

New Jersey Turnpike Authority
Financial Summary
For the Ten Months Ended October 31, 2025

	Actual YTD October	YTD Budget October	2025 Annual Budget
Total Revenue	\$ 2,306,723,000	\$ 2,237,234,000	\$ 2,673,400,000
Operating Expenses	<u>602,933,000</u>	<u>648,395,000</u>	<u>783,906,000</u>
Net Revenue	\$ 1,703,790,000	\$ 1,588,839,000	\$ 1,889,494,000
Debt Service Requirements - Net	787,514,000	775,648,000	936,600,000
Maintenance Reserve Fund	200,000,000	200,000,000	240,000,000
Special Reserve Fund	46,917,000	46,917,000	56,300,000
Debt Service Coverage	2.16	2.05	2.02
Total Requirements Coverage	1.65	1.55	1.53

The following un-audited results are for the ten months ended October 31, 2025.¹ Based upon these results, revenues will be sufficient to satisfy the requirements of the Authority's Bond Resolution. For the twelve months ending December 31, 2025, the Authority is projected to have a debt service coverage ratio of 2.02 and a total requirements coverage ratio of 1.53.

The Authority's total revenue for the ten months ended October 31, 2025, was \$2,306,723,000, which is \$69,489,000, or 3.1% above the 2025 year-to-date budget. Toll revenue was \$1,952,046,000, which is \$3,454,000, or 0.2%, below the 2025 year-to-date budget. Toll revenue was slightly under budget due to adverse weather conditions in the year. These included two State of Emergency days in January 2025 due to significant snowfall, as well as three additional snow days in February. The leap year also affected results, with February 2025 having 28 days compared to 29 in 2024. In addition, a State of Emergency was declared in July due to flooding. Fuel prices have remained relatively consistent through October 2025, with gas prices coming in at \$0.10 per gallon lower than the same period in 2024, and \$0.09 per gallon lower from September to October 2025. Investment income was \$43,863,000, or 87.9%, above budget due to higher than budgeted invested balances. Fees were \$24,564,000, or 20.3% above the budget due to conservative budgeting in 2025. Miscellaneous revenue was \$77,000 or 0.5% above budget, driven by timing differences in expected receipts, including rent from the Arts Center, partly offset by lower fiber lease revenue.

For the ten months ended October 31, 2025, toll transactions on the New Jersey Turnpike increased 0.3% and toll revenue increased 3.1% compared to the same period in 2024. The increase in toll transactions is driven by the slight increase in passenger traffic due to lower gas prices as well as commercial traffic, which has remained strong throughout the year. Toll revenue increased primarily due to the 3% annual toll rate indexing which went into effect on January 1, 2025. The 2025 traffic and toll revenue budgets are based on the Authority's traffic engineering consultant's (CDM Smith) New Jersey Turnpike System 2024 Traffic and Toll Revenue Forecast Study dated August 6, 2024. CDM Smith projected a 0.8% increase in traffic and a 3.3% increase in revenue as compared to the prior year. The actual results for the ten months ended October 31, 2025, were below both CDM Smith's traffic and toll revenue projections. Through October 2025, the E-ZPass usage rate on the New Jersey Turnpike was 93.3%, an increase from 92.8% for the same period in 2024.

For the ten months ended October 31, 2025, toll transactions on the Garden State Parkway remained the same and revenue increased 4.1% when compared to the same period in 2024. Toll transactions remained flat primarily due to severe winter weather in the first two months of 2025. Toll revenue increased primarily due to the 3% annual toll rate indexing. CDM Smith projected a 1.1% increase in traffic and a 4.1% increase in revenue as compared to the prior year. The actual results for the ten months ended October 31, 2025, did not meet CDM Smith's traffic projections, however toll revenue met projections. Through October 2025, the E-ZPass usage rate on the Garden State Parkway was 92.0%, an increase from 91.2% for the same period in 2024.

Operating expenses for the ten months ended October 31, 2025, were approximately \$602,933,000, which is \$45,462,000 or 7.0% below the year-to-date budget. The Authority's operating expenses through October were below budget primarily due to lower salaries due to existing vacancies and pension expenses due to vacancies and prior period adjustments. This was partially offset by higher-than-budgeted health benefit costs, driven by higher Direct Access plan utilization, more than anticipated workers' compensation claims, and higher usage of name-brand drugs. The Authority spent a total of \$26,248,000 on snow and severe weather costs in 2025, with \$21,014,000 spent from the operating expense budget and an additional \$5,234,000 spent from the General Reserve Fund. All snow and severe weather costs are considered operating expenses and paid from the Revenue Fund, except for declared state of emergency events, which are charged to the General Reserve Fund. New Jersey had two declared state of emergency events in January 2025, and another in July 2025. When excluding snow/severe weather costs and its budget, operating expenses for the ten months are 7.5% below budget for 2025.

¹ These are un-audited results. Amounts and categories of revenue and expenses may change when audited.

**Financial Summary
For the Ten Months Ended October 31, 2025**

Debt Service includes interest and principal payments on the Authority's outstanding bonds and is funded primarily through revenue and to a much lesser extent bond proceeds (capitalized interest). For the ten months ending October 31, 2025, Debt Service totaled \$851,708,000, which was \$17,003,000 or 2.0% below the year-to-date budget as the 2025 Budget assumed a \$1.0 Billion bond issuance in January 2025, while the actual issuance was only \$750 million in new debt. In addition, the 2025 Budget assumed a \$500.0 million bond issuance in October 2025, which to date has not been required. This is partially offset by the increase in debt service expense from the refunding transaction in June. Please note, while the Authority is paying more in the short term in interest, there are greater savings on future principal payments. Total Debt Service through October included \$506,815,000 in interest payments and \$344,892,000 in principal payments. Net Debt Service (funded from revenue, net of capitalized interest) was \$787,513,000 for the ten months and is slightly above budget due to increased interest from the bond refundings as the interest from the new debt issuance was budget to be capitalized for the current year. The 2025 annual debt service budget includes approximately \$936,600,000 of debt service funded from revenue (net debt service), and the remaining \$109,600,000 of debt service funded from bond proceeds (capitalized interest), for a total debt service budget of \$1,046,200,000.

The General Reserve Fund includes all contractual payments subordinate to bondholders and expenditures for any other corporate purpose. The General Reserve Fund spending totaled \$530,199,000 for the ten months ended October 31, 2025, which was \$28,182,000, or 5.0% below the year-to-date budget. Spending consisted primarily of \$405,000,000 for the 2021 State Public Transportation Projects Funding Agreement, \$18,333,000 for the Transportation Trust Fund, and \$12,500,000 for Other Post-Employment Benefits. Also included are \$57,909,000 in transfers to the Supplemental Capital program as well as other funds within the Construction Fund.

The Capital Budget, which is funded by revenue, consists of the Maintenance Reserve Fund, Special Project Reserve Fund, and the Supplemental Capital Program. For the ten months ended October 31, 2025, total expenditures were approximately \$235,302,000, which was 63.5% of the 2025 year-to-date spending budget. Expenditures included \$18,535,000 for TPK Pavement Resurfacing along Section 8 Mileposts 60-63, \$15,037,000 for TPK Bridge Repairs along Mileposts 92-122/NBHC (2025), and \$15,037,000 for TPK Pavement Resurfacing along Section 10. In addition to these expenditures, there are open commitments totaling approximately \$343,947,000.

The Construction Fund, which is funded from bond proceeds, consists of the 2025-2029 Capital Improvement Program, the 2019 Capital Improvement Program, and the 2008 \$7 Billion Capital Improvement Program. For the ten months ended October 31, 2025, total expenditures were approximately \$422,567,000, which was 51.2% of the 2025 year-to-date spending budget. Total expenditures included \$44,483,000 for TPK Bridge Rehabilitation W 107 E107 84N&S, \$33,361,000 for TPK Bridge Rehabilitation W110 111 112, and \$26,082,000 for Passaic River Bridge Rehabilitation. In addition to these expenditures, there are open commitments totaling approximately \$1,556,310,000.