsletter and employees' house organ were published monthly. Neither publication has ever missed an issue—10 years for the newsletter; 27 years for the house organ.

We participated in the Governor's Jersey Jubilee exhibit program, coordinating with the Garden State Parkway, Sports Authority and Atlantic City Expressway in displaying at all major shopping malls throughout the State.

Members of our Department were activated for emergency duty on 41 occasions when it was necessary to disseminate special information concerning fog, snow, accident or other unusual conditions. Special emergency press passes are issued to reporters and photographers who cover news events on the Turnpike.

This year, Public Information arranged for the hosting of foreign visitors from Italy, Japan, Korea and Brazil. Our Community Relations Section maintained contact with our neighbors as well. One hundred and one complaints were satisfactorily resolved during the year.

Our Photographic Section handled a wide variety of photo and audio-video assignments. This section also supervises TV and motion picture crews shooting on our property. Scenes for two entertainment films and four educational films were shot on the Turnpike this year.

Submissions to our Suggestions Program were processed through the Public Information Department for review by the various departments and consideration by the Suggestions Committee. Of the 103 ideas so processed, nine were adopted and appropriately rewarded.

# 34 Years of Operation

	Revenue Vehicles	Toll Revenue	Revenue Mileage	Concession Revenues	Other Revenues	Total Revenues
1951	787,195	\$ 587,326	38,246,174	\$ 32,861	\$ 87	\$ 620,274
1952	17,948,235	16,241,267	765,807,780	1,523,038	65,330	17,829,635
1953	22,005,078	19,192,647	868,606,100	1,853,880	464,102	21,510,629
1954	24,555,441	20,756,344	927,393,967	1,826,777	634,641	23,217,762
1955	25,888,319	21,122,503	939,672,825	1,859,952	923,169	23,905,624
1956	31,588,224	24,513,371	1,064,377,974	2,056,530	1,197,682	27,767,583
1957	39,269,643	29,022,910	1,200,254,680	2,370,516	1,447,014	32,840,440
1958	41,615,115	30,159,491	1,232,527,909	2,400,793	1,554,434	34,114,718
1959	46,199,339	33,317,927	1,343,847,970	2,602,998	1,396,407	37,317,332
1960	49,083,017	35,583,987	1,414,759,197	2,650,147	1,274,321	39,508,455
1961	51,737,682	37,192,652	1,471,802,723	2,649,106	1,156,969	40,998,727
1962	54,900,745	39,240,487	1,560,490,809	2,660,029	1,180,789	43,081,305
1963	56,677,379	40,778,566	1,610,706,177	2,749,777	1,270,264	44,798,607
1964	60,707,631	44,148,839	1,753,074,755	3,436,989	1,446,046	49,031,874
1965	64,957,715	46,122,200	1,856,395,130	3,624,311	1,549,790	51,296,301
1966	69,850,328	48,609,809	1,944,951,873	3,752,280	1,628,281	53,990,370
1967	73,528,656	51,229,549	2,030,844,201	3,976,450	1,642,227	56,848,226
1968	78,205,075	55,339,724	2,138,002,435	4,323,562	1,653,381	61,316,667
1969	80,618,191	57,636,727	2,202,999,403	4,624,406	1,979,854	64,240,987
1970	89,655,299	63,934,463	2,382,332,241	4,959,536	1,949,358	70,843,357
1971	98,533,612	70,124,311	2,574,226,834	5,322,464	1,004,360	76,451,135
1972	107,933,291	75,939,682	2,740,521,973	5,612,148	997,242	82,549,072
1973	110,422,434	78,996,947	2,753,067,671	5,226,934	1,261,793	85,485,674
1974	106,628,059	75,243,082	2,529,483,967	4,924,039	3,062,147	83,229,268
1975	105,632,830	84,385,089	2,583,789,035	5,315,803	6,553,424	96,254,316
1976	109,233,669	91,081,922	2,671,766,280	5,176,767	4,756,959	101,015,648
1977	113,664,015	95,111,786	2,759,241,650	5,232,246	5,026,621	105,370,653
1978	120,622,761	100,837,720	2,885,020,752	5,959,715	5,757,312	112,554,747
1979	121,031,648	100,884,856	2,803,773,003	5,956,116	9,452,586	116,293,558
1980	122,587,520	118,613,863	2,850,062,160	6,013,967	6,700,771	131,328,601
1981	127,211,999	126,188,012	2,930,550,698	5,929,656	13,787,205	145,904,873
1982	132,932,001	129,922,144	3,022,902,748	5,983,228	14,257,360	150,162,732
1983	143,854,884	139,894,904	3,205,540,623	6,521,074	10,047,954	156,463,932
1984	156,029,218	151,913,410	3,442,060,842	7,301,559	12,617,054	171,832,023
1985	167,179,166	162,449,170	3,685,451,718	7,579,995	11,082,401	181,111,566

## Revenue Vehicles

## Toll Revenue

## Revenue Mileage

1985		1984		1985		1984		1985		1984	
January	11,961,383	10,883,376	January	\$ 11,575,702	\$ 10,532,357	January	244,886,267	225,859,052	January	244,886,267	225,859,052
February	11,307,117	11,157,879	February	10,906,441	10,757,792	February	233,217,135	231,519,976	February	233,217,135	231,519,976
March	13,580,484	12,066,573	March	13,042,182	11,699,314	March	286,159,615	252,854,677	March	286,159,615	252,854,677
April	13,820,613	12,722,973	April	13,476,760	12,411,624	April	306,711,756	284,234,219	April	306,711,756	284,234,219
May	14,548,354	13,525,505	May	14,275,488	13,249,948	May	325,705,902	299,975,347	May	325,705,902	299,975,347
June	14,497,268	13,608,152	June	14,107,546	13,361,500	June	326,128,346	303,537,883	June	326,128,346	303,537,883
July	14,977,475	13,865,292	July	14,807,898	13,695,684	July	350,666,195	323,238,992	July	350,666,195	323,238,992
August	15,779,064	14,804,243	August	15,605,906	14,735,027	August	374,493,433	350,169,177	August	374,493,433	350,169,177
September	13,908,996	13,207,462	September	13,453,475	12,780,521	September	306,793,832	296,059,240	September	306,793,832	296,059,240
October	14,915,986	13,945,335	October	14,446,068	13,531,398	October	317,910,694	296,674,652	October	317,910,694	296,674,652
November	13,824,923	13,389,907	November	13,294,472	12,966,653	November	301,825,183	295,252,992	November	301,825,183	295,252,992
December	14,057,503	12,852,521	December	13,457,232	12,191,592	December	310,953,360	282,684,635	December	310,953,360	282,684,635
	167,179,166	156,029,218		\$162,449,170	\$151,913,410		3,685,451,718	3,442,060,842		3,685,451,718	3,442,060,842

## Budgets of Operating Expenses for 1986 and 1985

Classification	1986	1985
Administration—General	\$ 2,854,600	\$ 2,619,300
Data Processing/Systems	3,433,500	3,672,100
Accounting	1,170,900	999,400
Operations:		
Traffic Control and Police	10,309,300	9,450,300
Toll Collection	34,422,000	31,322,900
Maintenance	28,909,900	27,311,000
Engineering	2,461,700	2,080,900
Risk Management	9,688,100	6,454,400
Non-Departmental:		
Professional Fees	433,000	393,000
Fiduciary Fees	156,500	174,500
Pension and Retirement Funds	8,093,500	8,355,900
Taxes	200,000	210,000
	102,133,000	93,043,700
Maintenance Reserve Fund	17,000,000	18,000,000
State Payment Fund	12,000,000	12,000,000
Total	\$131,133,000	\$123,043,700

# Contracts & Orders Awarded in 1985 in Excess of \$100,000

## Engineering

Contract No.	Contractor	Amount
R-865	Daidone Electric, Inc.	\$ 187,850
R-882	Bishop-Bar San (Joint Venture)	287,400
R-883	Bishop-Bar San (Joint Venture)	3,246,765
R-887	Trap Rock Industries, Inc.	674,154
R-886	T.P.K. Construction Corp.	823,000
R-888	Trap Rock Industries, Inc.	1,681,751
R-874	Schiavone Construction Corp.	786,976
R-890	Bishop-Bar San (Joint Venture)	196,272
R-885	Solar-Mite Electrical Contractors	297,674
R-889	Bishop-Bar San (Joint Venture)	2,668,029
R-891	Frapaul Construction Co., Inc.	2,792,839
R-875	Pressure Concrete & Grouting Co., Inc.	288,092
R-895	T.P.K. Construction Corp.	646,300
R-893	Bishop-Bar San (Joint Venture)	2,068,780
R-793A	John D. Lawrence, Inc.	167,500
R-793C	Hutchinson Plumbing Co., Inc.	117,000
R-901	Ten Hoeve Bros., Inc.	300,000
R-894	B & J Nursery	122,225
R-903	Digital Equipment Corp.	1,688,550
R-904	Rolm Corp.	402,056
R-832-1	Whitmyer Bros., Inc.	1,837,705
R-876-1	Pan Building, Inc.	194,000
R-877-1	Louis Gargiulo Co., Inc.	303,100
R-809	Statewide Hi-Way Safety, Inc.	323,382

## Professional Services

OPS No.	Engineer/Architect	Amount
994	Edwards & Kelcey, Inc.	\$255,000
995	Howard, Needles, Tammen & Bergendoff	134,200
997	Howard, Needles, Tammen & Bergendoff	175,000
999	Howard, Needles, Tammen & Bergendoff	293,000
1002	Howard, Needles, Tammen & Bergendoff	409,270
1009	Howard, Needles, Tammen & Bergendoff	129,000
1012	Louis Berger & Associates, Inc.	290,000
1018	Urban Engineers, Inc.	142,000
1020	Geod Corporation	238,414
1027	The RBA Group	198,816
1028	James P. Purcell Associates, Inc.	170,000
1029	DeLeuw, Cather and Company	538,100
1030	N.H. Bettigole	150,000
1031	Edwards and Kelcey, Inc.	660,000
1032	PRC Engineering	334,565
1033	Goodkind & O'dea, Inc.	448,000
1034	Urban Engineers, Inc.	193,000
1035	Sverdrup & Parcel & Associates, Inc.	489,000
1036	Tippetts-Abbett-McCarthy-Stratton	335,000
1037	URS Company, Inc.	389,176
1038	Gannett Fleming Transportation Engineers	975,000
1039	Parsons Brinckerhoff, Quade & Douglas	725,000
1040	McFarland-Johnson Engineers, Inc.	348,551
1041	Howard, Needles, Tammen & Bergendoff	775,000
1042	STV-Seelye, Stevenson, Value & Knecht	420,000
1043	Louis Berger and Associates, Inc.	690,000
1044	Howard, Needles, Tammen & Bergendoff	381,600
1047	Wilbur Smith and Associates	136,590
1050	Howard, Needles, Tammen & Bergendoff	111,700
1052	Howard, Needles, Tammen & Bergendoff	259,000
1054	Howard, Needles, Tammen & Bergendoff	164,000
1056	Environmental Research & Technology, Inc.	107,000
1058	Howard, Needles, Tammen & Bergendoff	139,550
1061	Howard, Needles, Tammen & Bergendoff	120,000
1067	Stone & Webster Engineering Corp.	409,000
1069	Paulus, Sokolowski & Sartor	793,000
1070	Louis Berger and Associates	129,545

## Legal-Real Estate

	Amount
Lot 18, Block 129, Bordentown Township, Burlington County A.M. Ellis Theatres Company to New Jersey Turnpike Authority	\$287,500.00
Parcels DE3-3B; DE3-5A, 5B, A5, 5X2; DE3-7, A7; DE3-A10; DE3-18B New Jersey Turnpike Authority to Lebanon Properties, Inc.	138,100.00
DE1B-20; DE1B-21, A21, 21X, DE1B-22, 22X; DE1B-23, A23, 23X. Block 298, Lots 21-2, 24, 25-1, 25-2, 26-1, 26-2, 41-1, 41-2. Township of Dover, Ocean County New Jersey Turnpike Authority to Harvey L. York	151,500.00
Section 7B, Parcel RTA543B, etc. Settlement of Condemnation. Award plus interest New Jersey Turnpike Authority v. Empire Development Corporation	3,666,132.27

## Risk Management

	Premium
The Home Indemnity Co. Comprehensive General Liability	\$1,045,842.00
Granite State Insurance Co. Excess Umbrella Liability	335,000.00
Mead Re-Insurance Specific & Aggregate Medical Coverage	117,234.00
Group Life Insurance	178,592.15
LTD Insurance	116,362.67

## Purchasing

Purchase Order No.	Vendor	Description	Amount
P-40316	Atlantic Salt Company	Sodium Chloride	\$ 577,805.00
P-41407	Commercial Security Systems, Inc.	Depository Units	109,725.00
P-41534	Barnes Chevrolet Inc.	Motor Pool Fleet	288,024.50
P-41783	Circle Chevrolet Co.	State Police Fleet	828,815.04
P-41852	George Hughes Chevrolet	Light Duty Trucks and Vans	300,150.50
P-42346	International Harvester	Trucks	474,784.00
P-42372	Magnetic Data Carriers	Toll Tickets	982,507.88
P-42972	Pedroni Fuel Company	Fuel Oil	179,047.00
P-42973	Mitchell-Supreme Fuel	Fuel Oil	134,880.00
P-43694	Yardville Supply	Snow Removal	112,400.00
P-43736	International Salt	Sodium Chloride	757,475.00
P-00150	Meyers Parking Systems	Management/Operations	129,411.00
P-00200	Magnetic Data Carriers	Toll Tickets	1,112,168.00
P-00311	Granger Associates	Microwave Multiplex Equipment	124,872.00



Peat, Marwick, Mitchell & Co.  
Certified Public Accountants  
168 Franklin Corner Road  
Trenton, New Jersey 08648

New Jersey Turnpike Authority  
New Brunswick, New Jersey:

We have examined the statement of assets, liabilities and fund balances of the New Jersey Turnpike Authority as of December 31, 1985, the related statements of revenues and expenses and changes in fund balances for the year then ended, and the statement of cost of investment in facilities at December 31, 1985. 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.

As more fully described in note 1 to the financial statements, the Authority's policy is to prepare its financial statements based on the provisions of the bond resolution and on the Authority's interpretation of such resolution; consequently, the financial statements do not include certain assets, liabilities, revenues and expenses. Accordingly, the financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the aforementioned financial statements present fairly the assets, liabilities and fund balances of the New Jersey Turnpike Authority at December 31, 1985, the revenues and expenses and changes in fund balances for the year then ended, and the cost of investment in facilities at December 31, 1985, on the basis of accounting described in note 1, which basis has been applied in a manner consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

*Peat, Marwick, Mitchell & Co.*

January 31, 1986

**New Jersey Turnpike Authority**  
**Statement of Assets, Liabilities and Fund Balances**

December 31, 1985

with comparative total  
 memorandum figures for 1984

<u>Assets</u>	<u>Funds held by Authority</u>			
	<u>Revenue fund</u>	<u>Construction fund</u>	<u>Maintenance reserve fund</u>	<u>State payment fund</u>
Cash	\$ 14,545,330	841,728	97,125	14,66
Investments, at cost which approximates market (note 2)	13,069,756	1,775,841,681	11,081,800	-
Accounts receivable	2,272,646	698,076	5,000	-
Interfund accounts, net	(2,408,126)	20	-	(14,66
Deposits in condemnation	-	2,606,362	-	-
Cost of investment in facilities	-	1,418,800,107	-	-
Other assets (note 8)	-	-	-	-
	<u>\$ 27,479,606</u>	<u>3,198,787,974</u>	<u>11,183,925</u>	<u>-</u>
 <u>Liabilities and Fund Balances</u>				
Accrued interest payable	-	-	-	-
Withholdings from employees (note 5)	6,811,818	-	-	-
Toll revenues received in advance	288,997	-	-	-
Due to State of New Jersey	-	-	-	-
Amounts retained from contractors and engineers	-	231,563	1,065,113	-
Other liabilities	1,773,210	-	1,285,662	-
Bond indebtedness (note 3):				
Turnpike Revenue Bonds, 1984 Series	-	501,825,000	-	-
Turnpike Revenue Bonds, 1985 Series	-	2,001,000,000	-	-
Total liabilities	<u>8,874,025</u>	<u>2,503,056,563</u>	<u>2,350,775</u>	<u>-</u>
Fund balances:				
Applied to retirement of bond indebtedness	-	695,731,411	-	-
Revenues retained	18,605,581	-	8,833,150	-
Total fund balances	<u>18,605,581</u>	<u>695,731,411</u>	<u>8,833,150</u>	<u>-</u>
Commitments and contingent liabilities (note 9).				
	<u>\$ 27,479,606</u>	<u>3,198,787,974</u>	<u>11,183,925</u>	<u>-</u>

See accompanying notes to financial statements.

Special project reserve fund	General reserve fund	Funds held by trustee			Total memorandum only - (note 7)	
		Priority debt reserve fund	Debt service fund	Debt reserve fund	1985	1984
96,916	10,966	3,690	-	7,487	15,617,909	14,072,016
25,300,000	2,980,000	200,096,330	23,330,150	46,494,153	2,098,193,870	143,805,269
-	-	-	-	-	2,975,722	4,279,234
-	2,422,793	(20)	-	-	-	-
-	-	-	-	-	2,606,362	2,692,380
-	-	-	-	-	1,418,800,107	1,381,397,381
-	9,511,413	-	-	-	9,511,413	-
<u>25,396,916</u>	<u>14,925,172</u>	<u>200,100,000</u>	<u>23,330,150</u>	<u>46,501,640</u>	<u>3,547,705,383</u>	<u>1,546,246,280</u>
-	-	-	23,330,150	-	23,330,150	19,441,792
-	-	-	-	-	6,811,818	4,957,689
-	-	-	-	-	288,997	275,826
-	-	-	-	-	-	6,417,231
355,795	11,900	-	-	-	1,664,371	2,070,431
-	-	-	-	-	3,058,872	2,098,804
-	-	-	-	-	501,825,000	501,825,000
-	-	-	-	-	2,001,000,000	-
<u>355,795</u>	<u>11,900</u>	<u>-</u>	<u>23,330,150</u>	<u>-</u>	<u>2,537,979,208</u>	<u>537,086,773</u>
-	-	200,100,000	-	-	895,831,411	896,151,648
<u>25,041,121</u>	<u>14,913,272</u>	<u>-</u>	<u>-</u>	<u>46,501,640</u>	<u>113,894,764</u>	<u>113,007,859</u>
25,041,121	14,913,272	200,100,000	-	46,501,640	1,009,726,175	1,009,159,507
<u>25,396,916</u>	<u>14,925,172</u>	<u>200,100,000</u>	<u>23,330,150</u>	<u>46,501,640</u>	<u>3,547,705,383</u>	<u>1,546,246,280</u>

**New Jersey Turnpike Authority**  
**Statement of Revenues and Expenses**

Year ended December 31, 1985

with comparative figures for 1984

	<u>1985</u>	<u>1984</u>
<b>Revenues (note 3):</b>		
Toll revenue	\$ 162,449,170	151,913,410
Concession revenue	7,579,995	7,301,559
Income from investments	9,343,439	11,887,638
Miscellaneous	1,738,962	729,416
<b>Total revenues</b>	<u>181,111,566</u>	<u>171,832,023</u>
<b>Operating expenses:</b>		
Administration	7,259,660	7,079,652
Traffic control and police	10,469,460	9,797,866
Toll collection	30,831,201	28,426,140
Maintenance, repair, replacement and reconstruction	24,490,639	22,835,546
Engineering	1,991,925	1,896,916
Insurance	9,385,100	7,348,902
Professional fees	566,444	350,621
Fiduciary fees	209,519	150,779
Pension and retirement (note 5)	7,632,681	7,368,697
Taxes	191,285	201,643
Cash discounts	(23,590)	(22,882)
<b>Total operating expenses</b>	<u>93,004,324</u>	<u>85,433,880</u>
<b>Net revenues before interest and other charges</b>	<u>88,107,242</u>	<u>86,398,143</u>
<b>Interest expense (note 3):</b>		
Turnpike Revenue Bonds	-	19,101,047
Turnpike System Revenue Bonds	-	7,499,678
Turnpike Revenue Bonds, 1984 Series	46,660,300	19,441,792
<b>Total interest expense</b>	<u>46,660,300</u>	<u>46,042,517</u>
<b>Revenues before other charges</b>	<u>41,446,942</u>	<u>40,355,626</u>
<b>Other charges</b>	<u>29,501,086</u>	<u>23,203,997</u>
<b>Revenues after operating expenses, interest and other charges</b>	<u>\$ 11,845,856</u>	<u>17,151,629</u>

See accompanying notes to financial statements.

**New Jersey Turnpike Authority**  
**Statement of Changes in Fund Balances**  
Year ended December 31, 1985  
with comparative total  
memorandum figures for 1984

	Funds held by Authority						Funds held by trustee			Total memorandum only - (note 7)	
	Revenue	Construction	Maintenance	State	Special	General	Priority	Debt	Debt	1985	1984
	fund	fund	reserve	payment	project	reserve	debt	service	reserve		
	fund	fund	fund	fund	fund	fund	fund	fund	fund		
Balances at beginning of year	\$ 17,091,352	896,151,648	11,469,547	-	35,503,676	2,441,644	-	-	46,501,640	1,009,159,507	705,141,798
Add (deduct):											
Net revenues before interest and other charges	88,107,242	-	-	-	-	-	-	-	-	88,107,242	86,398,143
Discount on bonds retired	-	-	-	-	-	-	-	-	-	-	2,417,842
Payment of bond interest expense	-	-	-	-	-	-	-	(46,660,300)	-	(46,660,300)	(46,042,517)
Retirement of bonds	-	-	-	-	-	-	-	-	-	-	223,120,070
Payment of other charges	-	-	(20,644,896)	-	(8,955,366)	(824)	-	-	-	(29,601,086)	(23,203,997)
Reduction of 1984 state transfer	-	-	-	-	-	720,812	-	-	-	720,812	-
Other costs, primarily related to sale of Turnpike Revenue Bonds, 1984 Series	-	-	-	-	-	-	-	-	-	-	67,745,399
Proceeds from sale of excess property	320,237	(320,237)	-	-	-	-	-	-	-	-	-
Transfer to the State of New Jersey	-	-	-	(12,000,000)	-	-	-	-	-	(12,000,000)	(6,417,231)
Interfund transfers, net	(86,913,250)	(200,100,000)	18,008,499	12,000,000	(1,507,189)	11,751,640	200,100,000	46,660,300	-	-	-
Balances at end of year	\$ 18,605,581	695,731,411	8,833,150	-	25,041,121	14,913,272	200,100,000	-	46,501,640	1,009,726,175	1,009,159,507

See accompanying notes to financial statements.

**New Jersey Turnpike Authority**  
**Statement of Cost of Investment in Facilities**

December 31, 1985

with comparative total  
 memorandum figures for 1984

	1966 Turnpike improvement	1971 Turnpike improvement	1973 Improvement and funding program	1977 Turnpike system revenue bond accounts
Engineering and architectural	\$ 31,859,308	11,566,356	18,998,983	-
Land, easement and rights-of-way	29,187,189	4,055,433	8,785,945	-
Construction, including cost of training and equipping operating personnel, machinery and equipment and miscellaneous preoperating expenses	390,078,908	103,797,024	30,811,245	-
Other costs, including administration	2,743,399	181,599	274,101	-
Financial	<u>245,677,597</u>	<u>22,512,061</u>	<u>23,615,244</u>	<u>12,602,396</u>
	699,546,401	142,112,473	82,485,518	12,602,396
Less (income) expense from interim investment of construction funds	<u>(81,958,904)</u>	<u>(19,419,652)</u>	<u>(46,352,145)</u>	<u>271,732</u>
	<u>\$ 617,587,497</u>	<u>122,692,821</u>	<u>36,133,373</u>	<u>12,874,128</u>

See accompanying notes to financial statements.

Original turnpike extensions and additional lanes	Revenues invested in facilities	1984 Turnpike revenue bonds	1985-1990 Widening project	Total to December 31,	
				1985	1984
28,083,278	12,125,827	-	-	102,633,752	101,816,466
27,964,119	6,062,573	-	-	76,055,259	71,312,449
371,398,653	69,099,391	-	-	965,185,221	960,306,297
1,869,762	143,047	-	-	5,211,908	5,128,497
<u>26,992,648</u>	<u>165,271</u>	<u>67,745,399</u>	<u>27,815,072</u>	<u>427,125,688</u>	<u>399,299,878</u>
456,308,460	87,596,109	67,745,399	27,815,072	1,576,211,828	1,537,863,587
<u>(9,895,018)</u>	<u>(3,929)</u>	<u>-</u>	<u>(53,805)</u>	<u>(157,411,721)</u>	<u>(156,466,206)</u>
<u><u>446,413,442</u></u>	<u><u>87,592,180</u></u>	<u><u>67,745,399</u></u>	<u><u>27,761,267</u></u>	<u><u>1,418,800,107</u></u>	<u><u>1,381,397,381</u></u>

# New Jersey Turnpike Authority Notes to Financial Statements

December 31, 1985

## (1) Organization, Nature of Funds and Basis of Presentation

**(a) Authorizing legislation** —The New Jersey Turnpike Authority is a body corporate and politic created by the New Jersey Turnpike Authority Act of 1948, as amended and supplemented, authorized to construct, maintain, repair and operate turnpike projects at locations established by law, and to issue turnpike revenue bonds or notes of the Authority, subject to prior approval in writing from the Governor and from 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 bonds or notes 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 in the Revenue Fund, to be applied in accordance with the provisions of the 1984 Turnpike Revenue Bond Resolution, as amended by the First Supplemental Turnpike Revenue Bond Resolution (collectively, the Bond Resolution).

**(b) Nature of funds** —The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. Resources are allocated to and accounted for in the individual funds based upon the provisions of the Bond Resolution. The various funds are as follows:

**1. Revenue Fund** — The Revenue Fund is the General Operating Fund of the Authority. It is used to account for all of the revenue and operating expenses.

**2. Construction Fund** —The Construction Fund is used to account for financial resources to be used for cost of investment in facilities. Included in this fund are the proceeds from the November 21, 1985 issuance of New Jersey Turnpike Authority Turnpike Revenue Bonds 1985 Series (see note 3), and unexpended moneys related to projects authorized by the 1952, 1966 and 1973 Bond Resolutions and the 1971 Note Resolution.

**3. Maintenance Reserve Fund** —Amounts in this fund may be applied to the cost of major resurfacing, replacement, repairs, renewals or reconstruction of the Turnpike System.

**4. State Payment Fund** —This fund is used to account for the moneys that are to be applied to payments required to be made to the State pursuant to the terms of an agreement between the State and the Authority (see note 9).

**5. Special Project Reserve Fund** —Amounts in this fund may be applied to the cost of one or more special projects or additional projects. This fund may also be used in an amount up to twenty percent of the amount on deposit therein on the first day of any year to meet budgeted payments into the maintenance reserve fund. Under certain circumstances, it is also to be used to meet deficiencies in the Revenue Fund, the Priority Debt Service Fund, the Priority Debt Reserve Fund, the Debt Service Fund, the Debt Reserve Fund and the State Payment Fund.

**6. General Reserve Fund** —Amounts in the General Reserve Fund are to be used to make up deficiencies in the Revenue Fund, the Priority Debt Service Fund, the Priority Debt Reserve Fund, the Debt Service Fund, the Debt Reserve Fund, the Maintenance Reserve Fund, the State Payment Fund and the Special Project Reserve Fund. Amounts in this fund which are not required to remedy any such deficiency may be applied, to: (a) the purchase or redemption of any bonds and expenses in connection therewith; (b) payments into the Construction Fund; (c) improvements, extensions, betterments, renewals, and replacements of the Turnpike System or the provision of reserves for these purposes; (d) payments into the Revenue Fund; or (e) any other corporate purpose.

**7. Priority Debt Service Fund** —The Priority Debt Service Fund accumulates the amounts required for (i) the payment of interest and maturing principal amounts on the Priority Bonds (see note 3) when due, (ii) payment of the redemption price and accrued interest on the redemption of Priority Bonds, and (iii) payment of the purchase price of Priority Bonds purchased through application of money accumulated in this fund by reason of the payment of any Sinking Fund Installment.

**8. Priority Debt Reserve Fund** —Amounts in the Priority Debt Reserve Fund are to be applied to make up any deficiency in the Priority Debt Service Fund. The Resolution provides that as a condition to the issuance of each Series of Priority Bonds there shall be deposited in the Priority Debt Reserve Fund the amount, if any, necessary so that the amount in such Fund equals the Priority Debt Reserve Requirement calculated immediately after the issuance of such Series of Priority Bonds.

Whenever the money and securities on deposit in the Priority Debt Reserve Fund, together with the amount in the Priority Debt Service Fund, are

sufficient to pay in full all outstanding Priority Bonds in accordance with their terms, the funds on deposit in the Priority Debt Reserve Fund are to be transferred to the Priority Debt Service Fund.

In lieu of the required deposits into the Priority Debt Reserve Fund, the Authority may deposit into the Priority Debt Reserve Fund a surety bond or an insurance policy or a letter of credit in an amount equal to the difference between the Priority Debt Reserve Requirement and the sums then on deposit in the Priority Debt Reserve Fund, if any.

**9. Debt Service Fund** —This fund is used to account for the accumulation of moneys for, and the payment of principal and interest related to the 1984 Turnpike Revenue Bonds (see note 3).

**10. Debt Reserve Fund** —Amounts in this fund are to be applied to make up any deficiency in the Debt Service Fund. The Resolution provides that as a condition to the issuance of each Series of Refunding Bonds there shall be deposited in the Debt Reserve Fund the amount, if any, necessary so that the amount in such Fund equals the Debt Reserve Requirement calculated immediately after the issuance of such Series of Refunding Bonds.

Whenever the moneys and securities on deposit in the Debt Reserve Fund, together with the amount in the Debt Service Fund, are sufficient to pay in full all outstanding Refunding Bonds in accordance with their terms, the funds on deposit in the Debt Reserve Fund are to be transferred to the Debt Service Fund.

The Authority may deposit a surety bond, insurance policy or letter of credit into the Debt Reserve Fund to meet all or a part of the Debt Reserve Requirement, subject to conditions described in the Bond Resolution.

**(c) Basis of presentation** —Accounts of the Authority are maintained in accordance with the practices set forth herein, which are based on the provisions of the Bond Resolution and on the Authority's interpretation of said resolution. These practices differ in certain respects, which may be material, from generally accepted accounting principles applied in the presentation of financial position and results of operations commonly followed by other types of enterprises. The significant practices are as follows:

**1. Depreciation of the Turnpike and related facilities** is not included as an operating expense or otherwise provided.

**2. Costs for investment in facilities** are generally recorded when paid except for costs for payments to contractors and engineers which include amounts withheld (retainage) from such payments. Income on unexpended construction funds is credited to cost of investment in facilities when received.

Costs of investment in facilities also include expenses in connection with the offering, selling and issuance of bonds and notes; discount on the sale of bonds and notes; costs of issuing refunding bonds; costs of certain real estate in excess of right-of-way requirements which may be sold and the proceeds applied in reduction of construction costs; certain interest on bonds and notes (less income received on unexpended construction funds); and administrative and legal expenses during the construction period.

**3. Income on investments and from concessions** is recorded when received. Investments are valued at the lower of cost or principal amount, except for investments in the Priority Debt Reserve Fund and the Debt Reserve Fund which are valued at the lower of cost or market determined as of the preceding December 1.

**4. Operating expenses** (including materials, supplies and equipment) are recorded when paid.

**5. Interest on bond indebtedness** is recorded on the accrual basis.

**6. Costs for major repairs, replacements or maintenance items of a type not recurring annually or at short intervals and costs for major resurfacing, replacement, repairs, renewals or reconstruction of the Turnpike System** are recorded when paid except for amounts withheld (retainage) from payments to contractors and engineers. Such costs are included in other charges in the accompanying statement of revenues and expenses when such moneys have been provided from revenues, and are presented principally as construction costs in the accompanying statement of cost of investment in facilities when such expenditures are made from construction funds.

**7. Toll revenues** are recorded as received.

## Notes to Financial Statements (continued)

### (2) Investments

A summary of the components and carrying values of investments is as follows:

	<u>December 31,</u>	
	<u>1985</u>	<u>1984</u>
<b>U.S. Government obligations</b>	<b>\$2,015,584,529</b>	<b>47,079,071</b>
<b>Certificates of deposit</b>	<b>35,272,061</b>	<b>52,183,155</b>
<b>Repurchase agreements</b>	<b>43,719,585</b>	<b>42,516,792</b>
<b>Other investments</b>	<b>3,617,695</b>	<b>2,026,251</b>
	<u><b>\$2,098,193,870</b></u>	<u><b>143,805,269</b></u>

The market value of investments at December 31, 1985 and 1984 approximates carrying value. Other investments include life insurance bonds purchased under the provisions relating to the Employees Deferred Compensation Plan (see note 5).

### (3) Bond Indebtedness

On November 21, 1985, the Authority issued \$2,001,000,000 of Turnpike Revenue Bonds, 1985 Series Bi-Modal Multi-Term Format Bonds (the 1985 Bonds or Priority Bonds). Under the Bi-Modal Multi-Term Format (BMTF) structure, the Authority issued all the Bonds necessary to finance the 1985-1990 widening program (currently estimated to cost \$1,700,000,000) at one time. Initially, proceeds of the Bond sale were invested in government securities and deposited into an Escrow Account within the Construction Fund. As funds are needed for construction, monies will be transferred out of the Escrow Account and into the Widening Program Construction Account (both accounts are contained within the Construction Fund). The Authority will not begin to pay debt service from revenues until such funds are utilized for construction.

The 1985 Bonds have 2 modes while they are outstanding: Mode 1 and Mode A. These modes differ with respect to primary security and format. Initially, \$2,000,000,000 of Bonds were issued as Mode 1 Bonds, and \$1,000,000 of Bonds were issued as Mode A Bonds.

When Bonds are in Mode 1, the primary security as to principal and interest payments are monies held in the Escrow Account. As the Authority makes funds available for construction, the Mode 1 Bonds will be converted to Mode A Bonds. The primary security for Mode A Bonds are the Authority's toll revenues.

Bonds in Mode 1 have tender dates ranging from one week to July 2, 1990. On these tender dates, the bonds may be redeemed or converted to Mode A Bonds, at the discretion of the Authority. Bonds converted to Mode A will have varying maturity dates ranging to January 1, 2018.

The Bond Resolution requires the Authority to estimate the construction expenditures for the Widening Program for a fifteen month period. Estimated construction expenditures for the fifteen months to March 1987 aggregated \$68,250,000.

On September 13, 1984, the Authority issued \$501,825,000 of Turnpike Revenue Bonds, 1984 Series, (the 1984 Bonds), for the purpose of refunding the Authority's outstanding 1966 Turnpike Revenue Bonds and 1977 Turnpike System Revenue Bonds (collectively referred to as the Prior Bonds) having outstanding principal amounts aggregating \$537,982,000 and \$186,855,000, respectively.

The net proceeds of the 1984 Bonds together with certain other available moneys of the Authority were deposited with a trustee for the purpose of purchasing Governmental securities which mature at various dates and together with interest earned thereon are calculated to provide sufficient moneys to pay the principal of, redemption premium, if any, and interest on the Prior Bonds by 2014.

The 1984 Bonds are term bonds which mature as follows: \$249,040,000 due January 1, 2003 with interest at 10.175% per annum, \$69,175,000 due January 1, 2005 with interest at 12% per annum, \$132,520,000 due January 1, 2009 with interest at 6¾% per annum and \$51,090,000 due January 1, 2014 with interest at 7% per annum. The bonds are collateralized by the proceeds of the sale of the 1984 Bonds, all revenues, and all amounts on deposit in funds established by the Resolution other than the State Payment Fund and the Construction Fund. Such lien is subordinate to the lien and pledge of net revenues for any Priority Bonds which may be issued pursuant to the Resolution. Sinking Fund installments for the 1984 Bonds do not commence until 1990, when \$7,485,000 is due.

The 1984 Bonds maturing on January 1, 2003 and January 1, 2005, are subject to redemption prior to maturity, in whole or in part, at any time after January 1, 1994, at varying premium rates. The 1984 Bonds maturing on January 1, 2009 and January 1, 2014, are subject to redemption prior to maturity, in whole or in part, at any time after January 1, 1987, at varying premium rates.

Under the terms of the Bond Resolution, the 1985 Bonds have a senior lien on the revenues of the Authority over the 1984 Bonds.

The Authority has covenanted that it will charge and collect such tolls and other charges as shall be required in order that the annual net revenues equal the greater of (i) 1.20 times the sum of the aggregate debt service for such year, or (ii) the sum of the aggregate debt service, maintenance reserve payments, state payments and special projects reserve payments.

Net revenues were sufficient to satisfy the toll covenant requirements for the fiscal years 1985 and 1984.

### (4) Operations

The Annual Budget of Operating Expenses as filed with the Trustee for the years 1985 and 1984 amounted to \$93,043,700 and \$85,456,800, respectively, as compared with operating expenses of \$93,004,324 in 1985 and \$85,433,880 in 1984.

### (5) Pension and Deferred Compensation Plans

Employees of the Authority are covered by the Public Employees Retirement System of the State of New Jersey. Pension plan payments amounting to \$3,209,910 and \$3,017,298 in 1985 and 1984, respectively, are based on annual billings received from the Retirement System and are recorded when paid. Authority employees are also covered by the Federal Social Security Act.

In 1980, the Authority established the Employees Deferred Compensation Plan. All permanent employees are eligible to participate in the plan, which permits the participant to defer annually a portion of their salary. The Authority does not make any contributions to the plan. At December 31, 1985 and 1984, the plan assets were \$6,517,695 and \$4,676,251, respectively. Such assets are included in the accompanying financial statements as they are considered to be assets of the Authority until disbursement; however, such assets are in a separate trust account controlled by the plan administrator and trustees.

### (6) Sales of Property

Proceeds from the sale of excess property in the years ended December 31, 1985 and 1984 amounted to \$320,237 and \$507,459, respectively. Such amounts are allocated in the same manner as revenues.

### (7) 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.

### (8) Other Assets

In October 1985, the Authority purchased, on the open market, 1966 Series Turnpike Bonds with a face value of \$12,515,000 at a cost of \$9,511,413. Such cost is recorded in the General Reserve Fund under the caption "Other assets". As the Authority uses a modified accrual basis of accounting, no income was recognized on the transaction in 1985. A gain of \$3,003,587 will be recognized on January 1, 1986 when tendering of the Bonds will take place.

### (9) Commitments and Contingent Liabilities

In addition to commitments in the normal course of business, the Authority is contingently liable under pending lawsuits and claims in which the Authority is named a defendant relating mainly to construction claims. In the opinion of the Authority, the aggregate liability of such actions would not materially affect its financial statements and sufficient funds are available in the construction accounts to satisfy any payments in connection therewith.

Under the terms of an agreement dated April 27, 1984, the Authority agreed to make annual payments to the State of New Jersey to assist in transportation purposes. These payments, which aggregate \$12,000,000 annually, are due for a period of 20 years from the agreement date. The payments to the State are subordinate to the 1985 Turnpike Revenue Bonds and the 1984 Turnpike Revenue Bonds.

# New Jersey Turnpike Authority Investments

December 31, 1985

Schedule 1

	Interest rate	Maturity (notes C, D and E)	Par value	Carrying value (note B)
<b>Revenue fund:</b>				
Repurchase agreements (note E)	various	various	\$ 3,480,000	3,480,000
Certificates of deposit (note D)	various	various	5,972,061	5,972,061
Other (note G)	various	various	3,617,695	3,617,695
			<u>13,069,756</u>	<u>13,069,756</u>
<b>Construction fund:</b>				
Certificates of deposit (note D)	various	various	2,620,000	2,620,000
United States Treasury bills (note C)	-	various	3,015,000	2,994,046
Repurchase agreements	various	various	4,227,635	4,227,635
Federal National Mortgage Association (note F)	various	various	1,766,000,000	1,766,000,000
			<u>1,775,862,635</u>	<u>1,775,841,681</u>
<b>Maintenance reserve fund:</b>				
Repurchase agreements (note E)	various	various	11,100,000	11,081,800
<b>Special project reserve fund:</b>				
Repurchase agreements	11.0	May 12, 1986	1,600,000	1,600,000
Certificates of deposit (note D)	various	various	23,700,000	23,700,000
			<u>25,300,000</u>	<u>25,300,000</u>
<b>General reserve fund:</b>				
Certificates of deposit (note D)	7.76	Feb. 13, 1986	2,980,000	2,980,000
<b>Debt service fund:</b>				
Repurchase agreements (note E)	10.50	Jun. 30, 1986	23,330,150	23,330,150
<b>Debt reserve fund:</b>				
United States Treasury bills (note C)	-	Jun. 26, 1986	48,210,000	46,494,153
<b>Priority debt reserve fund:</b>				
United States Treasury bills (note C)	-	May 22, 1986	100,000	96,330
Federal National Mortgage Association (note F)	various	various	200,000,000	200,000,000
			<u>200,100,000</u>	<u>200,096,330</u>
<b>Total investments (note A)</b>			<u>\$ 2,099,952,541</u>	<u>2,098,193,870</u>

**Notes:**

- (A) As of December 31, 1985, the carrying value of investments approximated market value.
- (B) Investments have been valued at lower of cost or the principal amount thereof, except for investments in the Debt Reserve Fund which are valued at the lower of cost or market as of December 1, 1985, as required by the bond resolution.
- (C) United States Treasury bills mature periodically to June 26, 1986.
- (D) Certificates of deposit bear interest at annual rates of 7.35% to 13.2% and mature periodically to October 16, 1989. The certificates, which total \$35,272,061, were issued by the following banks:

American Savings and Loan	\$ 100,000
Bank of New York	100,000
Bank One, Columbus	100,000
CNA Life Insurance Co.	250,000
Columbia Savings and Loan	450,000
Dallas Federal Savings and Loan	100,000
Far West Federal Bank	100,000
First Fidelity Bank N.A.	26,900,000
First South Federal Savings and Loan	100,000
Gibraltar Savings and Loan	100,000
Glendale Federal Savings and Loan	100,000
Great Western Savings and Loan	200,000
Homestead Federal Savings and Loan	100,000
Lincoln Savings and Loan	200,000
Midlantic National Bank	2,400,000
The National State Bank	2,094,389
Philadelphia Savings Fund Society	100,000
Prudential Savings and Loan	100,000
San Jacinto Savings	100,000
Security Savings and Loan	100,000
United Central Life	500,000
United Jersey Bank, N.A.	977,672
	<u>\$ 35,272,061</u>

- (E) Repurchase agreements bear interest at annual rates of 8.25% to 13.25% and mature periodically to March 24, 1986. The agreements are collateralized by various United States Government securities pledged by the banks.
- (F) Federal National Mortgage Association bears interest at annual rates of 11% to 13.2% annually and mature periodically to September 9, 1998.
- (G) Other investments include \$2,250,000 in life insurance bonds which bear interest at annual rates of 10.72% to 13.74% and mature periodically to May 18, 1988, and \$1,367,695 in Money Market Funds.

# New Jersey Turnpike Authority Bond Indebtedness

December 31, 1985

Schedule 2

	Original amount authorized and issued	Refunded or acquired and cancelled in prior years	Acquired and cancelled during 1985	Amount outstanding Dec.31,1985
<b>Turnpike revenue bonds:</b>				
Series A, 4-3/4% (1966 issue), maturing January 1, 2006	\$ 179,000,000	179,000,000	-	-
Series B, 5-1/8% (1968 issue), maturing January 1, 2008	75,000,000	75,000,000	-	-
Series C, 5.20% (1968 issue), maturing January 1, 2008	125,000,000	125,000,000	-	-
Series D, 5-3/4% (1969 issue), maturing January 1, 2008	60,000,000	60,000,000	-	-
Series E, 5-7/8% (1969 issue), maturing January 1, 2008	40,000,000	40,000,000	-	-
Series F, 7% (1969 issue), maturing January 1, 2009	137,000,000	137,000,000	-	-
Series G, 5-3/4% (1972 refunding issue), maturing January 1, 2009	155,100,000	155,100,000	-	-
	<u>771,100,000</u>	<u>771,100,000</u>	<u>-</u>	<u>-</u>
<b>Turnpike improvement revenue bonds:</b>				
First series, 5.70% (1973 issue), maturing May 1, 2013	210,000,000	210,000,000	-	-
<b>General revenue bonds:</b>				
Turnpike revenue bonds (1950 issue), 3-1/4%, maturing January 1, 1985	220,000,000	220,000,000	-	-
Turnpike revenue bonds (1951 issue), 3.20%, maturing January 1, 1986	35,000,000	35,000,000	-	-
	<u>255,000,000</u>	<u>255,000,000</u>	<u>-</u>	<u>-</u>
Second series revenue bonds	211,200,000	211,200,000	-	-
<b>Turnpike notes:</b>				
Series A, 4-5/8% (1971 issue), matured January 1, 1975	125,500,000	125,500,000	-	-
<b>Turnpike system revenue bonds:</b>				
First series, 6% (refunding), maturing January 1, 2014	202,415,000	202,415,000	-	-
<b>Turnpike revenue bonds:</b>				
1984 series, 6-3/4% - 12%, maturing January 1, 2003 through 2014	501,825,000	-	-	501,825,000
<b>Turnpike revenue bonds:</b>				
1985 series, bi-modal multi-term format (BMTF):				
Mode 1 (tender dates ranging from one week to July 2, 1990)	2,000,000,000	-	-	2,000,000,000
Mode A (tender dates ranging from one week to January 1, 2018)	1,000,000	-	-	1,000,000
	<u>2,001,000,000</u>	<u>-</u>	<u>-</u>	<u>2,001,000,000</u>
	<u>\$ 4,278,040,000</u>	<u>1,775,215,000</u>	<u>-</u>	<u>2,502,825,000</u>

Note - At December 31, 1985, bond and note indebtedness totalling \$1,775,215,000 had been retired from the following sources:

Revenue	\$ 557,840,082
Excess construction funds, bond proceeds and miscellaneous receipts allocated to revenues	20,037,918
Issuance of Series G (refunding issue) Turnpike Revenue Bonds to refund Series F bonds for redemption on January 1, 1979	137,000,000
Portion of proceeds of the 1973 Turnpike Improvement Revenue Bonds used to retire Turnpike notes, Series A	125,500,000
Issuance of Turnpike System Revenue Bonds, first series (refunding) to refund the 5.70% Turnpike Improvement Revenue Bonds, first series, for retirement in accordance with sinking fund installment established at the time of their issuance	210,000,000
Issuance of Turnpike Revenue Bonds, 1984 Series to refund the Turnpike Revenue Bonds Series A through E and Series G and the Turnpike System Revenue Bonds, First Series (refunding), for retirement in accordance with sinking fund installments established at the time of their issuance	724,837,000
	<u>\$ 1,775,215,000</u>

**New Jersey Turnpike Authority**  
**Cash Receipts and Disbursements**

Year ended December 31, 1985

	<u>Combined total</u>	<u>Revenue fund</u>	<u>Construction fund</u>
Cash balances, December 31, 1984	\$ 14,072,016	13,681,366	240,153
<b>Receipts:</b>			
Revenues (including income of \$9,343,439 on investments)	180,918,931	172,537,392	22,917
Transfers of income on investments	-	8,381,539	(22,917)
Transfers from revenue fund	-	(86,962,972)	-
Sale or redemption of investments	792,003,365	170,911,911	94,797,559
Income on construction investments	933,759	-	933,759
Transfer of funds	-	-	(200,100,000)
Proceeds from sale of property	320,237	320,237	-
Proceeds from Turnpike Revenue Bonds, 1985 Series	2,001,000,000	-	2,001,000,000
Reimbursements of construction costs and other recoveries	5,007,736	2,072,442	9,950
	<u>2,980,184,028</u>	<u>267,260,549</u>	<u>1,896,641,248</u>
<b>Disbursements:</b>			
Operating expenses	93,004,324	93,004,324	-
Interest on bond indebtedness	42,771,942	-	-
Purchase of investments including accrued interest	2,746,391,967	173,392,261	1,857,560,830
Payments to State of New Jersey	17,704,917	-	-
Cost of construction, studies, major repairs and other purchases	78,764,985	-	38,478,840
	<u>2,978,638,135</u>	<u>266,396,585</u>	<u>1,896,039,670</u>
Cash balances, December 31, 1985	\$ <u>15,617,909</u>	<u>14,545,330</u>	<u>841,728</u>

<u>Depositories</u>	<u>Cash balance</u>	<u>Market value of securities pledged to secure deposits</u>
<b>Revenue fund:</b>		
First Jersey National Bank	\$ 131,439	2,460,938
The Peoples National Bank of Central Jersey	172,562	2,411,969
Valley National Bank	17	995,400
Ramapo Bank	28	529,469
The Chatham Trust Company	295	1,146,962
Toll collectors' and other imprest funds	86,800	-
United Jersey Bank	3,747,231	10,185,938
National State Bank of Elizabeth	10,406,958	14,820,647
Balance carried forward	<u>14,545,330</u>	<u>32,551,323</u>

Funds held by the Authority				Funds held by Trustees		
Maintenance reserve fund	State payment fund	Special project reserve fund	General reserve fund	Priority debt reserve fund	Debt service fund	Debt reserve fund
112,624	17,231	10,462	4,203	-	-	5,977
851,788	119,580	2,783,193	18,181	-	902,655	3,683,225
(851,788)	(119,580)	(2,783,193)	(18,181)	-	(902,655)	(3,683,225)
18,000,000	11,302,353	11,000,319	-	-	46,660,300	-
64,481,720	19,885,000	212,800,000	17,500,000	100,000	118,530,400	92,996,775
-	-	-	-	20	-	-
-	-	(12,500,000)	12,500,000	200,100,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,925,344	-	-	-	-	-	-
85,407,064	31,187,353	211,300,319	30,000,000	200,200,020	165,190,700	92,996,775
-	-	-	-	-	-	-
-	-	-	-	-	42,771,942	-
64,163,520	13,485,000	201,700,000	20,480,000	200,196,330	122,418,758	92,995,265
-	17,704,917	-	-	-	-	-
21,259,043	-	9,513,865	9,513,237	-	-	-
85,422,563	31,189,917	211,213,865	29,993,237	200,196,330	165,190,700	92,995,265
97,125	14,667	96,916	10,966	3,690	-	7,487

Depositories

Balance brought forward

Cash  
balance  
\$ 14,545,330

Market value  
of securities  
pledged to  
secure deposits  
32,551,323

All other funds:

Midlantic National Bank  
First Fidelity Bank  
National Community Bank

79,896                      440,000  
877,203                      4,712,750  
115,480                      1,518,825  
\$ 15,617,909                      39,222,898

# New Jersey Turnpike Authority

## Toll Revenue

Year ended December 31, 1985

with comparative figures for 1984

Schedule 4

Class	Description	1985		1984	
		Toll revenue	Vehicles	Toll revenue	Vehicles
1	Passenger car, motorcycle, taxi or hearse, light truck	\$ 103,593,861	144,100,363	\$ 96,299,672	133,941,686
2	Vehicles having two axles other than type described under Class 1	7,486,679	5,262,131	7,074,213	5,045,710
3	Vehicle (vehicles), single or in combination, having three axles	3,450,567	1,918,066	3,301,995	1,831,935
4	Vehicle (vehicles), single or in combination, having four axles	7,548,752	2,912,171	7,725,562	3,006,692
5	Vehicle (vehicles), single or in combination, having five axles	37,358,727	10,695,928	34,874,432	10,136,658
6	Vehicle (vehicles), single or in combination, having six or more axles	368,778	89,422	249,255	62,172
7	Buses having two axles	471,488	488,398	426,520	431,003
8	Buses having three axles	1,744,381	1,088,637	1,531,648	931,968
9	Commuter buses having two axles	124,996	191,747	128,954	195,087
10	Commuter buses having three axles	395,638	432,303	442,858	446,307
	Non-revenue vehicles (A)	-	678,795	-	669,658
		162,543,867	167,857,961	152,055,109	156,698,876
	Deduct toll adjustments	94,697		141,699	
		\$ 162,449,170		\$ 151,913,410	

(A) Non-revenue vehicles represent 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.



