State of New Jersey

Debt Report

Fiscal Year 2010

Submitted to:

The Commission on Capital Budgeting and Planning

December 10, 2010

State of New Jersey

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

DEPARTMENT OF THE TREASURY
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ANDREW P. SIDAMON-ERISTOFF
State Treasurer

December 10, 2010

To the Honorable Commissioners of the
Commission on Capital Budgeting and Planning

On behalf of New Jersey State Treasurer Andrew P. Sidamon-Eristoff, I am pleased to present this debt report for the fiscal year ended June 30, 2010. The style and content of this year's report marks a dramatic departure from the reports of prior years; I trust you will find this report more readable and informative than ever before.

On January 17, 2010, the State enacted an amendment to the statute governing the Commission's mandate to include an annual report on State debt in its Annual Capital Plan. More specifically, the amendment directs that the debt report contain information regarding the State's long-term obligations not normally associated with debt, such as pension obligations and other non-bonded liabilities. It further directs that such information be provided in a manner similar to that which is presented in the Comprehensive Annual Financial Report of the State.

Rather than merely adding a few lines of data, we looked at this legislative change as an opportunity to enhance and improve the annual report format for the first time since we began producing the report 15 years ago. Some of the changes to note:

> We reorganized and reallocated the debt data tables into more meaningful categories, added graphical depictions for quicker "snapshots" of the data, and even altered and enlarged the font types to be more "reader friendly."
>
> For the first time, we also added a section containing detailed descriptions of the nature and purpose of the bond issues and the capital programs they fund, and provide data and graphs program by program.
>
> We close the report with a glossary of terms used in the report, so that those less familiar with the field of finance and accounting can better understand the information presented.

I welcome the opportunity to discuss this report with the Commission, and look forward to your feedback.

Sincerely,

James M. Petrino, Director

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SECTION 1
Introduction

INTRODUCTION

The following is an annual report on the debt of the State of New Jersey and the obligations of its various bond-issuing authorities ("Authorities") for which the State, by contract or other means, provides payments that secure the debt service on such obligations. The Office of Public Finance ("OPF") in the Department of the Treasury, at the direction of the State Treasurer, manages the issuance of such State-backed bonds for the State.

This report has been prepared annually by OPF since 1996 following enactment of legislation requiring the Commission on Capital Planning and Budgeting to include a report of the State's debt in its annual State Capital Improvement Plan. A legislative change in 2010 expanded the content of the debt report to include certain non-bonded obligations and other items not typically included in discussions of debt.

It is important to distinguish the State-supported debt from the obligations of the Authorities that are not State-supported. Many of the State's Authorities provide financing via bonds, notes or other obligations on behalf of their respective client bases. The State plays no role in the security of the bonds or the payment of debt service. Some of those same Authorities and various others issue bonds to fund certain State projects, for which the State does provide security for the bonds and a payment stream to cover the debt service. The following paragraphs define what is, and is not, included in this report:

WHAT'S COVERED

This report primarily concerns the bonded obligations of the State and certain State-created Authorities that issue bonds supported, in whole or in part, by State revenues.

For the "General Obligations" of the State, the full faith and credit of the State is pledged. Debt service is paid from the general fund of the State.

For "Obligations Subject to Appropriation" that are issued by State Authorities, the State, via lease or other contract, agrees to make payments to the Authority in amounts sufficient to cover the debt service on the Authority's bonds. All such contractual payments are subject to appropriation by the State Legislature.

In addition to the bonded obligations described above, the State, in its Comprehensive Annual Financial Report ("CAFR"), reports on certain non-bonded obligations, which represent long-term obligations of the State, but which have not been financed with bonds or other publicly traded financial securities. To establish consistency with the "Long-Term Obligations" Footnote to the State's financial statements as reported in the CAFR, such non-bonded obligations are included in this report.

This report also includes certain data related to the State's Unfunded Actuarial Accrued Liability ("UAAL") related to the State's pension plans and post-employment medical benefits. Such data is based on actuarial reports delivered to the State from its contracted actuaries. The inclusion of this data complies with a new requirement resulting from a legislative amendment enacted in 2010, and has not appeared in prior years' debt reports. As of the date of this report, the actuarial reports for the fiscal year ended June 30, 2010 have not been completed. Therefore, only fiscal year 2009 and the prior year's information are presented in this report; because of the timing mismatch, such data has not been aggregated with the bonded and non-bonded data contained in this report.

WHAT'S NOT COVERED

Only the obligations of the State and certain State-created Authorities are covered by this report. The obligations of New Jersey's counties, municipalities, school districts, and other locally-created authorities and districts are not included in this report.

The New Jersey Economic Development Authority frequently issues bonds on behalf of private companies to promote and foster economic development within the State. Such bonds are payable solely from the private company that benefits from the financing; there is no recourse, legal, moral or otherwise, to the EDA or to the State. Similarly, the New Jersey Educational Facilities Authority issues bonds on behalf of and secured by the public and private colleges and universities in the State, the New Jersey Health Care Facilities Financing Authority issues bonds on behalf of and secured by the State's hospitals and other medical facilities, etc. In all such cases, the Authority acts as a conduit to provide low-cost financing for its authorized purposes. Since there is no recourse to the State or support from State revenues, such conduit bonds are not included in this report.

Several other State Authorities finance capital projects with bonds that are secured by their operating revenue. The New Jersey Turnpike Authority and South Jersey Transportation Authority are two examples that fall into this category as their bonds are secured solely by their toll revenues from the roadways they operate and other operating income. Since there is no recourse to the State or support of such debt by State revenues, these bonds are not included in this report.

The State participates by compact in several bi-state authorities that generate revenues from the operation of facilities and issue bonds supported by such revenues for capital needs. The Port Authority of New York and New Jersey, Delaware River Port Authority and Delaware River Joint Toll Bridge Authority are examples of such bi-state agencies. Since there is no recourse to the State or support of such debt by State revenues, these bonds are not included in this report.

The State since 1991 has annually issued its Tax and Revenue Anticipation Notes to fund the timing imbalances in the State's annual cash flow. All such Notes mature before the end of the fiscal year in which they are issued; therefore the State never has a balance of Notes payable on its balance sheet at fiscal year end. Such intra-year, short-term obligations are not included in this report.

Ancillary expenses payable in connection with certain series of Authority bonds covered by this report, such as trustee and escrow fees, letter of credit fees, bond remarketing fees and net payments under interest rate exchange agreements, are not included within the debt service tables in this report.

MORAL OBLIGATIONS

Certain Authorities have issued what are referred to as "Moral Obligation" Bonds. A moral obligation bond is authorized in limited circumstances by the statutes that govern the New Jersey Housing and Mortgage Finance Agency ("HMFA"), the New Jersey Higher Education Student Assistance Authority ("HESAA") and the South Jersey Port Corporation ("SJPC"). Such statutes provide that if the Authority's revenues are insufficient and the debt service reserve fund created in connection with the Authority's revenue bond is drawn upon to pay debt service, the State has a moral obligation to replenish such debt service reserve fund, subject to appropriation by the State Legislature.

For the moral obligation bonds of the HMFA that are secured by mortgages, and of the HESAA that are secured by student loans, such revenues have always been sufficient to pay debt service, the debt service reserve funds have not been drawn upon, and the moral obligation has not been exercised. Since there has been no State assistance provided to date with respect to these bonds, and there is no expectation that such assistance will be needed in the future, they are <u>not</u> included in this report.

For the moral obligation bonds of the SJPC that are secured by revenues from the operation of its port facilities, a portion of the annual debt service has consistently been paid from the debt service reserve fund due to insufficient operating revenues. The State, in turn, has consistently honored its moral obligation to replenish the SJPC's debt service reserve fund as needed via appropriation. Therefore, these bonds <u>are</u> included in this report.

SECTION 2
Legislative Requirement

TITLE 52. STATE GOVERNMENT, DEPARTMENTS AND OFFICERS
SUBTITLE 1. GENERAL PROVISIONS
CHAPTER 9S. COMMISSION ON CAPITAL BUDGETING AND PLANNING

(UPDATED THROUGH P.L. 2010, ch. 83, and JR 3 of P.L.2010)

§ 52:9S-1. Definitions

As used in this act, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

a. "Capital project" means any undertaking which is to be financed or funded or is proposed to be financed or funded by the issuance of bonds, notes or other evidences of indebtedness of the State or any public authority thereof; or any undertaking which is to be financed or funded or is requested to be financed or funded by an appropriation in the annual budget, where the expenditure therefor is, by statute, or under standards as they may be prescribed from time to time by the Department of the Treasury, a capital expenditure.

b. "Commission" means the New Jersey Commission on Capital Budgeting and Planning created by section 2 of this act;

c. "Plan" means the State Capital Improvement Plan provided for by subsection a. of section 3. of this act.

d. "State agency" means an executive or administrative department, office, public authority or other instrumentality of State Government.

L.1975, c. 208, s. 1, eff. Sept. 23, 1975.

TITLE 52. STATE GOVERNMENT, DEPARTMENTS AND OFFICERS
SUBTITLE 1. GENERAL PROVISIONS
CHAPTER 9S. COMMISSION ON CAPITAL BUDGETING AND PLANNING

(UPDATED THROUGH P.L. 2010, ch. 83, and JR 3 of P.L.2010)

§ 52:9S-2. New Jersey Commission on Capital Budgeting and Planning

2. There is hereby created a New Jersey Commission on Capital Budgeting and Planning. The commission shall consist of 12 members selected as follows: the State Treasurer and any three other members of the Executive Branch designated by the Governor to so serve at his pleasure, two members of the General Assembly, two members of the Senate and four public members from the State at large.

The members from the General Assembly shall be appointed by the Speaker of the General Assembly. The members of the Senate shall be appointed by the President of the Senate. No more than one of the members appointed by the Speaker or President shall be from the same political party. Legislative members shall serve while members of their respective houses for the term for which they have been elected.

Of the four public members two shall be appointed by the Governor with advice and consent of the Senate, no more than one of whom shall be of the same political party, and two by the Legislature, one each by the President of the Senate and the Speaker of the General Assembly, for a term of six years and until their successors are qualified, provided that the members serving on the effective date of this 1995 amendatory act shall continue to serve until the expiration of their appointments. The President of the Senate shall make the first appointment of a public member upon the expiration of the term of the public member first occurring after the effective date of this 1995 amendatory act, and the Speaker of the General Assembly shall make the second appointment of a public member upon the expiration of the term of the public member next occurring after the effective date of this act. The public members shall be chosen based upon their experience and expertise in public finance and the capital improvement process. Any vacancy among the public members shall be filled in the same manner as the original appointment, but for the unexpired term only. A member shall be eligible for reappointment.

A chairman of the commission shall be selected annually by the membership of the commission from among the public members.

Members of the commission shall serve without compensation, but public members shall be entitled to reimbursement for expenses incurred in the performance of their duties.

L.1975,c.208,s.2; amended 1995,c.398,s.1.

TITLE 52. STATE GOVERNMENT, DEPARTMENTS AND OFFICERS
SUBTITLE 1. GENERAL PROVISIONS
CHAPTER 9S. COMMISSION ON CAPITAL BUDGETING AND PLANNING

(UPDATED THROUGH P.L. 2010, ch. 83, and JR 3 of P.L.2010)

§ 52:9S-3 Preparation of State Capital Improvement Plan.

3. a. The commission shall each year prepare a State Capital Improvement Plan containing its proposals for State spending for capital projects, which shall be consistent with the goals and provisions of the State Development and Redevelopment Plan adopted by the State Planning Commission and shall be prepared after consultation with the New Jersey Council of Economic Advisors, created pursuant to P.L.1993, c.149 (C.52:9H-34 et seq.). Copies of the plan shall be submitted to the Governor and the Legislature no later than December 1 of each year. The plan shall provide:

(1) A detailed list of all capital projects of the State which the commission recommends be undertaken or continued by any State agency in the next three fiscal years, together with information as to the effect of such capital projects on future operating expenses of the State, and with recommendations as to the priority of such capital projects and the means of funding them;

(2) The forecasts of the commission as to the requirements for capital projects of State agencies for the four fiscal years next following such three fiscal years and for such additional periods, if any, as may be necessary or desirable for adequate presentation of particular capital projects, and a schedule for the planning and implementation or construction of such capital projects;

(3) A schedule for the next fiscal year of recommended appropriations of bond funds from issues of bonds previously authorized;

(4) A review of capital projects which have recently been implemented or completed or are in process of implementation or completion;

(5) Recommendations as to the maintenance of physical properties and equipment of State agencies;

(6) Recommendations which the commission deems appropriate as to the use of properties reported in subsection c. of this section;

(7) A report on the State's overall debt. This report shall include information on the outstanding general obligation debt and debt service costs for the prior fiscal year, the current fiscal year, and the estimated amount for the subsequent five fiscal years. <u>In addition, the report shall provide similar information on capital leases and installment obligations. In addition, the report shall provide similar information on the following long-term obligations: all items comprising long-term liabilities as recorded in a schedule of long-term debt changes (bonded and non-bonded) in the State's annual comprehensive financial report prepared pursuant to section 37 of article 3 of P.L.1944, c.112 (C.52:27B-46), the unfunded actuarial accrued liability for State administered retirement systems, and the unfunded actuarial accrued liabilities for post-retirement medical and other benefits;</u>

(8) An assessment of the State's ability to increase its overall debt and a recommendation on the amount

of any such increase. In developing this assessment and recommendation, the commission shall consider those criteria used by municipal securities rating services in rating governmental obligations; and

(9) Such other information as the commission deems relevant to the foregoing matters.

b. Each State agency shall no later than August 15 of each year provide the commission with:

(1) A detailed list of capital projects which each State agency seeks to undertake or continue for its purposes in the next three fiscal years, together with information as to the effect of such capital projects on future operating expenses of the State, and with such relevant supporting data as the commission requests;

(2) Forecasts as to the requirements for capital projects of such agency for the four fiscal years next following such three fiscal years and for such additional periods, if any, as may be necessary or desirable for adequate presentation of particular capital projects, and a schedule for the planning and implementation or construction of such capital projects;

(3) A schedule for the next fiscal year of requested appropriations of bond funds from issues of bonds previously authorized;

(4) A report on capital projects which have recently been implemented or completed or are in process of implementation or completion;

(5) A report as to the maintenance of its physical properties and capital equipment;

(6) Such other information as the commission may request.

c. Each State agency shall, when requested, provide the commission with supplemental information in addition to that to be available to the commission under the computerized record keeping of the Department of the Treasury, Bureau of Real Property Management, concerning any real property owned or leased by the agency including its current or future availability for other State uses.

d. A copy of the plan shall also be forwarded to the Division of Budget and Accounting each year upon its completion, and the portion of the plan relating to the first fiscal year thereof shall, to the extent it treats of capital appropriations in the annual budget, constitute the recommendations of the commission with respect to such capital appropriations in the budget for the next fiscal year.

L.1975, c.208, s.3; amended 1979, c.320, s.1; 1985, c.398, s.13; 1995, c.398, s.2; 2009, c.304.

Matter underlined thus is new matter.

SECTION 3
Outstanding Obligations

Summary of Obligations

(In Millions)

Category	as of June 30, 2009	as of June 30, 2010	Change From Prior Year	Percent of Total June 30, 2010
General Obligations	**$2,526.710**	**$2,596.740**	**$70.030**	**4.48%**
Obligations Subject to Appropriation	**29,059.476**	**30,243.492**	**1,184.016**	**52.20%**
CAFR Reconciliation	**3,896.355**	**4,043.751**	**147.396**	**6.98%**
Non-Bonded Obligations	**15,733.986**	**21,049.972**	**5,315.986**	**36.33%**
Report Total:	**$51,216.527**	**$57,933.955**	**$6,717.428**	**100.00%**

Summary of Bonded Obligations Supported by State Revenues

(in Millions)

Category	as of June 30, 2009	as of June 30, 2010	Change From Prior Year	Percent of Total June 30, 2010
General Obligations	**$2,526.710**	**$2,596.740**	**$70.030**	**7.91%**
Obligations Subject to Appropriation	**29,059.476**	**30,243.492**	**1,184.016**	**92.09%**
Report Total:	**$31,586.186**	**$32,840.232**	**$1,254.046**	**100.00%**

Summary of Bonded Obligations by Source of State Support

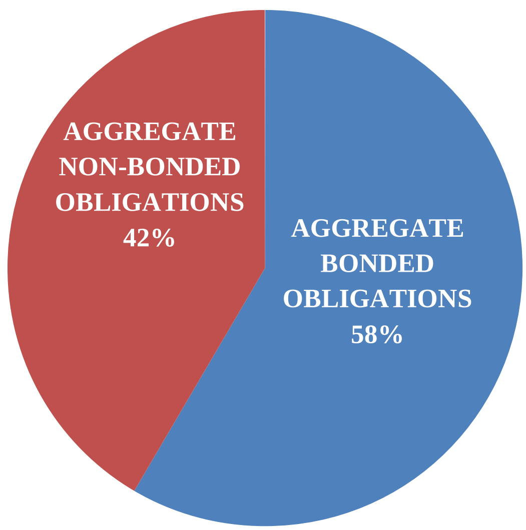
(in Millions)

Category	as of June 30, 2009	as of June 30, 2010	Change From Prior Year	Percent of Total June 30, 2010
General State Revenues	**$17,650.105**	**$18,216.288**	**$566.183**	**55.47%**
Dedicated State Revenues	**13,936.080**	**14,623.944**	**687.863**	**44.53%**
Report Total:	**$31,586.186**	**$32,840.232**	**$1,254.046**	**100.00%**

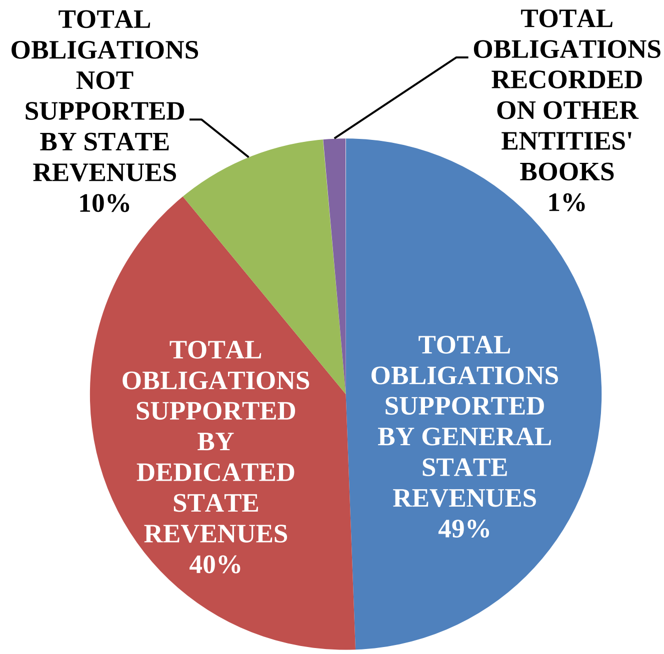
Outstanding Obligations – Summary Charts

(AS OF JUNE 30, 2010)

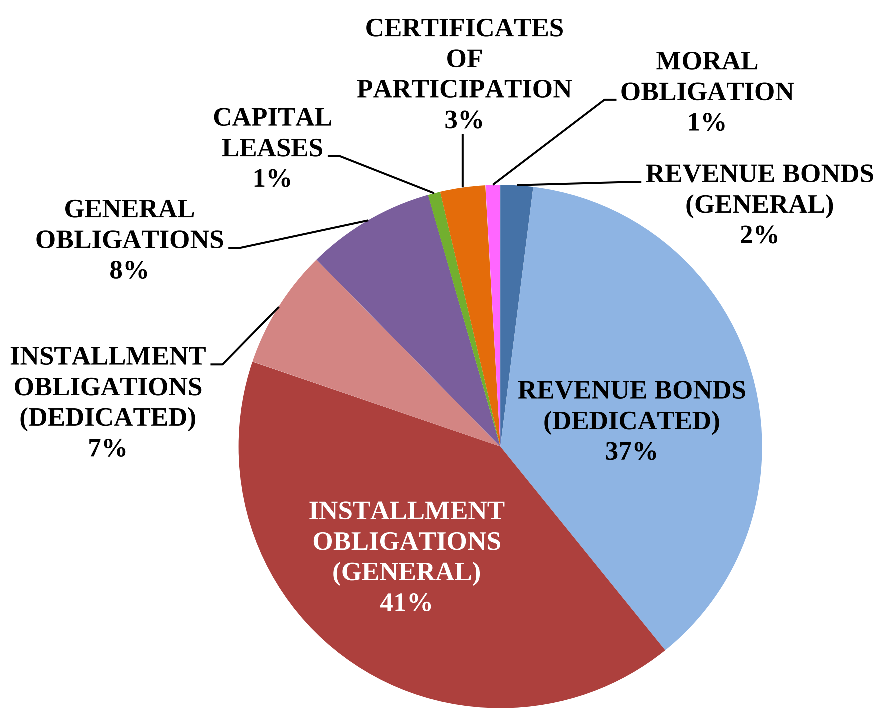
AGGREGATE BONDED AND NON-BONDED OBLIGATIONS



AGGREGATE BONDED OBLIGATIONS BY REVENUE SOURCE



AGGREGATE OBLIGATIONS SUPPORTED BY GENERAL AND DEDICATED STATE REVENUES



CHANGES IN LONG-TERM OBLIGATIONS

(all amounts $ millions)

BONDED OBLIGATIONS

OBLIGATIONS SUPPORTED BY GENERAL STATE REVENUES

GENERAL OBLIGATIONS

BOND ACT (year of enactment in parentheses)	Outstanding June 30, 2009	Additions	Deductions	Outstanding June 30, 2010	Change From Prior Year
Clean Waters (1976)	1.180	0.350	0.045	1.485	0.305
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project (2003)	122.565	26.500	6.235	142.830	20.265
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction (1994)	23.555	-	0.835	22.720	(0.835)
Energy Conservation (1980)	0.330	-	0.030	0.300	(0.030)
Green Acres, Cultural Centers and Historic Preservation (1987)	9.360	-	0.140	9.220	(0.140)
Green Acres, Farmland, Blue Acres, and Historic Preservation (2007)	-	141.000	-	141.000	141.000
Green Acres, Farmland and Historic Preservation, and Blue Acres (1995)	54.465	-	0.695	53.770	(0.695)
Hazardous Discharge (1981)	0.625	-	-	0.625	-
Hazardous Discharge (1986)	14.230	-	6.400	7.830	(6.400)
Jobs, Education and Competitiveness (1988)	2.990	-	-	2.990	-
Natural Resources (1980)	13.885	-	0.105	13.780	(0.105)
New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation (1989)	3.275	-	-	3.275	-
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation (1992)	33.285	10.900	0.690	43.495	10.210
New Jersey Open Space Preservation (1989)	4.715	3.400	0.040	8.075	3.360
Pinelands Infrastructure Trust (1985)	-	1.250	-	1.250	1.250
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development (1996)	118.535	2.500	1.995	119.040	0.505
Public Purpose Buildings and Community-Based Facilities Construction (1989)	3.770	-	-	3.770	-
Refunding (1985)	1,988.795	-	121.170	1,867.625	(121.170)
Resource Recovery and Solid Waste Disposal Facility (1985)	1.270	-	-	1.270	-
State Land Acquisition and Development (1978)	2.180	-	0.075	2.105	(0.075)
Statewide Transportation and Local Bridge (1999)	120.505	-	0.570	119.935	(0.570)
Stormwater Management and Combined Sewer Overflow Abatement (1989)	7.195	3.000	0.095	10.100	2.905
Water Supply (1981)	-	20.250	-	20.250	20.250
TOTAL GENERAL OBLIGATIONS	**2,526.710**	**209.150**	**139.120**	**2,596.740**	**70.030**

BONDED OBLIGATIONS (continued)

OBLIGATIONS SUPPORTED BY GENERAL STATE REVENUES (continued)

	Outstanding June 30, 2009	Additions	Deductions	Outstanding June 30, 2010	Change From Prior Year
OBLIGATIONS SUBJECT TO APPROPRIATION					
REVENUE BONDS					
BUILDING AUTHORITY					
State Building Revenue	672.485	30.925	41.785	661.625	(10.860)
TOTAL REVENUE BONDS	672.485	30.925	41.785	661.625	(10.860)
CAPITAL LEASES					
ECONOMIC DEVELOPMENT AUTHORITY					
State Office Buildings Projects	43.435	-	2.990	40.445	(2.990)
Trenton Office Complex	27.650	-	8.745	18.905	(8.745)
HEALTH CARE FACILITIES FINANCING AUTHORITY					
Greystone Psychiatric Hospital Project	198.355	-	6.245	192.110	(6.245)
TOTAL CAPITAL LEASES	269.440	-	17.980	251.460	(17.980)
INSTALLMENT OBLIGATIONS					
CHAPTER 12 - COUNTY COLLEGE BONDS					
Various County Bonds Issues	215.983	30.160	32.172	213.971	(2.012)
ECONOMIC DEVELOPMENT AUTHORITY					
Business Employment Incentive Program	171.445	-	24.595	146.850	(24.595)
Department of Human Services Programs	23.985	-	2.050	21.935	(2.050)
Designated Industries Economic Growth and Development	22.375	-	5.750	16.625	(5.750)
Economic Development (Lafayette Yard Hotel)	17.060	-	0.760	16.300	(0.760)
Economic Recovery Fund	167.120	-	6.640	160.480	(6.640)
Green Lights Energy Conservation Program	0.585	-	0.285	0.300	(0.285)
Liberty State Park - Park Project	12.511	-	0.220	12.291	(0.220)
Liberty State Park - Science Center Project	90.900	-	2.485	88.415	(2.485)
Municipal Rehabilitation	166.075	-	5.360	160.715	(5.360)
New Jersey Performing Arts Center	26.010	26.920	26.010	26.920	0.910
NJ Transit Light Rail System	416.325	-	52.025	364.300	(52.025)
School Facilities Construction	7,473.899	1,806.185	1,124.075	8,156.009	682.110
State Pension Funding	2,573.802	-	43.335	2,530.467	(43.335)
EDUCATIONAL FACILITIES AUTHORITY					
Capital Improvement Fund	455.105	-	22.425	432.680	(22.425)
Dormitory Safety Trust Fund	40.170	-	5.650	34.520	(5.650)
Equipment Leasing Fund	4.745	-	3.805	0.940	(3.805)
Facilities Trust Fund	39.920	-	19.460	20.460	(19.460)
Public Library Project Grant Program	37.665	-	1.995	35.670	(1.995)
HEALTH CARE FACILITIES FINANCING AUTHORITY					
Hospital Asset Transformation Program	449.415	-	4.985	444.430	(4.985)
SPORTS AND EXPOSITION AUTHORITY					
State Contract	671.395	-	61.075	610.320	(61.075)
TOTAL INSTALLMENT OBLIGATIONS	13,076.490	1,863.265	1,445.157	13,494.598	418.108
CERTIFICATES OF PARTICIPATION					
James J. Howard Marine Sciences Laboratory	4.605	-	0.770	3.835	(0.770)
N.J. Transit, Transportation Equipment	956.585	-	44.800	911.785	(44.800)
TOTAL CERTIFICATES OF PARTICIPATION	961.190	-	45.570	915.620	(45.570)
MORAL OBLIGATIONS					
SOUTH JERSEY PORT CORPORATION					
Marine Terminal Revenue	143.790	157.880	5.425	296.245	152.455
TOTAL MORAL OBLIGATIONS	143.790	157.880	5.425	296.245	152.455
TOTAL OBLIGATIONS SUPPORTED BY GENERAL STATE REVENUES	17,650.105	2,261.220	1,695.037	18,216.288	566.183

BONDED OBLIGATIONS (continued)

OBLIGATIONS SUPPORTED BY DEDICATED STATE REVENUES

	Outstanding June 30, 2009	Additions	Deductions	Outstanding June 30, 2010	Change From Prior Year
OBLIGATIONS SUBJECT TO APPROPRIATION (continued)					
REVENUE BONDS					
GARDEN STATE PRESERVATION TRUST					
Open Space Preservation	1,149.699	-	39.950	1,109.749	(39.950)
TRANSPORTATION TRUST FUND AUTHORITY					
Transportation System	10,205.307	1,156.753	271.590	11,090.471	885.163
TOTAL REVENUE BONDS	11,355.007	1,156.753	311.540	12,200.220	845.213
INSTALLMENT OBLIGATIONS					
ECONOMIC DEVELOPMENT AUTHORITY					
Cigarette Tax Revenue	1,231.415	-	92.805	1,138.610	(92.805)
Market Transition Facility	175.650	-	64.545	111.105	(64.545)
Motor Vehicle Commission	159.998	-	-	159.998	-
Motor Vehicle Surcharges Revenue	807.502	-	-	807.502	-
Motor Vehicle Surcharges Revenue - Special Needs Housing	206.508	-	-	206.508	-
TOTAL INSTALLMENT OBLIGATIONS	2,581.074	-	157.350	2,423.724	(157.350)
TOTAL OBLIGATIONS SUPPORTED BY DEDICATED STATE REVENUES	13,936.080	1,156.753	468.890	14,623.944	687.863
AGGREGATE OBLIGATIONS SUBJECT TO APPROPRIATION	**29,059.476**	**3,208.823**	**2,024.807**	**30,243.492**	**1,184.016**
AGGREGATE GENERAL OBLIGATIONS (from Page 10)	**2,526.710**	**209.150**	**139.120**	**2,596.740**	**70.030**
AGGREGATE OBLIGATIONS SUPPORTED BY GENERAL AND DEDICATED STATE REVENUES	**31,586.186**	**3,417.973**	**2,163.927**	**32,840.232**	**1,254.046**

BONDED OBLIGATIONS (continued)

CAFR RECONCILIATION

	Outstanding June 30, 2009	Additions	Deductions	Outstanding June 30, 2010	Change From Prior Year
OBLIGATIONS NOT SUPPORTED BY STATE REVENUES					
TOBACCO SETTLEMENT FINANCING CORPORATION					
Master Settlement Bonds	3,457.773	-	32.485	3,425.288	(32.485)
TRANSPORTATION TRUST FUND AUTHORITY					
Federal Grant Anticipation Bonds	105.620	-	9.580	96.040	(9.580)
TOTAL NOT SUPPORTED BY STATE REVENUES	3,563.393	-	42.065	3,521.328	(42.065)
OBLIGATIONS RECORDED ON OTHER ENTITIES' BOOKS					
INSTALLMENT OBLIGATIONS					
CHAPTER 12 - COUNTY COLLEGE BONDS					
Various County Bond Issues	(215.983)	(30.160)	(32.172)	(213.971)	2.012
ECONOMIC DEVELOPMENT AUTHORITY					
Economic Development (Lafayette Yard Hotel)	(17.060)	-	(0.760)	(16.300)	0.760
NJ Transit Light Rail System	(416.325)	-	(52.025)	(364.300)	52.025
EDUCATIONAL FACILITIES AUTHORITY					
Capital Improvement Fund	(138.088)	-	(6.783)	(131.305)	6.783
Dormitory Safety Trust Fund	(21.595)	-	(3.061)	(18.534)	3.061
CERTIFICATES OF PARTICIPATION					
N.J. Transit, Transportation Equipment	(956.585)	-	(44.800)	(911.785)	44.800
TOTAL RECORDED ON OTHERS' BOOKS	(1,765.636)	(30.160)	(139.601)	(1,656.195)	109.441
MORAL OBLIGATIONS					
SOUTH JERSEY PORT CORPORATION					
Marine Terminal Revenue	(143.790)	(157.880)	(5.425)	(296.245)	(152.455)
TOTAL MORAL OBLIGATIONS	(143.790)	(157.880)	(5.425)	(296.245)	(152.455)
OTHER BOND ADJUSTMENTS					
BOND DISCOUNT - TSFC	(28.077)	-	(0.879)	(27.198)	0.879
BOND ACCRETION	9,667.683	913.927	73.142	10,508.469	840.785
UNAMORTIZED BOND ACCRETION	(7,960.065)	(913.927)	(316.998)	(8,556.994)	(596.929)
UNAMORTIZED BOND PREMIUM	1,356.541	85.887	118.706	1,323.722	(32.819)
UNAMORTIZED DEFERRAL ON REFUNDING	(793.694)	(52.789)	(73.348)	(773.135)	20.559
TOTAL OTHER BOND ADJUSTMENTS	2,242.388	33.098	(199.377)	2,474.863	232.475
TOTAL CAFR RECONCILIATION	**3,896.355**	**(154.942)**	**(302.338)**	**4,043.751**	**147.396**
AGGREGATE BONDED OBLIGATIONS	**35,482.541**	**3,263.031**	**1,861.589**	**36,883.983**	**1,401.442**

NON-BONDED OBLIGATIONS

	Outstanding June 30, 2009	Additions	Deductions	Outstanding June 30, 2010	Change From Prior Year
GOVERNMENTAL ACTIVITIES					
Accumulated Sick and Vacation Payable	635.820	315.976	385.047	566.749	(69.071)
Capital Leases	379.729	22.631	50.594	351.766	(27.963)
State Equipment Line of Credit	30.525	16.498	20.312	26.711	(3.814)
Loans Payable	1,279.358	-	-	1,279.358	-
Net Pension Obligation	6,365.698	2,037.310	-	8,403.007	2,037.310
Pollution Remediation Obligation	101.829	-	9.175	92.654	(9.175)
Other Postemployment Benefits	6,636.300	4,719.500	1,327.000	10,028.800	3,392.500
Other	304.727	306.420	310.221	300.926	(3.801)
TOTAL GOVERNMENTAL ACTIVITIES	15,733.986	7,418.335	2,102.349	21,049.972	5,315.986
AGGREGATE NON-BONDED OBLIGATIONS	**15,733.986**	**7,418.335**	**2,102.349**	**21,049.972**	**5,315.986**
AGGREGATE BONDED & NON-BONDED OBLIGATIONS	**51,216.527**	**10,681.366**	**3,963.938**	**57,933.955**	**6,717.428**
BUSINESS-TYPE ACTIVITIES					
Accumulated Sick and Vacation Payable	1.144	0.552	0.706	0.989	(0.154)
Advance from Federal Government for U.I. Fund	324.900	1,424.700	-	1,749.600	1,424.700
Deposit Fund Contracts	611.679	39.063	123.899	526.843	(84.836)
TOTAL BUSINESS-TYPE ACTIVITIES	937.723	1,464.315	124.605	2,277.433	1,339.710

PENSION AND OTHER POST-EMPLOYMENT BENEFITS*
(all amounts $ millions)

UNFUNDED ACTUARIAL ACCRUED LIABILITY FOR STATE-ADMINISTERED RETIREMENT SYSTEMS

	Outstanding June 30, 2008	Outstanding June 30, 2009	Change From Prior Year
STATE PENSION PLANS			
PERS	5,872.0	8,254.6	2,382.6
TPAF	15,090.2	19,737.9	4,647.7
PFRS	1,433.1	1,738.5	305.4
CP&FPF	1.6	0.5	(1.1)
SPRS	481.9	761.5	279.6
JRS	172.3	239.6	67.3
POPF	(6.1)	(5.9)	0.2
TOTAL STATE PENSION PLANS	**23,045.0**	**30,726.7**	**7,681.7**

UNFUNDED ACTUARIAL ACCRUED LIABILITIES FOR POST-RETIREMENT MEDICAL BENEFITS

	Outstanding June 30, 2008	Outstanding June 30, 2009	Change From Prior Year
STATE & STATE EDUCATION	55,913.5	56,782.5	869.0
TOTAL POST-RETIREMENT MEDICAL	**55,913.5**	**56,782.5**	**869.0**
AGGREGATE PENSION AND POST-RETIREMENT MEDICAL	**78,958.5**	**87,509.2**	**8,550.7**

*** Actuarial Reports for the Fiscal Year Ended June 30, 2010 have not been issued as of the date of this report. Therefore, data is provided for FY 2009 with comparative data for FY 2008.**

10-Year History of Outstanding Obligations (in Millions)

Long-Term Obligations	2010	2009	2008	2007	2006	2005
Bonded Obligations						
General Obligation Bonds	$ 2,596.740	$ 2,526.710	$ 2,818.535	$ 2,864.690	$ 3,132.755	$ 3,156.375
Revenue Bonds Payable	18,576.710	16,838.010	13,702.395	12,739.620	12,975.955	7,856.005
Capital Leases	251.460	269.440	286.555	297.830	308.575	130.340
Installment Obligations	18,968.688	18,716.431	18,218.030	17,185.158	16,896.002	15,373.185
Certificates of Participation	30.546	35.130	54.708	58.836	60.559	66.148
Tobacco Settlement Financing Corporation	4,492.958	4,524.563	4,591.409	4,643.694	3,248.580	3,280.155
Unamortized Deferral on Refunding	(773.135)	(793.694)	(865.654)	(924.227)	(604.570)	(533.008)
Unamortized Interest on Capital Appreciation Bonds	(8,556.994)	(7,960.065)	(6,347.598)	(6,522.644)	(5,673.484)	(3,211.862)
Unamortized Premium	1,323.722	1,356.541	1,412.761	1,397.407	1,500.850	1,204.377
Aggregate Bonded Obligations	$ 36,910.695	$ 35,513.066	$ 33,871.141	$ 31,740.364	$ 31,845.222	$ 27,321.715
Non-Bonded Obligations						
Accumulated Sick and Vacation Payable	$ 566.750	$ 635.820	$ 595.856	$ 578.527	$ 518.561	$ 488.913
Capital Leases	351.766	379.729	410.552	384.982	430.768	538.926
Loans Payable	1,279.358	1,279.358	1,279.358	1,279.358	1,279.358	1,279.358
Net Other Postemployment Benefits (OPEB) Obligation	10,028.800	6,636.300	3,177.400	-	-	-
Net Pension Obligation	8,403.007	6,365.698	4,759.367	3,761.279	2,953.944	1,796.799
Pollution Remediation	92.654	101.829	-	-	-	-
Other	300.926	304.727	276.655	251.089	417.733	397.545
Aggregate Non-Bonded Obligations	21,023.261	15,703.461	10,499.188	6,255.235	5,600.364	4,501.541
Aggregate Bonded and Non-Bonded Obligations	$ 57,933.956	$ 51,216.527	$ 44,370.329	$ 37,995.599	$ 37,445.586	$ 31,823.256

Pensions and Other Post-Employment Obligations	2010	2009	2008	2007	2006	2005
Total State-Administered Retirement Systems	N/A	$ 30,726.700	$ 23,045.000	$ 19,222.400	$ 16,607.000	$ 13,041.400
Total Post-Retirement Medical and Other Benefits	N/A	56,782.500	55,913.500	50,649.500	58,059.000	N/A
Aggregate Pension and Post-Employment Benefits	N/A	$ 87,509.200	$ 78,958.500	$ 69,871.900	$ 74,666.000	N/A

10-Year History of Outstanding Obligations

Long-Term Obligations	2004	2003	2002	2001	2000
Bonded Obligations					
General Obligation Bonds	$ 3,301.005	$ 3,366.605	$ 3,249.855	$ 3,555.375	$ 3,875.025
Revenue Bonds Payable	7,229.340	6,520.530	5,885.515	5,119.160	5,289.155
Capital Leases	137.535	126.960	135.150	147.565	157.000
Installment Obligations	11,741.335	10,149.031	9,062.246	8,990.688	8,428.873
Certificates of Participation	77.392	81.662	100.950	138.623	147.575
Tobacco Settlement Financing Corporation	3,329.406	3,345.107	-	-	-
Unamortized Deferral on Refunding	(223.754)	(211.909)	(104.984)	-	-
Unamortized Interest on Capital Appreciation Bonds	(3,311.643)	(3,435.380)	(3,290.843)	(3,422.621)	(3,587.914)
Unamortized Premium	498.641	365.248	193.961	-	-
Aggregate Bonded Obligations	$ 22,779.257	$ 20,307.854	$ 15,231.850	$ 14,528.790	$ 14,309.714
Non-Bonded Obligations					
Accumulated Sick and Vacation Payable	$ 466.126	$ 449.934	$ 477.003	$ 449.045	$ 428.155
Capital Leases	553.984	515.331	413.130	117.190	79.584
Loans Payable	1,279.358	1,279.358	1,279.358	1,279.358	1,279.358
Net Other Postemployment Benefits (OPEB) Obligation	-	-	-	-	-
Net Pension Obligation	845.563	115.033	81.687	54.576	18.513
Pollution Remediation	-	-	-	-	-
Other	377.766	332.019	320.083	228.980	-
Aggregate Non-Bonded Obligations	3,522.797	2,691.675	2,571.261	2,129.149	1,805.610
Aggregate Bonded and Non-Bonded Obligations	$ 26,302.054	$ 22,999.529	$ 17,803.111	$ 16,657.939	$ 16,115.324

Pensions and Other Post-Employment Obligations	2004	2003	2002	2001	2000
Total State-Administered Retirement Systems	$ 8,443.500	$ 4,240.600	$ (401.000)	$ (4,180.500)	$ (4,488.500)
Total Post-Retirement Medical and Other Benefits	N/A	N/A	N/A	N/A	N/A
Aggregate Pension and Post-Employment Benefits	N/A	N/A	N/A	N/A	N/A

Legislatively Authorized but Unissued Debt (in Millions)					
Debt Program	Year Authorized	Amount Authorized	Unissued as of 6/30/2010	Unissued as of 6/30/2009	Difference
General Obligation Bonds					
Clean Waters	1976	$ 120.000	$ 3.400	$ 3.750	$ (0.350)
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	2003	200.000	42.250	68.750	(26.500)
Energy Conservation	1980	50.000	1.600	1.600	-
Green Acres, Cultural Centers and Historic Preservation	1987	100.000	1.000	1.000	-
Green Acres, Farmland, Blue Acres, and Historic Preservation	2007	200.000	59.000	200.000	(141.000)
Green Acres, Farmland and Historic Preservation, and Blue Acres	1995	340.000	21.000	21.000	-
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation	2009	400.000	400.000	N/A	N/A
Hazardous Discharge	1981	100.000	43.000	43.000	-
Hazardous Discharge	1986	200.000	48.000	48.000	-
Natural Resources	1980	145.000	9.600	9.600	-
New Jersey Green Acres	1983	135.000	14.500	14.500	-
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	1992	345.000	12.880	23.780	(10.900)
New Jersey Open Space Preservation	1989	300.000	22.600	26.000	(3.400)
Pinelands Infrastructure Trust	1985	30.000	6.750	8.000	(1.250)
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	1996	300.000	116.500	119.000	(2.500)
Public Purpose Buildings and Community-Based Facilities Construction	1989	125.000	5.000	5.000	-
Stormwater Management and Combined Sewer Overflow Abatement	1989	50.000	13.000	16.000	(3.000)
Water Supply	1981	350.000	73.150	93.400	(20.250)
Total General Obligation Bonds		$ 3,490.000	$ 893.230	$ 702.380	$ (209.150)
Revenue Bonds Payable					
Transportation Trust Fund Authority					
Annual Capital Plan	1995, 2006	$ 15,600.000	$ 3,241.300	$ 4,401.300	$ (1,160.000)
Total Revenue Bonds Payable		$ 15,600.000	$ 3,241.300	$ 4,401.300	$ (1,160.000)
Installment Obligations					
Economic Development Authority					
Market Transition Facility	1994	$ 750.000	$ 44.700	$ 44.700	-
School Facilities Construction	2000, 2008	12,500.000	3,851.000	4,554.100	(703.100)
Stem Cell, Life Sciences, and Biomedical Research Facilities	2006	270.000	270.000	270.000	-
Educational Facilities Authority					
Dormitory Safety Trust Fund	2000	$ 90.000	$ 10.800	$ 10.800	-
Higher Education Capital Improvement Fund	1999	550.000	117.300	94.900	22.400
Higher Education Equipment Leasing Fund	1993	100.000	99.000	95.300	3.700
Higher Education Facilities Trust Fund	1993	220.000	199.500	180.100	19.400
Higher Education Technology Infrastructure Fund	1997	55.000	55.000	55.000	-
Public Library Project Fund	1999	45.000	9.300	7.300	2.000
Total Installment Obligations		$ 14,580.000	$ 4,656.600	$ 5,312.200	$ (655.600)
Grand Total		$ 33,670.000	$ 8,791.130	$ 10,415.880	$ (2,024.750)

SECTION 4
Annual Debt Service Supported by State Revenues

Summary of Annual Debt Service Supported by State Revenues by Revenue Source (in Millions)

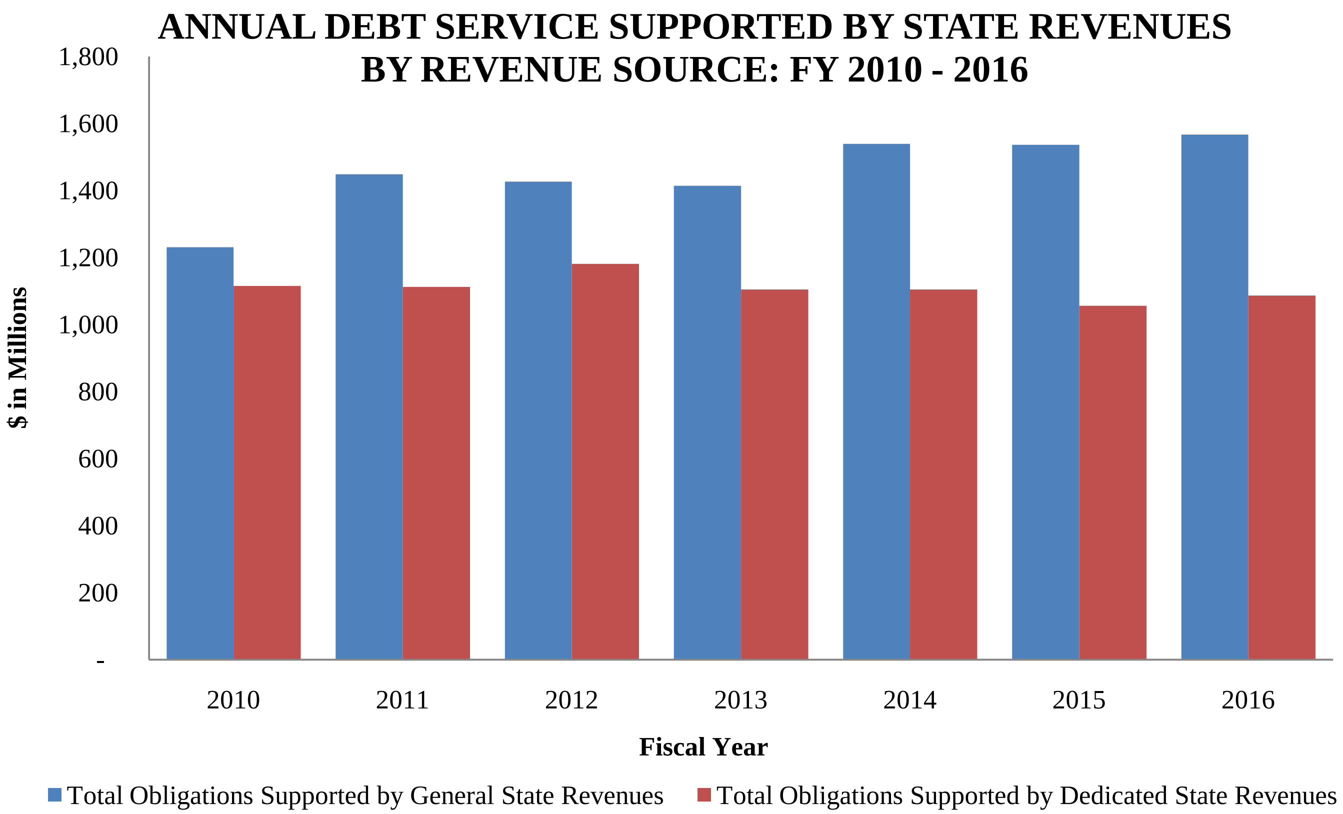
As of June 30, 2010

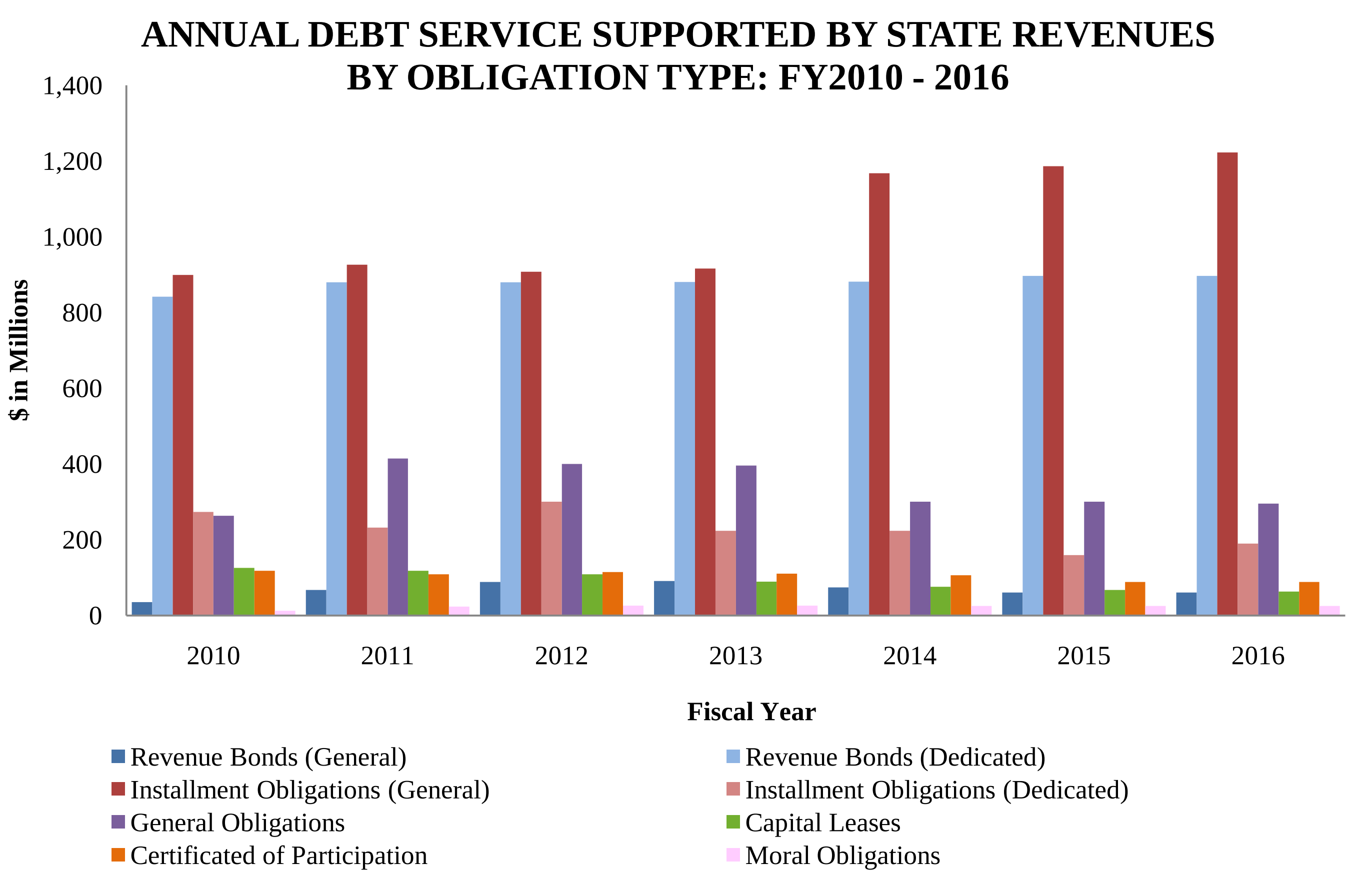
Category	2010	2011	2012	2013	2014	2015	2016
Total Debt Service Supported by General State Revenues	$1,454.594	$1,657.338	$1,645.736	$1,628.956	$1,750.443	$1,728.828	$1,756.760
Total Debt Service Supported by Dedicated State Revenues	1,115.400	1,111.962	1,181.013	1,104.384	1,104.788	1,055.732	1,086.853
Report Total:	$2,569.993	$2,769.300	$2,826.748	$2,733.341	$2,855.230	$2,784.560	$2,843.613

Summary of Annual Debt Service Supported by State Revenues by Obligation Type (in Millions)

As of June 30, 2010

Category	2010	2011	2012	2013	2014	2015	2016
Revenue Bonds (General)	$35.685	$67.212	$88.766	$91.409	$74.179	$60.489	$60.960
Revenue Bonds (Dedicated)	841.994	879.714	880.207	880.773	881.104	896.567	896.986
Installment Obligations (General)	899.325	925.887	907.717	915.884	1,167.706	1,186.357	1,222.699
Installment Obligations (Dedicated)	273.405	232.248	300.806	223.611	223.683	159.165	189.868
General Obligations	263.614	414.859	400.293	395.819	300.891	300.602	295.725
Capital Leases	125.447	117.743	108.763	89.604	76.153	67.731	63.074
Certificates of Participation	118.094	108.567	114.295	110.345	106.090	88.218	88.859
Moral Obligation	12.429	23.070	25.902	25.895	25.425	25.431	25.442
Report Total:	$2,569.993	$2,769.300	$2,826.748	$2,733.341	$2,855.230	$2,784.560	$2,843.613


ANNUAL DEBT SERVICE SUPPORTED BY STATE REVENUES
BY REVENUE SOURCE: FY 2010 - 2016
$ in Millions
1,800
1,600
1,400
1,200
1,000
800
600
400
200
-
2010
2011
2012
2013
2014
2015
2016
Fiscal Year
Total Obligations Supported by General State Revenues
Total Obligations Supported by Dedicated State Revenues


ANNUAL DEBT SERVICE SUPPORTED BY STATE REVENUES
BY OBLIGATION TYPE: FY2010 - 2016
$ in Millions
1,400
1,200
1,000
800
600
400
200
0
2010
2011
2012
2013
2014
2015
2016
Fiscal Year
Revenue Bonds (General)
Revenue Bonds (Dedicated)
Installment Obligations (General)
Installment Obligations (Dedicated)
General Obligations
Capital Leases
Certificated of Participation
Moral Obligations

ANNUAL DEBT SERVICE SUPPORTED BY STATE REVENUES ($ in Millions)

DEBT SERVICE SUPPORTED BY GENERAL STATE REVENUES

	2010	2011	2012	2013	2014	2015	2016
GENERAL OBLIGATIONS	263.614	414.859	400.293	395.819	300.891	300.602	295.725
OBLIGATIONS SUBJECT TO APPROPRIATION							
REVENUE BONDS							
BUILDING AUTHORITY							
State Building Revenue	35.685	67.212	88.766	91.409	74.179	60.489	60.960
TOTAL REVENUE BONDS	35.685	67.212	88.766	91.409	74.179	60.489	60.960
CAPITAL LEASES							
ECONOMIC DEVELOPMENT AUTHORITY							
Trenton Office Complex	10.197	10.203	10.204	-	-	-	-
State Office Buildings Projects	5.266	5.263	5.265	5.260	5.259	5.264	5.258
HEALTH CARE FACILITIES FINANCING AUTHORITY							
Greystone Psychiatric Hospital Project	15.625	15.622	15.623	15.622	15.622	15.624	15.626
NON-BONDED PROPERTY LEASES	94.359	86.656	77.671	68.722	55.272	46.843	42.190
TOTAL CAPITAL LEASES	125.447	117.743	108.763	89.604	76.153	67.731	63.074
INSTALLMENT OBLIGATIONS							
CHAPTER 12 - COUNTY COLLEGE BONDS							
Various County College Bonds	37.033	33.669	30.313	27.961	26.318	24.516	21.815
ECONOMIC DEVELOPMENT AUTHORITY							
Business Employment Incentive Program	33.679	33.533	33.358	28.023	27.916	27.803	20.262
Department of Human Services Program	3.297	3.154	2.994	2.875	2.649	2.512	2.378
Designated Industries Economic Growth and Development	6.811	5.979	5.506	4.120	2.888	-	-
Economic Development (Lafayette Yard Hotel)	1.656	1.728	1.829	1.917	2.013	2.115	2.218
Economic Recovery Fund	21.605	21.602	23.603	25.603	25.605	25.602	25.595
Green Lights Energy Conservation Program	0.314	0.315	-	-	-	-	-
Liberty State Park - Park Project	1.286	1.327	1.368	1.409	1.447	1.496	1.534
Liberty State Park - Science Center Project	6.855	6.846	7.426	7.390	7.348	7.300	8.240
Municipal Rehabilitation	14.112	14.114	14.111	14.114	14.111	14.113	14.113
New Jersey Performing Arts Center	-	1.234	7.426	5.549	5.563	5.545	5.530
N.J. Transit Light Rail System	72.886	53.406	53.431	52.907	52.370	51.809	51.228
School Facilities Construction	265.815	301.446	300.342	303.328	538.308	534.728	573.376
State Pension Funding	230.564	249.172	270.472	293.427	316.710	341.727	348.604
EDUCATIONAL FACILITIES AUTHORITY							
Equipment Leasing Fund	3.929	0.512	0.457	-	-	-	-
Facilities Trust Fund	20.970	20.972	-	-	-	-	-
Capital Improvement Fund	43.888	43.882	43.886	43.879	43.883	43.884	43.884
Dormitory Safety Trust Fund	7.588	7.285	6.992	6.742	6.489	6.225	5.942
Public Library Project Grant Program	3.774	3.774	3.758	3.765	3.763	3.751	3.756
HEALTH CARE FACILITIES FINANCING AUTHORITY							
Hospital Asset Transformation Program	26.677	28.452	28.451	28.450	31.036	31.869	33.045
SPORTS AND EXPOSITION AUTHORITY							
State Contract	96.587	93.486	71.994	64.426	59.288	61.361	61.178
TOTAL INSTALLMENT OBLIGATIONS	899.325	925.887	907.717	915.884	1,167.706	1,186.357	1,222.699
CERTIFICATES OF PARTICIPATION							
James J. Howard Marine Sciences Laboratory	1.150	1.147	1.143	1.137	1.134	-	-
N.J. Transit, Transportation Equipment	95.712	92.488	105.228	104.962	104.707	88.218	88.859
Non-Bonded State Equipment Line of Credit	21.232	14.931	7.923	4.246	0.249	-	-
TOTAL CERTIFICATES OF PARTICIPATION	118.094	108.567	114.295	110.345	106.090	88.218	88.859
MORAL OBLIGATIONS							
SOUTH JERSEY PORT CORPORATION							
Marine Terminal Revenue	12.429	23.070	25.902	25.895	25.425	25.431	25.442
TOTAL MORAL OBLIGATIONS	12.429	23.070	25.902	25.895	25.425	25.431	25.442
TOTAL DEBT SERVICE SUPPORTED BY GENERAL STATE REVENUES	**1,454.594**	**1,657.338**	**1,645.736**	**1,628.956**	**1,750.443**	**1,728.828**	**1,756.760**

DEBT SERVICE SUPPORTED BY DEDICATED STATE REVENUES

	2010	2011	2012	2013	2014	2015	2016
OBLIGATIONS SUBJECT TO APPROPRIATION							
REVENUE BONDS							
GARDEN STATE PRESERVATION TRUST							
Open Space Preservation	97.993	97.990	97.995	97.997	97.993	97.994	97.994
TRANSPORTATION TRUST FUND AUTHORITY							
Transportation System	744.001	781.724	782.212	782.777	783.112	798.572	798.992
TOTAL REVENUE BONDS	841.994	879.714	880.207	880.773	881.104	896.567	896.986
INSTALLMENT OBLIGATIONS							
ECONOMIC DEVELOPMENT AUTHORITY							
Market Transition Facility	71.714	71.631	44.418	-	-	-	-
Motor Vehicle Commission	-	-	73.325	73.325	73.325	11.280	-
Motor Vehicle Surcharges Revenue	37.763	37.763	64.906	36.589	36.589	36.589	65.656
Motor Vehicle Surcharges Revenue - Special Needs Housing	5.546	5.546	5.546	5.546	5.546	5.546	22.096
Cigarette Tax Revenue	158.382	117.308	112.610	108.151	108.223	105.750	102.115
TOTAL INSTALLMENT OBLIGATIONS	273.405	232.248	300.806	223.611	223.683	159.165	189.868
TOTAL DEBT SERVICE SUPPORTED BY DEDICATED STATE REVENUES	**1,115.400**	**1,111.962**	**1,181.013**	**1,104.384**	**1,104.788**	**1,055.732**	**1,086.853**

	2010	2011	2012	2013	2014	2015	2016
AGGREGATE DEBT SERVICE SUPPORTED BY STATE REVENUES	**2,569.993**	**2,769.300**	**2,826.748**	**2,733.341**	**2,855.230**	**2,784.560**	**2,843.613**
BREAKDOWN:							
TOTAL PRINCIPAL	**1,067.908**	**1,204.653**	**1,294.342**	**1,234.671**	**1,415.908**	**1,418.196**	**1,540.862**
TOTAL INTEREST	**1,502.085**	**1,564.658**	**1,532.406**	**1,498.671**	**1,439.322**	**1,366.364**	**1,302.751**

SECTION 5
Obligation Profiles

State of New Jersey - General Obligations

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	**S&P**	**Fitch**
Various Bond Acts	**General Obligations**	"Aa2"	"AA"	"AA"

Overview

General Obligations of the State are authorized from time to time by acts of the State Legislature, subject to approval by voter referendum. Each such "Bond Act" sets forth the authorized amounts and purposes of the bonds, as well as certain parameters for issuing the bonds, such as maximum term. Purposes for bond issues have included open space and farmland preservation, water supply protection, transportation, higher education, port development, economic development, hazardous waste remediation, and many other public purposes.

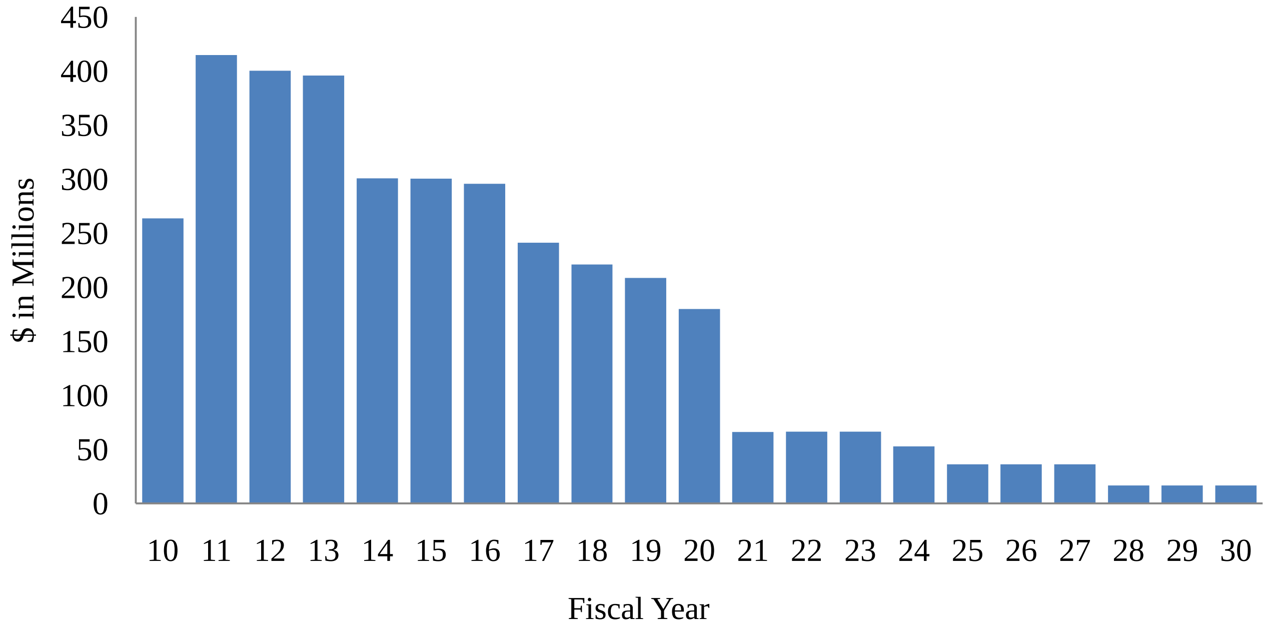
Certain decisions relating to the bond sale, including the setting of interest rates and amortization of the bonds, are delegated to the "Issuing Officials" of the State, comprising the Governor, Treasurer and Director of the Division of Budget and Accounting. The State Treasurer is directed to hold and invest the proceeds of the bond sale pending their expenditure in separate funds as established in the Bond Act. The Refunding Bond Act of 1985 sets forth the procedures and parameters for issuing refunding bonds issued under any other Bond Act.

The Bond Acts provide that the bonds authorized represent a debt of the State, and the faith and credit of the State are pledged to their repayment.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 30, 1992	Refunding D	$1,804,564,598	$196,550,000	February 15, 2013
May 16, 1996	Refunding E	526,800,000	20,685,000	July 15, 2010
February 18, 1999	Various Purposes	375,000,000	19,420,000	February 1, 2011
August 4, 1999	Refunding F	349,770,000	69,210,000	August 1, 2011
May 11, 2000	Various Purposes	425,000,000	42,530,000	May 1, 2012
October 18, 2001	Refunding H	588,665,000	586,635,000	July 1, 2019
August 7, 2002	Various Purposes	395,000,000	94,285,000	August 1, 2014
November 20, 2002	Refunding J	300,375,000	66,110,000	July 15, 2011
October 7, 2003	Refunding K	159,385,000	67,455,000	July 15, 2018
April 15, 2004	Various Purposes	215,000,000	143,645,000	April 1, 2024
January 26, 2005	Refunding L	352,780,000	352,780,000	July 15, 2019
May 3, 2005	Refunding M	119,615,000	104,210,000	July 15, 2019
November 17, 2005	Refunding N	203,280,000	175,230,000	July 15, 2019
December 13, 2007	Various Purposes	240,000,000	220,085,000	June 1, 2026
June 12, 2009	Refunding O	228,760,000	228,760,000	August 1, 2022
December 17, 2009	Various Purposes	209,150,000	209,150,000	June 1, 2030
	Total	**$6,493,144,598**	**$2,596,740,000**	

Debt Service



Building Authority

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1981, c. 120)	**Revenue Bonds**	"Aa3"	"AA-"	"AA-"

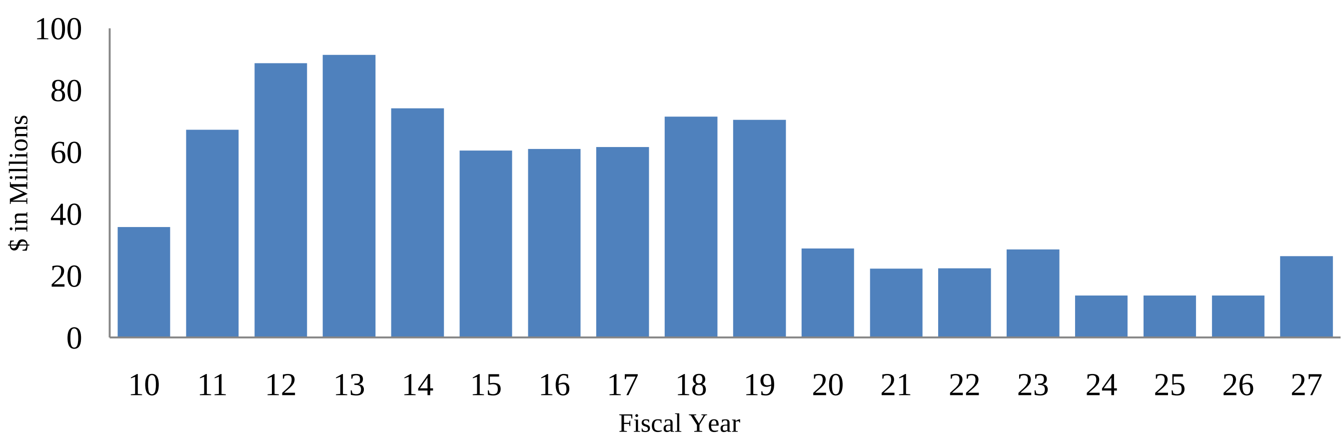
Overview

The New Jersey Building Authority was created in 1981 and established in the Department of the Treasury for the purpose of financing, acquiring, constructing, reconstructing, rehabilitating, and improving office buildings and related facilities for use by State agencies. The NJBA's role has since been expanded to include the design and construction of correctional facilities as well as the restoration and renovation of historic public buildings. Debt service on the bonds is payable pursuant to a lease between the State Treasurer and the Authority, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
August 24, 2000	2000A	$29,000,000	$1,455,000	June 15, 2012
November 26, 2002	2002A	63,375,000	6,215,000	December 15, 2012
December 12, 2002	2002B (Ref)	210,515,000	108,860,000	December 15, 2015
September 3, 2003	2003A (Ref) VRDB	189,950,000	171,650,000	June 15, 2023
December 9, 2004	2004A	4,080,000	2,165,000	June 15, 2014
December 14, 2004	2004B (Ref)	48,795,000	22,280,000	December 15, 2016
August 17, 2006	2006A	48,745,000	42,130,000	June 15, 2027
November 15, 2007	2007A	96,665,000	89,760,000	June 15, 2027
November 15, 2007	2007B (Ref)	119,675,000	95,715,000	June 15, 2018
June 11, 2009	2009A (Ref)	90,470,000	90,470,000	December 15, 2026
December 1, 2009	2009B (Ref)	30,925,000	30,925,000	December 15, 2022
	Total	**$932,195,000**	**$661,625,000**	

Debt Service(1)



(1) Interest on variable rate demand bonds is modeled with rates as of June 30, 2010.

EDA – Business Employment Incentive Program

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1996, c. 26) **(P.L. 2003, c. 166)**	**Installment Obligations**	"A1"	"AA-"	"AA-"

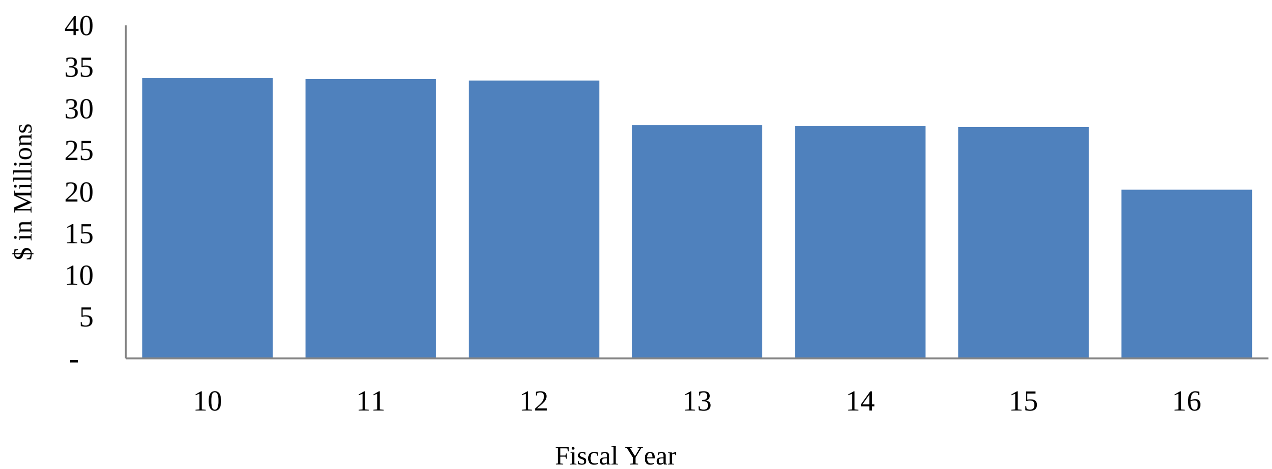
Overview

The Business Employment Incentive Act of 1996 authorized the EDA to award grants to businesses that are expanding or relocating within the State. The Act was amended in 2003 to allow the EDA to issue bonds to finance the grants as well as modify some of the specific terms and conditions of the grants. Under the 2003 amendment, most businesses must generate 25 new jobs two years from the effective date of the agreement to be eligible for the grants. However, if the business falls into certain categories such as high-technology, biotechnology or advance materials, the business must generate 10 new positions in two years. The grant amounts are between 10 and 50 percent of the state income taxes withheld on the newly created jobs or between 10 and 30 percent of the estimated tax of partners of an eligible partnership. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EDA, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
October 29, 2004	2004A	$19,035,000	$9,925,000	November 1, 2011
October 29, 2004	2004B	43,665,000	32,800,000	November 1, 2014
October 25, 2005	2005A	78,150,000	52,005,000	November 1, 2015
October 25, 2005	2005B	79,000,000	52,120,000	November 1, 2015
	Total	**$219,850,000**	**$146,850,000**	

Debt Service



EDA – Cigarette Tax Revenue

New Jersey Economic Development Authority

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 2004, c.68)	**Installment Obligations**	"Baa3"	"BBB"	N/R

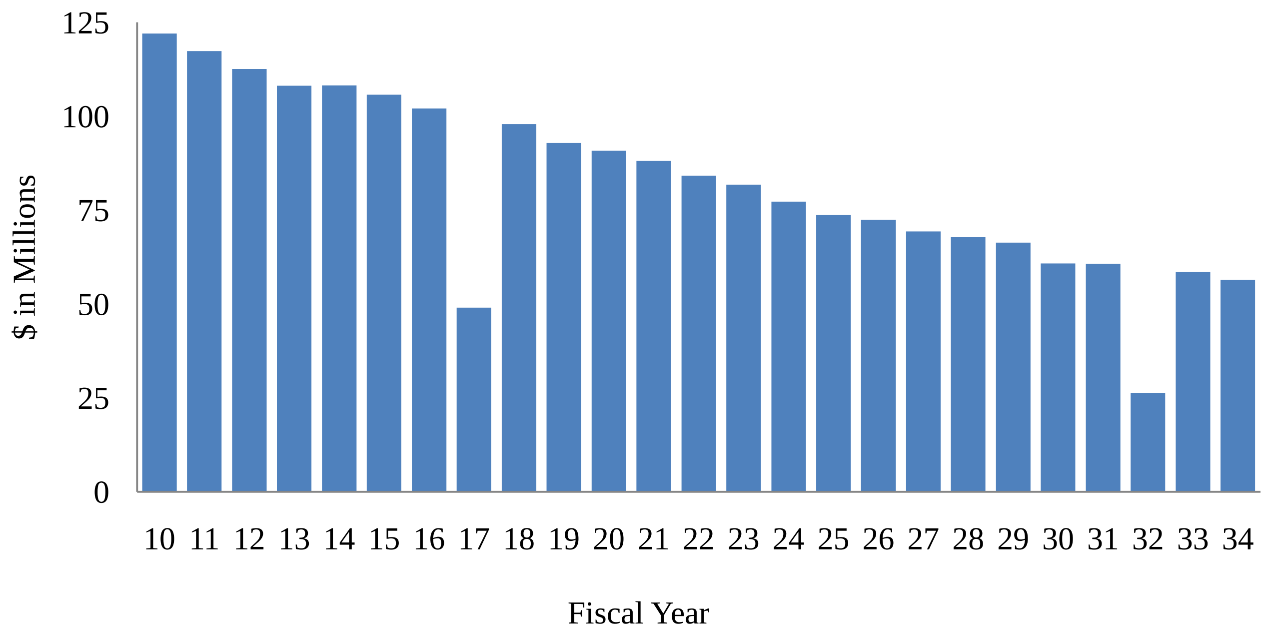
Overview

The Cigarette Tax Securitization Act authorized the EDA to issue bonds payable from, and secured by, a dedicated portion of cigarette tax revenues received by the State each fiscal year. The dedicated portion is equivalent to the revenue collected by the State from $0.0325 per cigarette. The Act also authorized the State Treasurer to use the proceeds of the bond issue for any legal purpose for which moneys on deposit in the General Fund may be used. Dedicated cigarette tax revenues in excess of amounts required for debt service are used to redeem outstanding bonds. Debt service on the bonds is payable pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
October 14, 2004	2004	$1,461,030,000	$1,138,610,000	June 15, 2034
	Total	**$1,461,030,000**	**$1,138,610,000**	

Debt Service



EDA – Department of Human Services

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Installment Obligations**	N/R	"A"	N/R

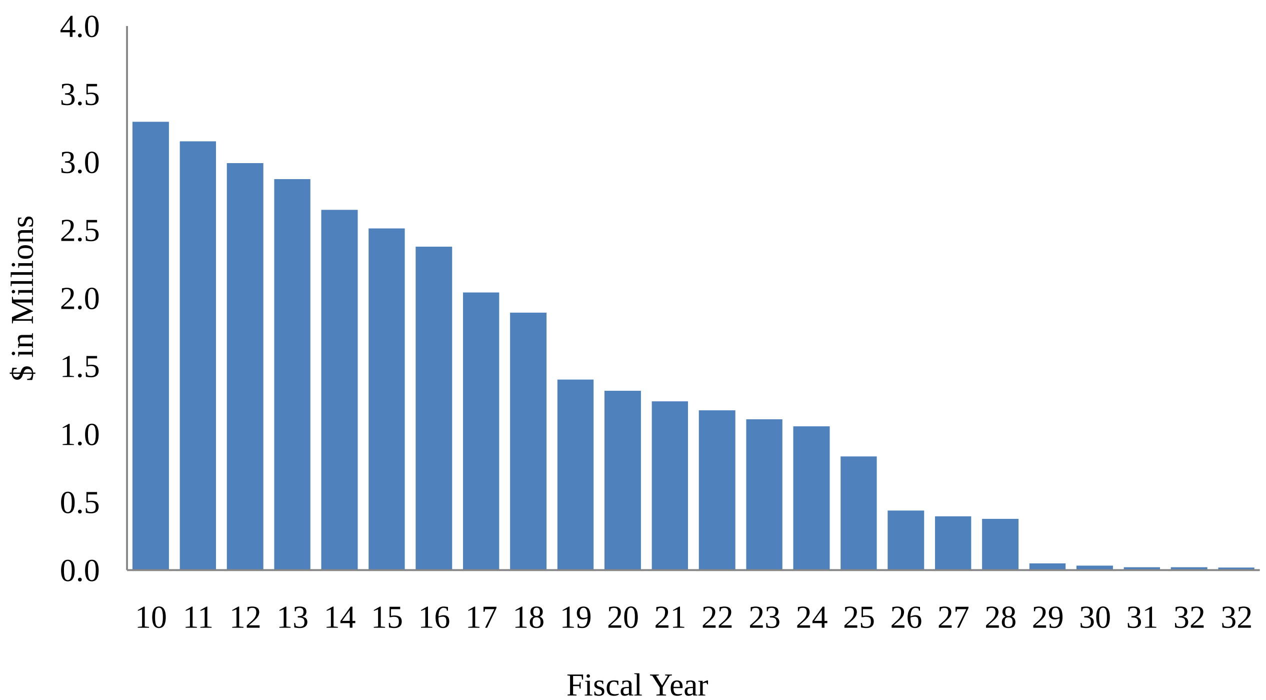
Overview

The EDA has issued bonds to finance loans to various nonprofit corporations which provide certain social services, including mental health, youth and developmentally disabled. The payment of debt service on these bonds as well as the payment of certain other expenses incurred by the social service providers is made by the State pursuant to service contracts between the State Department of Human Services and these providers, subject to appropriation by the State Legislature. The contracts have one-year terms and are subject to annual renewal.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 15, 1999	1999A	$8,810,000	$5,230,000	July 1, 2024
December 15, 1999	1999B(Ref)	6,670,000	2,865,000	July 1, 2017
June 26, 2002	2002 (Ref)	24,750,000	13,840,000	July 1, 2032
	Total	$40,230,000	$21,935,000	

Debt Service



EDA – Designated Industries Economic Growth and Development

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	**S&P**	**Fitch**
(P.L. 2003, c, 166) **(P.L. 2003, c. 274)**	**Installment Obligations**	"A1"	"AA-"	"AA-"

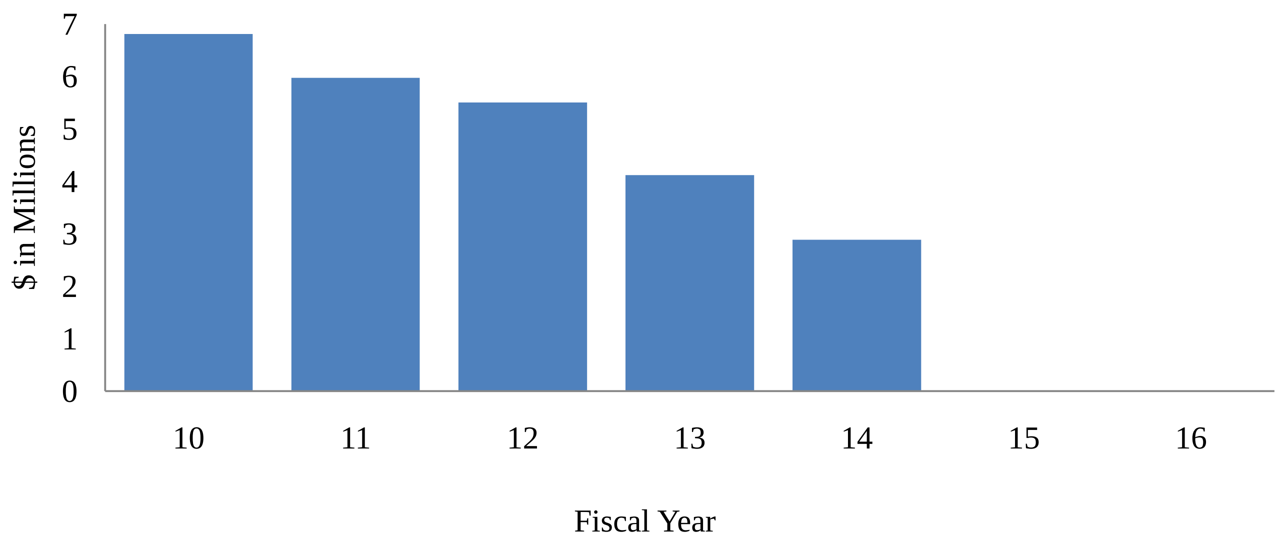
Overview

The EDA has issued bonds to provide funds to certain designated industries that have the greatest potential to create jobs and promote State development strategies. Initiatives funded under this program include encouraging the growth of certain high-technology and biotechnology industries; improving grants to targeted economic clusters; promoting smart growth strategies; and supporting economic growth along the Pennsylvania border. Debt service on the bonds is payable pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
April 22, 2004	2004A	$50,650,000	$16,625,000	March 1, 2014
	Total	**$50,650,000**	**$16,625,000**	

Debt Service



EDA – Economic Recovery Fund

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1992, c. 16)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

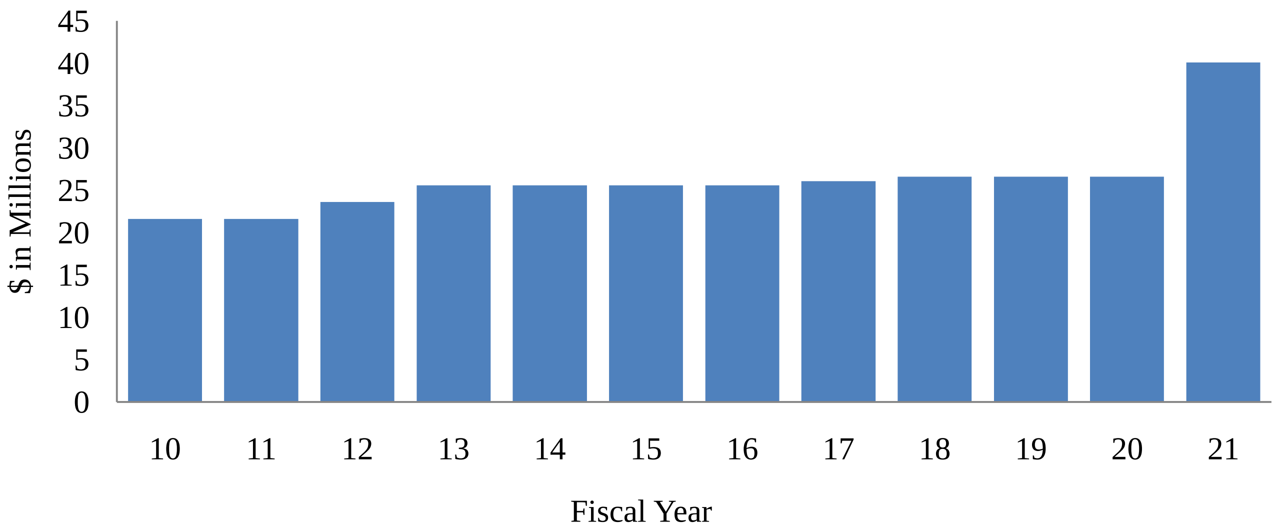
Overview

The Economic Recovery Fund Act of 1992 established the Economic Recovery Fund to provide a source of funds for economic development projects, to establish new programs to assist small business, and to leverage funds for economic recovery through such mechanisms as public-private partnerships, grants, guarantees and direct loans. The Act also authorized the EDA to issue bonds for the purposes of the Economic Recovery Fund. Pursuant to the Act, the EDA and the State Treasurer entered into an agreement through which the EDA has agreed to undertake the financing of certain projects and the State Treasurer has agreed to credit the Fund from the General Fund amounts equivalent to payments due to the State under an agreement with the Port Authority of New York and New Jersey. Debt service on the bonds is payable from such amounts provided under the State contract, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
October 1, 1992	1992	$171,493,703	$108,283,285	March 15, 2021
October 6, 2003	2003A(Ref)	54,716,361	52,196,361	March 15, 2021
	Total	**$226,210,064**	**$160,479,646**	

Debt Service



EDA – Green Lights Energy Conservation Program

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

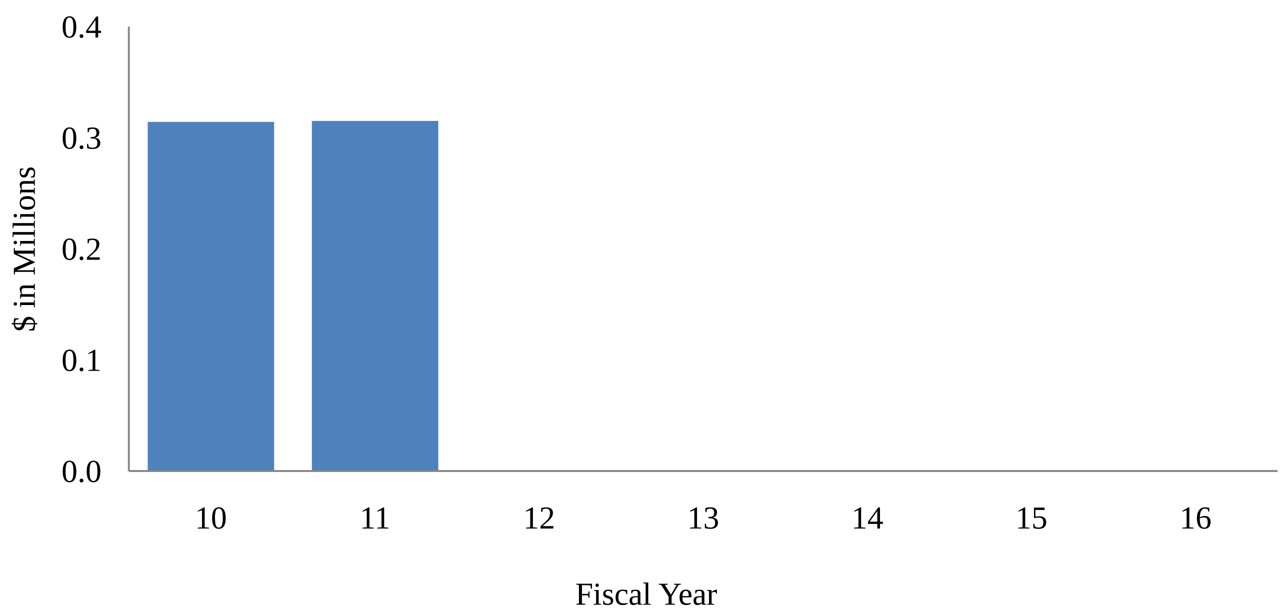
Overview

The EDA has issued bonds for the purpose of financing a portion of the costs of the acquisition of certain energy saving equipment and the installation thereof in various buildings used by the State located in Mercer County. Debt service on the bonds is payable pursuant to a lease between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 28, 1995	1995	$7,010,000	$300,000	January 15, 2011
	Total	**$7,010,000**	**$300,000**	

Debt Service



EDA – Economic Development (Lafayette Yard Hotel)

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Not Included in CAFR**	"Aa3"	"AA-"	"AA-"

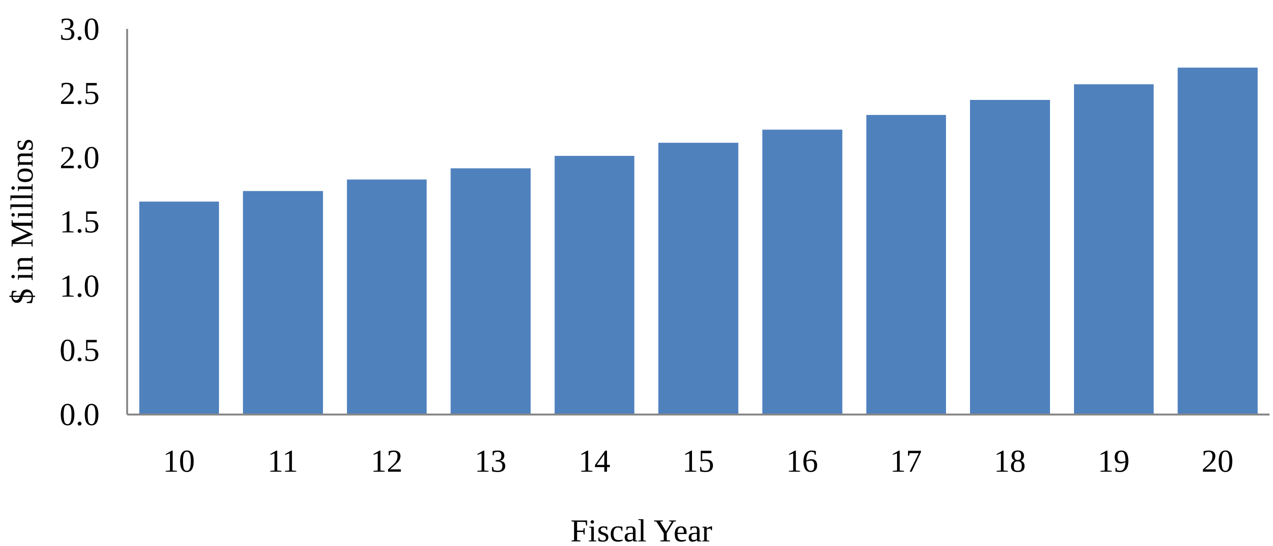
Overview

The EDA has issued bonds to refund and defease a portion of the City of Trenton's outstanding Hotel/Conference Center Project Revenue Bonds, Refunding Series 2001 (City of Trenton Guaranteed). The original bonds funded a portion of the cost of constructing a hotel and conference center in the City of Trenton. The bonds are secured by Payments In Lieu Of Taxes (PILOT) made by the EDA in connection with certain real estate it owns to the City of Trenton, which has pledged and assigned its right to receive such payments to a trustee bank on behalf of the bondholders. Pursuant to a lease of the property between the State Treasurer and the EDA, the State makes additional rent payments to the EDA equivalent to the PILOT payment, subject to annual appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
March 29, 2007	2007	$18,250,000	$16,000,000	April 1, 2020
	Total	**$18,250,000**	**$16,300,000**	

Debt Service



EDA – Liberty State Park – Science Center Projects

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

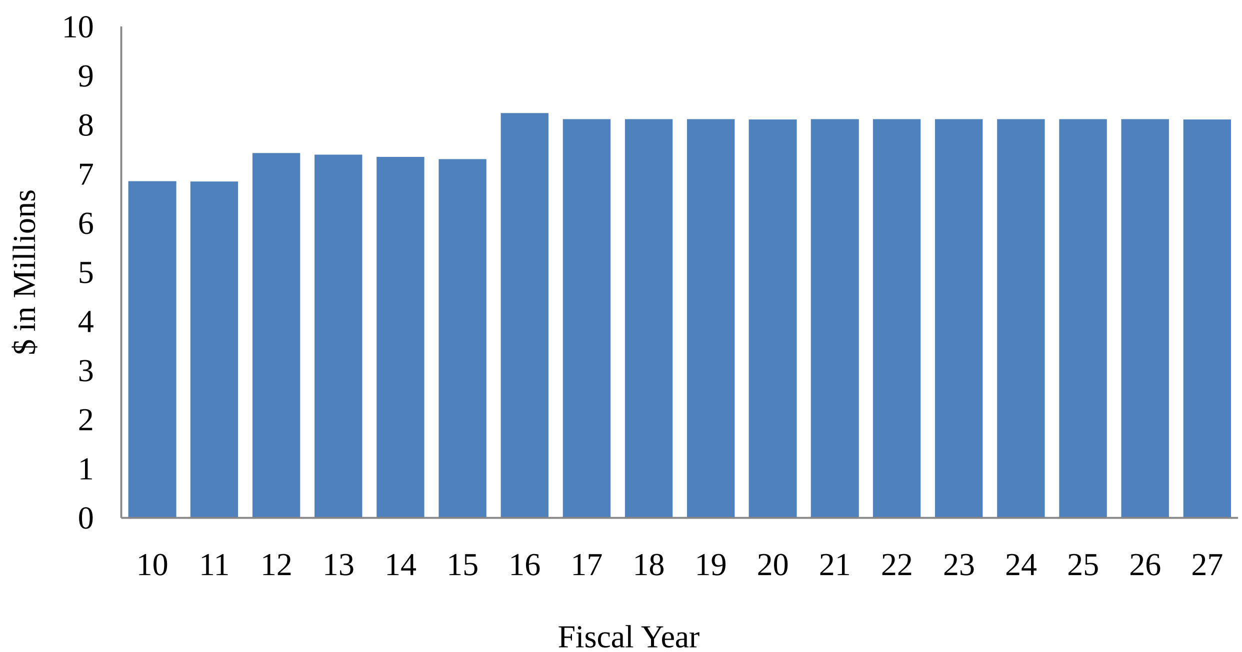
Overview

The EDA has issued bonds for (i) the design, construction, renovation, expansion and acquisition of exhibits for the Liberty Science Center, which included the renovation of the existing building and the construction of a new addition, (ii) the renovation and improvement of the parking lot owned by the New Jersey Department of Environmental Protection (the "DEP"), which is leased to the NJEDA and subleased back to the DEP for operation and (iii) the improvement of the Central Railroad of New Jersey Terminal at Liberty State Park. Debt service on the bonds is payable pursuant to a lease between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 17, 2003	2003A	$14,200,000	$11,780,000	March 1, 2024
April 25, 2005	2005B	43,825,000	39,885,000	March 1, 2027
August 11, 2005	2005C	37,245,000	36,750,000	March 1, 2027
	Total	**$95,270,000**	**$88,415,000**	

Debt Service



EDA – Liberty State Park – Park Projects

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

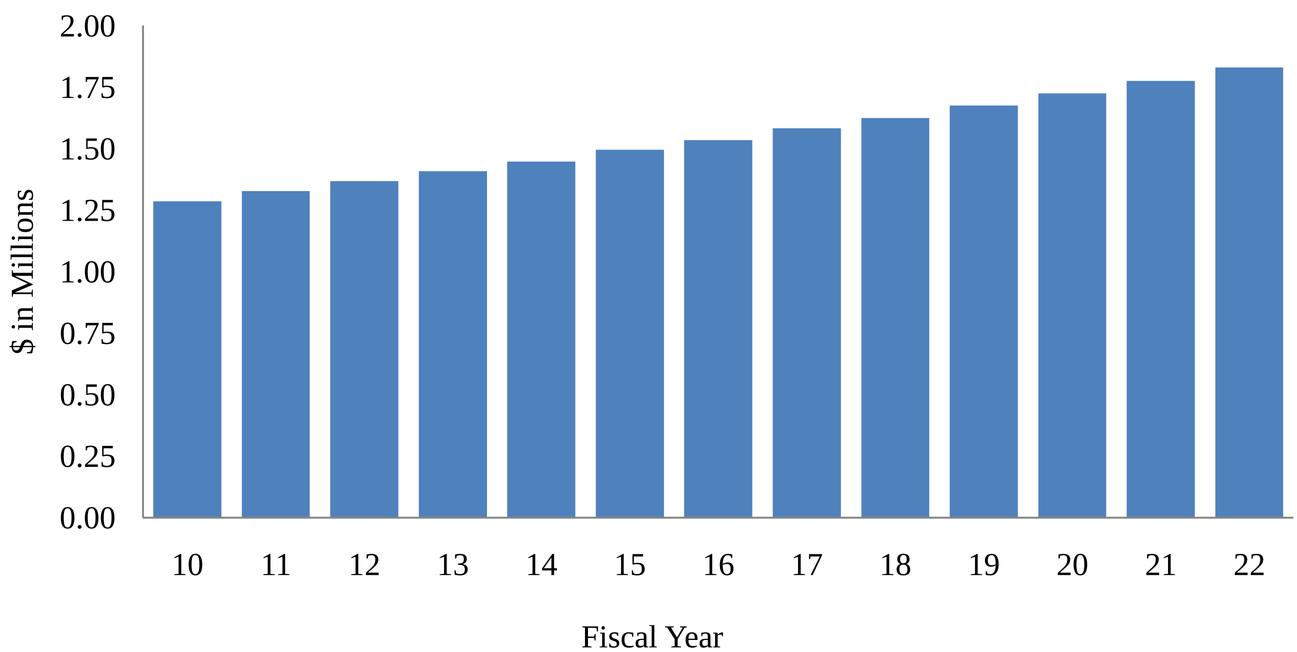
Overview

The EDA has issued bonds for (i) the construction of a parking lot adjacent to the Liberty Science Center, (ii) the expansion and renovation of another parking lot at Liberty State Park, (iii) the acquisition and development of a system for transporting park visitors between attractions and (iv) acquisition and construction of various infrastructure, landscaping, active recreation and open space elements in the park. Debt service on the bonds is payable pursuant to a lease between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
March 31, 1992	1992	$1,478,768	$300,892	March 15, 2012
May 3, 1996	1996(Ref)	13,545,000	$11,990,000	March 15, 2022
	Total	**$15,023,768**	**$12,290,892**	

Debt Service



EDA – Market Transition Facility

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1994, c. 57)	**Installment Obligations**	"Aa3"	"AA-"	"N/R"

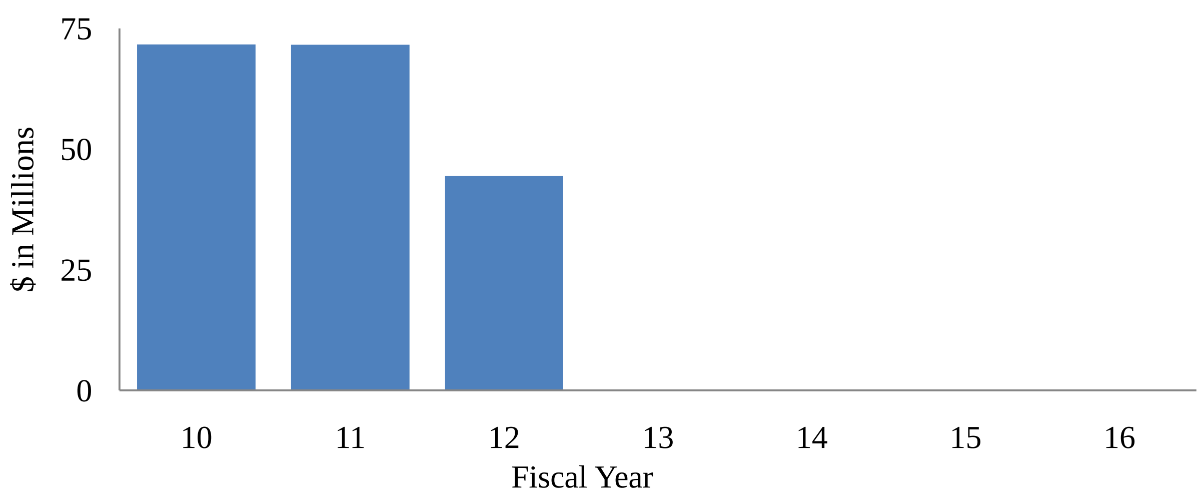
Overview

The Good Driver Protection Act of 1994 authorized the EDA to issue bonds to pay the current and anticipated liabilities and expenses of the Market Transition Facility which issued private passenger automobile insurance policies for drivers who could not be insured by private insurance companies on a voluntary basis. The original bonds were issued in 1995 and were refunded in 2001. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EDA, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
November 28, 2001	2001A(Ref)	$446,995,000	$111,105,000	July 1, 2011
	Total	**$446,995,000**	**$111,105,000**	

Debt Service



EDA – Motor Vehicle Commission

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 2003, c. 13)	**Installment Obligations**	"Aa3"	"AA-"	N/R

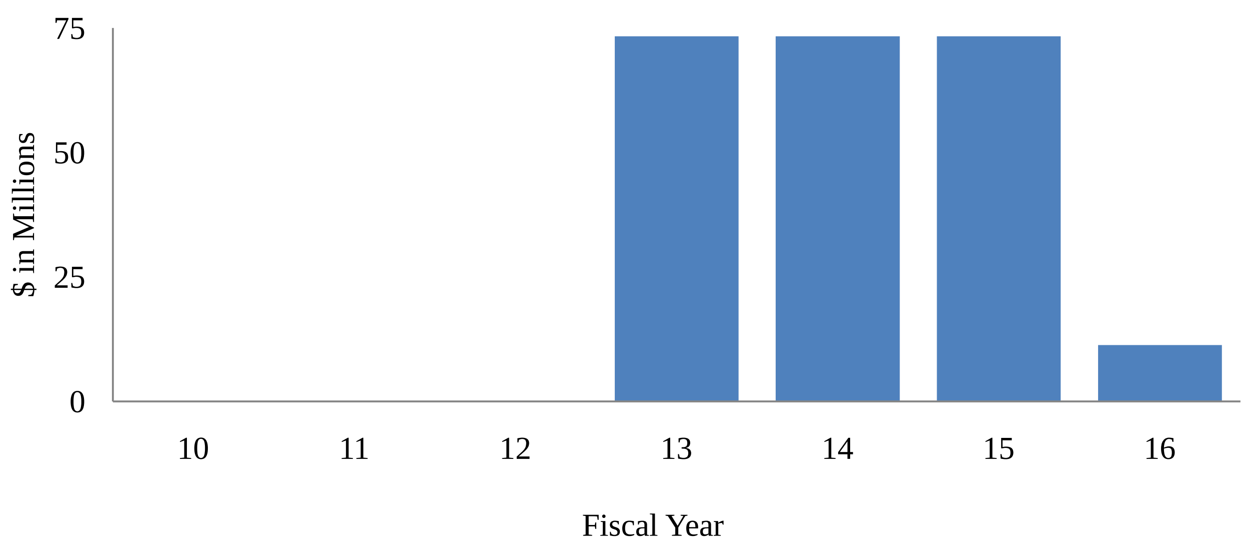
Overview

The Motor Vehicle Security and Customer Service Act of 2003 authorized the EDA to issue bonds to pay the costs of capital improvements for New Jersey Motor Vehicle Commission facilities, and to provide $10 million to the Administrative Office of the Courts for improvements to the automated traffic system. The legislation provides that bonds shall not be issued in an aggregate principal amount exceeding $160 million without the prior approval of the Joint Budget Oversight Committee. The bonds are secured by the moneys in the Market Transition Facility Revenue Fund when all currently outstanding Market Transition Facility Bonds are retired. Debt service on the bonds is payable solely from the pledged surcharge revenues pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature. General revenues of the State are not pledged to repay these bonds.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
June 19, 2003	2003A	$159,998,107	$159,998,107	July 1, 2015
	Total	**$159,998,107**	**$159,998,107**	

Debt Service



EDA – Motor Vehicle Surcharges (Special Needs Housing)

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	**S&P**	**Fitch**
(P.L. 2005, c. 163) (P.L. 2004, c. 70)	**Installment Obligations**	"A3"	"A"	N/R

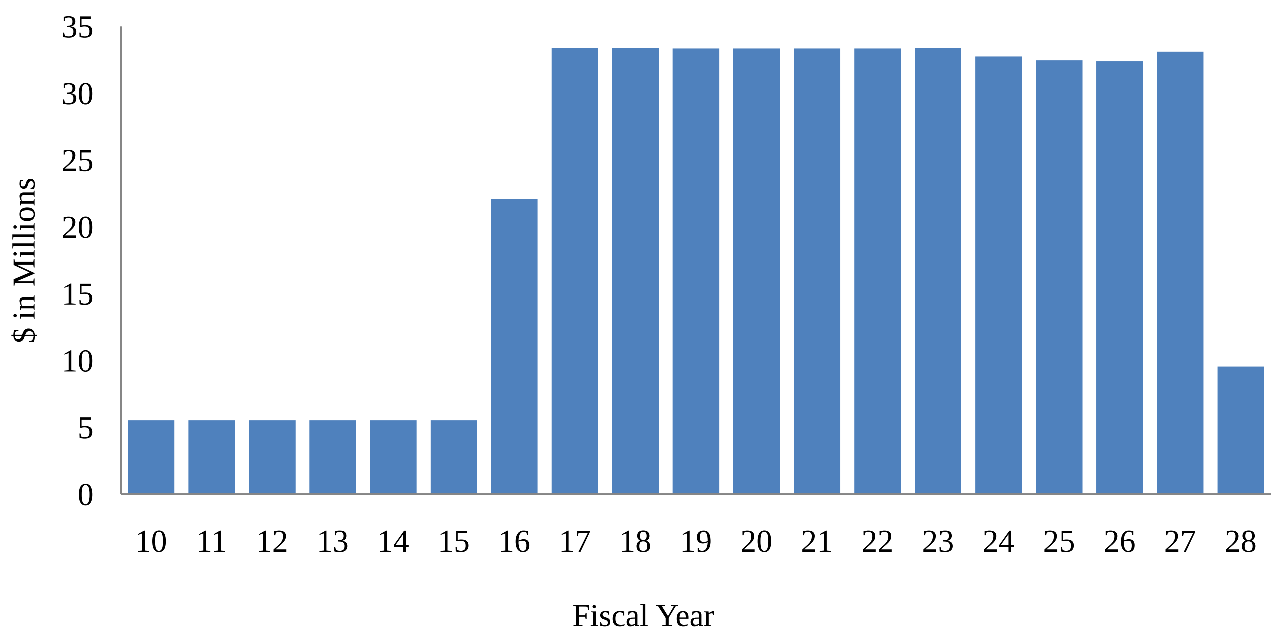
Overview

The Special Needs Housing Trust Fund Act of 2005 amended the Motor Vehicle Surcharges Act of 2004 and authorized the EDA to issue bonds in an amount not to exceed $200 million to fund grants and loans for the costs of special needs housing projects in the State. Upon issuance, proceeds of the bonds are delivered to the New Jersey Housing and Mortgage Finance Agency for expenditure pursuant to the Act. The bonds are payable from, and secured by certain dedicated motor vehicle surcharge revenues. The pledge of certain of the surcharges is subject and subordinate to the Market Transition Facility bonds and the Motor Vehicle Commission Bonds. Debt service on the bonds is payable solely from the pledged revenues pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature. General revenues of the State are not pledged to repay these bonds.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 22, 2005	2005A	$51,381,886	$51,381,886	July 1, 2019
September 7, 2007	2007A1-A2-B	155,126,311	155,126,311	July 1, 2027
	Total	**$206,508,197**	**$206,508,197**	

Debt Service



EDA – Motor Vehicle Surcharges

New Jersey Economic Development Authority

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	**S&P**	**Fitch**
(P.L. 2004, C. 70)	**Installment Obligations**	"A3"	"A"	N/R

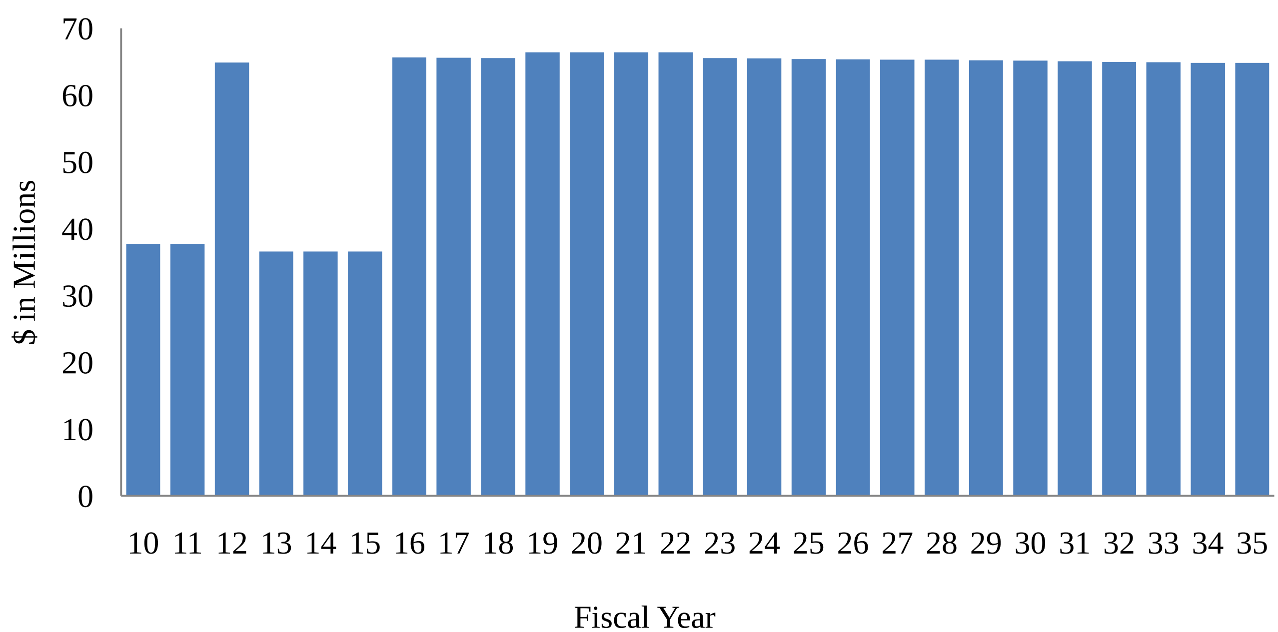
Overview

The Motor Vehicle Surcharges Act of 2004 authorized the EDA to issue bonds payable from, and secured by, certain defined motor vehicle surcharge revenues. The Act also authorized the State Treasurer to use the proceeds of the bond issue for any legal purpose for which moneys on deposit in the General Fund may be used. The pledge of certain of the surcharges is subject and subordinate to the Market Transition Facility bonds and the Motor Vehicle Commission Bonds. Debt service on the bonds is payable solely from the pledged revenues pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature. General revenues of the State are not pledged to repay these bonds. (The Act was amended in 2005 to authorize the EDA to issue up to $200 million of motor vehicle surcharge revenue bonds to fund grants and loans for special needs housing projects in the State. Those bonds are described separately in this report.)

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
August 25, 2004	2004A	$807,502,356	$807,502,356	January 1, 2035
	Total	**$807,502,356**	**$807,502,356**	

Debt Service



EDA – Municipal Rehabilitation

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 2002, c. 43)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

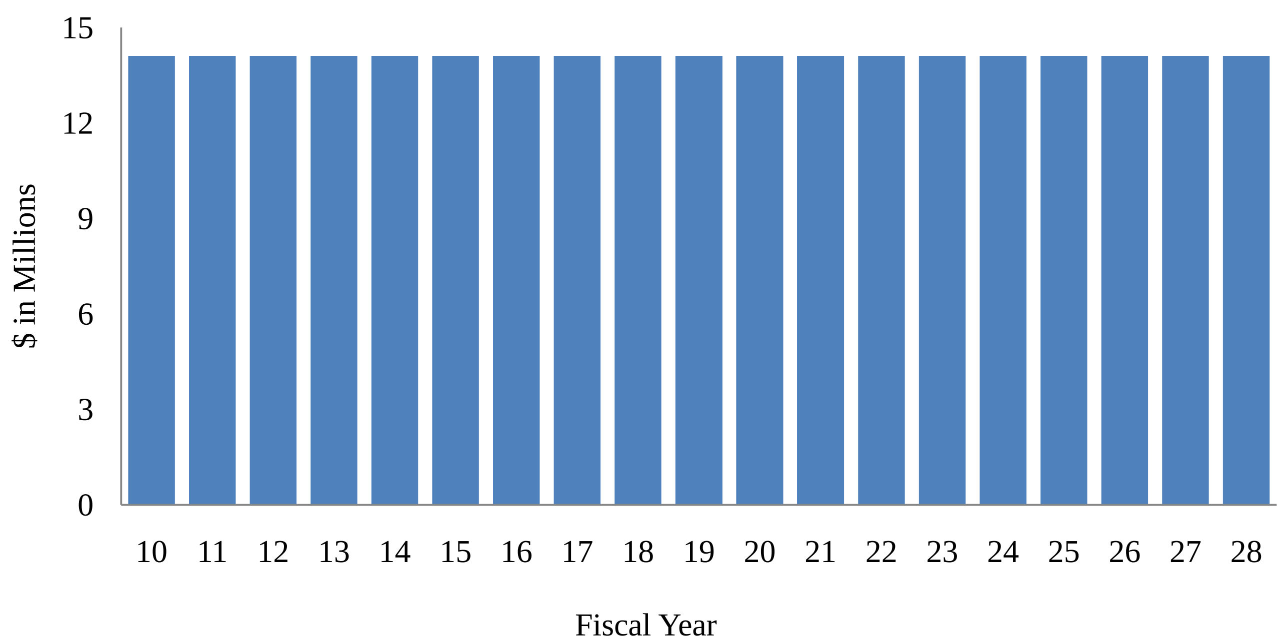
Overview

The Municipal Rehabilitation and Economic Recovery Act of 2002 authorized the EDA to issue bonds for the purpose of providing loans and grants to sustain economic activity in certain qualified municipalities as defined in the Act. Debt service on the bonds is paid pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
April 9, 2003	2003A	$48,975,000	$48,975,000	April 1, 2028
April 9, 2003	2003B	132,030,000	111,740,000	April 1, 2025
	Total	**$181,005,000**	**$160,715,000**	

Debt Service



EDA – New Jersey Performing Arts Center

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	S&P	Fitch
(P.L. 1974, c. 80)	Installment Obligations	"Aa3"	"AA-"	"AA-"

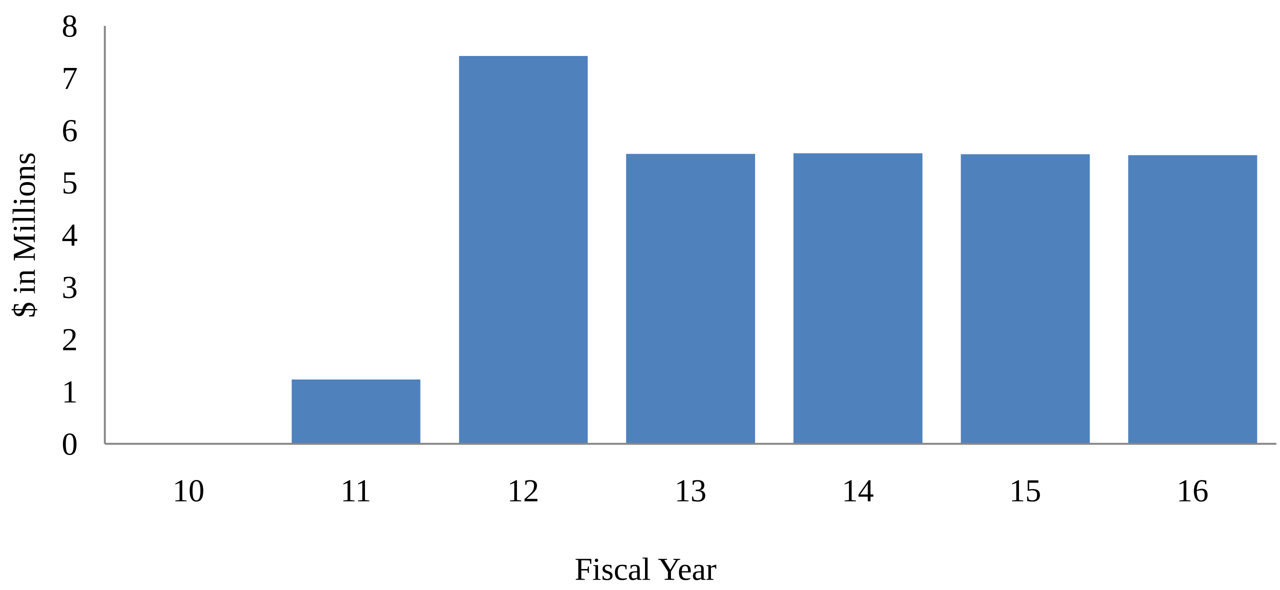
Overview

The EDA issued bonds for the purpose of constructing the New Jersey Performing Arts Center located in Newark. The Arts Center project consisted of site acquisition and development of a state-of-the-art center with multi-purpose theaters and support facilities, surface parking and open plazas. The original bonds were issued in 1996 with a par amount of $62.91 million. The outstanding balance of this series was refunded in Fiscal Year 2010. Debt service is payable under a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 14, 2009	2009 (Ref)	$26,920,000	$26,920,000	June 15, 2016
	Total	**$26,920,000**	**$26,920,000**	

Debt Service



EDA – New Jersey Transit Light Rail System

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

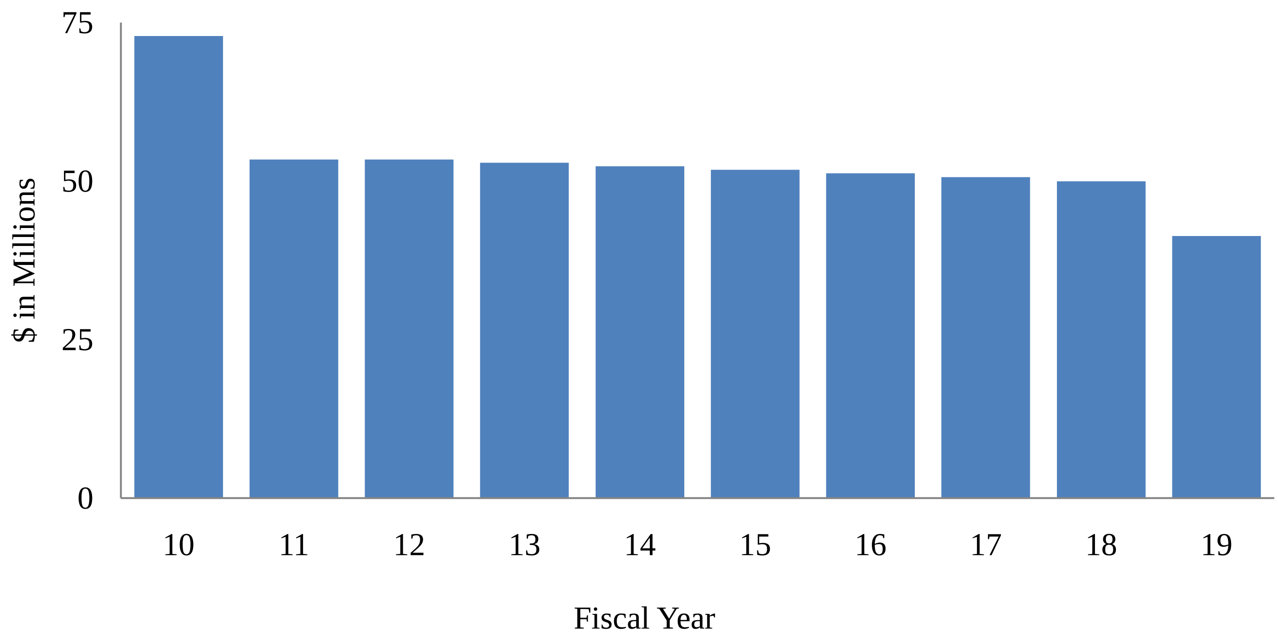
Overview

The EDA has issued bonds to finance portions of the costs of certain light rail projects of the New Jersey Transit Corporation. The projects included the design, acquisition, construction and equipping of the Hudson-Bergen Light Rail and the Southern New Jersey Light Rail Transit Systems. Pursuant to sublease agreements between the NJ Transit and the EDA, NJ Transit is required to make rental payments to the EDA in amounts sufficient enough to pay debt service on the bonds. These rental payments are in turn secured by amounts the Corporation receives from the State under Funding Agreements approved by the State Commissioner of Transportation. Pursuant the Funding Agreements, the State makes payments to NJ Transit from amounts appropriated by the State Legislature to the Transportation Trust Fund Authority for such purposes.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
August 31, 1999	1999 A	$633,825,000	$30,870,000	May 1, 2011
August 14, 2008	2008 A (Ref)	342,115,000	333,430,000	May 1, 2019
	Total	**$975,940,000**	**$364,300,000**	

Debt Service



EDA – School Facilities Construction

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 2000 c. 72, §§ 1-30, 57-71) (P.L. 2008, c. 39)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

Overview

The Education Facilities Construction and Financing Act authorized the EDA to issue bonds and other obligations to finance the State's share of costs for various school facilities projects being undertaken by, or for the benefit of, school districts throughout the State. Upon the issuance of bonds, the EDA delivers the proceeds of the bonds to the Schools Development Authority (the successor agency to the former Schools Construction Corporation), for expenditure in accordance with the Act. The original Act provides that the aggregate principal amount of the bonds, notes or other obligations which may be issued by the Authority for the State's share of costs of school facilities projects shall not exceed: $100 million for county vocational school districts, $6.0 billion for "Abbott" districts, and $2.5 billion for all other districts. The Act was amended in 2008 to authorize additional bonds for the State's share of costs of school facilities projects in an aggregate principal amount not to exceed $50 million for county vocational school districts, $2.9 billion for SDA (formerly "Abbott") districts, and $1.0 billion for all other districts. Debt service on the EDA's School Facilities Construction Bonds is payable pursuant to a contract between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

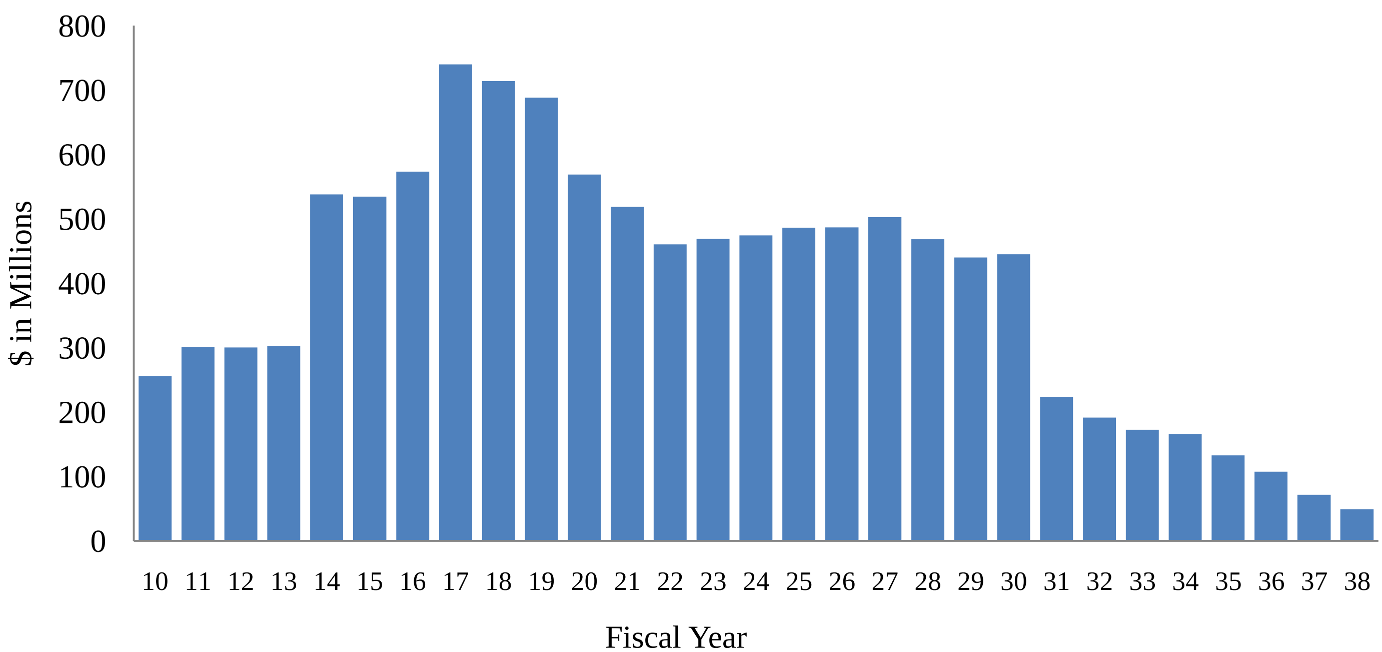
Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 28, 2001	2001B QZAB	$8,600,000	$8,600,000	June 15, 2015
October 16, 2002	2002C	600,000,000	291,665,000	June 15, 2027
December 30, 2002	2002D QZAB	29,400,000	29,400,000	December 15, 2016
March 14, 2003	2003E QZAB	7,929,000	7,929,000	March 14, 2018
August 7, 2003	2003F	600,000,000	21,665,000	June 15, 2014
January 23, 2004	2004G	650,000,000	182,155,000	September 1, 2029
August 31, 2004	2004I	250,000,000	62,770,000	September 1, 2019
August 31, 2004	2004J	500,000,000	198,950,000	September 1, 2029
January 27, 2005	2005K (Ref)	700,000,000	662,880,000	December 15, 2021
April 6, 2005	2005L	150,000,000	125,620,000	March 1, 2030
May 23, 2005	2005N (Ref)	677,465,000	677,065,000	September 1, 2029
October 4, 2005	2005O	750,000,000	627,455,000	March 1, 2030
December 15, 2005	2005P	175,000,000	152,325,000	September 1, 2030
December 21, 2005	2005Q	500,000,000	53,215,000	March 1, 2022
November 2, 2006	2006R VRDB	500,000,000	437,570,000	September 2, 2032
November 2, 2006	2006S	100,000,000	100,000,000	September 1, 2036
October 4, 2007	2007T	500,000,000	215,465,000	September 1, 2032
October 4, 2007	2007U	300,000,000	287,660,000	September 1, 2037
April 30, 2008	2008V(Ref)VRDB	1,132,025,000	1,132,025,000	March 1, 2031
April 30, 2008	2008W (Ref)	455,940,000	325,055,000	March 1, 2019

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
June 4, 2008	2008X VRDB	250,000,000	231,750,000	September 1, 2033
June 3, 2008	2008Y	200,000,000	175,740,000	September 1, 2033
January 29, 2009	2009Z	175,000,000	168,890,000	December 15, 2034
June 4, 2009	2009AA (Ref)	183,670,000	183,670,000	December 15, 2033
August 20, 2009	2009BB	200,000,000	190,305,000	September 1, 2034
May 17, 2010	2010CC-1	104,115,000	104,115,000	December 15, 2035
May 17, 2010	2010CC-2	48,910,000	48,910,000	December 15, 2032
May 17, 2010	2010DD-1 (Ref)	667,420,000	667,420,000	December 15, 2019
May 17, 2010	2010DD-2 (Ref)	35,740,000	35,740,000	December 15, 2015
May 17, 2010	2010B (Notes)	750,000,000	750,000,000	June 15, 2013
	Total	**$11,176,954,000**	**$8,156,009,000**	

Debt Service(1)(2)



(1) Interest on variable rate demand bonds is modeled with rates as of June 30, 2010.
(2) Debt service in FY2013 does not include $750 million 2010B Note principal; the EDA expects to refund these notes prior to their maturity.

EDA – State Office Buildings

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Capital Leases**	"Aa3"	"AA-"	"AA-"

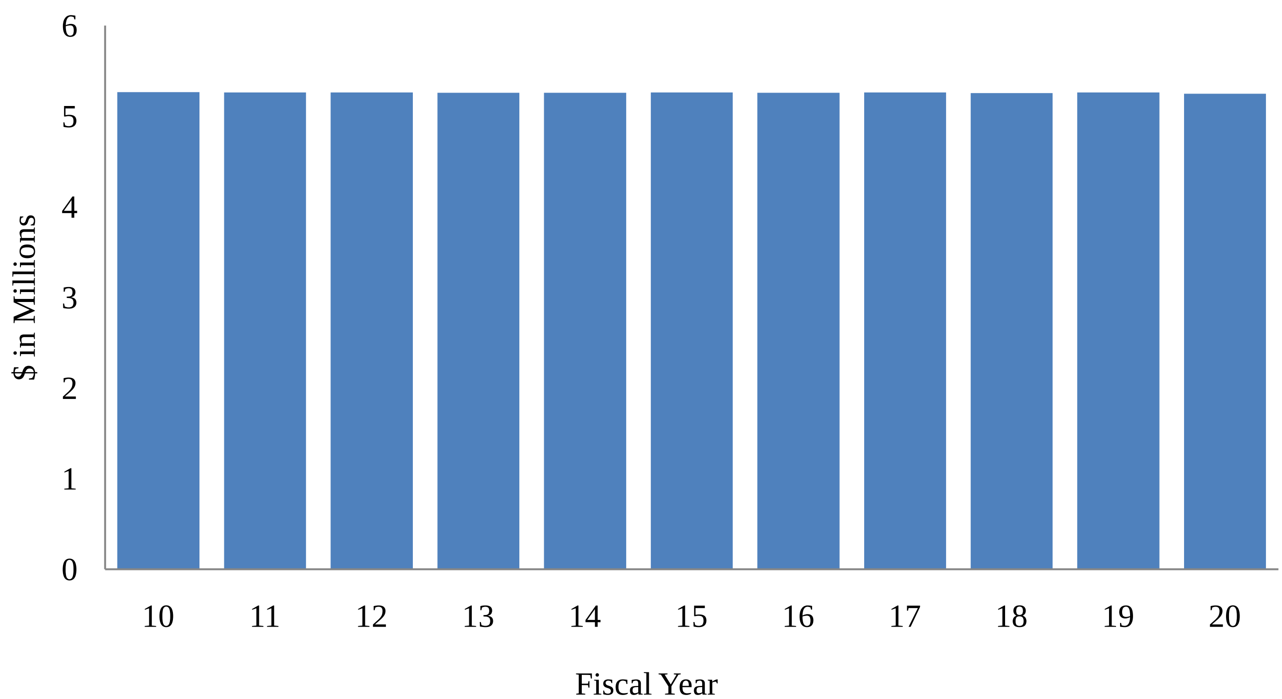
Overview

The EDA has issued bonds to finance or refinance the acquisition, renovation and/or construction of certain land, office buildings and improvements in Asbury Park, Camden, Cherry Hill and Trenton. Debt service on the bonds is payable pursuant to lease agreements between the EDA and the State, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
February 2, 2000	2000	$60,700,000	$6,015,000	June 15, 2012
November 16, 2004	2004 (Ref)	37,495,000	34,430,000	June 15, 2020
	Total	**$98,195,000**	**$40,445,000**	

Debt Service



EDA – State Pension Funding

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1997, c. 114)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

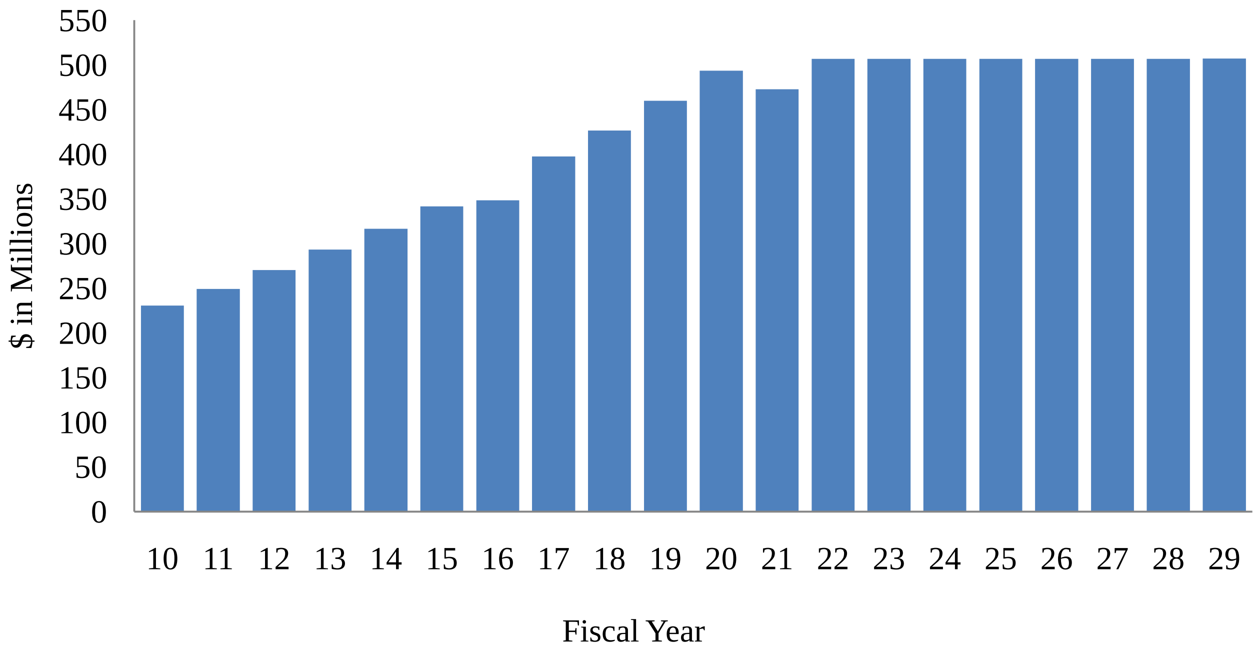
Overview

The Pension Bond Funding Act of 1997 authorized the EDA to issue bonds to fund a portion of the unfunded accrued pension liability for the State's retirement systems. The proceeds of the bonds, together with amounts derived from the revaluation of pension assets pursuant to companion legislation enacted at the same time, were sufficient to fully fund the then unfunded accrued pension liability. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EDA, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
June 30, 1997	1997A & B	$2,541,342,432	$2,155,467,412	February 15, 2029
March 13, 2003	2003 (Ref)	375,000,000	375,000,000	February 15, 2029
	Total	**$2,916,342,432**	**$2,530,467,412**	

Debt Service



EDA – Trenton Office Complex

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	**S&P**	**Fitch**
(P.L. 1974, c. 80)	**Capital Leases**	"Aa3"	"AA-"	"AA-"

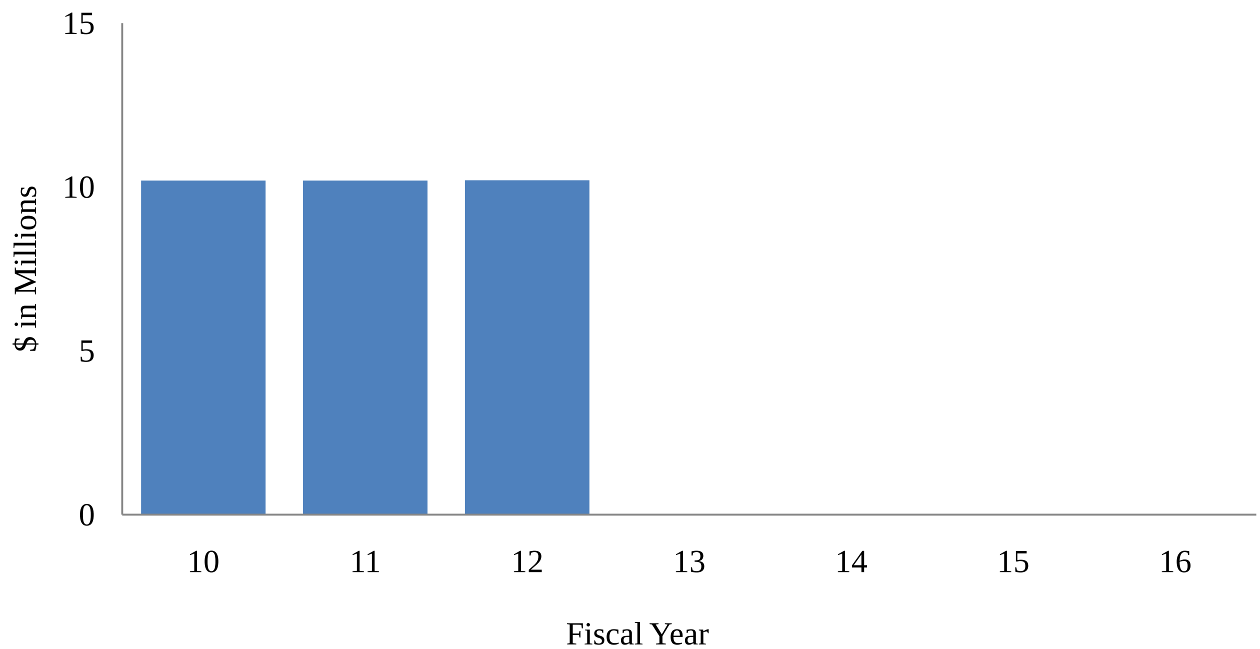
Overview

Beginning in 1989, the EDA issued bonds to finance the construction of (i) a building containing office space to be occupied by the Division of Motor Vehicles, plus retail space and common areas, (ii) a building containing office space and facilities to be occupied by the New Jersey Network, the State's public television station, (iii) a parking facility and (iv) prior to conveyance to the United State Postal Service, a new federal post office building. All of the original bonds have been refunded. Debt service on the bonds is payable pursuant to a lease agreement between the EDA and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
June 15, 1998	1998 (Ref)	$81,535,000	$18,905,000	June 15, 2012
	Total	$81,535,000	$18,905,000	

Debt Service



Educational Facilities Authority

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1967, c. 271)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

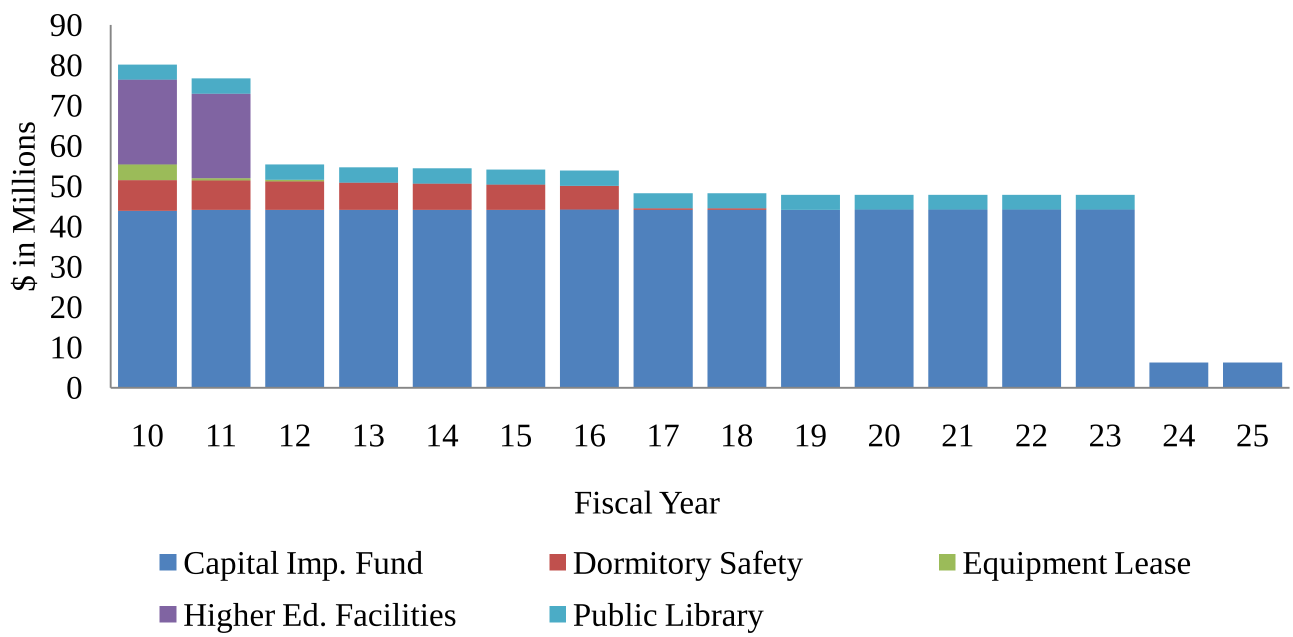
Overview

The New Jersey Educational Facilities Authority (the "EFA") was created in the 1960's for the purpose of financing certain capital needs of the state's public and private colleges and universities. The EFA primarily serves as a financing conduit, and any such bonds issued by the EFA are secured solely by revenues pledged by the institution; these bonds have no state backing, there is no pledge of resources by the State, and there is no recourse to the State, legal, moral or otherwise. As such, these bonds are NOT included or discussed in this report. For more information on the EFA's client-supported financings and other activities, please visit their website: http://www.njefa.com/.

The EFA is also authorized to issue bonds on behalf of county colleges under P.L. 1971, c. 12. Under this "Chapter 12" program, for bonds issued by county colleges (or by the EFA on behalf of county colleges) for certain capital expenses as defined in the statute, the State will cover 50% of the debt service, subject to annual appropriation. To date the EFA has one such bond issue on behalf of several county colleges. Those bonds are included in the "Chapter 12 – County College Bonds" profile in this report.

Beginning in 1993, the State from time to time enacted legislation authorizing the EFA to issue bonds supported by State revenues for certain capital programs as authorized in such legislation. Each such program and financing history is discussed on the following pages.

Debt Service



EFA - Dormitory Safety Trust Fund

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
(P.L. 2000, c. 56)	**Installment Obligations**	**Moody's:** "Aa3"	**S&P:** "AA-"	**Fitch:** "AA-"

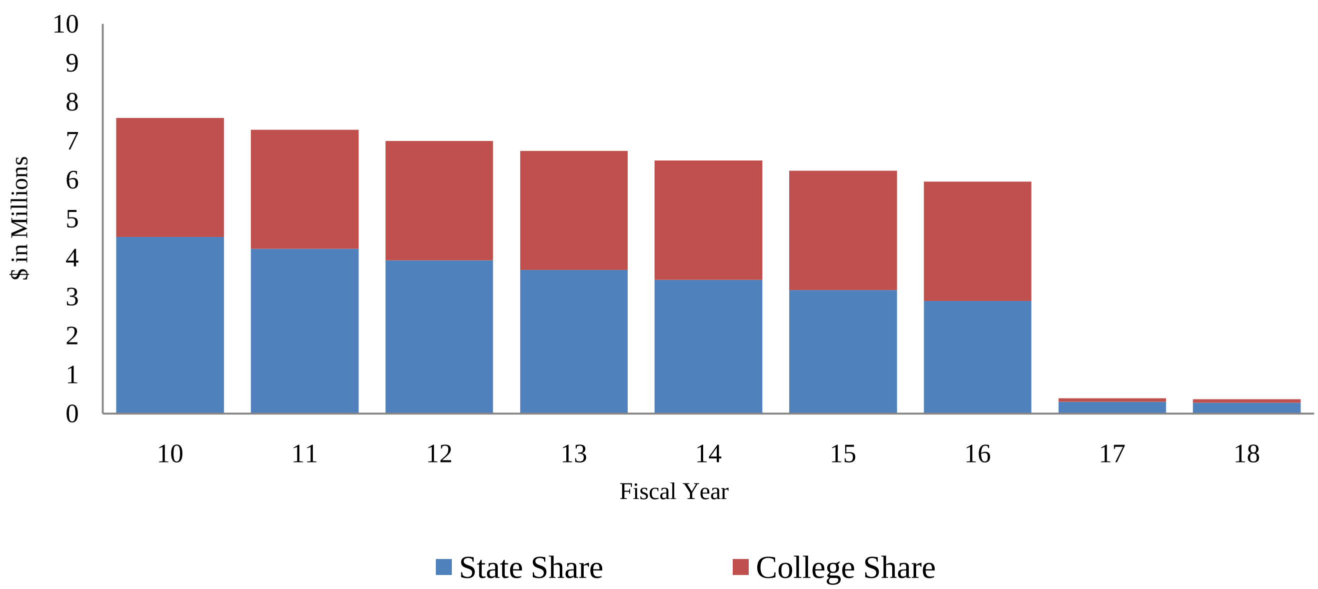
Overview

The Dormitory Safety Trust Fund Act authorized the EFA to issue up to $90 million in bonds to provide loans to educational institutions in the State for the installation of fire suppression systems at student residence buildings. The fund was created in response to a tragic dormitory fire at Seton Hall University. Loans provided to public and private institutions of higher education are at a zero percent interest rate. All loans provided to the schools and bonds issued by the EFA to finance the loans are required to have a term limit of no more than 15 years. In August 2001, the EFA issued $73.8 million bonds, which provided loans to 27 institutions. In October 2003, the EFA issued a second series of bonds totaling $5.44 million which provided loans to 12 institutions. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EDA, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
August 14, 2001	2001A	$67,970,000	$29,130,000	March 1, 2016
August 14, 2001	2001B	5,800,000	2,480,000	March 1, 2016
October 9, 2010	2003A	5,440,000	2,910,000	March 1, 2018
	Total	**$79,210,000**	**$34,520,000**	

Debt Service



EFA - Higher Education Capital Improvement Fund

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
(P.L 1999, c. 217)	**Installment Obligations**	**Moody's:** "Aa3"	**S&P:** "AA-"	**Fitch:** "AA-"

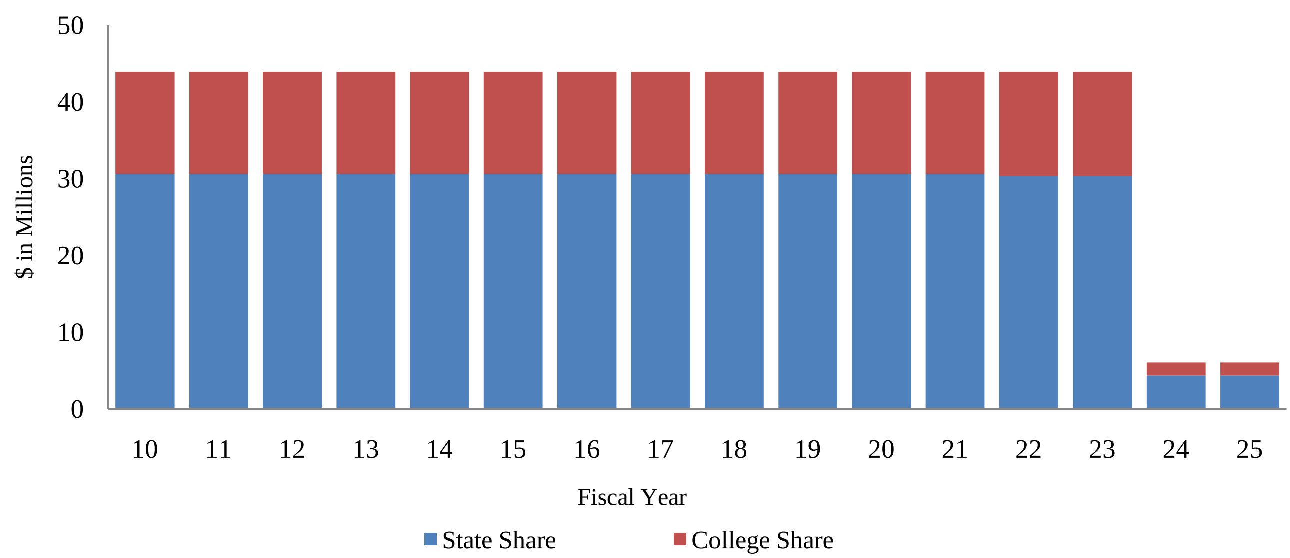
Overview

The Higher Education Capital Improvement Fund Act authorized the EFA to issue up to $550 million in bonds to fund grants to public and private four-year colleges and universities for certain capital improvements to their facilities and to improve and expand technological infrastructures. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EFA, subject to appropriation by the State Legislature. Each participating public college or university agrees to pay an amount equal to one-third of the debt service on its representative share of the bonds, whereas each participating private institution agrees to pay one-half of the debt service on its representative share of the bonds. Although the State contract requires payments from the State equal to the entire debt service on the bonds, payments received from the colleges are used to offset the expense.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
July 31, 2000	2000A	$132,800,000	$19,375,000	September 1, 2012
December 20, 2000	2000B	145,295,000	21,540,000	September 1, 2012
November 21, 2002	2002A	194,590,000	25,560,000	September 1, 2022
April 14, 2004	2004A	76,725,000	43,390,000	September 1, 2020
August 10, 2005	2005A(Ref)	169,790,000	168,840,000	September 1, 2019
October 26, 2006	2006A(Ref)	155,460,000	153,975,000	September 1, 2024
	Total	**$874,660,000**	**$432,680,000**	

Debt Service



EFA – Higher Education Facilities Trust Fund

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
(P.L. 1993, c. 375)	**Installment Obligations**	**Moody's:** "Aa3"	**S&P:** "AA-"	**Fitch:** "AA-"

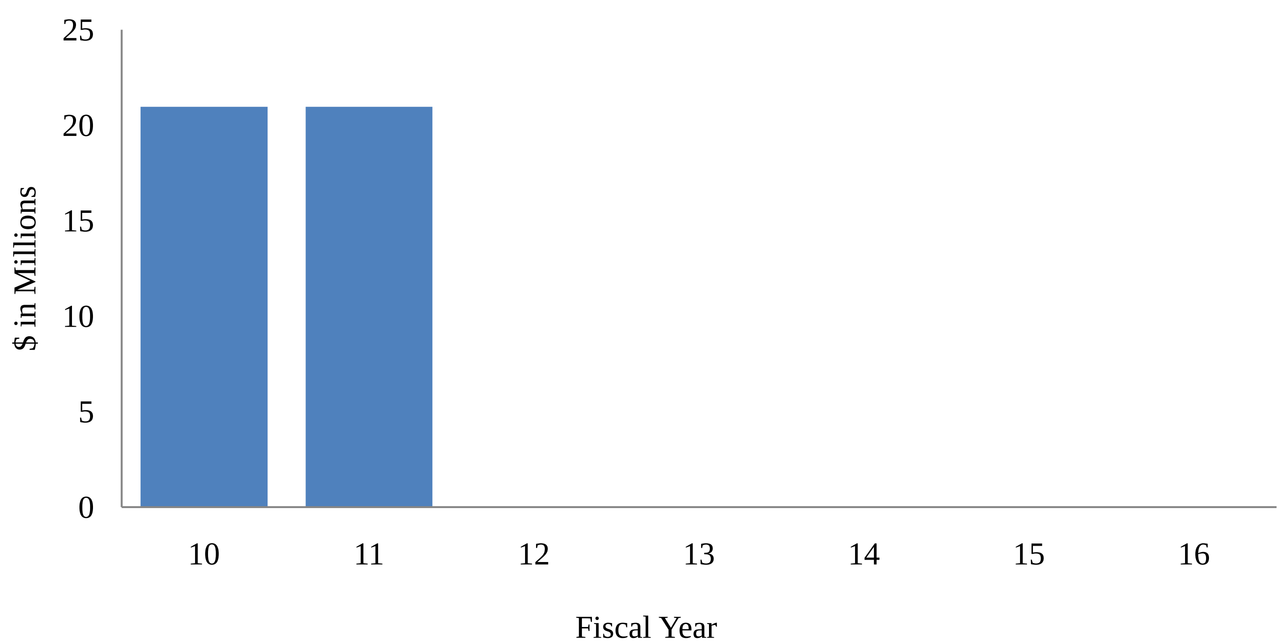
Overview

The Higher Education Facilities Trust Fund Act of 1993 authorized the EFA to issue bonds in a total outstanding principal amount of $220 million to provide grants to the State's public and private institutions of higher education for the construction, reconstruction, development, extension, and improvement of instructional, laboratory, communication, and research facilities. The EFA issued $220 million of bonds for this purpose in 1995. The outstanding balance was refunded in 2005. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EFA, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
September 23, 2005	2005A(Ref)	$90,980,000	$20,460,000	September 1, 2010
	Total	**$90,980,000**	**$20,460,000**	

Debt Service



EFA - Equipment Leasing Fund

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
(P.L. 1993, c. 136)	Installment Obligations	Moody's: "Aa3"	S&P: "AA-"	Fitch: "AA-"

Overview

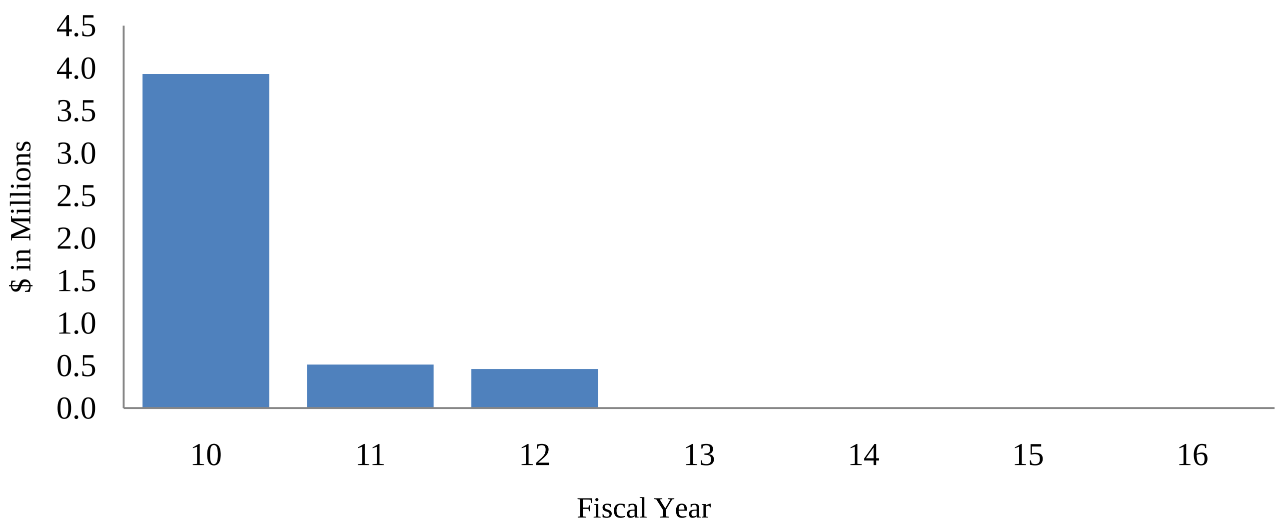
The Equipment Leasing Fund Act of 1993 authorized the EFA to issue bonds to finance the purchase and installation of certain defined equipment consisting of or related to scientific, engineering, technical, computer, communications, and instructional equipment to be leased to public and private higher education institutions. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EFA, subject to appropriation by the State Legislature. Each participating college or university agrees to pay 25% of the debt service on the bonds under its lease with the EFA. Although the State contract requires payments from the State equal to the entire debt service on the bonds, payments received from the colleges are used to offset the expense.

In 1994, the EFA issued $100 million of its bonds under the Act. Those bonds matured in 2000. In 2003, the EFA issued an additional $12.62 million of bonds for this program, a portion of which remain outstanding and are described below.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
May 22, 2003	2003A	$12,620,000	$940,000	September 1, 2011
	Total	**$12,620,000**	**$940,000**	

Debt Service



EFA - Public Library Grant Program

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
(P.L. 1999, c. 184)	**Installment Obligations**	**Moody's:** "Aa3"	**S&P:** "AA-"	**Fitch:** "AA-"

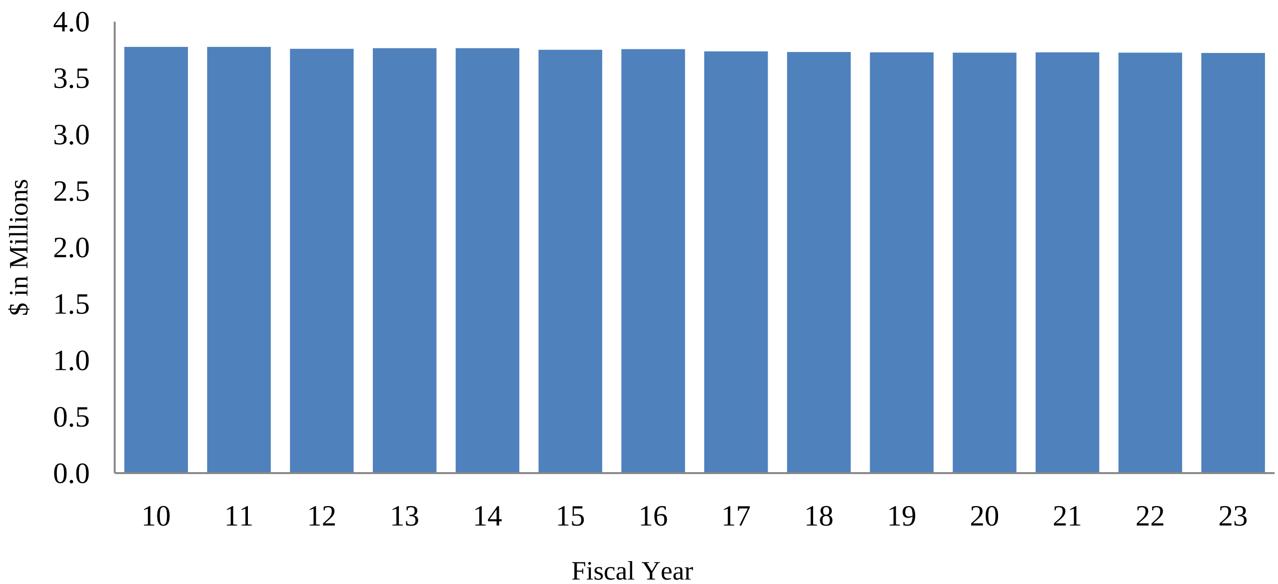
Overview

The Public Library Fund Act of 1999 authorized the EFA to issue up to $45 million in bonds to provide grants to public libraries to finance the acquisition, expansion and rehabilitation of buildings to be used as public library facilities and the acquisition and installation of equipment to be located therein. In December 2002, the EFA issued the total authorized amount to fund grants to 68 public libraries. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EFA, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 5, 2002	2002A	$45,000 000	$35,670,000	September 1, 2022
	Total	**$45,000,000**	**$35,670,000**	

Debt Service



Garden State Preservation Trust

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1999, c. 152)	**Revenue Bonds Payable**	"Aa2"	"AAA"	"AA-"

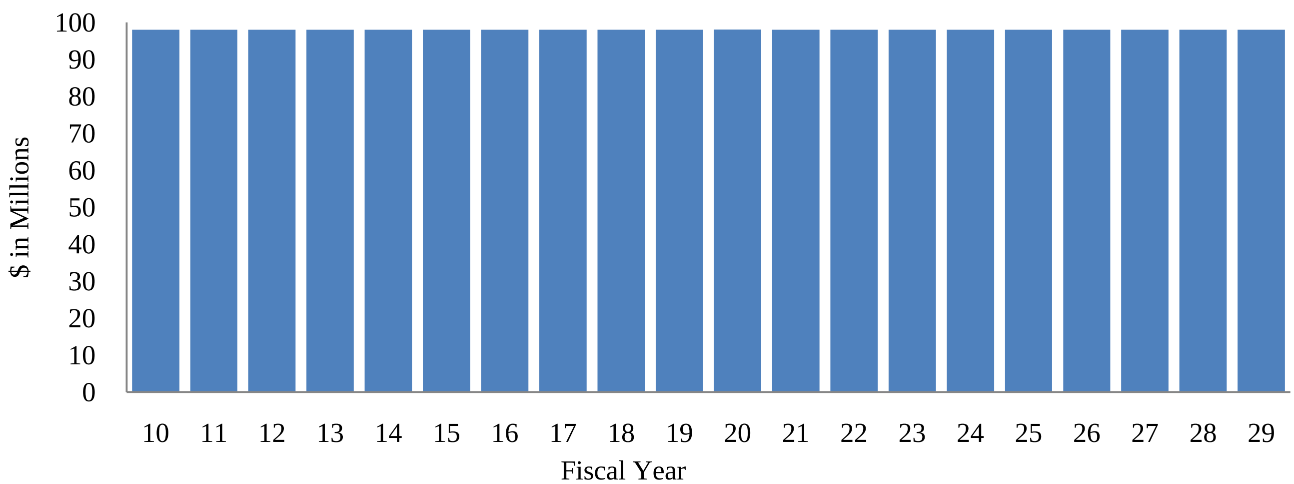
Overview

The Garden State Preservation Trust was created in 1999 in furtherance of the 1998 constitutional amendment that dedicates up to $98 million annually from the Sales and Use Tax for the preservation of open space, farmland and historic properties. The dedication from FY2000 through FY2009 was $6 million annually for historic preservation purposes, and $92 million annually for open space and farmland preservation projects and for debt service on any bonds issued for such projects. From FY2010 through FY2029 the amount dedicated annually is the lesser of $98 million or debt service on such bonds. The GSPT Act, as amended, authorized the GSPT to issue up to $1.15 billion of bonds through FY 2009 for open space and farmland preservation purposes. Thereafter, only refunding bonds may be issued. Proceeds of the bonds are held and disbursed by the State Treasurer. The Department of Environmental Protection and Department of Agriculture administer the open space and farmland preservation programs, respectively. Debt service on the bonds is payable from the dedicated amounts described above, subject to annual appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
March 25, 2003	2003A	$400,000,000	$167,395,000	November 1, 2021
March 25, 2003	2003B	99,999,410	99,999,410	November 1, 2028
December 1, 2005	2005A	500,000,000	500,000,000	November 1, 2028
December 1, 2005	2005B	150,000,000	132,825,000	November 1, 2016
December 8, 2005	2005C(Ref)	209,590,000	209,530,000	November 1, 2021
	Total	**$1,359,589,410**	**1,109,749,410**	

Debt Service



Health Care Facilities Financing Authority

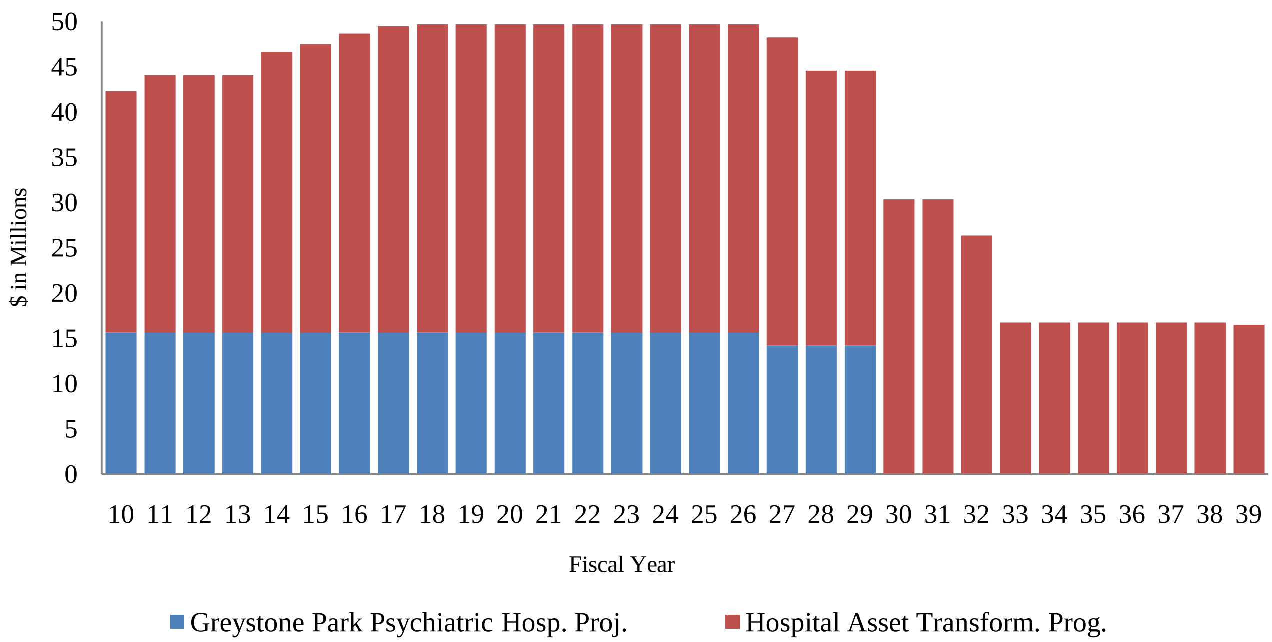
Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1972, c. 29)	**Various**	"Aa3"	"AA-"	"AA-"

Overview

The New Jersey Health Care Facilities Financing Authority (the "HCFFA") was created in 1972 for the purpose of financing certain capital needs of the State's health care organizations. The HCFFA primarily serves as a financing conduit, and any such bonds issued by the HCFFA are secured solely by revenues pledged by the institution; these bonds have no state backing, there is no pledge of resources by the State, and there is no recourse to the State, legal, moral or otherwise. As such, these bonds are NOT included or discussed in this report. For more information on the HCFFA's client-supported financings and other activities, please visit their website: http://www.njhcffa.com/njhcffa/index.shtml.

Beginning in 2003, the State also enacted legislation authorizing the HCFFA to issue bonds for certain capital programs as authorized in such legislation: the Greystone Park Psychiatric Hospital Project and the Hospital Asset Transformation Program. Provided below is chart illustrating the aggregate debt service of these two programs. Each such program and financing history is discussed on the following pages.

Debt Service



HCFFA - Department of Human Services (Greystone Hospital)

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1972, c. 29)	**Capital Leases**	"Aa3"	"AA-"	"AA-"

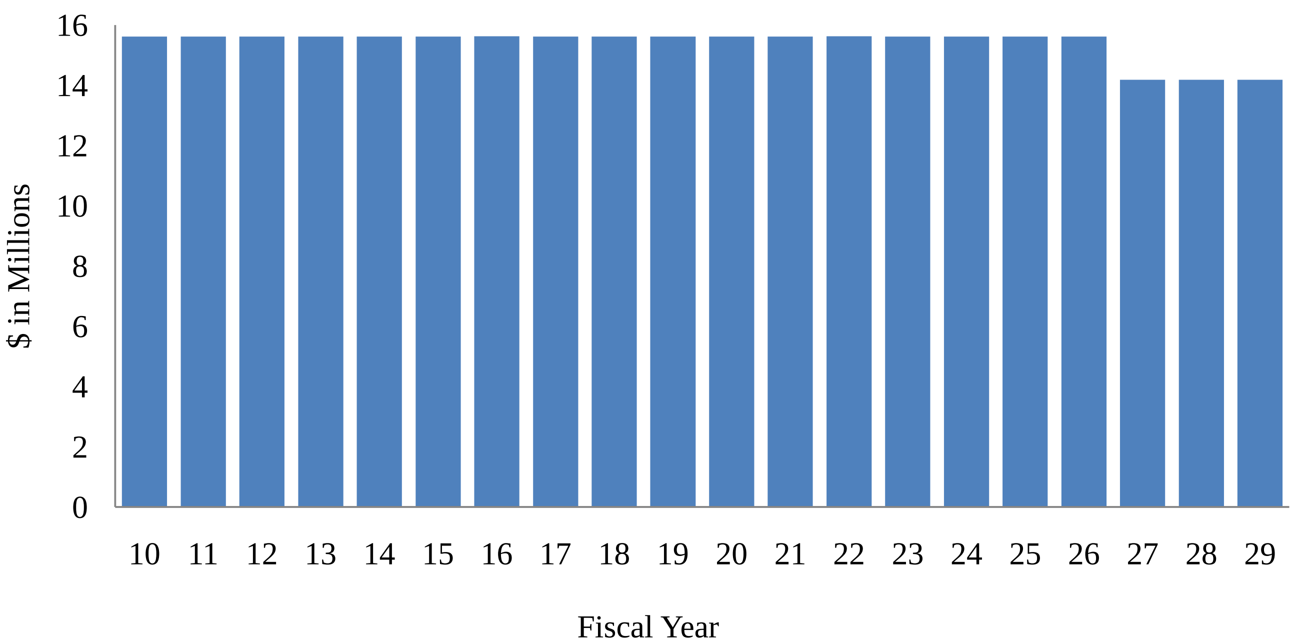
Overview

The HCFFA has issued bonds to fund the costs of renovation and construction of new and additional facilities, and the closure of existing facilities at or related to Greystone Park Psychiatric Hospital located in Morris County, New Jersey. Debt service on the bonds is payable pursuant to a lease agreement between the NJHCFFA, the Department of Human Services and the State Treasurer.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 18, 2003	2003	$19,125,000	$16,355,000	March 15, 2026
September 8, 2005	2005	186,565,000	175,775,000	September 15, 2028
	Total	**$205,690,000**	**$192,110,000**	

Debt Service



HCFFA - Hospital Asset Transformation Program

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 2000, c. 98) (P.L. 2007, c. 110) (P.L. 2009, c. 2)	**Installment Obligations**	"Aa3"	"AA-"	"AA-"

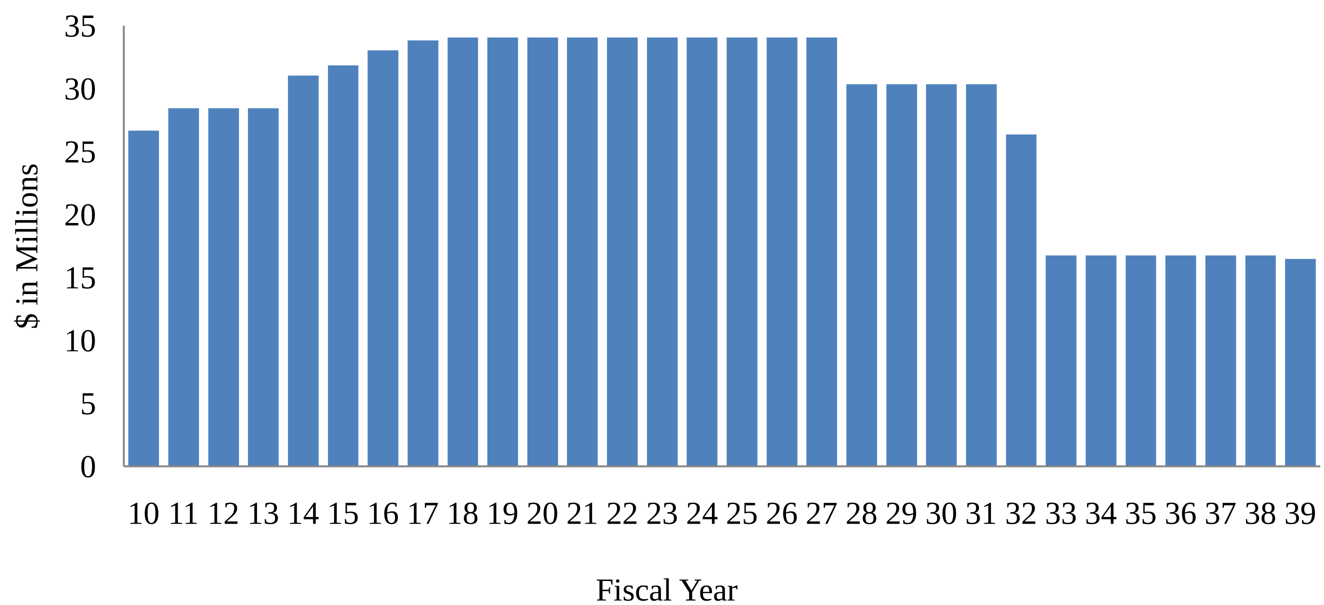
Overview

The Hospital Transformation Act of 2000 established within the HCFFA a program to provide financial assistance to nonprofit hospitals within the State, in connection with the termination of hospital acute care services. The Act authorizes HCFFA to issue bonds to retire or refinance bonds associated with the facility being closed. Subsequent amendments to the Act authorize bonds to pay the costs of construction, renovation, equipment, information technology, working capital and other costs associated with the closure or acquisition and improvement of a hospital facility. Debt service is payable from amounts paid under a contract between the Authority and the State Treasurer, subject to appropriation by the State Legislature.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
April 11, 2007	2007-1 (St. Mary's)	$27,925,000	$27,925,000	March 1, 2027
April 11, 2007	2007-2 (St. Mary's)	17,500,000	14,465,000	March 1, 2018
July 31, 2008	2008-A (St. Michael's)	252,545,000	249,115,000	October 1, 2038
June 18, 2009	2009A (Solaris)	152,925,000	152,925,000	October 1, 2031
	Total	**$450,895,000**	**$444,430,000**	

Debt Service



Sports and Exhibition Authority – State Contract Bonds

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1971, c. 137) (P.L. 1991, c. 375) (P.L. 1997, c. 273) (P.L. 2006, c. 302)	**Installment Obligations**	"A1"	"AA-"	A+

Overview

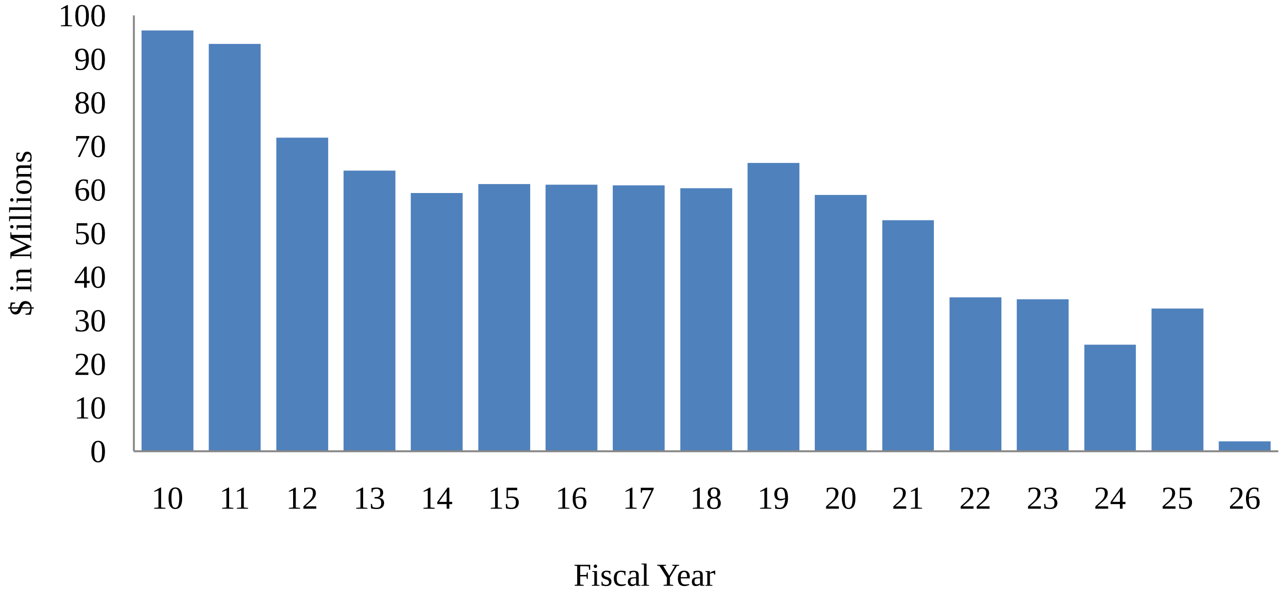
The New Jersey Sports and Exposition Act, as amended, created in the Sports and Exhibition Authority in 1971 and empowered it to acquire, own and operate racetracks, stadiums, arenas, other entertainment facilities and conventions centers. Under the Act and subsequent amendments, the Authority has financed facilities including the Meadowlands Sports Complex (racetrack, football stadium, arena), Monmouth Park Racetrack, the Atlantic City Convention Center, the Historic Boardwalk Hall in Atlantic City, Rutgers University Stadium and the Wildwoods Convention Center. The bonds originally issued by the Authority were secured by the Authority's revenues from operating the facilities. Over the subsequent years, the Authority's revenue bonds have been refinanced with bonds supported by payments from the State. Debt service on the bonds is payable pursuant to a contract between the State Treasurer and the EDA, subject to appropriation by the State Legislature.

The Authority has also issued its Convention Center Luxury Tax bonds which are secured solely by the tax imposed by local ordinance on certain goods and services sold or provided in the City of Atlantic City. Those bonds are secured solely by the local tax revenues, with no recourse to the State, and are not included in this report.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
February 15, 1992	1992A	$224,000,000	$3,900,000	March 1, 2013
December 30, 1998	1998A (Ref)	84,105,000	52,160,000	March 1, 2024
June 15, 1999	1999A	49,105,000	24,465,000	March 1, 2014
February 16, 2000	2000A	82,520,000	8,585,000	March 1, 2013
February 16, 2000	2000B	43,645,000	8,605,000	March 1, 2014
December 20, 2000	2000C	12,325,000	1,140,000	March 1, 2011
January 3, 2002	2002A	15,800,000	1,760,000	March 1, 2012
December 3, 2003	2003A (Ref)	26,570,000	21,885,000	March 1, 2023
December 20, 2005	2005A	40,875,000	26,265,000	March 1, 2026
April 27, 2007	2007A	20,460,000	17,820,000	March 1, 2024
May 20, 2008	2007B1..B3(Ref)	189,475,000	160,675,000	March 1, 2024
May 2, 2008	2008A (Ref)	96,915,000	89,000,000	March 1, 2023
September 11,2008	2008B (Ref)	198,205,000	184,240,000	September 1, 2024
September 11,2008	2008C	9,820,000	9,820,000	March 1, 2012
	Total	**$1,093,820,000**	**$610,320,000**	

Debt Service



Transportation Trust Fund Authority

NJ Transportation Trust Fund Authority

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	S&P	Fitch
(N.J.S.A. 27:1B-1 et seq.)	**Revenue Bonds Payable**	"Aa3"	"AA-"	"AA-"

Overview

The Transportation Trust Fund Authority was created in 1984 to provide a funding mechanism, including the issuance of bonds, for transportation system improvements undertaken by the New Jersey Department of Transportation. Transportation system improvements financed by the TTFA include expenditures for the planning, acquisition, engineering, construction, repair, maintenance and rehabilitation of public facilities for ground, water or air transportation of people or goods. The TTFA also finances State aid to counties and municipalities for transportation system improvements and certain mass transit capital projects of the NJ Transit Corporation.

Amendments to the original legislation have been enacted periodically over the years that set bonding caps, and identified certain revenues that secure the TTFA bonds. The present statute authorizes the annual issuance of bonds by the TTFA through the FY ending June 30, 2011. The bonds are subject to the following limitations: maximum new bond issuance per FY shall not exceed $1.6 billion, less any amount by which the appropriation of State funds to the Transportation Trust Fund Account for that Fiscal Year shall exceed $895 million, plus unused authorization from prior years. The maximum final maturity of any bond issue shall not exceed 31 years from the date of issuance. Refunding bonds must generate net present value savings, require legislative approval from the Joint Budget Oversight Committee and are excluded from $1.6 billion annual limit.

The present statute also provides that during each Fiscal Year in which the TTFA has bonds outstanding, the State Treasurer shall, to the extent appropriated by the State Legislature, credit to the Transportation Trust Fund Account (a) an amount equivalent to the revenue derived from $0.105 per gallon from the tax imposed on the sale of motor fuels, but not less than $483,000,000 per year, plus (b) an amount equivalent to moneys received by the State annually from the Toll Road Authorities, provided that the amount so credited shall not be less than $24,500,000 in any Fiscal Year, plus (c) an amount equivalent to the sums of the revenues due from the increase of fees from motor vehicle registrations collected and from the increase in the tax on diesel fuels and but not less than $30,000,000, plus (d) the additional motor vehicle registration fees but not less than $60,000,000 during any Fiscal Year, plus (e) an amount equivalent to the revenue derived from the tax imposed on the sale of petroleum products, but not less than $200,000,000 during any Fiscal Year, plus (f) an amount equivalent to the revenue derived from the tax imposed under the Sales and Use Tax Act, on the sale of new motor vehicles, but not less than $200,000,000 for any Fiscal Year.

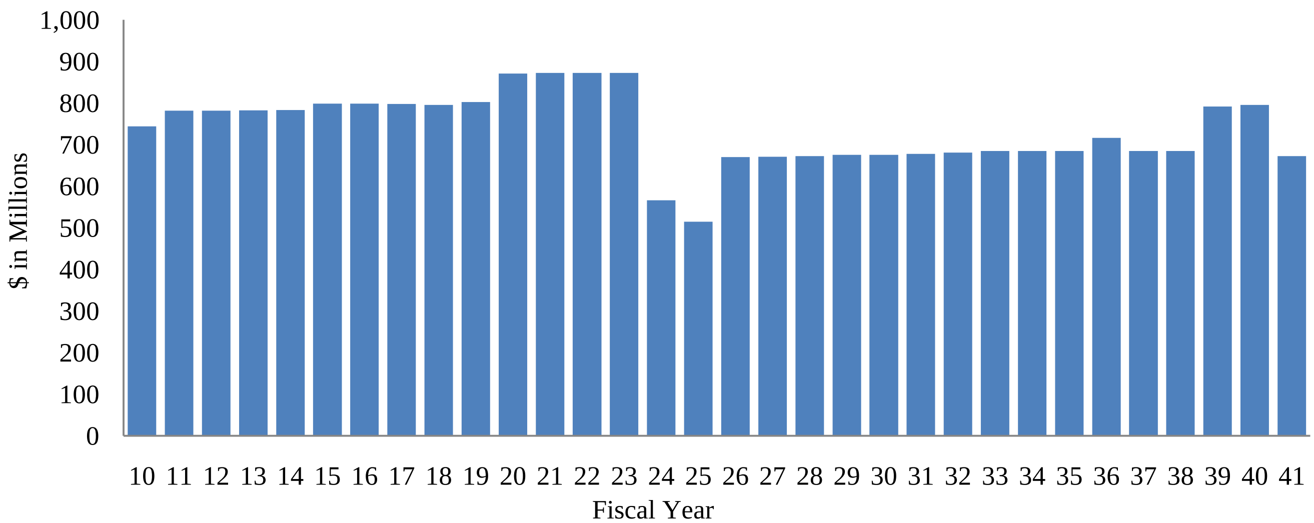
Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
August 24, 1995	1995B (Ref)	$788,225,000	$64,590,000	June 15, 2012
December 16, 1998	1998A	700,000,000	102,830,000	June 15, 2019
October 10, 1999	1999A	450,000,000	228,225,000	June 15, 2020
August 28, 2001	2001A	325,000,000	1,570,000	June 15, 2013
January 7, 2002	2001C (Ref)	1,191,450,000	612,680,000	December 15, 2018

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
January 30, 2003	2003A (Ref)	333,100,000	303,310,000	December 15, 2016
September 2, 2008 (Remark.)	2003B (Ref)	345,000,000	345,000,000	December 15, 2019
July 31, 2003	2003C	924,910,000	15,710,000	June 15, 2024
September 2, 2004	2004A	471,655,000	107,495,000	June 15, 2025
October 28, 2004	2004B (Ref)	849,800,000	733,830,000	December 15, 2017
March 23, 2005	2005A (Ref)	566,785,000	342,150,000	December 15, 2014
January 1, 2005	2005B (Ref)	1,213,140,000	1,186,440,000	December 15, 2023
March 30, 2005	2005C	524,750,000	48,480,000	June 15, 2020
October 27, 2005	2005D	953,020,000	465,910,000	June 15, 2020
June 1, 2006	2006A (Ref)	1,580,540,000	1,580,540,000	December 15, 2023
June 1, 2006	2006C	1,115,496,792	1,115,496,792	December 15, 2036
September 27, 2007	2007A	1,171 ,055,000	1,140,485,000	December 15, 2037
November 21, 2008	2008A	1,122,744,638	1,122,744,638	December 15, 2038
June 3, 2009	2009A	142,730,924	142,730,924	December 15, 2039
June 3, 2009	2009B BAB	273,500,000	273,500,000	December 15, 2039
December 9, 2009	2009C VRDB	150,000,000	150,000,000	June 15, 2032
December 23, 2009	2009D VRDB	147,500,000	147,500,000	June 15, 2032
January 14, 2010	2010A	359,253,361	359,253,361	December 15, 2040
January 14, 2010	2010B BAB	500,000,000	500,000,000	December 15, 2040
	Total	**$15,028,600,716**	**$11,090,470,716**	

Debt Service(1)(2)(3)



(1) Does not include debt service on certain obligations of other agencies that are payable from funds appropriated to the TTFA.
(2) Does not reflect the anticipated receipt of 35% Build America Bond interest subsidy.
(3) Interest on variable rate demand bonds are modeled with rates as of June 30, 2010.

Certificates of Participation – NJ Transit Equipment Leases

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	S&P	Fitch
-	**Not Included in CAFR**	"Aa3"	"AA-"	"AA-"

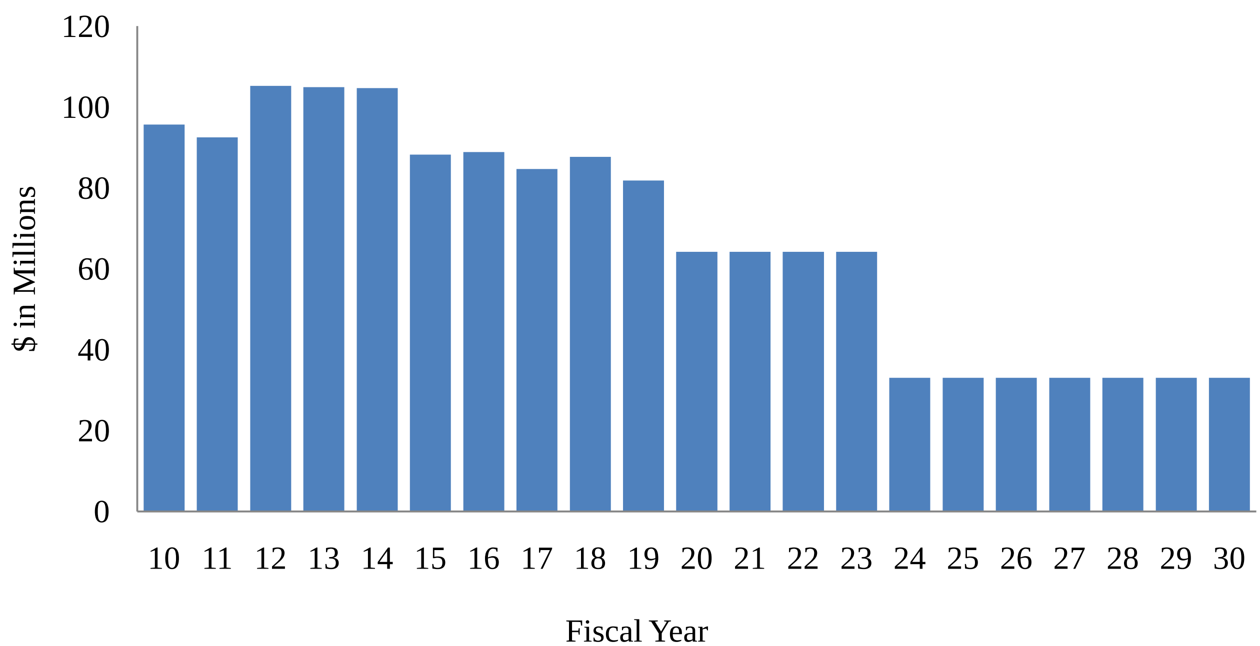
Overview

The acquisition of certain capital equipment and rolling stock of NJ Transit Corporation has been financed via Certificates of Participation in basic lease payments by the State as lessee pursuant to several equipment lease purchase agreements. The acquired equipment is subleased by the State to NJ Transit for its purposes. Equipment financed in this manner include: Light rail and subway rail cars, buses, diesel and dual-power locomotives, and multi-level rail cars. Debt service on the certificates is payable from the State's lease payments, subject to appropriation by the State Legislature.

Certificates Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 20, 2000	2000A(Ref)	$151,990,000	$54,805,000	June 15, 2014
April 8, 2004	2004	234,305,000	169,340,000	June 15, 2019
April 22, 2008	2008	309,240,000	293,385,000	June 15, 2023
April 23, 2009	2009	394,255,000	394,255,000	June 15, 2030
	Total	**$1,089,790,000**	**$911,785,000**	

Debt Service



Certificates of Participation – James J. Howard Marine Sciences Laboratory

Authorizing Legislation	CAFR Category	Underlying Ratings (as of June 30, 2010)		
		Moody's	S&P	Fitch
-	Certificates of Participation	"Aa3"	"AA-"	"N/R"

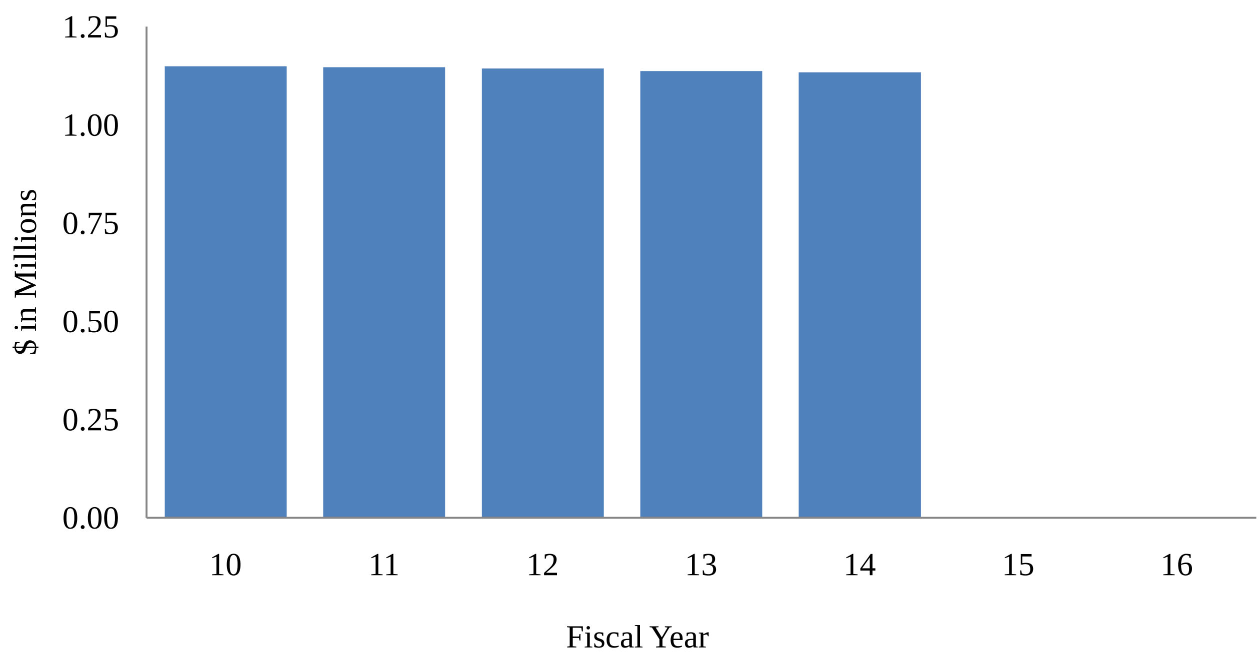
Overview

The acquisition, construction, renovation and installation of the James J. Howard Marine Sciences Laboratory at Sandy Hook, New Jersey was financed in part by Certificates of Participation in lease payments by the State as lessee pursuant to a lease agreement. The facility houses research labs, administrative offices and conference rooms. A major portion of the facility is subleased to the federal General Services Administration for use by the National Oceanographic and Atmospheric Administration. Debt service on the certificates is payable from the State's lease payments, subject to appropriation by the State Legislature.

Certificates Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 18, 1991	1991	$11,010,000	$3,835,000	June 15, 2014
	Total	**$11,010,000**	**$3,835,000**	

Debt Service



South Jersey Port Corporation

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	S&P	Fitch
(P.L. 1968, c. 60)	Not Included in CAFR	"Aa3"	"A"	N/R

Overview

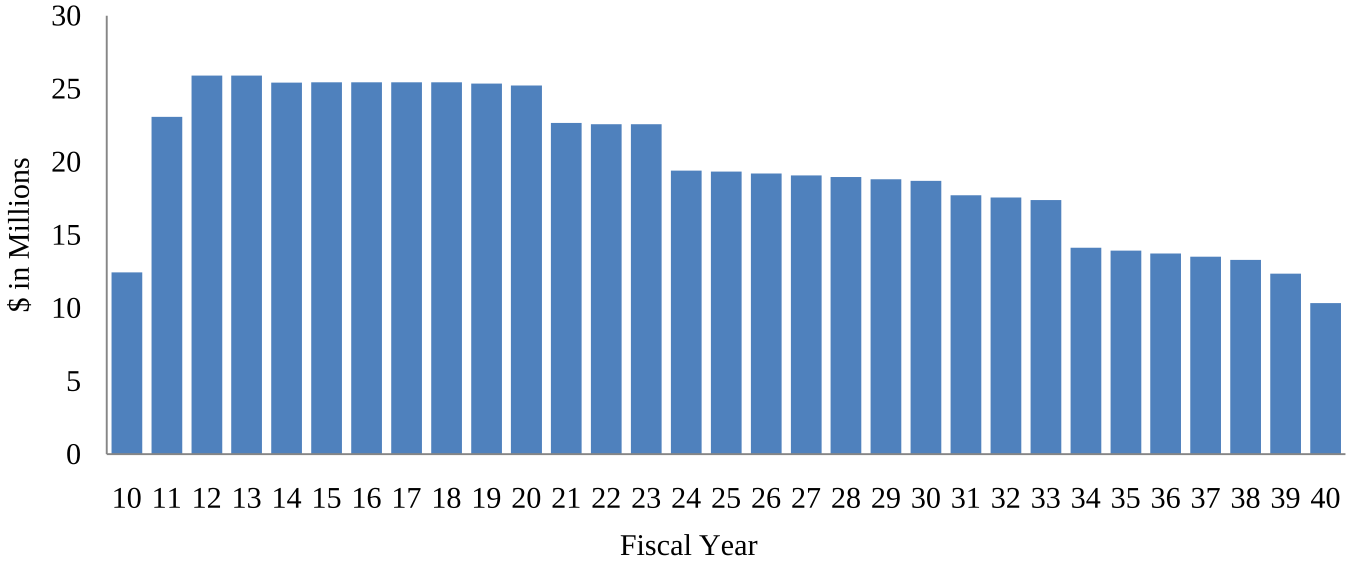
The South Jersey Port Corporation has issued bonds for the construction and improvement of various marine terminal and port facilities in Camden, Gloucester and Salem Counties. The bonds are secured by marine terminal revenues and a debt service reserve fund equal to maximum annual debt service. The authorizing legislation also provides that the State has a moral obligation to replenish the debt service reserve fund if such fund is drawn upon to pay debt service due to insufficient Corporation revenues. The payment from the State to replenish the fund is subject to appropriation by the State Legislature.

The Corporation's annual operating revenues have consistently been insufficient to cover the debt service on its bonds, requiring the use of the debt service reserve fund to cover a portion of the annual debt service. In all such cases, the State Legislature has appropriated and the State has made payments to the Corporation to replenish the reserve fund in furtherance of the moral obligation. Such payments have ranged from approximately $6 million to approximately $11 million over the past several years.

Bonds Outstanding

Date of Issue	Series	Par Amount Issued	Par Amount Outstanding	Final Maturity Date
December 18, 2002	2002 K (Ref)	$79,295,000	$66,820,000	January 1, 2033
December 18, 2002	2002 L (Ref)	42,030,000	25,270,000	January 1, 2024
October 29, 2003	2003M	11,305,000	9,865,000	January 1, 2030
November 11, 2007	2007 N	11,235,000	10,920,000	January 1, 2038
January 29, 2009	2009 O-1	19,770,000	19,770,000	January 1, 2039
January 29, 2009	2009 O-2	915,000	915,000	January 1, 2039
January 29, 2009	2009 O-3	5,200,000	4,805,000	January 1, 2019
December 30, 2009	2009 P-1	4,925,000	4,925,000	January 1, 2013
December 30, 2009	2009 P-2	23,215,000	23,215,000	January 1, 2024
December 30, 2009	2009 P-3 (BAB)	129,740,000	129,740,000	January 1, 2040
	Total	**$327,630,000**	**$296,245,000**	

Debt Service



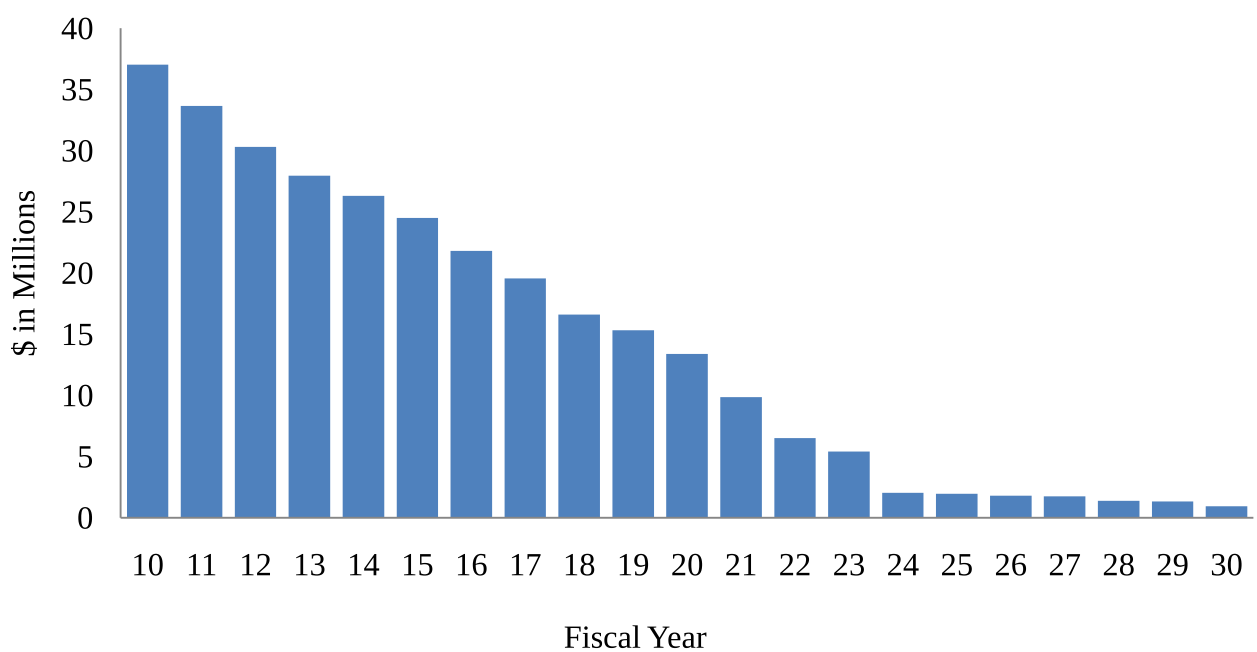
Chapter 12 - County College Bonds

Authorizing Legislation	CAFR Category	Underlying Ratings *(as of June 30, 2010)*		
		Moody's	**S&P**	**Fitch**
(P.L. 1971, c. 12)	**Not Included in CAFR**	N/R	N/R	N/R

Overview

State support for county college capital projects is authorized, pursuant to statute, in a total principal amount not to exceed $265,000,000. See N.J.S.A. 18A:64A-22 et seq. Codified as chapter 12 of the laws of 1971, the program is typically referred to as "Chapter 12". Under Chapter 12, bonds entitled to State debt-service support are issued by the individual counties (or by the NJEFA on behalf of counties) to fund capital projects at the various county colleges. As bond principal amortizes, additional State-supported bonds can be authorized up to the maximum $265,000,000 (i.e. the program "recycles"). Under the program the State Treasurer is responsible for determining the annual amount of borrowing that is available to the counties and, in consultation with the New Jersey Council of County Colleges, which projects should receive funding.

Debt Service



Capital Leases (Non-Bonded)

Overview

Capital Leases (Non-Bonded) represent long-term lease obligations between the State and various lessors for the use of office space and other facilities for State operations and programs. No bonds have been issued in connection with these leases. The figures below ($ thousands) represent the "net rent," or the capital portion, of the annual rent payment, which is net of operating expense, maintenance, property taxes and other costs, if any.

Address	Municipality	Expiration Date	2010	2011	2012	2013	2014	2015	2016	Total
1601 Atlantic Ave	Atlantic City	12/31/2013	676	676	676	676	338	-	-	3,044
Tennessee Ave & Boardwalk	Atlantic City	9/30/2013	1,183	1,183	1,183	1,183	296	-	-	5,028
312-314 Front Street	Belvidere Twp.	1/31/2011	63	37	-	-	-	-	-	100
10 Washington Street	Bridgeton City	7/31/2014	88	88	88	88	88	7	-	446
14-16 Commerce St	Bridgeton City	8/31/2012	154	154	154	26	-	-	-	486
Rt. 49 & South Pearl	Bridgeton City	1/31/2019	1,083	1,083	1,083	1,083	1,083	1,083	1,083	7,578
601 S. Main Street	Cape May City	6/30/2011	211	217	-	-	-	-	-	428
2201 Route 38	Cherry Hill Twp.	3/31/2018	593	593	593	593	593	593	593	4,149
8861 Highland Avenue	Commercial Twp.	9/30/2014	100	102	102	102	102	26		535
Shiloh Ave	Deerfield Twp.	6/30/2012	2	2	2	-	-	-	-	7
33 Evergreen Place	East Orange City	5/31/2020	39	465	465	465	465	469	519	2,886
240 South Harrison Street	East Orange City	12/31/2009	240	-	-	-	-	-	-	240
45 Kilmer Rd	Edison Twp.	4/30/2012	496	496	413	-	-	-	-	1,405
2511 Fire Road Suite B-12	Egg Harbor	12/31/2009	36	-	-	-	-	-	-	36
921 Elizabeth Ave	Elizabeth City	8/31/2019	349	418	418	418	418	451	457	2,929
25-39 Artic Parkway	Ewing Twp.	6/30/2015	927	958	958	958	958	958	-	5,718
820 Bear Tavern Road	Ewing Twp.	8/31/2018	308	308	308	308	308	308	308	2,153
Mercer County Airport	Ewing Twp.	6/30/2022	71	71	74	74	74	74	74	512
7 Broad St.	Freehold Boro	12/31/2013	268	268	268	268	134	-	-	1,204
60 State Street	Hackensack City	6/30/2014	995	995	995	995	995	-	-	4,974
121 First Ave	Hamilton Twp.	5/31/2010	479	-	-	-	-	-	-	479
121 First Ave	Hamilton Twp.	5/31/2015	42	499	499	499	499	457	-	2,495
5 Commerce Way	Hamilton Twp.	3/31/2018	811	811	811	811	811	811	811	5,676
Quakerbridge Plaza	Hamilton Twp.	12/31/2012	7,092	7,092	7,092	3,546	-	-	-	24,822
438 Summit Ave	Jersey City	11/30/2013	2,636	2,636	2,636	2,636	1,098	-	-	11,641
8-10 Clifton Place	Jersey City	1/31/2012	811	811	473	-	-	-	-	2,095
945 SH 12	Kingwood Twp.	4/30/2011	95	79	-	-	-	-	-	173
1215 Highway 70	Lakewood Twp.	10/31/2015	573	586	600	615	630	645	217	3,866
One Lawrence Park	Lawrence Twp.	11/30/2013	660	660	660	660	275	-	-	2,915
1622 Route 38	Lumberton Twp.	5/31/2020	38	455	455	455	455	455	455	2,769
1B Laurel Drive, Route 206 N,	Mount Olive	2/28/2010	133	-	-	-	-	-	-	133
40 Taylor Avenue	Neptune Twp.	10/31/2012	409	425	433	144	-	-	-	1,411
172 New Street	New Brunswick City	5/31/2012	305	305	280	-	-	-	-	891
596 Jersey Ave	New Brunswick City	10/31/2015	66	66	66	66	66	66	22	421
124 Halsey St	Newark City	10/31/2010	6,568	2,189	-	-	-	-	-	8,757
153 Halsey St	Newark City	12/31/2010	6,966	3,483	-	-	-	-	-	10,449
2 Gateway Center	Newark City	4/30/2015	2,383	2,383	2,383	2,383	2,383	1,986	-	13,899
31 Clinton Street	Newark City	12/31/2019	2,447	2,472	2,497	2,497	2,497	2,497	2,497	17,403
990-998 Broad Street	Newark City	10/31/2012	569	569	569	190	-	-	-	1,897
20 E Clinton & Mora	Newton Town	10/31/2013	414	414	414	414	138	-	-	1,793
114 Prospect St	Passaic City	5/31/2016	254	258	300	300	300	300	275	1,990
25 Howe Ave	Passaic City	4/30/2011	525	437	-	-	-	-	-	962
100 Hamilton Plaza	Paterson City	9/30/2013	1,340	1,340	1,369	1,379	345	-	-	5,773
66 Hamilton Street	Paterson City	1/31/2014	398	406	406	406	237	-	-	1,854
77 Hamilton Street	Paterson City	9/30/2010	45	11	-	-	-	-	-	56
110 E 5th Street	Plainfield City	12/31/2019	141	283	283	283	283	283	283	1,837
2 Main St	Pleasantville City	3/31/2014	401	401	401	401	300	-	-	1,903
195 East Broadway	Salem City	3/31/2029	780	780	780	780	800	858	858	5,636
75 Veterans Memorial Drive	Somerville Boro	12/31/2016	904	904	914	924	924	924	924	6,418

Address	Municipality	Expiration Date	2010	2011	2012	2013	2014	2015	2016	Total
1005-1027 Hooper Ave	Toms River Township	6/30/2022	551	551	551	582	582	582	582	3,982
1510 Hooper Ave	Toms River Township	11/30/2013	957	957	957	957	399	-	-	4,228
1861 Hooper Ave	Toms River Township	8/31/2015	85	85	85	85	85	85	14	523
Main Street	Toms River Township	1/31/2013	223	223	223	130	-	-	-	800
1 West State Street	Trenton City	11/30/2013	0	0	0	0	0	-	-	0
1 West State Street	Trenton City	12/31/2013	1,279	1,279	1,279	1,279	639	-	-	5,755
101 North Broad	Trenton City	2/28/2010	192	-	-	-	-	-	-	192
120 S Stockton St	Trenton City	3/31/2017	1,329	1,329	1,329	1,329	1,329	1,329	1,329	9,304
1212 Edgewood Ave	Trenton City	7/31/2010	112	9	-	-	-	-	-	121
135 E State Street	Trenton City	11/30/2013	672	672	672	672	280	-	-	2,966
140 E Front Street	Trenton City	6/30/2021	1,761	1,761	1,889	1,889	1,889	1,889	1,889	12,966
167-169 West Hanover Street	Trenton City	10/31/2012	405	405	405	135	-	-	-	1,350
171 Jersey Street	Trenton City	11/30/2013	546	546	546	546	228	-	-	2,412
171 Jersey Street	Trenton City	11/30/2013	145	145	145	145	60	-	-	639
200 South Broad Street	Trenton City	8/31/2019	1,039	1,247	1,247	1,247	1,247	1,247	1,247	8,523
200 Wolverton St	Trenton City	11/30/2013	878	878	878	878	366	-	-	3,878
210 South Broad	Trenton City	8/31/2009	210	-	-	-	-	-	-	210
221 W HANOVER STREET	Trenton City	12/31/2015	773	799	826	826	826	826	413	5,290
240 West State Street	Trenton City	12/31/2013	1,718	1,718	1,718	1,718	859	-	-	7,730
25 MARKET ST	Trenton City	6/30/2037	1,300	1,300	1,300	1,300	1,300	1,300	1,300	9,100
28 West State Street	Trenton City	5/31/2012	1,348	1,348	1,236	-	-	-	-	3,932
33 West State Street	Trenton City	12/31/2022	3,153	3,194	3,235	3,287	3,339	3,380	3,421	23,007
428 East State Street	Trenton City	10/31/2013	819	819	819	819	273	-	-	3,550
433 East State Street	Trenton City	10/31/2013	32	32	32	32	11	-	-	140
436 East State Street	Trenton City	7/31/2011	154	154	13	-	-	-	-	320
440 East State Street	Trenton City	10/31/2013	289	289	289	289	96	-	-	1,253
50 North Clinton Avenue	Trenton City	12/31/2009	55	-	-	-	-	-	-	55
50 Barracks Street	Trenton City	4/30/2022	691	691	691	691	691	691	691	4,834
50 E State St	Trenton City	12/31/2022	4,030	4,088	4,147	4,205	4,264	4,322	4,380	29,436
50 W State St	Trenton City	6/30/2019	3,641	3,641	3,641	3,641	3,641	3,641	3,641	25,487
503 John Fitch Way	Trenton City	1/31/2028	2,273	2,273	2,273	2,273	2,273	2,273	2,273	15,911
519-523 East State Street	Trenton City	10/31/2013	122	122	122	122	41	-	-	530
7-17 Ewing St	Trenton City	9/30/2012	308	308	308	77	-	-	-	1,002
John Fitch way	Trenton City	12/31/2026	4,850	4,850	4,850	4,850	4,850	4,850	4,850	33,950
Station Plaza	Trenton City	10/31/2017	5,770	5,770	5,770	5,749	5,739	5,739	5,739	40,277
171 Route 173 Suite 201	Union Twp.	7/31/2013	106	110	111	113	9	-	-	450
501 Landis Avenue	Vineland City	3/31/2014	341	341	341	341	256	-	-	1,622
415 E Washington Ave	Washington Twp.	2/28/2018	266	266	266	278	300	300	300	1,976
Route 295 & Crown Point Road	West Deptford Twp.	11/30/2010	892	372	-	-	-	-	-	1,264
200 Campbell Dr	Willingboro Twp.	11/30/2017	487	497	505	505	505	519	529	3,546
Franklin & Monroe Avenues	Woodbine Boro	1/31/2013	178	178	178	104	-	-	-	636
65 Newton Street	Woodbury City	4/30/2012	102	102	85	-	-	-	-	289
		Total	**90,244**	**82,220**	**75,062**	**67,719**	**54,267**	**46,223**	**41,973**	**457,708**
		Principal:	**50,651**	**46,050**	**42,906**	**39,396**	**29,287**	**23,728**	**21,996**	**254,013**
		Interest:	**39,594**	**36,170**	**32,157**	**28,323**	**24,981**	**22,495**	**19,976**	**203,695**

SECTION 6
State Comparisons

State Comparisons

The tables below have been excerpted from "2010 State Debt Medians Report" issued by Moody's Investors Service in May 2010. These tables show where New Jersey ranks relative to other states based on criteria used by municipal securities rating services in rating government obligations. Such comparisons can be useful in assessing the State's ability to incur additional debt and the likely impact on ratings and other measures relative to other states. The following text was excerpted from that report:

"Two measures of state debt burden – debt per capita and debt as a percentage of personal income – are commonly used by analysts to compare the debt burden of one state to another. Debt burden is one of many factors that Moody's uses to determine state credit quality. In considering debt burden, the focus is largely on net tax-supported debt, which Moody's characterizes as debt secured by state resources. Moody's also examines gross debt, which includes contingent debt liabilities that may not have direct tax support, but represent commitments to make debt service payments under certain conditions (e.g. state guarantees, bonds backed by state moral obligation pledges). This year, Moody's also added a table that reflects net tax-supported debt as a percent of gross domestic product, by state."

Net Tax-Supported Debt Per Capita

			Rating
1	Connecticut	$4,859	Aa2
2	Massachusetts	4,606	Aa1
3	Hawaii	3,996	Aa1
4	**New Jersey**	**3,669**	**Aa2**
5	New York	3,135	Aa2
6	Delaware	2,489	Aaa
7	California	2,362	A1
8	Washington	2,226	Aa1
9	Rhode Island	2,127	Aa2
10	Oregon	1,859	Aa1
11	Illinois	1,856	Aa3
12	Wisconsin	1,720	Aa2
13	Kentucky	1,685	Aa1
14	Maryland	1,608	Aaa
15	Mississippi	1,478	Aa2
16	New Mexico	1,398	Aaa
17	Alaska	1,345	Aa1
18	Louisiana	1,271	Aa2
19	Kansas	1,140	Aa1*
20	Florida	1,123	Aa1

Net Tax-Supported Debt as a % of 2008 Personal Income

1	Hawaii	9.9%
2	Massachusetts	9.2%
3	Connecticut	8.7%
4	**New Jersey**	**7.2%**
5	New York	6.5%
6	Delaware	6.2%
7	California	5.6%
8	Kentucky	5.4%
9	Washington	5.3%
10	Oregon	5.2%
11	Rhode Island	5.2%
12	Mississippi	5.0%
13	Wisconsin	4.6%
14	Illinois	4.4%
15	New Mexico	4.4%
16	Louisiana	3.6%
17	West Virginia	3.5%
18	Maryland	3.4%
19	Georgia	3.3%
20	Alaska	3.2%

Total Net Tax-Supported Debt ($000's)			Rating
1	California	$87,320,000	A1
2	New York	61,259,793	Aa2
3	**New Jersey**	**31,951,013**	**Aa2**
4	Massachuetts	30,371,476	Aa1
5	Illinois	23,957,015	Aa3
6	Florida	20,819,974	Aa1
7	Connecticut	17,093,853	Aa2
8	Washington	14,832,717	Aa1
9	Texas	12,892,508	Aaa
10	Pennsylvania	11,827,000	Aa1
11	Georgia	11,011,066	Aaa
12	Ohio	10,766,277	Aa1
13	Wisconsin	9,726,313	Aa2
14	Maryland	9,166,095	Aaa
15	Michigan	7,461,594	Aa2
16	Kentucky	7,269,586	Aa1
17	North Carolina	7,174,650	Aaa
18	Oregon	7,110,604	Aa1
19	Virginia	7,056,177	Aaa
20	Louisiana	5,708,165	Aa2

Gross Tax-Supported Debt ($000's)			Gross to Net Ratio
1	California	$96,059,000	1.10
2	New York	61,298,583	1.00
3	**New Jersey**	**37,742,524**	**1.18**
4	Massachuetts	31,588,631	1.04
5	Florida	28,982,074	1.39
6	Connecticut	24,560,913	1.44
7	Illinois	24,386,715	1.02
8	Washington	23,073,617	1.56
9	Michigan	22,203,691	2.98
10	Texas	19,055,178	1.48
11	Minnesota	17,901,463	3.28
12	Pennsylvania	17,231,600	1.46
13	Ohio	16,217,353	1.51
14	Oregon	15,372,119	2.16
15	Wisconsin	11,246,698	1.16
16	Virginia	11,034,158	1.56
17	Georgia	11,011,066	1.00
18	Colorado	10,189,322	5.07
19	Maryland	9,166,095	1.00
20	Alabama	8,093,610	2.16

Net Tax-Supported Debt as % of Gross State Domestic Product		Ratio
1	Massachusetts	8.32%
2	Hawaii	8.11%
3	Connecticut	7.91%
4	**New Jersey**	**6.73%**
5	New York	5.35%
6	Mississippi	4.75%
7	Rhode Island	4.73%
8	California	4.73%
9	Kentucky	4.65%
10	Washington	4.60%
11	Oregon	4.40%
12	Wisconsin	4.05%
13	Illinois	3.78%
14	Delaware	3.56%
15	New Mexico	3.52%
16	Maryland	3.35%
17	West Virgina	3.18%
18	Florida	2.80%
19	Georgia	2.77%
20	South Carolina	2.68%

SECTION 7
Glossary

Glossary

Accumulated Sick and Vacation Payable

Pursuant to GASB Statement No. 16, *Accounting for Compensated Balances*, Accumulated Sick and Vacation payable represents the liability due to employees for unused sick and vacation time.

Bond Premium

The amount by which the price of a security exceeds its principal amount.

Bonded Obligations

Bonded Obligations are those long-term obligations that are evidenced by publicly tradable, financial securities issued by or on behalf of the State or any of its Authorities or other State-created entities.

Business-Type Activities

Large Lottery prizes are paid out to winners over a period of multiple years. Current Lottery proceeds are used to purchase deposit fund contracts which will provide sufficient amounts for future payment of installment prizes. The present value of future payments of installment prizes are recorded as non-current liabilities in both the fund financial statements and the government-wide statements. The repayment of advances from the Federal Government for unemployment insurance is payable from assessments on employers and employees, not state revenues.

Capital Leases (Bonded)

These represent long-term lease obligations for State facilities, offices and other uses for which the rent payments have been pledged to secure the payment of debt service on bonds issued by an Authority.

Capital Leases (Non-Bonded)

These Capital Leases represent long-term lease obligations for State facilities, offices and other uses. No State or Authority bonds are connected with these leases.

Certificates of Participation

Certificates of Participation are publicly traded financial securities similar to bonds, but which represent proportionate shares in rent payments under a lease between the State and one or more lessors.

General Obligations

General obligation bonds of the State are authorized from time to time by enacted legislation that must also be approved by public referenda. Such bonds are direct obligations of the State and are secured by the State's full faith and credit.

Installment Obligations

This category represents contractual agreements between the State and several authorities which have issued bonds for State or Authority projects or other purposes. Under such contracts, the State agrees to make payments equal to the corresponding debt service on the Authority's bonds.

Loans Payable

The New Jersey Automobile Insurance Guaranty Fund has received a $1.3 billion loan from the New Jersey Property-Liability Insurance Guaranty Association. The loan was made in an effort to depopulate the New Jersey Automobile Insurance Guaranty Fund and to help satisfy its unfunded liability.

Net Pension Obligation

Net Pension Obligation (NPO) represents the pension fund liability due to the Judicial Retirement System, the State Police Retirement System, the Consolidated Police and Firemen's Retirement System, and the Teachers' Pension and Annuity Fund. Financial reporting requirements for net pension fund obligations fall under the purview of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers.*

Non-Bonded Obligations

Non-Bonded Obligations define long-term obligations that result from loans, leases, or other contractual or statutory commitments, but for which no financial securities have been issued.

Obligations NOT Supported by State Revenues

This category includes certain obligations issued by State-related entities for which there is no financial backing or pledge of support, legal, moral or otherwise, from the State. GASB requires the inclusion of certain such obligations in the State's CAFR when the bonds are issued by State-related entities, despite there being no repayment obligation or other security interest provided by the State. These obligations are presented in this debt report to preserve consistency with the CAFR.

Obligations Subject to Appropriation

This category includes all bonded obligations for which the payment of debt service by the State is subject to, and dependent upon, annual legislative appropriations. The Legislature has no legal obligation to make any such appropriations.

Obligations Supported by Dedicated State Revenues

This category includes certain bonded obligations, the debt service on which is payable solely from certain State revenues that have been constitutionally and/or statutorily dedicated and appropriated for such purpose.

Obligations Supported by General State Revenues

This category includes obligations, the debt service on which is payable from amounts available and appropriated from the general fund of the State.

Other

Obligations categorized as "Other" represent unamortized long-term claims which are required to be reported under National Council on Governmental Accounting Statement No. 1 as a general long-term liability of the State. These include Medicaid benefit claims which have been incurred but not reported. This obligation also includes capitalized software liability which is required to be reported in accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets.*

Other Postemployment Benefits

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, requires the reporting of the estimated future Other Postemployment Benefits (OPEB) as a general long-term obligation of the State.

Pollution Remediation Obligation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations,* requires the reporting of Pollution Remediation Obligations as a general long-term obligation of the State. The Pollution Remediation Obligation represents contractual commitments of the State of New Jersey with either vendors to clean up hazardous waste contaminated sites or the administrative authorization to proceed to clean up identified hazardous waste contaminated sites.

Revenue Bonds

This category includes certain bonded obligations for which the debt service is payable solely from certain restricted revenues of the Authority that issued the bonds.

Unamortized Bond Premium

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* requires bond premiums to be deferred and amortized over the life of the refunding bonds.

Unamortized Deferral on Refunding

Under GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities,* the unamortized deferral on refunding shows the actual gain or loss on refunding transactions. Gains are shown as an asset and amortized over the shorter of the life of the refunding bonds or the bonds that were refunded. GASB Statement No. 23 defines a gain/loss as the total outstanding amount of the old bonds minus the new refunding bonds issued minus the cost of issuance on the new refunding bonds.

Unamortized Interest on Capital Appreciation Bonds

Unamortized Interest on Capital Appreciation Bonds represents the unaccreted interest value on zero coupon bonds that have been issued.

SECTION 8
Long-Term Debt Issued Subsequent to June 30, 2010

Long-Term Debt Issued Subsequent to June 30, 2010*

Date Issued	Issuer	Program/Use	Par Amount	Type of Credit	Use of Funds
July 14, 2010	State of New Jersey	General Obligation Bonds, Series P	$94,500,000	General Obligation	Refunding
October 13, 2010	State of New Jersey	General Obligation Bonds, Series Q	$523,330,000	General Obligation	Refunding
October 13, 2010	State of New Jersey	General Obligation Bonds, Series R (Federally Taxable)	$63,255,000	General Obligation	Refunding
October 21, 2010	Transportation Trust Fund Authority	Transportation System Bonds, 2010 Series C (Build America Bonds)	$1,000,000,000	Subject to Appropriation	New Money
October 21, 2010	Transportation Trust Fund Authority	Transportation System Bonds, 2010 Series D	$485,875,000	Subject to Appropriation	Refunding
October 21, 2010	Transportation Trust Fund Authority	Transportation System Bonds, 2010 Series E (Federally Taxable)	$14,100,000	Subject to Appropriation	Refunding
November 17, 2010	State of New Jersey	General Obligation Bonds, Series S	$82,625,000	General Obligation	Refunding

*Includes all bonds issued through December 1, 2010.

State of New Jersey
Debt Report
Fiscal Year 2010

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