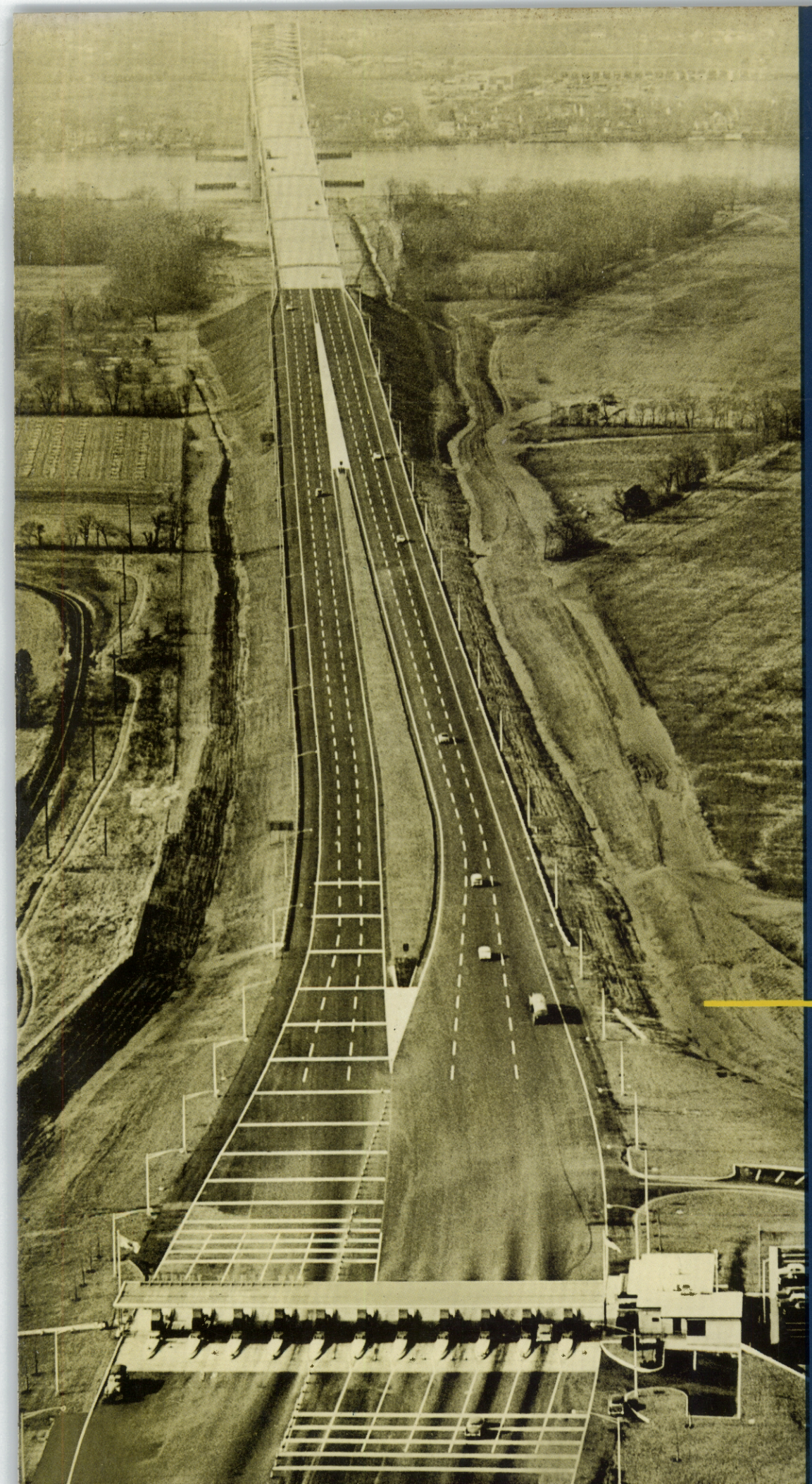
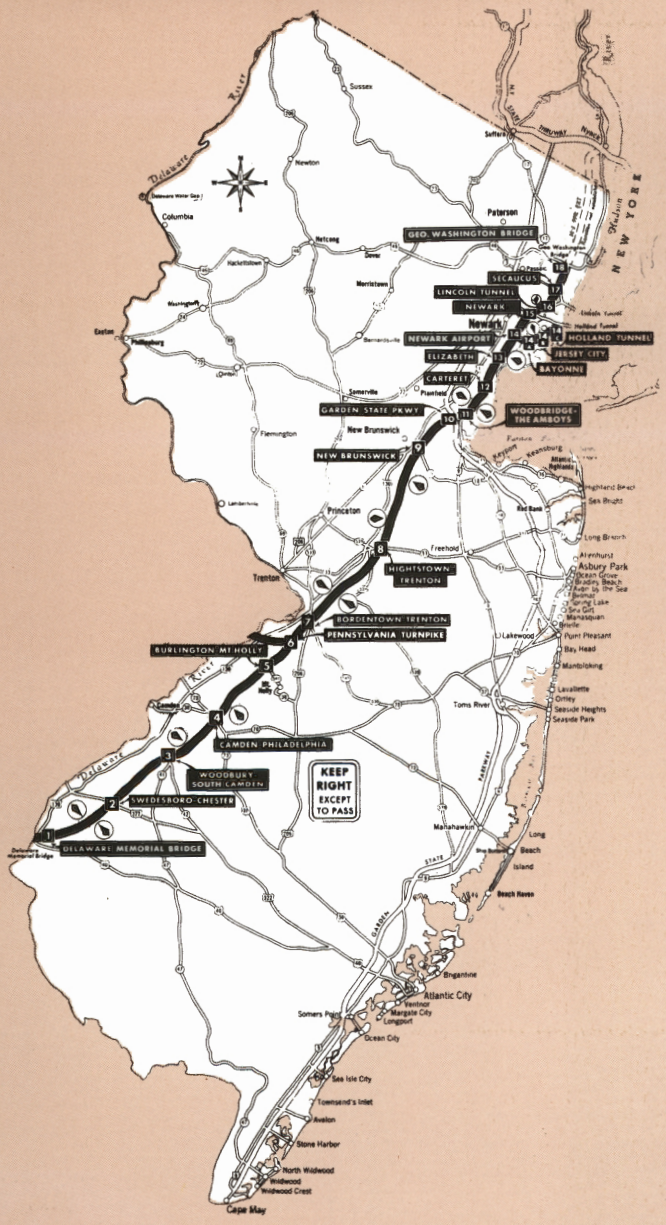


ANNUAL REPORT 1958

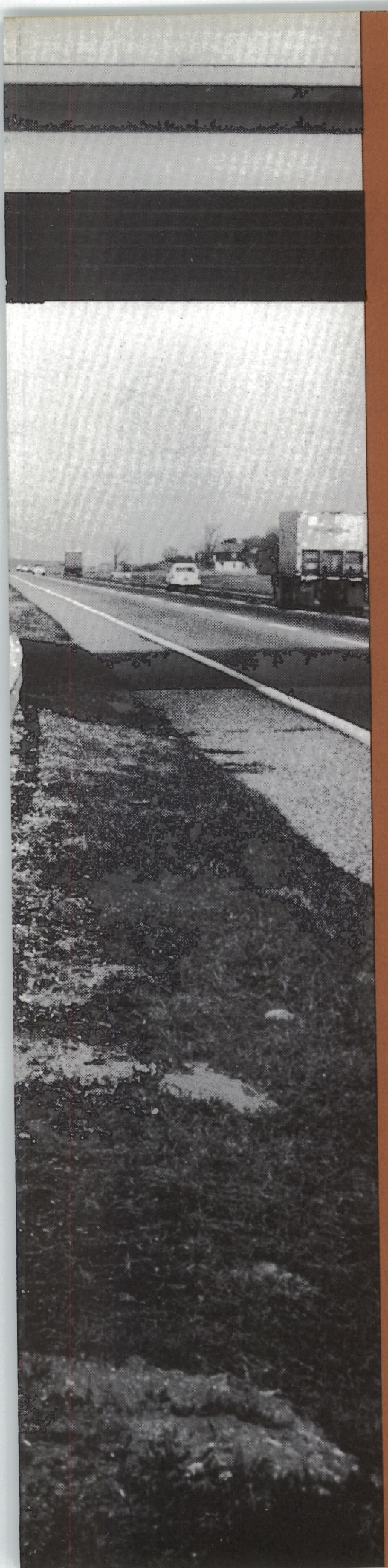
New Jersey Turnpike Authority

COVER PHOTO: Where New Jersey and Pennsylvania Turnpikes connect; Delaware River Turnpike Bridge in background.

NEW JERSEY TURNPIKE AND MAJOR CONNECTIONS



New guard rail erected in Camden and Burlington Counties to prevent vehicles from crossing median.



TENTH ANNUAL REPORT 1958

NEW JERSEY TURNPIKE AUTHORITY

JOSEPH MORECRAFT, Jr.,
Chairman

CORNELIUS E. GALLAGHER,
Vice Chairman

ANGUS M. HARRIS,
Treasurer

Letter of Transmittal

JOSEPH MORECRAFT, JR., CHAIRMAN
CORNELIUS E. GALLAGHER, VICE CHAIRMAN
ANGUS M. HARRIS, TREASURER

NEW JERSEY TURNPIKE AUTHORITY

NEW BRUNSWICK, N.J.

To The Honorable Robert B. Meyner, Governor,
and Members of the Legislature
of the State of New Jersey

Submitted herewith is the Annual Report of the New Jersey Turnpike Authority.

Traffic and revenues during 1958 moved upward to establish new records in spite of unfavorable weather conditions in the early months of the year and the influence of a business recession which appeared to affect traffic volumes during the first six months.

The outstanding record for safety established in previous years was well maintained in 1958. Several improvements were made to provide additional safety for motorists; these are detailed in this Report. Work on some projects is continuing.

As in earlier years, this report contains a complete summary of operations, and financial position of the Authority, as well as other facts on construction, as required by the Turnpike Act of 1948.

The Authority wishes to express its gratitude and appreciation to you, the Members of the Legislature, the State Highway Commissioner and officials and employees of the State, Counties and Municipalities for cooperation and assistance in the past year.

Respectfully submitted

NEW JERSEY TURNPIKE AUTHORITY

Joseph Morecraft, Jr. - Chairman

Cornelius E. Gallagher - Vice Chairman

Angus M. Harris - Treasurer

January 21, 1959

NEW JERSEY TURNPIKE AUTHORITY

New Brunswick, New Jersey

COMMISSIONERS:

JOSEPH MORECRAFT, JR., Chairman

CORNELIUS E. GALLAGHER, Vice Chairman

ANGUS M. HARRIS, Treasurer

STAFF:

W. W. WANAMAKER, Executive Director

LILLIAN M. SCHWARTZ, Secretary—Assistant Treasurer

GROVER C. RICHMAN, JR., Counsel (Appointed February 13, 1958)

WARD J. HERBERT, Counsel (Resigned February 13, 1958)

NORMAN L. GILL, Assistant to Executive Director (Resigned January 31, 1958)

NEVILLE R. ASHCROFT, Comptroller

WILLIAM J. DELANEY, Assistant Chief Engineer

THOMAS W. STEWART, Director of Real Estate and Purchasing Agent

J. P. LESHER, Superintendent of Tolls

EDMUND R. RICKER, Traffic Engineer

R. L. DEAN, Engineer of Maintenance

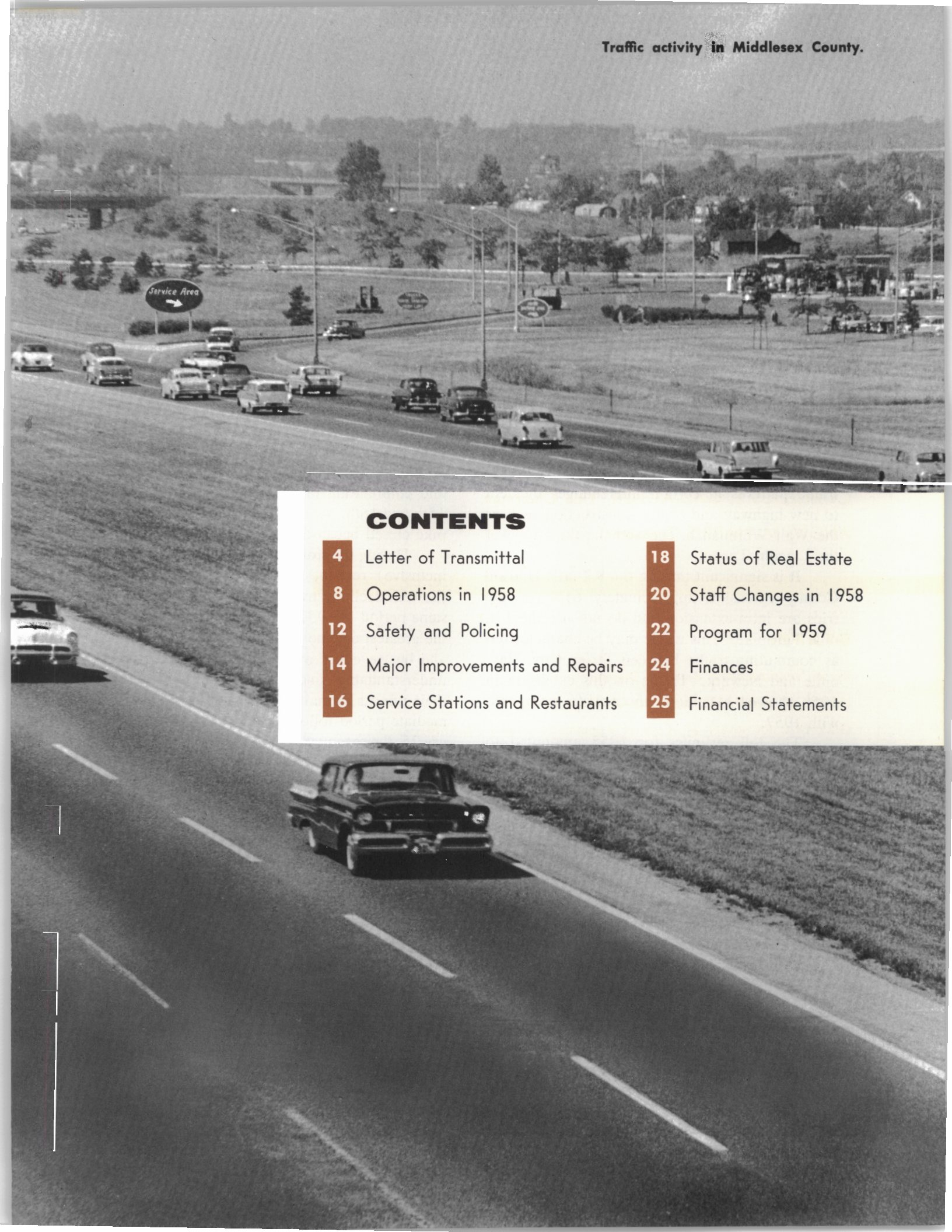
HENRY E. ROSE, Director of Public Information

CONSULTING ENGINEERS—Howard, Needles, Tammen & Bergendoff

AUDITORS—Peat, Marwick, Mitchell & Co.

TRAFFIC AND REVENUE ENGINEERS—Coverdale & Colpitts

BOND COUNSEL—Hawkins, Delafield & Wood



Traffic activity in Middlesex County.

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Operations in 1958

TRAFFIC AND REVENUES hit new high records in 1958 in spite of unfavorable weather conditions in the early months of the year, and the general effects of a business decline.

For the full year of 1958 revenue traffic totaled 41,615,115 vehicles. That was an increase of 6% compared with the previous year when it totaled 39,269,643 vehicles. The daily average revenue traffic in 1958 was 114,014 vehicles which compared with 107,588 in 1957.

The overall growth in traffic on the Turnpike in 1958 reflects partly the effect of changed traffic patterns at certain interchanges incident to new highway and bridge construction such as the Walt Whitman bridge and the third tube of the Lincoln Tunnel.

It is significant that on the 8.2 mile Hudson County extension approximately 61% of the trips are intra-extension and do not use the 118 mile Turnpike. This traffic may be characterized as commuting traffic between Jersey City, Bayonne and Newark. Traffic on this extension in 1958 showed a gain of about 10% compared with 1957.

The toll revenues for 1958 amounted to $30,159,491 an increase of 3.9% against the previous year. In 1958 the average trip on the Turnpike was 29.6 miles against 30.6 miles in 1957.

The average toll per vehicle for the entire Turnpike system in 1958 was 72.5 cents against 73.9 cents in 1957.

All classes of traffic and revenues, except for three axle semi trailers, showed increases in 1958. The largest gains were in trucks and buses. Bus traffic and toll revenues were up 12.3% and 12.9% respectively as compared with 1957. The increase in passenger cars was 5.6% and in tolls 2.25%. Truck traffic in total was up 7.7% and tolls 8.4%.

As in previous years, passenger car traffic maintained about the same relationship percentagewise, to trucks and buses, the percentages of total revenue vehicles being respectively 86.8%, 11.1% and 2.1% in 1958 compared with 87.1%, 11.0% and 1.9% in 1957. However, some noticeable differences occurred in revenues therefrom. In 1958 the percentages were respectively 72.8%, 24.4% and 2.8%; in 1957 they were 74.0%, 23.4% and 2.6%.

An indication of the effect on toll revenues during one snow storm is given in figures which are applicable to February, 1958. Revenues in that month were lower by $273,800 against the same period in February, 1957. The decline was attributed directly to the generally poor weather, and culminating in the heavy snowstorm of the 15th and 16th. At no time in 1958 was the Turnpike closed because of weather conditions.

During the storm period (February 15 to 18 inclusive) revenues from all classes of vehicles showed declines averaging 46.2% against the same period in 1957. Passenger car revenue had the greatest decline of 49.2%. Declines in truck and bus revenues were somewhat less but this is understandable since these vehicles would do their utmost to maintain schedules. For the immediate period following the storm, until February 25, the revenue loss was still severe at 26.3%. During this latter period truck revenues increased 2.7%. A reasonable estimate of the reduction of toll revenues was $285,400. The cost of maintaining the Turnpike by the Maintenance Department through the storm period was approximately $80,000. Decreased traffic also had its effect upon concession revenues.

For the full year of 1958, all revenues, including those from tolls, concessions, income from investments and miscellaneous items brought the total to $34,114,718 against $32,840,440 in 1957, an increase of 3.9%.

A new daily record for traffic was established on July 3, 1958 when 165,985 vehicles were carried. Toll revenues were at a new record of $130,977 on August 29, 1958.

The accompanying tables give monthly traffic, tolls, and mileages for the past three years.

Vice Chairman Cornelius E. Gallagher (left) behind resolution presented to Ward J. Herbert, former Counsel (second from left), as Chairman Joseph Morecraft, Jr., Grover C. Richman, Jr., newly appointed Counsel, and Commissioner Angus M. Harris, observe ceremonies.

In grateful appreciation to

WARD J. HERBERT

for his outstanding services as Counsel to the New Jersey Turnpike Authority from June 15, 1950 to his retirement on February 13, 1958.

Mr. Herbert was in responsible direction of the legal affairs of the Authority. He rendered opinions in interpretation of the Turnpike Authority Act under which the highway and its two extensions were financed, constructed and operated, prepared the general provisions of all construction contracts, directed the legal measures involved in acquisition of real estate for all rights-of-way, negotiated and prepared agreements with the State, counties, municipalities, industries, railroads, public utilities, and individuals, and resolved countless problems which otherwise would have created obstacles to the progress of construction and to successful operations.

Together with Counsel for the Pennsylvania Turnpike Commission, he drafted a Compact between the States of New Jersey and Pennsylvania for the direct connection of the two Turnpikes, which was adopted by both States and authorized by the Congress. He prepared the Authority's Rules and Regulations for use of the Turnpike, and subsequent amendments thereto, and was instrumental in obtaining prompt approval by the State Legislature. He later participated actively in a conference called by the Chief Justice of the Supreme Court of all magistrates in the municipalities traversed by the Turnpike to devise a system of uniform fines for the most common offenses on the Turnpike. Such a schedule was formulated and has been put into effect.

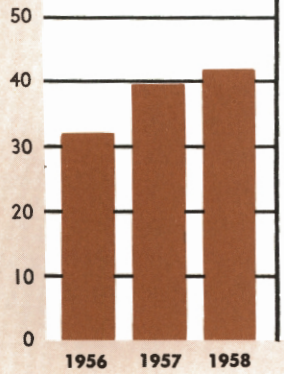
He was a member of the Authority's Claims Review Board which serves the purpose of reviewing and passing upon claims from contractors. He participated actively in meetings affecting labor relations of the Authority.

Mr. Herbert brought to the Authority a wealth of legal experience. The pre-eminent position of this Authority and the Turnpike which has been attained over the years is tribute to his professional talents, wisdom, and sound guidance.

NOW, THEREFORE, BE IT RESOLVED *that the Members of the New Jersey Turnpike Authority express their sincere appreciation for his outstanding accomplishments in a position of trust and responsibility, for the superb services he has rendered to the Authority, the Staff, and the people of the State of New Jersey.*

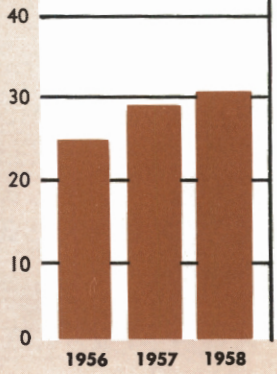
TRAFFIC AND TOLL REVENUES

REVENUE VEHICLES



	1956	1957	1958
January	1,849,154	2,561,389	2,849,916
February	1,817,380	2,586,836	2,369,134
March	1,936,903	2,969,287	2,999,688
April	2,354,555	3,170,433	3,381,351
May	2,573,819	3,397,041	3,605,867
June	2,907,501	3,637,608	3,818,867
July	3,128,407	3,834,253	4,012,815
August	3,235,870	3,963,733	4,233,236
September	2,927,272	3,448,021	3,669,517
October	3,067,025	3,299,185	3,690,212
November	2,911,535	3,229,437	3,532,875
December	2,878,803	3,172,420	3,451,637
TOTAL	**31,588,224**	**39,269,643**	**41,615,115**

TOLL REVENUE



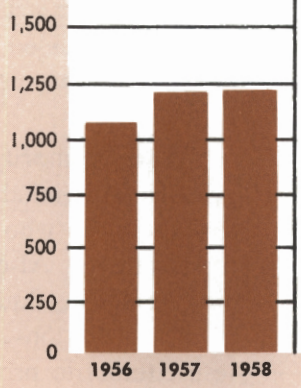
January
February
March
April
May
June
July
August
September
October
November
December
TOTAL

New sign to guide motorists at northern terminus.

CLASS	DESCRIPTION
1	Passenger car, motorcycle, taxi, hearse, 2-axle, single-tire truck, 2-axle tractor without semi-trailer
2	Passenger car with trailer, 2-axle single tire truck with trailer, 2-axle tractor without semi-trailer
3	2-axle dual tire truck
4	3-axle single unit truck
5	3-axle semi-trailer combination
6	Four or more axle semi-trailer combination truck and full trailer combination
7	Buses
	Sub Total
9	Non-Revenue**
	Sub Total
	Less Toll Adjustments
	Daily Average Revenue Vehicles
	Daily Average Toll Revenue

1956	1957	1958
1,434,666.70	$ 1,800,532.69	$ 1,957,337.50
1,413,627.60	1,911,981.40	1,638,174.30
1,543,874.90	2,153,213.55	2,072,653.35
1,860,630.29	2,353,728.55	2,435,326.20
1,961,300.45	2,448,895.43	2,554,504.84
2,328,422.14	2,750,041.45	2,842,786.35
2,543,727.16	2,976,723.35	3,082,458.18
2,626,927.11	3.094,312.20	3,271,896.30
2,312,887.73	2,582,857.35	2,691,171.92
2,253,863.79	2,367,268.75	2,628,906.97
2,139,863.72	2,312,130.95	2,536,294.21
2,093,579.86	2,271,224.70	2,447,981.08
24,513,371.45	**$29,022,910.37**	**$30,159,491.20**

REVENUE MILEAGE



	1956	1957	1958
January	62,260,126	71,188,951	76,951,618
February	61,898,992	76,554,002	63,723,161
March	68,747,363	87,407,773	82,953,690
April	83,554,277	99,346,227	101,784,101
May	85,711,115	100,798,790	106,456,783
June	101,524,305	114,534,796	117,670,973
July	113,212,597	125,440,148	128,221,858
August	115,660,349	132,398,921	138,738,653
September	100,205,876	107,887,280	109,693,155
October	93,831,488	95,896,455	105,454,931
November	89,551,979	95,178,309	103,329,296
December	88,219,507	93,623,028	97,549,690
TOTAL	**1,064,377,974**	**1,200,254,680**	**1,232,527,909**

1956				1957				1958			
NO. OF VEHICLES	PERCENT OF TOTAL REVENUE VEHICLES	REVENUE	PERCENT OF TOTAL INDICATED TOLL REVENUE	NO. OF VEHICLES	PERCENT OF TOTAL REVENUE VEHICLES	REVENUE	PERCENT OF TOTAL INDICATED TOLL REVENUE	NO. OF VEHICLES	PERCENT OF TOTAL REVENUE VEHICLES	REVENUE	PERCENT OF TOTAL INDICATED TOLL REVENUE
27,549,579	87.21	$18,500,606	75.47	34,187,459	87.1	$21,487,912	74.0	36,105,460	86.8	$21,971,404	72.8
79,835	.25	136,183	.56	94,533	.3	156,609	.5	101,034	.2	160,924	.6
1,140,966	3.62	1,137,165	4.64	1,452,322	3.7	1,391,670	4.8	1,569,217	3.8	1,487,217	4.9
105,398	.33	151,780	.62	130,626	.3	171,450	.6	140,106	.3	175,351	.6
851,120	2.69	1,316,765	5.37	987,838	2.5	1,499,212	5.2	919,195	2.2	1,451,528	4.8
1,193,424	3.78	2,616,866	10.67	1,656,040	4.2	3,561,751	12.3	1,925,690	4.6	4,078,345	13.5
667,902	2.12	655,901	2.67	760,825	1.9	756,653	2.6	854,413	2.1	837,292	2.8
31,588,224	100.00	$24,515,266	100.00	39,269,643	100.0	$29,025,257	100.0	41,615,115	100.0	$30,162,061	100.0
205,918				243,961				241,208			
31,794,142		$24,515,266		39,513,604		$29,025,257		41,856,323		$30,162,061	
		1,894				2,347				**2,570**	
31,794,142		$24,513,372		39,513,604		$29,022,910		41,856,323		$30,159,491	
86,307				**107,588**				**114,014**			
		$66,976				**$79,515**				**$82,628**	

**"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, ambulance, rescue squads or necessary vehicles of concessionaires, and vehicles of contractors used in the construction of the Turnpike and its buildings.

The Pennsylvania Extension was opened May 25, 1956 and the entire Newark Bay-Hudson County Extension on September 15, 1956.

Safety and Policing

EMPHASIS in the past year continued to be focused on further improving safety factors for patrons using the Turnpike. Provisions for the rendering of increased services also were adopted.

Of major importance was the installation of extensive barriers in the median to prevent cars which get out of control from crossing to the opposing lanes. They have been installed, to date, for a total distance of about 19 miles on the 118 mile Turnpike. These barriers and their locations are discussed in greater detail in the section "Major Improvements and Repairs" in this Report.

State Trooper with new inhalator, type now installed in all Police vehicles.

The Authority has equipped all its Police vehicles with inhalators to be used in emergencies for those who suffer from heart or respiratory ailments. Also there will be available at the State Police headquarters in New Brunswick, and at the substations at Newark and Moorestown, resuscitators to provide emergency treatment for those who require it. Already the value of these instruments has been amply demonstrated.

A booth was opened in August, last, in the service area building at Woodbridge, in the northbound lane, to provide various kinds of tourist information. This installation is open daily from 8 in the morning until 8 at night, seven days a week. It is in the service station and is operated by Cities Service' personnel. From indications thus far, it has been highly successful.

The Authority also has been conducting color tests in the New Brunswick area seeking means to keep drivers awake, and to promote additional safety. These tests utilize varicolored panels on piers and structures. The panels emit a glow when picked up by vehicle headlights.

The work of placement, or replacement, of trail blazer signs directing motorists to the various Turnpike interchanges was especially active in 1958. The cooperation of the State Highway Department and local governments has been extremely helpful in this endeavor.

Completion of the weather warning signs on the Turnpike in 1958 was effected. These signs inform motorists of adverse weather conditions ahead. They are large neon illuminated signs fastened generally to overhead structures. Their message is to "Drive Slow" and they state the conditions existing at the time such as "Fog, Ice, Snow, Accident Ahead." They have been extremely effective over the entire Turnpike.

Like other toll roads, and the public highways, the Authority has been alert to the condition of driver fatigue, especially of those who drive beyond physical endurance. The imprinting, in bold letters, on the toll tickets of "KEEP AWAKE" has been helpful. It also has included, on the cover of its map-folder, the message "PLEASE keep awake and drive carefully."

During 1958, the safety record of the Turnpike, as in immediately preceding years, was outstanding. There were no fatalities over most of the major national holiday periods and accidents were extremely few on those days.

For all of 1958 there were 1,004 accidents of all kinds on the Turnpike, compared to 1,045 in 1957. The accident rate in 1958 was 81.0 per 100 million miles of travel against 86.6 in 1957, both a mere fraction of the accident rates on the State's and nation's highways as a whole.

There were 708 injuries on the Turnpike in 1958 equal to a rate of 57.1 per 100 million miles of travel and compared with 798 and a rate of 66.1 in the previous year. Of fatal accidents there were 24 in 1958, in which 30 persons were killed, a rate of 2.42 per 100 million miles of travel. During 1957 there were 20 fatal accidents in which 24 persons lost their lives, a rate of 1.99 per 100 million miles. In contrast, the fatality rate on the State's highways was about 50% higher and on the nation's highways about 150% higher.

TURNPIKE SAFETY RECORD

ACCIDENTS	1957	1958
Accidents	1,045	1,004
Accident Rate	86.6	81.0
Personal Injuries	798	708
Injury Rate	66.1	57.1
Fatal Accidents	20	24
Fatalities	24	30
Fatality Rate	1.99	2.42
AIDS TO MOTORISTS		
Mechanical	20,999	19,731
Gasoline	8,889	8,734
Tires	13,235	13,940
Overheat	2,535	2,371
Other	6,269	8,535
Total Aids	51,927	53,311
Aids per mile of travel	1 per 23,100 miles	1 per 23,220 miles
Aids per day	142	146
ENFORCEMENT		
Speeding Arrests	18,096	19,406
Other Traffic Arrests	5,355	7,014
Criminal Arrests	1,693	2,265
Total Arrests	25,144	28,685
Enforcement Index (ratio of moving violations to personal injury & fatal accidents)	50.6	63.2

Test of roadway lighting in Newark area for use during adverse weather conditions.

Major Improvements and Repairs

UNDER A CAPITAL BUDGET, aside from the operating budget, there was committed, or spent, in 1958 a total of $2,475,900, to be financed partly from the General Reserve Fund and partly from the Second Series Maintenance Fund. The projects adopted were for improvements, enlargements and betterments to increase revenues or were necessary for the safe and efficient operation of the Turnpike; or for repairs, replacements and maintenance items of the type not recurring annually, or at short intervals, as were necessary to restore or prevent physical damage to the Turnpike, or for its safe and efficient operation.

Of major projects constructed for added safety to patrons under the capital budget in 1958 were barriers in the center of the median to prevent vehicles which get out of control from crossing the median and causing accidents. These barriers, of both concrete and steel, stand from 18 to 27 inches in height. They were installed from Linden (mile post 98) to Elizabeth (mile post 101); from Warwick Road in Camden County (mile post 28.2) to Rancocas Creek in Burlington County (mile Post 41.2). In 1957 and early in 1958 such barriers were installed on both the Hackensack and Passaic River crossings.

In the Elizabeth section the median is narrow and a cross median accident caused three fatalities in 1956. The barrier was completed in the summer of 1958.

The construction of barriers is largely the result of a report made by the Bureau of Highway Traffic of Yale University. After a thorough study of cross median accidents over a period of years, this Report indicated that in certain sections of the Turnpike the safety record was below that of other sections.

The Authority also decided, during the year, to extend the barrier north from Elizabeth to the Passaic River, a distance of about 6 miles. Contract bids will be sought shortly.

It is contemplated, moreover, that, in the northern end of the Turnpike where traffic is heaviest, the median barrier will be extended ultimately for the remaining distance.

At the George Washington Bridge interchange in Ridgefield Park, larger diameter red and green traffic lights were installed at the top of the toll plaza. These give patrons a longer view of the "open" or "closed" lanes when approaching.

Plans have just been completed to add more lights at the Pennsylvania Turnpike interchange in Burlington County, and at the Newark Airport interchange. It is expected that the work will be completed in 1959.

Additional four lanes and toll booths erected at George Washington Bridge interchange.

Four additional protective fences on Turnpike overpasses were installed during the year. These offer protection to children of school age when crossing. They were erected on Salt Meadow Road and Fulton Street overpasses in Middlesex County; Secaucus Road overpass in Hudson County; and Clements Bridge Road overpass in Camden County.

An additional safety measure was the channelization of traffic at the Bayonne interchange (14A) to expedite traffic movements and prevent accidents. Arrangements were made for additional toll lanes at several interchanges, together with toll booths and other equipment. Three interchanges were involved, the Woodbridge-Amboys (No. 11) at Woodbridge where two additional lanes were installed; the Newark (No. 15) where a temporary booth was replaced with a permanent one, and at the George Washington Bridge (No. 18) where four additional lanes and booths are being provided to handle the larger volumes of traffic.

Construction of well houses and other miscellaneous improvements to the existing water and sewage facilities at eight service areas and one maintenance area was contracted for in 1958. Work is continuing. These areas are in Middlesex, Mercer, Burlington, Camden and Salem Counties. Work is expected to be completed early in 1959.

Catalogued among major repairs were certain portions of the Hackensack and Passaic river bridge decks, the first repairs on these structures since opening early in 1952, other than repainting which was mentioned in the 1957 Annual Report.

Cracking and spalling of some of the concrete slabs necessitated the operation. It is interesting to note that other highway authorities have observed similar conditions on many of their highway bridges.

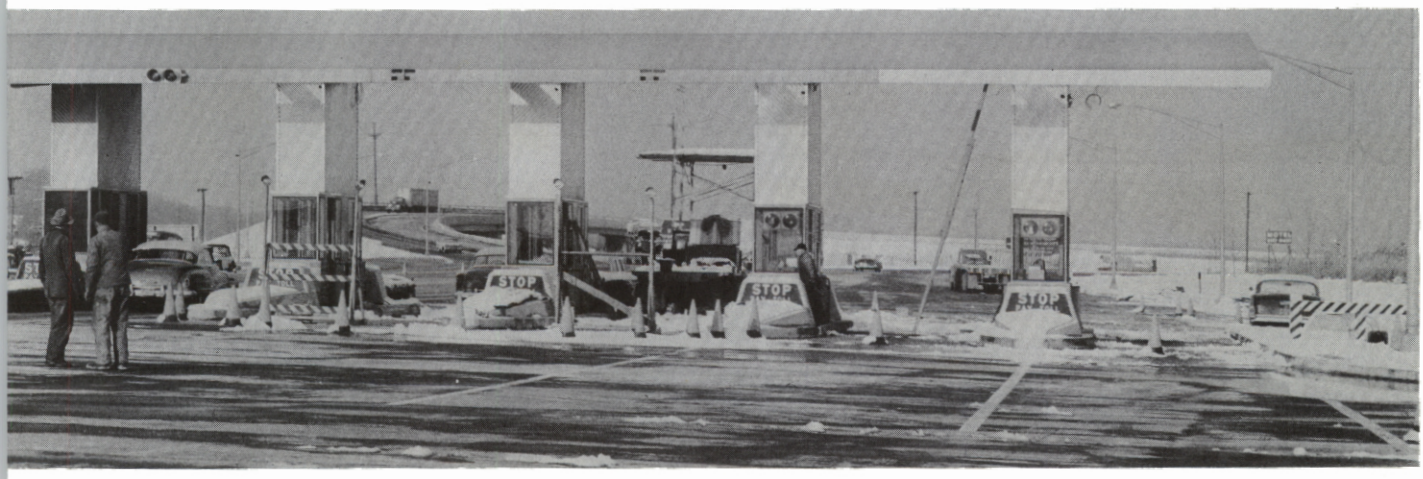
A certain amount of resurfacing of the Turnpike pavement also was undertaken in 1958, particularly in the northern marshland areas where settlement continues, and in some sections farther south.

The repainting of nine selected bridges in the northern area, in Middlesex, Union, Essex, Hudson and Bergen Counties, is being performed currently. These are aside from the Hackensack and Passaic River structures which were repainted in 1957 and in 1958.

Underbridge slope repairs of crossings on the Newark Bay-Hudson County and the Pennsylvania extensions have been accomplished. At the same time, temporary pavement repairs are being made on the Hudson County extension in Jersey City to bring pavement to original profile. In this section the highway is constructed on fill.

The Authority completed final new construction at Caven Point, Hudson County, as part of the Newark Bay-Hudson County extension work. It was in the nature of a replacement for former construction and involved a building for the U. S. Army, repairs to other buildings, paving and drainage.

The award of construction contracts in 1958 was $2,249,000.



Service Stations and Restaurants

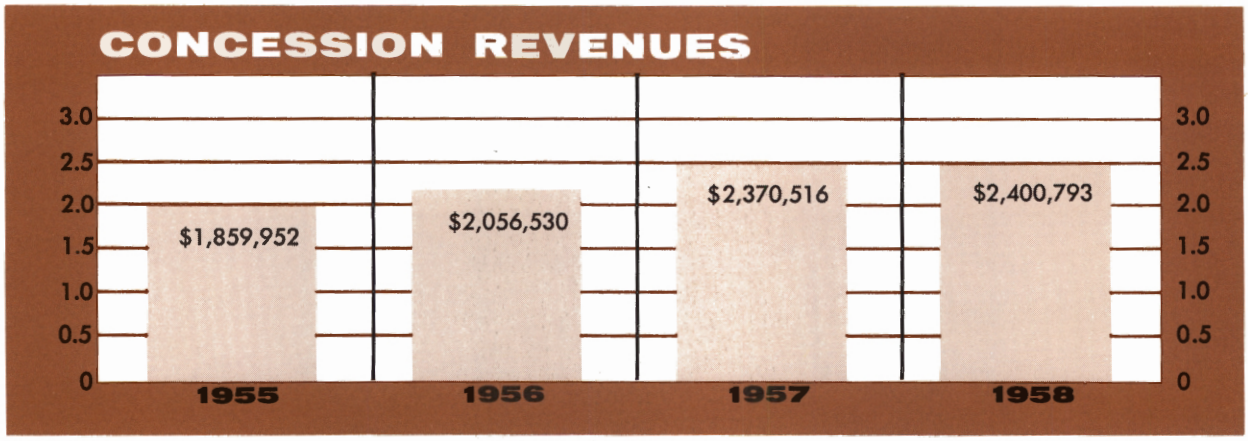
AFTER GETTING off to a slow start in the early months of 1958, because of unfavorable weather conditions, a pick-up later in the year brought a gain in operations for the service areas.

The restaurants, operated by Howard Johnson Company, experienced an increase of 1.9% in sales for all of 1958 while the service stations, operated by Cities Service Oil Company, showed a gain in gasoline sales of 2.2%.

A new service area was opened early in the year in Jersey City, on the northbound lane of the Newark Bay-Hudson County extension. This was mentioned in greater detail in the Report for 1957.

The establishment of a touring information center at the Woodbridge service area, detailed earlier in this report, required proper signing about a mile south of Woodbridge. The sign indicated also that Woodbridge is the last full restaurant facility on the Turnpike, northbound. Coincident with the new signing, business at Woodbridge increased about 25%, while the volume at the Elizabeth service area, slightly north, showed about a corresponding decrease.

The Elizabeth area was designed originally as a service station, without restaurant facilities. Because of some food facilities demand there in the early years, however, a small snack bar arrangement was decided upon. For the future it is hoped to continue a limited food and refreshment business in Elizabeth to be handled through vending machines supplied by Howard Johnson Company. The service station facilities will be continued by Cities Service Oil Company since that area lends itself well to a parking area for large trucks prior to their entering New York City.



Completed service area in Jersey City on northbound lane of Hudson County connection.

Sign directing motorists to new information center opened in 1958.

Entrance to tourist center.

Pikettes supplying information to motorists.

Status of Real Estate

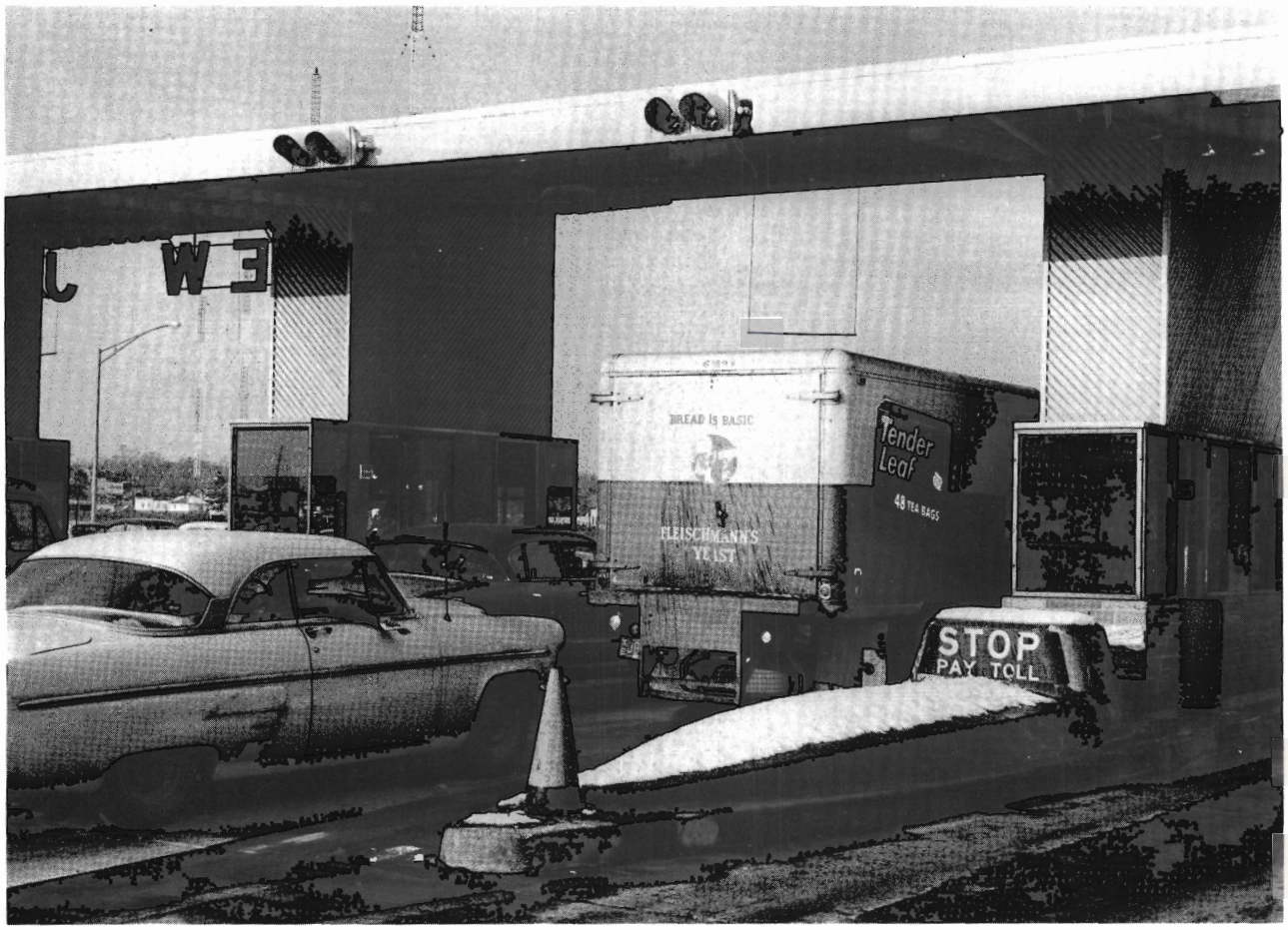
REAL ESTATE activities during 1958 were concerned principally with the disposal of approximately $250,000 of surplus lands no longer required in Turnpike operation. Included in such sales were eleven dwellings in Elizabeth, New Jersey and thirteen vacant tracts. Total sales of real estate from original acquisition to date approximate $725,000.

A sale of property in Middlesex County, involving $157,505, is in process of consummation.

Before selling surplus property, it may be of interest to know that the lands are submitted for review by the State Highway Department and the State Department of Conservation and Economic Development. This is to determine whether or not they may be of value to State agencies, or may have possible utilization in connection with the new Federal Highway program in the State.

Seven condemnation cases, involving property on the 118-mile Turnpike, it is expected, will be concluded shortly, depending on Township and State decisions affecting their disposition.

On the Newark Bay-Hudson County extension, four parcels are still in the process of acquisition. On the Pennsylvania extension, one small property is still being negotiated and it is hopeful that acquisition will be concluded shortly.



New and larger traffic lights installed at several toll plazas for greater visibility.

New panels installed on bridge piers to reflect color at night and keep motorists awake.

New concrete barrier erected on Rancocas Creek Bridge.

Staff Changes in 1958

A FEW CHANGES were made in the Authority's staff in 1958.

Grover C. Richman, Jr., of Edgewater Park, former Attorney General of New Jersey, was appointed Counsel on February 13, 1958. Prior to his appointment as the State's Attorney General on January 19, 1954 he had been Assistant United States Attorney for seven years (1944 to 1951) when he was promoted to United States Attorney. In 1942 he served as Chief Counsel to the Office of Price Administration for seven counties in southern New Jersey.

Mr. Richman succeeded Ward J. Herbert, of South Orange, who resigned on February 13, 1958. Mr. Herbert had been the Authority's Counsel since mid-year 1950. He is associated with the legal firm of McCarter, English and Studer, of Newark. Members of the Authority expressed "their sincere appreciation for his outstanding accomplishments in a position of trust and responsibility, and for the superb services he has rendered the Authority, its staff and the people of the State of New Jersey."

Norman L. Gill, Chief of the Legal Section and Assistant to the Executive Director, resigned on January 31, 1958. He had been in the Authority's employ from April 13, 1950. A resolution by the Members recorded "their esteem and affection" for Mr. Gill and "their appreciation for the services he has rendered to the Authority."

Morarji R. Desai, Finance Minister of India (third from right) visited the Authority in 1958 to discuss Turnpike operations. From left to right are a secretary; Dr. Popat the Finance Minister's physician; Mrs. & Mr. Harishwar Dayal, the latter Charge D'Affaires of India; Vice Chairman Cornelius E. Gallagher; the Finance Minister; Chairman Joseph Morecraft, Jr., and Commissioner Angus M. Harris.

Chairman Joseph Morecraft, Jr., (second from left) presents resolution to Norman L. Gill, former Assistant to the Executive Director (second from right) as Vice Chairman Cornelius E. Gallagher (left) and Commissioner Angus M. Harris (right) look on.

WHEREAS NORMAN L. GILL *was employed by the New Jersey Turnpike Authority on April 13, 1950 as Assistant Attorney and soon thereafter became Chief of its Legal Section, and*

WHEREAS NORMAN L. GILL *was appointed Assistant to the Executive Director on January 1, 1953 in which capacity he served until his resignation January 31, 1958;*

BE IT RESOLVED *that the Authority make record of the outstanding services rendered by him during these periods.*

As Chief of the Legal Section, Mr. Gill was directly responsible for the preparation of all contracts and agreements pertaining to the construction of the New Jersey Turnpike and its Extensions, and in interpreting, deciding, and administering the manifold legal issues which arose during the period of construction, embracing nearly 400 million dollars of work. During this time he became also the Authority's advisor and expert in all insurance matters.

As Assistant to the Executive Director he carried out a multiplicity of duties and specific assignments, which included a continuation of his responsibilities with respect to insurance, the Chairmanship of the Labor Relations Committee, and membership on the Claims Review Board of the Authority. In these various capacities there came to his attention, for action or review and recommendation, nearly all of the countless problems which confronted the Authority in the construction, maintenance and operation of the New Jersey Turnpike.

He possesses a keen analytical mind, an immense capacity for work, sound judgment and vision, and his every act is governed by an intense and unswerving loyalty to his superiors. These attributes and his warm personality, cheerfulness, patience, and understanding gained for him the respect and admiration of all Members of the Authority and its employees.

BE IT THEREFORE RESOLVED *that the Members of the New Jersey Turnpike Authority record their esteem and affection for* NORMAN L. GILL *and their appreciation for the services he has rendered to this Authority.*

Program for 1959

BESIDES THE WORK which still awaits completion and mentioned earlier, the program for 1959 contemplates further improvements and betterments, especially those which will provide additional safety to users of the Turnpike.

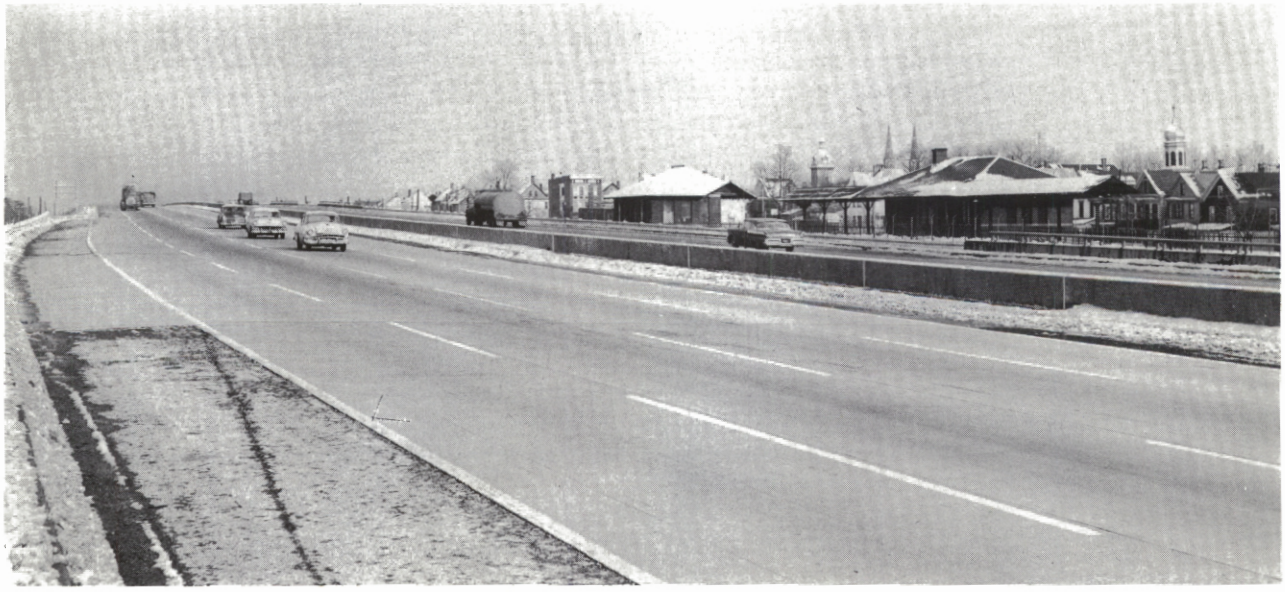
The installation of additional safety barrier in the median to prevent uncontrolled cars from crossing will be augmented. Ultimately the barrier will be extended northward and similar barriers erected in southern sections of the Turnpike.

Also under study is a plan for remote control of the 63 weather warning signs and the traffic signs on the Turnpike. At present lights for these warning signs are turned on by the State Police. Experimental work of remote control has been under way for several months.

A plan of traffic lighting of lanes on the two large bridge structures crossing the Passaic and Hackensack rivers has been under study. If accomplished, such lights would enable the closing down of a lane should it become necessary because of an accident, tire or mechanical trouble, or other emergencies. It would be accomplished by turning on red lights for the particular lane involved, and should promote further safety.

Additional signing also will be provided at several of the busy interchanges. One will be south of Newark Airport (No. 14) to indicate direction to the Turnpike; one outside the Woodbridge-Amboys interchange (No. 11) directing traffic to Route #9; and several signs of a directional nature at the George Washington Bridge interchange (No. 18) to provide additional entry and exit information.

Another project under consideration involves expansion of the central maintenance shops at Hightstown in order to increase the working space for maintenance and repair equipment. Buildings for the storage of salt used during winter months for removal of snow and ice also will be provided at two maintenance areas. Landscaping will be done at the George Washington Bridge interchange (No. 18) when the present construction involving additional traffic lanes, toll booths and equipment, and increased pavement, are completed.



View of new concrete median barrier in Elizabeth.

Travel lanes in Woodbridge area.

New Jersey Turnpike Authority

Statement of Financial Condition — December 31, 1958

ASSETS

Operating accounts:		
Cash	$ 561,927	
Accounts receivable	327,927	
Accrued income on investments	416,959	
Prepaid expenses	139,955	
	1,446,768	
Funds allocated from reserve to provide for repairs, replacements, maintenance, etc.:		
Cash	137,146	
Cost of studies for proposed projects	62,332	
	199,478	
Other funds (Schedule 2):		
Revenue fund	3,039,330	
Interest funds	48,611	
Reserve funds	36,396,917	
Sinking funds	13,554	
	39,498,412	**$ 41,144,658**
General reserve fund accounts:		
Cash	715,312	
Investments—at cost (Schedule 1)	2,397,774	
Accounts receivable	346	
Accumlated costs to December 31, 1958:		
Cost of studies relating to approved projects	155,140	
Cost of improvements, enlargements and betterments to the Turnpike	5,955,588	
	6,110,728	**9,224,160**
Construction accounts (Schedule 4):		
Cash, investments and other assets	14,694,865	
Cost of Turnpike, extensions and related facilities—construction costs to December 31, 1958	444,483,305	**459,178,170**
		$509,546,988

See accompanying notes to financial statements.

LIABILITIES

Operating accounts:		
Accounts payable	$ 300,112	
Accrued expenses	211,868	
Toll revenues received in advance	24,880	
Other liabilities	3,673	
	540,533	
Funds allocated from reserve to provide for repairs, replacements, maintenance, etc.:		
Accounts payable	123,352	
Amounts retained from contractors	30,816	
	154,168	**$ 694,701**
General reserve fund accounts:		
Accounts payable	207,711	
Amounts retained from contractors	72,326	**280,037**
Construction accounts (Schedule 4):		
Accounts payable	300,635	
Amounts retained from contractors and engineers	363,951	**664,586**
Bond indebtedness (Schedule 3):		
General revenue bonds	252,887,000	
Second series revenue bonds	181,290,000	**434,177,000**
Bond indebtedness retired from revenues:		
General revenue bonds	2,113,000	
Second series revenue bonds	29,910,000	**32,023,000**
Revenues retained in funds and other accounts		**41,707,664**
		$509,546,988

New Jersey Turnpike Authority

Statement of Construction Costs of the New Jersey Turnpike to December 31, 1958

	Total	Original Turnpike	Newark Bay-Hudson County extension	Pennsylvania extension	Additional traffic lanes and service areas
Engineering and architectural	$ 27,806,961	17,575,761	6,449,563	1,448,902	2,332,735
Land, easements and rights-of-way	27,536,555	21,337,645	5,346,300	838,720	13,890
Construction	363,544,305	228,308,966	89,675,156	18,069,709	27,490,474
Maintenance organization, including miscellaneous construction work	2,386,356	1,949,191	306,250	86,430	44,485
Toll collection and toll audit organization	522,961	425,058	80,144	17,759	—
Other costs, including administration	1,856,728	1,362,594	376,214	69,220	48,700
Financial	26,991,998	8,439,871	13,968,428	2,006,272	2,577,427
	450,645,864	**279,399,086**	**116,202,055**	**22,537,012**	**32,507,711**
Less income from interim investment of construction funds, etc.	6,162,559	1,039,075	3,535,039	1,030,945	557,500
	$444,483,305	**278,360,011**	**112,667,016**	**21,506,067**	**31,950,211**

See accompanying notes to financial statements.

Statement of Revenues and Operating Expenses
Year ended December 31, 1958

Revenues:		
Toll revenue (Schedule 5)		**$30,159,491**
Concession revenue		**2,400,793**
Income from investments		**1,500,080**
Miscellaneous		**54,354**
		34,114,718
Budgeted operating expenses:		
Administration:		
General	$ 234,593	
Toll audit	211,469	
Accounting	108,679	
Operation:		
Traffic control and police	1,027,432	
Toll collection	1,854,598	
Maintenance, repair, replacement and reconstruction	2,338,965	
Engineering	75,083	
Real estate	12,744	
Insurance	201,116	
Professional fees and compensation	50,272	
Expense and compensation of fiduciaries	89,927	
Pension and retirement	294,483	
Taxes	20,104	**6,519,465**
Net revenues		**27,595,253**
Net revenues allocated to payment of interest on bonds:		
General revenue bonds	8,268,302	
Second series revenue bonds	6,136,768	**14,405,070**
Net revenues after interest allocations		**13,190,183**
Extraordinary charges:		
Repairs, replacements and maintenance items of a type not recurring annually or at short intervals		**865,520**
Net revenues after interest allocations and extraordinary charges (see accompanying statement)		**$12,324,663**

See accompanying notes to financial statements.

New Jersey Turnpike Authority

Statement of Application of Net Revenues after Interest Allocations

	Combined Total	Revenue Fund	Interest Funds	Reser General Interest Reserve Fund	General Bond Reserve Fund
Balance at December 31, 1957	$68,849,602	2,907,171	34,073	4,135,000	8,270,000
Add:					
Net revenues after interest allocations and extraordinary charges for year ended December 31, 1958	12,324,663	165,436	14,538	—	—
Discount, net of premium paid, on bonds retired	242,815	—	—	—	—
Transfer of excess reserve requirements	—	—	—	—	—
Transfers from second series maintenance fund	—	—	—	—	—
Change in net assets of other operating accounts	—	(33,277)	—	—	—
	81,417,080	3,039,330	48,611	4,135,000	8,270,000
Less principal amount of bonds retired	—	—	—	—	—
Balance at December 31, 1958	$81,417,080	3,039,330	48,611	4,135,000	8,270,000
Comprised as follows:					
Proceeds from sale of bonds	7,686,416	—	—	162,500	7,023,916
Bond indebtedness retired from revenues	32,023,000	—	—	—	—
Revenues retained	41,707,664	3,039,330	48,611	3,972,500	1,246,084
	$81,417,080	3,039,330	48,611	4,135,000	8,270,000

See accompanying notes to financial statements.

and Extraordinary Charges to December 31, 1958

ther Fund Accounts								
nds		Sinking Funds						
Second Series Interest Reserve Fund	Second Series Maintenance Fund	General Bonds	Second Series Bonds	Total (Schedule 2)	Funds for Repairs, Replacements, Maintenance, etc.	Net Assets of other Operating Accounts	General Reserve Fund Accounts	Bond Indebtedness Retired
19,423,900	6,282,196	—	575,188	41,627,528	443,993	872,958	8,944,123	16,961,000
—	375,365	2,022,029	10,612,815	13,190,183	(865,520)	—	—	—
—	—	102,625	140,190	242,815	—	—	—	—
(1,294,900)	(327,807)	—	1,622,707	—	—	—	—	—
—	(466,837)	—	—	(466,837)	466,837	—	—	—
—	—	—	—	(33,277)	—	33,277	—	—
18,129,000	5,862,917	2,124,654	12,950,900	54,560,412	45,310	906,235	8,944,123	16,961,000
—	—	2,113,000	12,949,000	15,062,000	—	—	—	(15,062,000)
18,129,000	5,862,917	11,654	1,900	39,498,412	45,310	906,235	8,944,123	32,023,000
—	—	—	—	7,186,416	—	500,000	—	—
—	—	—	—	—	—	—	—	32,023,000
18,129,000	5,862,917	11,654	1,900	32,311,996	45,310	406,235	8,944,123	—
18,129,000	5,862,917	11,654	1,900	39,498,412	45,310	906,235	8,944,123	32,023,000

New Jersey

Turnpike

Authority

Investments — December 31, 195

Operating accounts:

Other funds:
Reserve funds:
General interest reserve fund:
United States Treasury notes .....
United States Treasury notes .....
United States Treasury bonds .....

General bond reserve fund:
United States Treasury notes .....
United States Treasury bonds .....
United States Treasury notes .....
United States Treasury bonds .....

Second series bonds (Series B) interest reserve fund:
United States Treasury notes .....
United States Treasury notes .....
United States Treasury notes .....
United States Treasury bonds .....
United States Treasury notes .....
United States Treasury bonds .....
United States Treasury bonds .....

Second series bonds (Series B) maintenance fund:
United States Treasury bills .....
United States Treasury bills .....
United States Treasury bills .....
United States Treasury certificates of indebtedness ..
United States Treasury notes .....
United States Treasury notes .....
United States Treasury bonds .....

Total operating accounts .....

General reserve fund:
United States Treasury bills .....
United States Treasury certificates of indebtedness .....
United States Treasury notes .....
United States Treasury notes .....
United States Treasury bonds .....

Total general reserve fund .....

Construction accounts:
Second series proceeds fund (Series A):
United States Treasury bills .....
Second series proceeds fund (Series B—1953):
United States Treasury certificates of indebtedness .....

Second series proceeds fund (Series B—1954):
United States Treasury bills .....
United States Treasury certificates of indebtedness .....

Second series proceeds fund (Series B—1955):
United States Treasury bills .....
United States Treasury certificates of indebtedness .....
United States Treasury certificates of indebtedness .....

Total construction accounts .....

Schedule 1

Interest Rate	Maturity	Par Value	Cost
3½%	May 15, 1960	$ 1,000,000	1,000,000
2⅝	Feb. 15, 1963	744,000	744,000
2⅝	Feb. 15, 1965	2,350,000	2,350,000
		4,094,000	4,094,000
4	Aug. 1, 1961	2,000,000	2,000,000
2½	Nov. 15, 1961	2,000,000	2,000,000
2⅝	Feb. 15, 1963	1,020,000	1,020,000
2⅝	Feb. 15, 1965	3,200,000	3,200,000
		8,220,000	8,220,000
1⅞	Feb. 15, 1959	350,000	344,039
3½	Nov. 15, 1959	5,000,000	5,010,938
4	Aug. 1, 1961	2,900,000	2,900,000
2¼	June 15, 1962	2,150,000	2,131,523
2⅝	Feb. 15, 1963	1,000,000	1,000,000
3	Feb. 15, 1964	3,600,000	3,600,000
2⅝	Feb. 15, 1965	3,100,000	3,100,000
		18,100,000	18,086,500
—	Jan. 15, 1959	200,000	198,520
—	Feb. 13, 1959	200,000	198,582
—	Feb. 19, 1959	350,000	347,461
3⅜	Nov. 15, 1959	1,350,000	1,349,325
4	Aug. 1, 1961	1,500,000	1,500,000
2⅝	Feb. 15, 1963	528,000	528,000
2⅝	Feb. 15, 1965	1,650,000	1,650,000
		5,778,000	5,771,888
		36,192,000	**36,172,388**
—	Jan. 2, 1959	300,000	297,774
1⅝	Aug. 1, 1959	500,000	500,000
4	Aug. 1, 1961	800,000	800,000
2⅝	Feb. 15, 1963	100,000	100,000
2⅝	Feb. 15, 1965	700,000	700,000
		2,400,000	**2,397,774**
—	Feb. 26, 1959	500,000	496,598
1⅝	Aug. 1, 1959	4,050,000	4,050,000
—	Jan. 29, 1959	200,000	198,662
1⅝	Aug. 1, 1959	5,000,000	5,000,000
		5,200,000	5,198,662
—	Mar. 19, 1959	450,000	446,697
1⅝	Aug. 1, 1959	1,500,000	1,500,000
3⅜	Nov. 15, 1959	200,000	199,900
		2,150,000	2,146,597
		11,900,000	**11,891,857**
otal investments		**$50,492,000**	**50,462,019**

Note—As of December 31, 1958 the aggregate market value of the investments was approximately $1,230,000 less than total cost. However, no loss thereon is anticipated as maturity dates selected are timed to coincide with or in advance of anticipated cash requirements.

New Jersey Turnpike Authority

Other Funds — December 31, 1958 — Schedule 2

	Total	Cash on deposit with Trustee, Special Trustee and Sinking Fund Agent	Investments in United States Government obligations—at cost (Schedule 1)
Revenue fund	$ 3,039,330	3,039,330	—
Interest funds:			
General bonds	1,698	1,698	—
Second series bonds (Series B)	46,913	46,913	—
	48,611	48,611	—
Reserve funds:			
General interest reserve fund	4,135,000	41,000	4,094,000
General bond reserve fund	8,270,000	50,000	8,220,000
Second series bonds (Series B) interest reserve fund	18,129,000	42,500	18,086,500
Second series bonds (Series B) maintenance fund	5,862,917	91,029	5,771,888
	36,396,917	224,529	36,172,388
Sinking funds:			
General sinking fund (see note):			
3¼% — 1950 issue	11,654	11,654	—
Second series bonds (Series B) sinking fund:			
3⅜% — 1953 issue	840	840	—
3% — 1954 issue	744	744	—
2.80% — 1955 issue	316	316	—
	1,900	1,900	—
	13,554	13,554	—
	$39,498,412	**3,326,024**	**36,172,388**

Note—Approximately $11,200 had been committed on firm orders for General Bonds (1950 issue) purchased for delivery subsequent to December 31, 1958.

Bond Indebtedness — December 31, 1958 — Schedule 3

	Original amount authorized and issued	Acquired and cancelled in prior years	Amount outstanding Dec. 31, 1957	Acquired by Sinking Fund and cancelled during 1958	Amount outstanding Dec. 31, 1958
General revenue bonds:					
Turnpike revenue bonds (1950 issue), 3¼%, maturing January 1, 1985	$220,000,000	—	220,000,000	2,113,000	217,887,000
Turnpike revenue bonds (1951 issue), 3.20%, maturing January 1, 1986	35,000,000	—	35,000,000	—	35,000,000
	255,000,000	—	255,000,000	2,113,000	252,887,000
Second series revenue bonds, maturing July 1, 1988:					
Series B, 3⅜% (1953 issue)	150,000,000	12,041,000	137,959,000	9,251,000	128,708,000
Series B, 3% (1954 issue)	27,200,000	2,080,000	25,120,000	1,757,000	23,363,000
Series B, 2.80% (1955 issue)	34,000,000	2,840,000	31,160,000	1,941,000	29,219,000
	211,200,000	16,961,000	194,239,000	12,949,000	181,290,000
	$466,200,000	**16,961,000**	**449,239,000**	**15,062,000**	**434,177,000**

Summary of Construction Accounts — December 31, 1958

Schedule 4

ASSETS	Total	Original Turnpike	Newark Bay-Hudson County Extension	Pennsylvania Extension	Additional Traffic Lanes and Service Areas
Cash:					
Held by Trustee in construction fund	$ 414,630	414,630	—	—	—
Second series proceeds fund (Series A)	16,731	16,731	—	—	—
Second series proceeds fund (Series B):					
1953 issue	702,271	—	702,271	—	—
1954 issue	141,455	—	—	141,455	—
1955 issue	62,334	—	—	—	62,334
Real estate funds on deposit with fiduciaries	6,929	6,629	—	—	300
	1,344,350	437,990	702,271	141,455	62,634
Interim investment of construction funds—at cost (Schedule 1)	11,891,857	496,598	4,050,000	5,198,662	2,146,597
Accrued income on investments	75,571	1,247	28,093	35,132	11,099
Accounts receivable	105,319	22,613	78,314	4,392	—
Deposits in condemnation cases (including $794,556, at cost invested in U. S. Treasury bills)	1,277,768	22,500	839,218	416,050	—
	14,694,865	980,948	5,697,896	5,795,691	2,220,330
Cost of turnpike—construction costs to December 31, 1958	444,483,305	278,360,011	112,667,016	21,506,067	31,950,211
	$459,178,170	**279,340,959**	**118,364,912**	**27,301,758**	**34,170,541**
LIABILITIES					
Accounts payable:					
Vouchers payable	297,739	34,252	181,930	75,253	6,304
Employees' income taxes, retirement contributions, etc. withheld	2,896	—	2,896	—	—
	300,635	34,252	184,826	75,253	6,304
Amounts retained from contractors and engineers	363,951	17,664	155,545	26,505	164,237
	$ 664,586	**51,916**	**340,371**	**101,758**	**170,541**

New Jersey Turnpike Authority

Toll Revenue — Year Ended December 31, 1958

Schedule 5

Class	Description	Toll revenue	Revenue miles traveled by vehicles	Vehicles
1	Passenger car, motorcycle, taxi or hearse, two-axle single-tire truck	$21,971,404	1,066,136,643	36,105,460
2	Passenger car with trailer, two-axle single-tire truck with trailer	160,924	6,014,918	101,034
3	Two-axle dual-tire truck, two-axle tractor without semi-trailer	1,487,217	33,470,153	1,569,217
4	Three-axle single-unit truck, three-axle tractor without semi-trailer	175,351	4,117,909	140,106
5	Three-axle semi-trailer combination, two-axle dual-tire truck with single-axle trailer	1,451,528	27,593,257	919,195
6	Four-axle single-unit truck, any dual-tire truck and trailer with four or more axles	4,078,345	73,595,039	1,925,690
7	Bus	837,292	21,599,990	854,413
9	Non-revenue vehicles*	—	—	241,208
		30,162,061	1,232,527,909	41,856,323
	Deduct toll adjustments	2,570		
		$30,159,491		

*Vehicle Class 9, non-revenue vehicles, represents traffic of members, officers and employees of the Authority actually in the performance of their duties or traveling to or from such duties, members of the New Jersey State Police Force, members of Fire Departments or local Police Departments actually in the performance of their duties, ambulances, rescue squads or necessary vehicles of concessionaires, and vehicles of contractors used in construction of the turnpike and its buildings.

Notes to Financial Statements

(1) ACCOUNTING PRINCIPLES:

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

The Authority has no stockholders nor equity holders and all revenues of the turnpike are required to be deposited by the Authority with, or in the name of, a special trustee to be applied in accordance with the provisions of the bond resolutions. Accounts of the Authority are maintained in accordance with (1) generally accepted accounting principles and (2) the principles set forth in this note which are based on the provisions of the bond resolutions and on the Authority's interpretation of said resolutions.

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

(c) Interest—During 1958 all interest payable on bond indebtedness was provided from revenues. Interest on bond indebtedness is payable semi-annually on January 1, and July 1, of each year. Interest due on January 1, 1959 of $7,033,140 had been deposited with the paying agent prior to December 31, 1958 (as in the previous year) and, accordingly, there is no liability shown in the accounts for such interest at that date.

(d) Operations—The accompanying financial statements have been prepared on the accrual basis. The bond resolutions state that operating expenses shall not include any allowance for depreciation or amortization and accordingly no provision for depreciation has been included in the accounts or in the accompanying financial statements. In the absence of a provision for depreciation, effective recovery of construction costs will be accomplished through the required transfer of surplus revenues to the respective sinking funds for retirement of the related bond indebtedness. During 1958 funds were made available from revenues and reserves in the amount of $14,257,551 for the retirement of bonds, $12,235,522 of which was applicable to Second Series Bonds and $2,022,029 to General Bonds.

Budgeted operating expenses of $6,519,465, as reported in the Statement of Revenues and Operating Expenses, include adjustment for prepaid and accrued expenses and accounts payable at the beginning and end of the year. Funds to pay operating expenses of the turnpike are allocated to the Authority by the Special Trustee on the basis of monthly cash requirements as set forth in the Annual Budget of the Authority which is prepared on a cash disbursements basis. The amended Annual Budget of Operating Expenses as filed for the year 1958 amounted to $6,650,000 as compared with cash disbursements during 1958 for operating expenses of $6,634,982.

The Authority, with the approval of the Consulting Engineer, may direct the Trustee to transfer funds from the Second Series Maintenance Fund to special accounts to pay the cost of repairs, replacements or maintenance items of a type not recurring annually or at short intervals and for which moneys were not provided in the budgeted operating expenses. Transfers may also include funds for major improvements and certain studies. During the year ended December 31, 1958 approved transfers for such purposes amounted to $466,837 and, from funds so provided during the current and preceding year, expenditures were made and liabilities incurred in amounts aggregating $865,520 for repairs, replacements and maintenance items of the type referred to above. These amounts are reflected as extraordinary charges in the accompanying Statement of Revenues and Operating Expenses.

(2) AGREEMENT WITH BOND HOLDERS:

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

Minimum annual sinking fund payments sufficient to retire the General Bonds by maturity are required in increasing amounts commencing with the annual period ending November 15, 1959 in respect of the 1950 bonds which mature January 1, 1985, and the annual period ending November 15, 1968 in respect of the 1951 bonds which mature January 1, 1986. The minimum sinking fund requirement applicable to the 1950 issue of General Bonds for the annual period ending November 15, 1959 is $5,513,000. No minimum annual sinking fund payments are required for the Second Series Bonds (Series B) which mature July 1, 1988; however, all remaining Surplus Revenues, after satisfying the requirements of all other funds provided for in the bond resolutions are allocated to the Second Series Sinking Fund.

During the year 1958 the remaining surplus revenues and excess reserve requirements applicable to Second Series Bonds of $12,235,522 were transferred to the Second Series Sinking Fund and allocated to sub-sinking funds as follows:

Series B, 3⅜ % (1953 Issue)	$ 8,844,124
Series B, 3 % (1954 Issue)	1,529,497
Series B, 2.80% (1955 Issue)	1,861,901
	$12,235,522

In addition revenues of $2,022,029 were transferred to the General Sinking Fund (1950 issue) in partial payment of the amount due for the annual period ending November 15, 1959. To December 31, 1958 the Sinking Fund Agent, under direction of the Authority, had purchased and cancelled through the media of bond holder tenders and open market purchases Second Series Bonds in the principal cumulative amount of $29,910,000 and General Bonds in the principal cumulative amount of $2,113,000. In addition firm orders had been executed to purchase an additional $12,000 in principal amount of General Bonds.

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

Issue	*Earliest redemption date*
General Revenue Bonds:	
3¼ % 1950 Issue	Jan. 1, 1960
3.20% 1951 Issue	Jan. 1, 1955
Second Series Revenue Bonds:	
All Issues	July 1, 1958

(3) GENERAL RESERVE FUND:

In accordance with a directive of the Authority, approved by the Consulting Engineer, funds accumulated in the General Reserve Fund at the date of the original issue of Second Series Bonds (Series B) were allocated by the Special Trustee to special funds for the following purposes:

Studies related to extensions, other turnpikes, the Turnpike or improvements, enlargements and betterments thereto	$ 500,000
Cost of improvements, enlargements and betterments to the Turnpike	8,444,123
	$8,944,123

New Jersey Turnpike Bowling League, organized by toll collection and maintenance personnel, holds its first annual banquet, at which prizes were awarded on past year's activities. Presentation addresses were made by Chairman Joseph Morecraft, Jr.; Vice Chairman Cornelius E. Gallagher; Superintendent of Tolls J. P. Lesher; Director of Personnel O. K. Compton, Jr., and Frank Romeo, President of the League.

NJ TURNPIKE