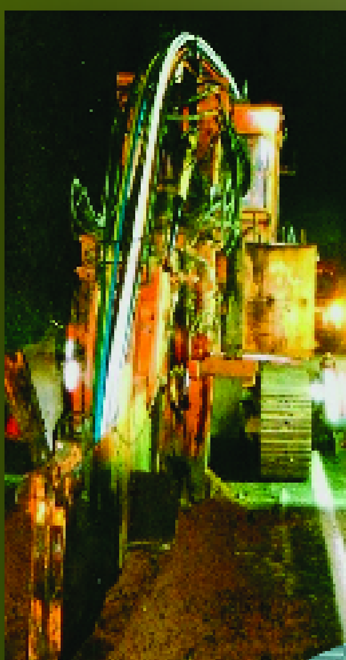
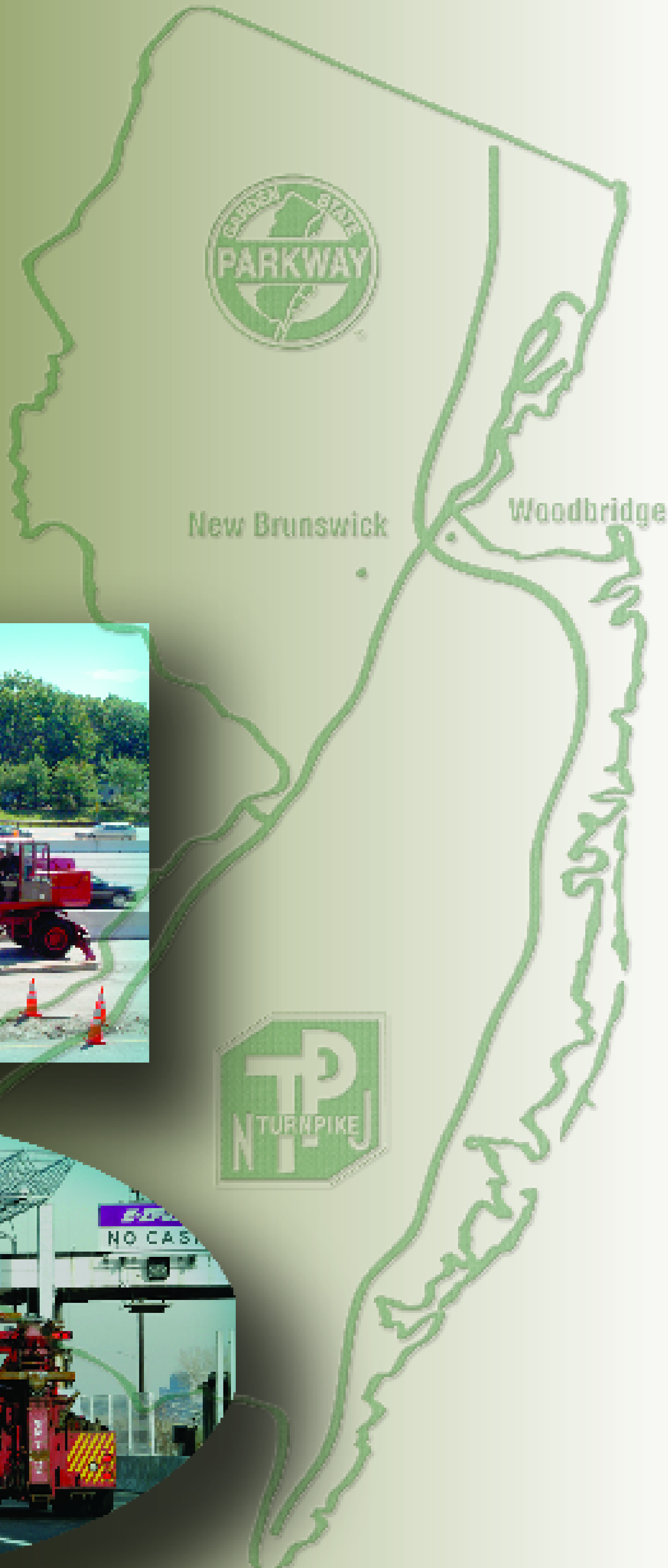
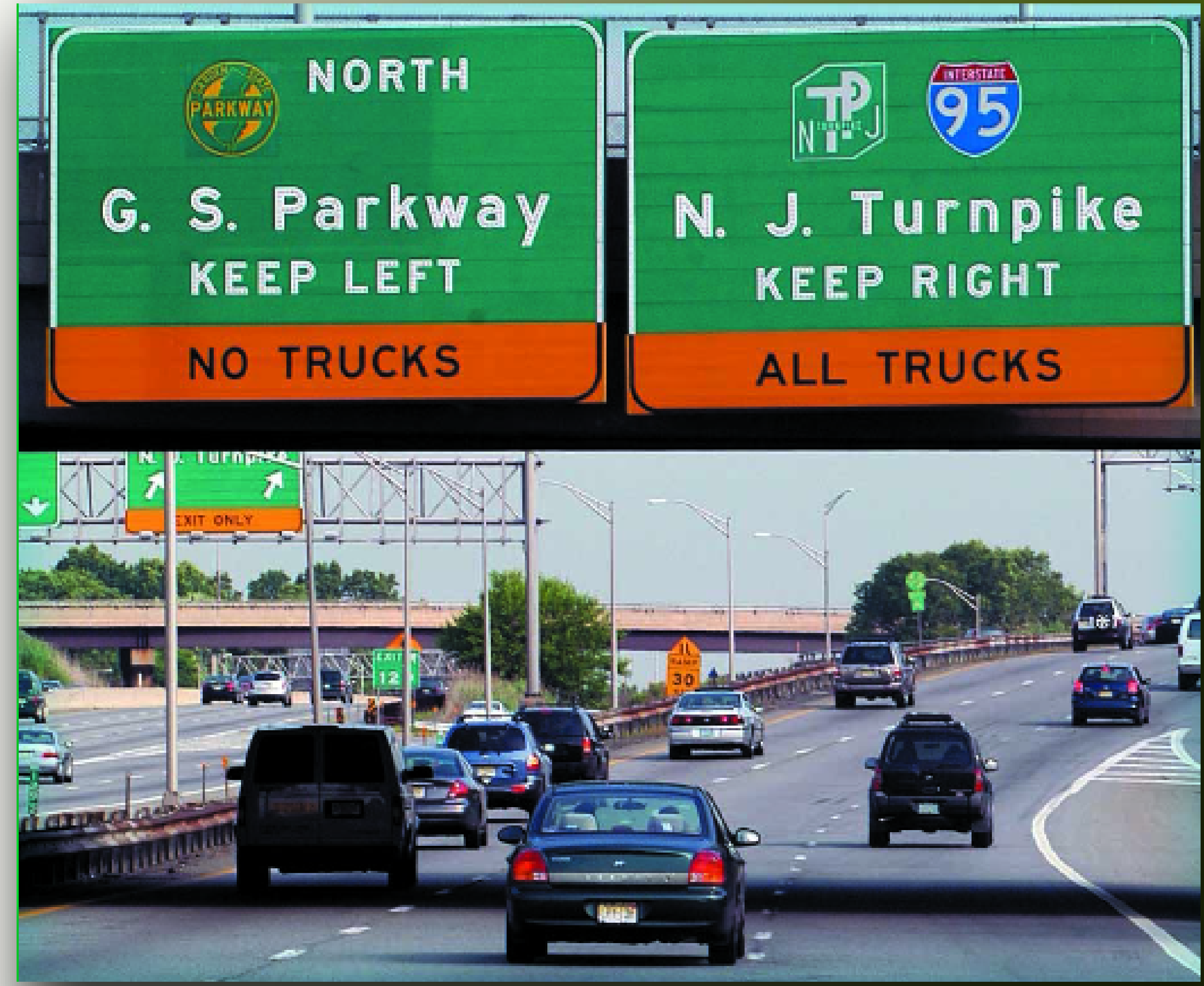




NEW JERSEY TURNPIKE AUTHORITY
2004 ANNUAL REPORT


NORTH
PARKWAY
G. S. Parkway
KEEP LEFT
NO TRUCKS
INTERSTATE
95
N. J. Turnpike
KEEP RIGHT
ALL TRUCKS
EXIT ONLY

New Jersey Turnpike Authority

ADMINISTRATION BUILDING P.O. BOX 1121 NEW BRUNSWICK, NEW JERSEY 08903

TELEPHONE (732) 247-0900

RICHARD J. CODEY
ACTING GOVERNOR

Acting Governor Richard J. Codey
PO Box 001
Trenton, NJ 08625

Dear Governor Codey:

I am proud to submit to you the 2004 Annual Report of the New Jersey Turnpike Authority on behalf of our Board of Commissioners, executive staff, and dedicated employees.

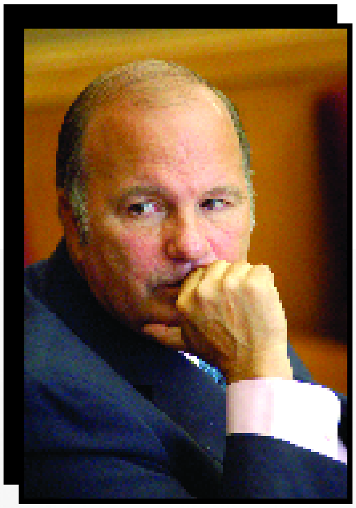
I believe that 2004 was a remarkable year in terms of our achievements to constantly improve the travels of the millions of motorists who use the New Jersey Turnpike and Garden State Parkway annually.

Following the successful consolidation of the Turnpike and Parkway in 2003, this past year we have set out to bring the benefits of that merger directly to the users of our roads with the introduction of Express E-ZPass, Alternating One-Way Tolls, and more than $300 million in new construction projects to improve safety and alleviate congestion. Other projects such as the long-anticipated completion of the new high capacity Interchange One Toll Plaza and the introduction of more than 100 cameras on both roadways to better manage traffic and enhance safety have done a great deal to improve conditions and take important steps towards using technology to better serve our motorists.

As I said, there have been many incredible steps taken to improve the travels of drivers on the New Jersey Turnpike and Garden State Parkway and we look forward to continuing this record of accomplishment in the coming year under your leadership.

Sincerely,

Joseph Simunovich
Chairman



JOSEPH (J.P.) MIELE
Vice Chairman

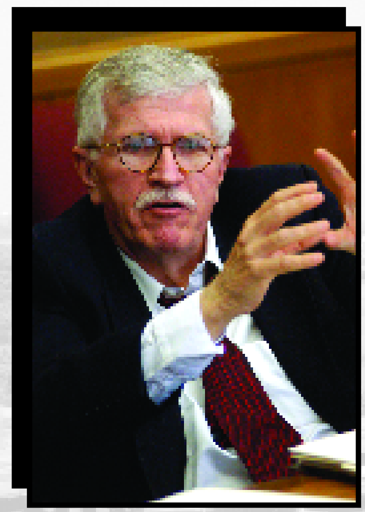
JOSEPH SIMUNOVICH
Chairman

JOHN HIBBS
Treasurer

New Jersey Turnpike Authority Commissioners

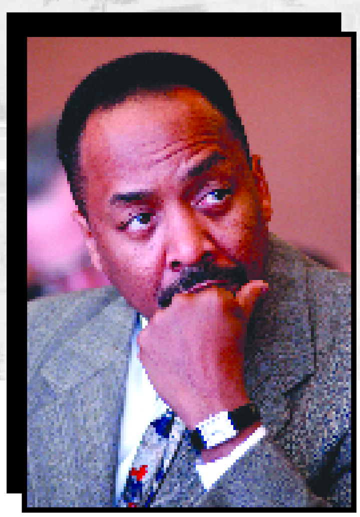
2004

LUIS FERNANDEZ
Commissioner



HAROLD L. HODES
Commissioner

HARRY LARRISON, JR.
Commissioner



DAVID G. EVANS
Commissioner

JOHN LETTIERE
Ex Officio, NJDOT Commissioner

New Jersey Turnpike Authority Staff & Consultants

Michael Lapolla
Executive Director

Diane Gutierrez-Scaccetti
Deputy Executive Director, Administration

Stephen Dilts
Deputy Executive Director, Turnpike Division

Timothy McDonough
Deputy Executive Director, Parkway Division & Consolidation Coordinator

Directors

Mary Ameen
Director of Strategic Transportation Policy & Planning

Roberta Butler
Director of Finance

George Caceres
Director of Law

James Carone
Director of Internal Audit

Mary-Elizabeth Garrity
Director of Human Resources

Brian Gorman
Director of Technology & Administrative Services

Walter Kristlibas
Director of Electronic Toll Collection

Richard Raczynski
Chief Engineer

Andrea Ward
Director of Purchasing

Joseph Orlando
Media Relations Coordinator

Turnpike Division

Robert F. Dale
Director of Operations

Daniel McNamara
Director of Maintenance

Robert Quirk
Director of Toll Collection

Parkway Division

Mary Ruotolo
Director of Development
GSAC Foundation

Ralph Bruzzichesi
Director of Maintenance

Richard Buscavage
Director of GSAC, Operations

Jude Depko
Principal Engineer
(Traffic Operations)

Robert Fischer
Director of Engineering

Cliff Miller
Director of Tolls

Tracey Walters
Comptroller

CONSULTANTS

Wilentz, Goldman & Spitzer
General Counsel

DeCotiis, FitzPatrick, Cole & Wisler
Co-General Counsel

HNTB Corporation
General Consulting Engineer

Wilbur Smith Associates
General Traffic Consultant
(New Jersey Turnpike)

Vollmer Associates
Traffic Engineering
(Garden State Parkway)

Birdsall Engineering
Environmental Consultant

PMK Group
Environmental Consultant

Deloitte & Touche, LLP
Auditor

2004 STATISTICS FOR THE CONSOLIDATED OPERATIONS OF THE NEW JERSEY TURNPIKE & THE GARDEN STATE PARKWAY

FOR THE YEAR ENDED DECEMBER 31, 2004

Revenue Vehicles		856,284,186
Mileage		12,612,696,845
Toll Revenue	$	715,585,999
Income from Investments	$	5,527,739
Concession Revenue	$	30,886,680
Miscellaneous Revenue	$	41,250,831
Arts Center	$	3,322,716
ETC Project Revenue	$	32,345,644
Total Revenue	$	828,919,609

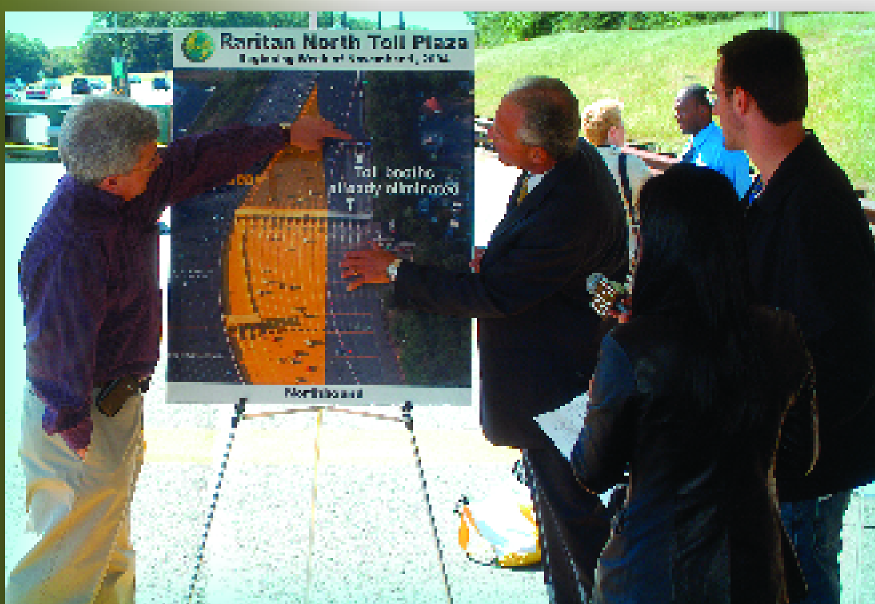
ONE WAY TOLLS:

MAKING THE IMPOSSIBLE HAPPEN –

TOLLS COMING DOWN ON THE GARDEN STATE PARKWAY

Aside from the implementation of E-ZPass in 1999 there had been few, if any, congestion fighting initiatives that ever made it past the discussion stage, let alone onto the roadways to make a difference. The year 2004 on the state's toll roads seemed to be all about making up for lost time.

In January, Turnpike officials provided the benefit of Express E-ZPass on the Garden State Parkway and Turnpike. A few months later, transportation officials unveiled yet another tool for motorists – Alternating One-Way Tolls.



Going in the direction of simple and cost-effective solutions to combat the nagging problem of traffic congestion, officials proposed eliminating tolls completely in one direction at certain barrier tolls along the Garden State Parkway and installing Express E-ZPass in the opposite direction while adjusting those tolls to .70 from the existing .35.

A study conducted by the New Jersey Turnpike Authority determined the Asbury Park South and Raritan North Toll Plazas were ideal locations for implementing the "One-Way" toll program based on daily traffic patterns and roadway geometry. The same study showed that approximately 72% of all Asbury Park traffic travels through the Raritan Plaza, while 39% of the Raritan traffic travels through the Asbury Park Plaza. This means that out of the roughly 42,000 E-ZPass customers who pass through the Asbury Park Toll Plaza going northbound on any given weekday, 31,000 also pass through the Raritan Plaza.

With Express E-ZPass already being scheduled for construction at the Raritan South and Asbury Park North Toll Plazas, the One-Way Toll plan would only require the demolition of tolls in one direction rather than any new construction. As an added bonus to the easing of congestion through One-Way Tolls, Turnpike officials determined that by eliminating tolls completely in the one direction at each plaza they would realize more than $2 million annually in savings from reduced E-ZPass transaction costs.

Most importantly, though, the immediate benefit for drivers would be 40 miles of toll-free driving for cash customers. With the addition of Express E-ZPass, these customers would not have to slow down to pay a toll for more than 74 miles.

Long thought to be an unattainable goal, the removal of tolls on the Garden State Parkway started becoming a reality in September as the One-Way Tolls program was expeditiously put into place. By year's end, Raritan North and Asbury Park South were completely free of toll barriers, with construction of the Express E-ZPass lanes expected to be complete by Memorial Day of 2005.

Bolstered by this initial success, transportation officials took a more thorough look at traffic conditions along the Garden State Parkway and in October decided to ultimately include the Union and Essex Toll Plazas as part of the One-Way Tolls program.

CONTINUING TO IMPRESS:

E-ZPASS MAKES LIFE EASIER FOR A GROWING NUMBER IN NEW JERSEY

The New Jersey E-ZPass system continues to provide superior levels of customer service and convenience for a growing number of motorists while continuing to satisfy its existing customer base.

In its first full year of operation under the new E-ZPass vendor, ACS State and Local Solutions, statistics in nearly every category far exceed officials' expectations.

New accounts opened in 2004 totaled 157,150 bringing the system-wide total to 1,464,077 – an increase of well over 200,000 users since the switch was made to the new and improved system.

The ACS-run customer service center in Newark issued 529,142 new transponders to customers in 2004 bringing the total number in circulation to 2,761,680.

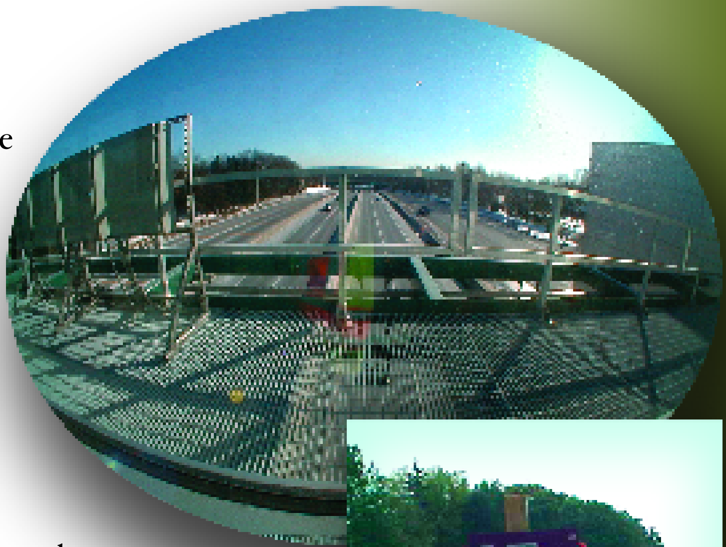
The customer service center also responded to 3,335,491 customer calls ranging from new account set-ups to violation-related concerns.

Probably the most incredible statistic to date is the 14,674,645 website hits in 2004, up from only 3,820,087 in 2003 as customers took advantage of the expanded website account management offerings now in place.

The remarkable increase in new accounts, issued transponders, and customer interest continues to show the benefits of the investment of time and money made by the New Jersey Turnpike Authority over the past three years.

Customer service aside, the New Jersey Turnpike Authority oversees an exhaustive maintenance schedule for all E-ZPass lane equipment to ensure high levels of accuracy and customer convenience. Thanks to this effort, the New Jersey E-ZPass system boasts one of the lowest true violation rates of any electronic toll collection program in the country.

EXPRESS E-ZPASS



January 11, 2004 marked the beginning of a process that would forever change the face of the New Jersey Turnpike and Garden State Parkway.

On that bitterly cold winter day, New Jersey's transportation officials celebrated a monumental improvement that began the process of removing tollbooths, the bane of motorists' commutes, and allowing the high tech solution of Express E-ZPass to become the newest tool to alleviate traffic and congestion and move motorists toward their destinations more rapidly.

The strategy behind Express E-ZPass was rather simple – use the existing E-ZPass system, which has been accepted and utilized by more than 60% of drivers on the toll roads, and take advantage of the advancements in technology since its introduction.

In doing so, transportation officials were able to double the amount of vehicles that could pass through a lane in a given hour from 1,100 to almost 2,200 while taking years off the normal planning and construction process to provide drivers with long-term solution to traffic and congestion on the roadways.

Express E-ZPass uses modified transponder reading equipment mounted overhead on a gantry rather than in the traditional toll lanes that require motorists to slow down as they enter. With the tollbooths removed, motorists simply travel at normal highway speeds under the gantry where their tolls are automatically deducted from their accounts.

With the prospect of having a major transportation improvement so close at hand, Turnpike officials were tasked with completing the first two locations at the Pascack Valley Toll Plaza on the Garden State Parkway, and Interchange 18W on the New Jersey Turnpike in only 14 months.

By expediting design and construction processes, Authority engineers and contractors completed the project and made Express E-ZPass available to motorists on both roadways in early January – a remarkable accomplishment of taking a project from the drawing board to completion in a little more than a year.

And the efforts were not wasted. Motorists were quick to adjust to the new lanes and take advantage of the savings in time from the eliminating the need to slow down to pay tolls.

Since January of 2004, 60% of all traffic at Pascack Valley on the Garden State Parkway and 73% of all traffic on Interchange 18W on the New Jersey Turnpike chose the option of traveling 55 miles per hour through the Express E-ZPass lanes. More than 90% of E-ZPass customers using Pascack Valley and 18W currently utilized Express E-ZPass lanes. Translated, that means 30 million motorists getting to their destinations without the delays they once faced.

With the success of the Express E-ZPass project firmly established, the door was now open for more good news to come for drivers in 2004.

INTERCHANGE ONE

The person who coined the phrase "Getting there is half the fun," apparently had never driven through Interchange One on the New Jersey Turnpike on a holiday weekend prior to July of 2004.

Unchanged since the original construction of the roadway in 1951, Interchange One was regularly a nightmare for drivers traveling the Turnpike southbound heading for Delaware and beyond. Simply unable to handle the capacity of increased vehicles on weekends and holidays, Interchange One would cause motorists to find themselves in delays that could stretch more than 20 miles as they tried to navigate through the Turnpike's southern-most Interchange.

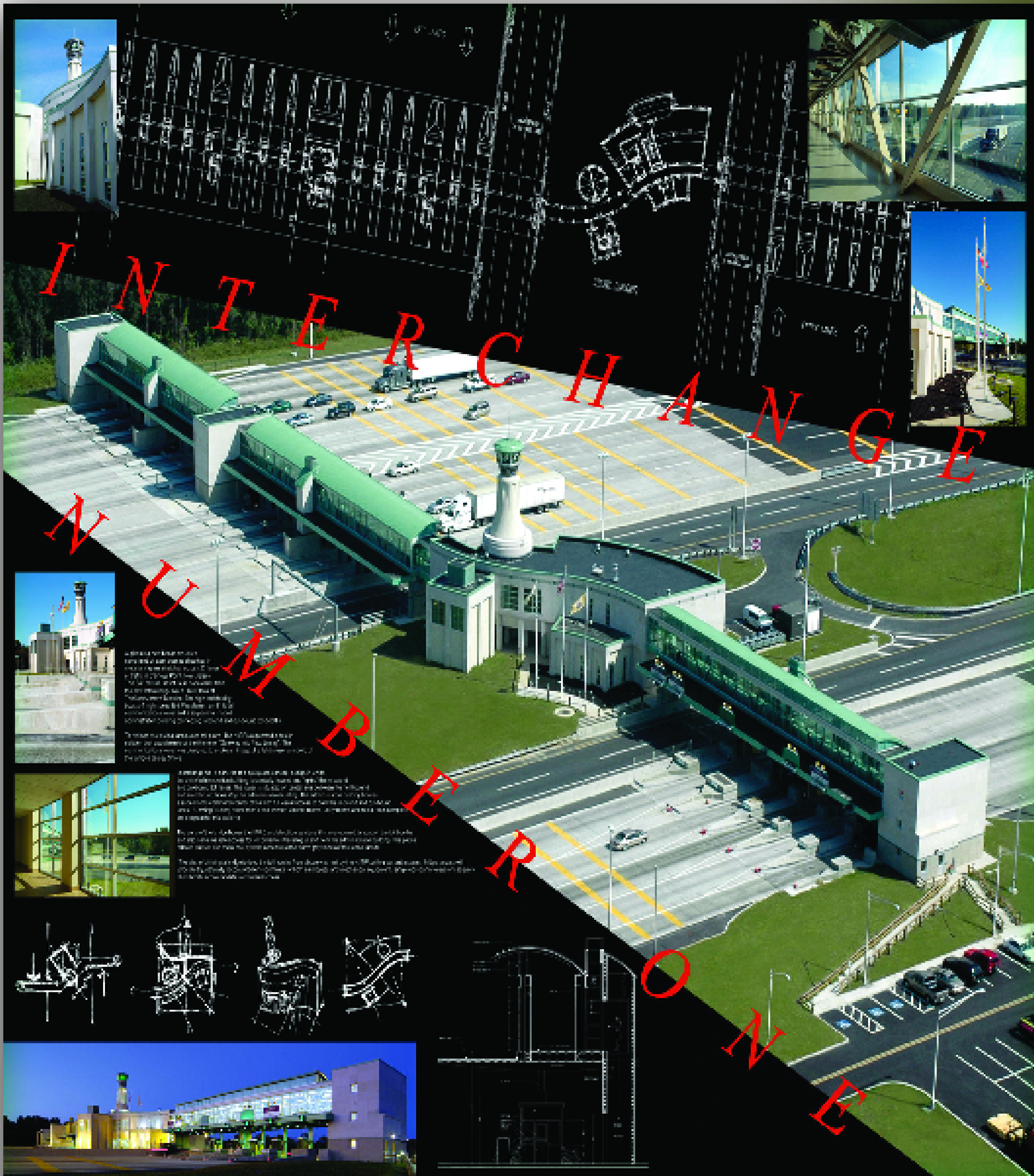
Too often, Turnpike officials would be forced to divert southbound traffic off the roadway at Interchange Four and onto Route 295 South to help alleviate the regular delays. Other times variable messages along the length of the roadway would warn of the impending delays in an attempt to offer motorists a chance to find an alternate route.

While the need to alleviate a well-known congestion cause was paramount to Turnpike officials, they were also faced with another nagging issue – the desire to create a more prestigious entry point into New Jersey for the more than 16 million motorists who travel through there every year. Finally, after years of planning, design and construction, all parties got what they were looking for.

Just in time for the 2004 July 4th holiday weekend, things turned around as officials gathered together to open the long-awaited, improved Interchange One.

With a combined 23 lanes to accommodate entry and exit traffic, the newly constructed Interchange One toll plaza offered eight new lanes to handle the volume that plagued the old plaza and was also re-configured to include Express E-ZPass.

Spanning more than 400 feet across the roadway and highlighted by more than 500 panes of glass, the new $48 million toll plaza was quickly put to the ultimate test. Dedicated and opened on July 1, 2004, the following days provided some of the heaviest traffic volumes that the Turnpike sees all year. In total, more than 140,000 vehicles used Interchange One between July 2nd and 5th 2004 and the traditional delays of years past were nowhere to be found. Backups that once were measured in miles were now measured by numbers of cars if they occurred at all.


INTERCHANGE
NUMBER ONE

PNC BANK ARTS CENTER

For the 37th consecutive year the PNC Bank Arts Center offered New Jersey's residents access to some of the biggest acts in the entertainment world.

From the classic tunes of Fleetwood Mac and Rod Stewart to the world-class performance of Luciano Pavarotti to close the season, the PNC Bank Arts Center hosted capacity crowds throughout the summer of 2004. Among the others premiere acts lending their talents to the Parkway's famous forum were Rod Stewart, Sting, Cyndi Lauper, and the ever-popular Ozzfest.

And, as usual, PNC Bank Arts Center marked the holiday season with its Seventh Annual Holiday Light Spectacular. Over 45,000 visitors took the two-mile drive through the grounds to enjoy the spectacular show of a million lights and more than a hundred holiday displays.

The Garden State Arts Foundation and Cultural Center Fund

The Garden State Arts Foundation was established in 1968, with the Cultural Fund created by the New Jersey Highway Authority in 1984 for sole the purpose of fundraising.

Year after year the Garden State Arts Foundation strives to ensure that cultural and arts programming remains free and available to as wide an audience as possible, and 2004 was far from an exception.

In 2004, more than 20 free programs were made available to New Jersey's residents through the traditional performances and events at the PNC Bank Arts Center as well as the recently instituted "On the Road" programs. Among the performances offered free to the public in 2004 were Manhattan Transfer, Charo, and Tony Orlando.

As part of the Foundation's commitment to bolstering cultural activities, the annual cultural festivals remained free of charge and were expanded to offer new sections designed to be interactive with children. These daylong events featuring food, crafts, performing arts, and much more celebrate and highlight New Jersey's ethnic and cultural diversity.

In total, more than $400,000 was raised in 2004 to continue offering the annual programs and scholarship made available by the Foundation. Of the total amount raised, over $200,000 was brought in during the 2004 Francis Albert Sinatra Tribute to the Performing Arts dinner which honored Joseph M. Sanzari, Chairman of the Garden State Arts Center Foundation. Mr. Sanzari, a respected and well-known New Jersey businessman, honored the Foundation by becoming its Chairman and has put the full effort of his benevolence to work in raising funds to ensure that these programs will continue for years to come.

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New Jersey Turnpike Authority

Financial Statements

(Turnpike Revenue Bond Resolution Basis)

and Supplementary Information

for the Year Ended December 31, 2004

and Independent Auditors' Report

NEW JERSEY TURNPIKE AUTHORITY

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Deloitte & Touche LLP
Two Hilton Court
Parsippany, NJ 07054-0319
USA

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Fax: +1 973 683 7459
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

To the Commissioners
New Jersey Turnpike Authority
New Brunswick, New Jersey

We have audited the accompanying statement of assets, liabilities, and fund balances, the related statement of cost of investment in facilities of the New Jersey Turnpike Authority (the "Authority"), a component unit of the State of New Jersey, as of December 31, 2004, and the related statements of revenues and expenses and changes in fund balances for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2 to the financial statements, these financial statements were prepared in accordance with the provisions of the Authority's 1991 Turnpike Revenue Bond Resolution as amended, restated and supplemented and on the Authority's interpretation of such resolution, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, the bond resolution basis financial statements do not present fairly the Authority's financial position and results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America.

In our opinion, such financial statements present fairly, in all material respects, the assets, liabilities and fund balances and the cost of investment in facilities of the Authority as of December 31, 2004, and its revenues and expenses and changes in fund balances for the year then ended on the basis of accounting described in Note 2.

Member of
Deloitte Touche Tohmatsu

Our audit was conducted for the purpose of forming an opinion on the aforementioned financial statements taken as a whole. The supplementary information included in schedules 1 through 5, is presented for purpose of additional analysis and is not a required part of the aforementioned financial statements. This additional information is the responsibility of the Authority's management. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in our audit of the aforementioned financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the aforementioned financial statements taken as a whole.

Deloitte & Touche LLP

March 28, 2005

NEW JERSEY TURNPIKE AUTHORITY

Statement of Revenues and Expenses

For the Year Ended December 31, 2004

		Total
Revenues		
Toll revenue	$	715,585,999
Income from investments		5,527,739
Concession revenue		30,886,680
Miscellaneous revenue		41,250,831
Arts Center		3,322,716
ETC Project Fees		32,345,644
Total revenues		828,919,609
Operating Expenses		
Executive office		3,297,041
E.T.C. Dept		2,917,510
Law		1,536,603
Finance and budgets		6,284,543
Human resources		3,111,556
Technology and administrative services		14,250,115
Purchasing		689,890
Operations		5,661,108
Patron services		892,897
State police		45,440,081
Toll Collection		78,365,385
Maintenance		80,718,289
Engineering		3,267,012
Internal Audit		1,083,058
Strategic Planning		277,393
Non-departmental		18,662,899
Employee benefits		64,638,984
Snow		6,555,728
ETC		89,141,472
Cash discounts		(145)
Total operating expenses		426,791,419
Total revenues in excess of operating expenses before net debt service		402,128,190
Debt Service		
Interest Expense, Turnpike Revenue Bonds		200,348,283
Transfer to Debt Service Fund		28,065,000
Transfer to Charges Fund		5,373,912
Total debt service		233,787,195
Total revenues in excess of operating expenses and net debt service		168,340,995
Interfund Transfers:		
To Special Project Reserve Fund		(28,549,000)
To Maintenance Reserve Fund		(55,668,000)
To General Reserve Fund		(4,798,117)
To General Reserve Surplus Transfer		(79,325,878)
Total revenues in excess of operating expenses, net debt service, and interfund transfers	$	-

See notes to financial statements- modified cash basis.

NEW JERSEY TURNPIKE AUTHORITY
Statement of Assets, Liabilities & Fund Balances
December 31, 2004

	Total Revenue Fund	Construction Fund	Maintenance Reserve Fund
Assets			
Cash	$ 98,916,559	$ 10,799,671	$ 2,083,329
Investments	101,581,913	1,025,196,649	13,994,168
Receivables	16,182,650	-	-
Interfund accounts, net	(44,837,263)	(1,403,275)	(2,425,378)
Deposits	4,017,430	2,709,713	-
Cost of investment in facilities	-	6,371,393,778	-
Total assets	$ 175,861,289	$ 7,408,696,536	$ 13,652,119
Liabilities and fund balances			
Liabilities:			
Accrued debt service payable	$ -	$ -	$ -
Withholdings from employees	1,132,190	-	-
Amounts retained from contractors & engineers	130,271	17,562,402	2,678,637
Other liabilities	104,396,955	49,215,467	38,408
Bond indebtedness:			
Turnpike Revenue Bonds, Series 1991 C	-	137,650,000	-
Turnpike Revenue Bonds, Series 1991 D	-	371,000,000	-
Turnpike Revenue Bonds, Series 1992 B	-	34,724,538	-
Turnpike Revenue Bonds, Series 2000 A	-	1,017,280,000	-
Turnpike Revenue Bonds, Series 2000 B - G	-	400,000,000	-
Turnpike Revenue Bonds, Series 2003 A	-	788,815,000	-
Turnpike Revenue Bonds, Series 2003 B	-	711,970,000	-
Turnpike Revenue Bonds, Series 2003 C	-	500,000,000	-
Turnpike Revenue Bonds, Series 2003 D	-	400,000,000	-
Turnpike Revenue Bonds, Series 2004 A	-	154,000,000	-
Turnpike Revenue Bonds, Series 2004 B	-	101,279,755	-
Turnpike Revenue Bonds, Series 2004 C	-	287,120,000	-
Total liabilities	105,659,416	4,970,617,162	2,717,045
Fund balances	70,201,873	2,438,079,374	10,935,074
Total liabilities and fund balances	$ 175,861,289	$ 7,408,696,536	$ 13,652,119

See notes to financial statements - modified cash basis.

Special Project Reserve Fund	General Reserve Fund	Charges Fund	Debt Service Fund	Total
$ 5,772,913	$ 36,304,397	$ 2,667	$ 26,432	$ 153,905,968
23,498,696	247,585,990	569,945	148,940,995	1,561,368,356
223,796	-	-	-	16,406,446
(721,014)	85,399,385	42	(36,012,497)	-
-	-	-	-	6,727,143
-	-	-	-	6,371,393,778
$ 28,774,391	$ 369,289,772	$ 572,654	$ 112,954,930	$ 8,109,801,691
$ -	$ -	$ -	$ 76,828,898	$ 76,828,898
-	-	-	-	1,132,190
1,195,987	343,666	-	-	21,910,963
125,323	-	-	-	153,776,153
-	-	-	-	137,650,000
-	-	-	-	371,000,000
-	-	-	-	34,724,538
-	-	-	-	1,017,280,000
-	-	-	-	400,000,000
-	-	-	-	788,815,000
-	-	-	-	711,970,000
-	-	-	-	500,000,000
-	-	-	-	400,000,000
-	-	-	-	154,000,000
-	-	-	-	101,279,755
-	-	-	-	287,120,000
1,321,310	343,666	-	76,828,898	5,157,487,497
27,453,081	368,946,106	572,654	36,126,032	2,952,314,194
$ 28,774,391	$ 369,289,772	$ 572,654	$ 112,954,930	$ 8,109,801,691

NEW JERSEY TURNPIKE AUTHORITY
Statement of Changes in Fund Balances
December 31, 2004

	Total Revenue Fund	Construction Fund	Maintenance Reserve Fund
Balance as of beginning of year	$ 65,971,047	$ 2,404,727,062	$ 1,668,902
Add (deduct):			
Revenues and interfund transfer from General Reserve Fund in excess of operating expenses before net debt service	402,128,190	-	-
Transfers to fund bond interest expense	(200,348,283)	-	-
Bond interest expense	-	-	-
Payment of other charges	-	-	(49,701,828)
Revenue fund transfers	(89,590,912)	-	55,668,000
Other fund transfers	(567,291)	(252,688)	3,300,000
Sinking fund payment	-	33,605,000	-
Sinking fund transfers	(28,065,000)	-	-
Surplus transfer	(79,325,878)	-	-
Required payment to the State of New Jersey	-	-	-
Balance as of end of year	$ 70,201,873	$ 2,438,079,374	$ 10,935,074

See notes to financial statements - modified cash basis.

Special Project Reserve Fund	General Reserve Fund	Charges Fund	Debt Service Fund	Total
$ 21,203,691	$ 331,537,745	$ 274,136	$ 45,644,170	$ 2,871,026,753
-	-	-	-	402,128,190
-	-	-	200,348,283	-
-	-	-	(200,348,283)	(200,348,283)
(22,299,610)	(32,415,634)	(5,075,394)	-	(109,492,466)
28,549,000	-	5,373,912	-	-
-	1,498,117	-	(3,978,138)	-
-	-	-	(33,605,000)	-
-	-	-	28,065,000	-
-	79,325,878	-	-	-
-	(11,000,000)	-	-	(11,000,000)
$ 27,453,081	$ 368,946,106	$ 572,654	$ 36,126,032	$ 2,952,314,194

NEW JERSEY TURNPIKE AUTHORITY
Statement of Cost of Investment in Facilities
December 31, 2004

	Original Turnpike Extensions and Additional Lanes	Revenues Invested in Facilities	1966 Turnpike Improvement	1971 Turnpike Improvement	1973 Improvement and Funding Program	1977 Turnpike System Revenue Bond Accounts
Engineering and architectural	$ 28,083,278	$ 12,125,827	$ 32,051,535	$ 11,566,356	$ 18,997,183	$ -
Land, easements and rights-of-way, net of recoveries	25,771,162	6,073,263	28,704,263	4,074,507	7,013,092	-
Construction, including cost of training and equipping operating personnel, machinery and equipment and miscellaneous pre-operating expenses	371,398,653	69,099,391	390,553,355	103,797,024	30,811,393	-
Other costs, including administration	1,869,762	164,427	2,770,920	181,599	307,851	-
Financial	27,036,418	165,271	245,668,754	22,512,061	23,615,247	12,874,128
	454,159,273	87,628,179	699,748,827	142,131,547	80,744,766	12,874,128
Less income from interim investment of construction funds	7,763,714	3,929	82,042,352	19,485,504	46,808,678	-
	$ 446,395,559	$ 87,624,250	$ 617,706,475	$ 122,646,043	$ 33,936,088	$ 12,874,128

1984 Turnpike Revenue Bonds	Refunding of 1984 Bonds	1985-1990 Widening Project	Business Plan for the 90's	Former NJHA Construction	2000 Construction Fund	2003 Construction Fund	2004 Construction Fund	Total
$ -	$ -	$ 153,068,194	$ 130,677,214	$ -	$ 127,215,418	$ -	$ -	$ 513,785,005
-	-	24,713,537	429,638,178	-	6,160,918	-	-	532,148,920
-	-	386,016,061	525,579,032	1,781,696,930	567,828,880	-	-	4,226,780,719
-	-	19,331,429	54,726,214	-	195,606,537	-	-	274,958,739
67,745,398	7,988,081	594,000,850	592,583,031	78,358,485	410,118,974	(1,971,116)	6,070,727	2,086,766,310
67,745,398	7,988,081	1,177,130,071	1,733,203,669	1,860,055,415	1,306,930,727	(1,971,116)	6,070,727	7,634,439,693
-	-	653,015,748	293,407,659	1,490,030	153,886,095	5,119,879	22,327	1,263,045,915
$ 67,745,398	$ 7,988,081	$ 524,114,323	$1,439,796,010	$1,858,565,385	$1,153,044,632	$ (7,090,995)	$ 6,048,401	$ 6,371,393,778

NEW JERSEY TURNPIKE AUTHORITY

Notes to Financial Statements

December 31, 2004

(1) Organization and Function of the New Jersey Turnpike Authority

The New Jersey Turnpike Authority (the "Authority") is a body corporate and politic created by the New Jersey Turnpike Authority Act of 1948, as amended and supplemented (the "Act"). The Act authorizes the Authority to construct, maintain, repair, and operate the New Jersey Turnpike (the "Turnpike System") projects at locations established by law and to issue Turnpike revenue bonds or notes of the Authority, subject to prior approval in writing from the Governor and from either or both the State Treasurer and the Director of the Division of Budget and Accounting of the Department of the Treasury, payable solely from tolls and other revenues of the Authority. Under the provisions of the Act, the Turnpike bonds or notes and the interest thereon shall not be deemed to constitute a debt or liability or a pledge of the faith and credit of the State or any political subdivision thereof.

On May 7, 2003, the Act was amended to empower the Turnpike Authority, effective on the Transfer Date, to assume all powers, rights, obligations and duties of the New Jersey Highway Authority (the "Highway Authority"), which owned and operated the Garden State Parkway and PNC Bank Arts Center. The Transfer Date, which was the date of issuance and delivery of the Series 2003 (Turnpike Authority) Bonds, was July 9, 2003. On that date, the Chairman of the Turnpike Authority and the Commissioner of the New Jersey Department of Transportation certified to the Governor of the State of New Jersey that (a) all bonds of the Highway Authority ceased to be outstanding within the meaning of the resolutions pursuant to which those bonds were issued and (b) that the Turnpike Authority had assumed all debts and statutory responsibilities and obligations of the Highway Authority.

The Authority is a component unit of the State of New Jersey and its financial statements are included in the State of New Jersey's (the "State") Comprehensive Annual Financial Report.

(2) Summary of Significant Accounting Policies

Nature of Funds

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. Resources are allocated to and accounted for in the individual funds based upon the provisions of the Turnpike Revenue Bond Resolution, adopted August 21, 1991 as amended, restated and supplemented (the "Bond Resolution"). The various funds are as follows:

- Revenue Fund – The Revenue Fund is the general operating fund of the Authority. It is used to account for all of the operating revenues and expenses. As of July 9, 2003, separate accounts are maintained for the Turnpike and Parkway divisions; overall results are reported on a combined basis.

- Construction Fund – The Construction Fund is used to account for financial resources to be used for cost of investment in facilities. Included in this fund are the proceeds from the issuance of Turnpike Revenue Bonds in 2000, 2003 and 2004 (see Note 5), unexpended moneys related to projects authorized by previous bond issues and amounts transferred in as a result of the acquisition of the Highway Authority.

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

- Special Project Reserve Fund – Amounts in this fund may be applied to the cost of one or more special projects or additional projects. On an annual basis, the Special Project Reserve Fund is replenished up to the amount of the Special Project Reserve Requirement of $50,000,000. The required funding is determined by projecting the ending fund balance and comparing it to the Special Project Reserve Requirement. The difference is funded in 12 equal installments over the next fiscal year.

- General Reserve Fund – Amounts in the General Reserve Fund are to be used to make required state payments and to make up deficiencies in the Revenue Fund, the Debt Service Fund, the Debt Reserve Fund, the Charges Fund, the Maintenance Reserve Fund, and the Special Project Reserve Fund. Subject to certain terms, amounts in this fund which are not required to remedy any such deficiency may be applied to (a) the purchase or redemption of any bonds and expenses in connection therewith; (b) payment of principal and interest due upon redemption of variable rate debt, commercial paper and subordinated indebtedness, if any; (c) payments into the Construction Fund; (d) improvements, extensions, betterments, renewals, and replacements of the Turnpike System or the provisions of reserves for these purposes; (e) payments into the Revenue Fund; and (f) any other corporate purpose, including but not limited to, additional required State payments, if any.

- Charges Fund – This fund is used to pay (a) fees and charges paid to a financial institution under a letter of credit and related reimbursement agreement, line of credit, standby bond purchase agreement, or similar agreement; (b) fees and charges paid to the remarketing agent; (c) fees and charges paid to the tender agent; and (d) fees and charges paid to the broker/dealer but only to the extent that the Authority determines the foregoing amounts shall not be paid as operating expenses.

- Debt Service Fund – This fund accumulates the amounts required for (a) payment of interest and maturing principal amounts on all outstanding Turnpike revenue bonds when due; (b) payment of the redemption price and accrued interest on the bonds to be redeemed; and (c) payment of the purchase price of bonds purchased through application of moneys accumulated in this fund by reason of the payment of any sinking fund installment.

- Debt Reserve Fund – Amounts in this fund are to be applied to make up any deficiency in the Debt Service Fund. The Bond Resolution provides that as a condition to the issuance of each series of bonds there shall be deposited in the Debt Reserve Fund the amount, if any, necessary so that the amount in such fund equals the Debt Reserve Requirement calculated immediately after the issuance of such series of bonds. The Debt Reserve Requirement is equal to the greatest amount of interest accruing on the outstanding bond indebtedness in any one year, subject to certain provisions set forth in the Bond Resolution (see Note 5).

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

  The Authority may deposit a surety bond, insurance policy, or letter of credit payable to the Trustees of the bonds in an amount equal to the difference between the Debt Reserve Requirement and amounts deposited in the Debt Reserve Fund, subject to conditions provided for in the Bond Resolution (see Note 5). The fund presently has a zero balance, as all outstanding bonds are fully insured.

Basis of Presentation

Accounts of the Authority are maintained in accordance with the practices set forth herein, which are based on the provisions of the Bond Resolution and on the Authority's interpretation of the Bond Resolution. The significant practices, the first three of which differ in material respects from accounting principles generally accepted in the United States of America, are as follows:

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

- Transfers from the Construction Fund to the Revenue Fund and from the Revenue Fund to the Special Project Reserve Fund and Maintenance Reserve Fund are presented in the statement of revenues and expenses.

- Operating expenses are recorded when paid except for reserves for general liability insurance claims for which the Authority is self-insured, unemployment insurance premiums withheld from employees, non-recurring pension liability payments due in future years and certain other reasonable and necessary operating expenses which do not recur annually.

- Cost of investment in facilities is generally recorded when paid except for amounts payable to contractors and engineers that are withheld (as retainage) which are recorded when incurred. Income on unexpended construction funds is credited to cost of investment in facilities when received.

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

- Toll revenues are recorded when earned.

- Income on investments and from concessions is recorded when received. Investments are stated at cost.

- Other income and receipts, from whatever source derived, are recorded as revenue when received.

- Interest on bond indebtedness is recorded on the accrual basis.

- Management Discussion and Analysis "MD&A" is not presented as supplementary information.

- Costs for major repairs, replacements, or maintenance items of a type not recurring annually or at shorter intervals and costs for major resurfacing, replacement, repairs, renewals, or reconstruction of the Turnpike System are recorded when paid except for amounts payable to contractors and engineers that are withheld (as retainage). Such costs are included in other charges in the accompanying statement of changes in fund balances.

- "Total" columns contain the totals of the similar accounts of the various funds. Since the assets of the funds are restricted, the combination of the accounts, including the assets therein, is for comparison only and does not indicate that the combined assets are available in any manner other than that provided for in the Bond Resolution.

(3) Cash and Investments

All moneys held under the Bond Resolution shall be continuously and fully secured by pledging, as collateral security, direct obligations of or obligations guaranteed by the United States of America having a market value not less than the amount of such moneys. The Authority's total book (cash) balances were $153,905,968 at December 31, 2004. The Authority's total bank (cash) balances were $180,490,165 December 31, 2004, of which $441,722 was insured by the Federal Deposit Insurance Corporation and $208,644,639 was collateralized with U.S. Government Securities held in the Authority's name by the Authority's financial institutions or its agents.

	2004	
	Par Value	**Book Value**
US Treasuries	$ 1,326,688,953	$ 1,317,931,211
Repurchase Agreements	243,456,222	243,437,145
Total	$ 1,570,145,175	$ 1,561,368,356

The investment policies of the Authority are established in conformity with the Bond Resolution, which defines investment securities to mean any of the following securities legal for investment of the Authority's funds at the time of the purchase thereof:

(i) Federal Securities, which are (a) any direct and general obligations of, or any obligations guaranteed by, the United States of America, including but not limited to interest obligations of the Resolution Funding Corporation or any successor thereto, (b) any obligations of any state or political subdivision of a state (collectively, "Municipal Bonds") which Municipal Bonds are fully secured as to principal and interest by an irrevocable pledge of moneys or direct and general obligations of, or obligations guaranteed by, the United States of America, which moneys or obligations are segregated in trust and pledged for the benefit of the holders of the Municipal Bonds, and (c) certificates of ownership of the principal or interest of direct and general obligations of, or obligations guaranteed by, the United States of America, which obligations are held in trust by a commercial bank which is a member of the Federal Reserve System.

(ii) Bonds, debentures, notes or other evidences of indebtedness issued by any agency or instrumentality of the United States to the extent such obligations are guaranteed by the United States or by another such agency the obligations (including guarantees) of which are guaranteed by the United States;

(iii) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Government National Mortgage Association, Federal Land Banks, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Tennessee Valley Authority, United States Postal Service, Farmers Home Administration, Export-Import Bank, Federal Financing Bank and Student Loan Marketing Association;

(iv) Negotiable or non-negotiable certificates of deposit issued by any bank, trust company or national banking association, which certificates of deposit shall be continuously secured or collateralized by obligations described in subparagraphs (i) or (ii) of this definition, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and shall be lodged with the Trustee, as custodian, by the bank, trust company or national banking association issuing such certificates of deposit;

(v) Uncollateralized negotiable or non-negotiable certificates of deposit issued by any bank, trust company or national banking association, the unsecured obligations of which are rated in one of the two highest rating categories, without regard to rating sub-categories, by Moody's and S&P;

(vi) Repurchase agreements collateralized by obligations described in subparagraphs (i), (ii) or (iii) of this definition with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction, which has an uninsured, unsecured and unguaranteed obligation rated "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P, or any commercial bank with the above ratings, provided:

(a) a master repurchase agreement or specific written repurchase agreement governs the transaction, which characterizes the transaction as a purchase and sale of securities,

(b) the securities are held free and clear of any lien, by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (i) a Federal Reserve Bank, (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus, and undivided profits of not less than $75,000,000, or (iii) a bank approved in writing for such purpose by each Credit Issuer, if any, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee,

(c) a perfected first security interest under the Uniform Commerce Code, or book entry procedures prescribed at 31 CFR 306. 1 et seq. or 31 CFR 350.0 et seq. or a successor provision in such securities is created for the benefit of the Trustee,

(d) the repurchase agreement has a term of six months or less, or the Authority will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation,

(e) the repurchase agreement matures on or before a debt service payment date (or other appropriate liquidation period), and

(f) the fair market value of the securities in relation to the amount of the repurchase obligation is equal to at least 100%.

(vii) Banker's acceptances, eurodollar deposits and certificates of deposit (in addition to the certificates of deposit provided for by subparagraphs (iv) and (v) above) of the domestic branches of foreign banks having a capital and surplus of $1,000,000,000 or more, or any bank or trust company organized under the laws of the United States of America or Canada, or any state or province thereof, having capital and surplus, in the amount of $1,000,000,000; provided that the aggregate maturity value of all such banker's acceptances and certificates of deposit held at any time as investments of funds under this Resolution with respect to any particular bank, trust company, or national association shall not exceed 5% of its capital and surplus; and provided further that any such bank, trust company, or national association shall be rated in one of the two highest rating categories, without regard to rating sub-categories, by both Moody's and S&P;

(viii) Other obligations of the United States of America or any agency thereof which may then be purchased with funds belonging to the State of New Jersey or which are legal investments for savings banks in the State of New Jersey;

(ix) Deposits in the New Jersey Cash Management Fund;

(x) Obligations of any state, commonwealth or possession of the United States or a political subdivision, thereof, or any agency or instrumentality of such a state, commonwealth, possession or political subdivision, provided that at the time of their purchase such obligations are rated in either of the two highest rating categories by both Moody's and S&P; and

(xi) Commercial paper with a maturity date not in excess of 270 days rated A-1+ by S&P and P-1 by Moody's at the time of such investment, issued by an entity incorporated under the laws of the United States or any state thereof.

(4) Other Liabilities

Included in the accompanying December 31, 2004 statement of assets, liabilities and fund balance for the Revenue Fund is approximately $2.9 million of funds to satisfy general and auto liability insurance claims for which the Authority is self-insured, approximately $4.3 million of funds which are designated to satisfy unemployment insurance claims, $12.4 million of funds for future non-recurring pension liability payments, approximately $78.3 million of funds designated for ETC tag deposits and prepayments and approximately $6.4 million for other obligations of the Authority all of which are included as "other liabilities" of the Revenue Fund.

Other liabilities in the Construction Fund include $ 47.5 million for arbitrage rebate.

(5) Bond Indebtedness

On December 21, 2004, the Authority issued Series 2004 A through C bonds, in the amounts of $154,000,000, $101,279,754.75 and $287,120,000, respectively. The proceeds derived from the sale of the Series 2004 bonds were used to (i) partially refund or defease approximately $138,370,000 of outstanding Turnpike and Highway Authority bonds, (ii) provide funds for the payment of the costs of projects for the Turnpike System including bridge deck replacement and median barrier improvements and (iii) pay the cost of the issuance of the Series 2004 bonds. To accomplish the refunding objectives of both net present value and budgetary savings from 2006 to 2019, the

Authority issued $132,850,000 of 2004 C-2 and received a premium from the underwriter of $20,672,788. The combination of these funds was utilized to purchase US Treasury securities and defease the outstanding bonds. Due to the extension of maturities, debt service in aggregate is greater over the life of the issue, however the refunding produced an economic gain (the difference between the present value of the cash flows required to service the old debt and the present value of the cash flows required to service the new debt) is worth approximately $3,950,000 in present value savings to the Turnpike Authority.

The Authority has approximately $9,200,000,000 of bonds outstanding which are secured by investments held by various escrow agents. The escrow accounts are invested in obligations of U.S. Government agencies and are not controlled by the Authority. The bonds are considered extinguished and accordingly, the assets and obligations are not reflected on the financial statements of the Authority.

As indicated above, a portion of the proceeds of the Series 2004 Bonds were used to defease or partially refund the Authority's outstanding bonds in order to obtain future interest savings. In 2004, the Authority refunded Series 2000 A outstanding bonds in the amount of $138,370,000.

As of December 31, 2004, bond indebtedness consists of the following:

Turnpike Revenue Bonds:		
Series 1991 C, due 1/1/2016 with interest at 6.50%	$	137,650,000
Series 1991 D, due 1/1/2018 with interest at 6.19% (under an interest rate swap agreement)		371,000,000
Series 1992 B, due 1/1/2005 to 2012 with yields to maturity at 6.10% to 6.70% (see below)		34,724,538
Series 2000 A, due 1/1/2030 with interest rates at 4.80% to 6.0%		1,017,280,000
Series 2000 B-G (auction rate bonds), due 1/1/2023 with interest at variable rates not to exceed 10%		400,000,000
Series 2003 A, 4.75% to 5.0% maturing 1/1/2019 through 1/1/2030		788,815,000
Series 2003 B (Federally Taxable) 1.15% to 4.252% maturing 1/1/2005 through 1/1/2016		711,970,000
Series 2003 C, 3.4486% (under interest swap agreement) maturing 1/1/2024		500,000,000
Series 2003 D, 3.034% (under interest swap agreement) maturing 1/1/2024		400,000,000
Series 2004 A, 3.150%, Mandatory Tender Date of 1/1/2010		154,000,000
Series 2004 B (Growth and Income Securities), 5.150% maturing 1/1/2031 through 1/1/2035		101,279,755
Series 2004 C, with interest rates at 4.50% and 5.50%, maturing 1/1/2031 and 1/1/2025, respectively		287,120,000
	$	4,903,839,293

For the Series 1991 C bonds maturing in 2007, the Series 1991 D bonds maturing in 2018, the Series 1992 B bonds the Series 2000 A (other than the January 1, 2027 maturity) and the Series 2000 B-G, principal and interest payments are insured on the stated maturity and interest payment dates through municipal bond insurance.

Interest on all outstanding bond indebtedness, except for capital appreciation bonds and auction rate bonds (see below) is payable semiannually on each January 1 and July 1. Unless converted to a fixed interest rate, the Series 1991 D bonds pay interest to bondholders at a variable weekly interest rate (1.94 % as of December 31, 2004) subject to a maximum rate of 12 %. Regardless of whether the Series 1991 D bondholders are paid a variable rate or a fixed rate, under an interest rate swap agreement with a financial institution, the Authority will pay interest at a fixed rate of 6.19% for the entire term of the Series 1991 D bonds.

The Series 1992 B bonds, which are capital appreciation bonds, were originally issued in the amount of $30,724,538, and are reported at their accreted value of $34,724,538 as of December 31, 2004 and mature annually from January 1, 2000 through January 1, 2012 at accreted values aggregating $70,200,159.

Series 1991 C Bonds in the principal amount of $137,650,000 are subject to mandatory redemption on January 1, 2012 through January 1, 2016 at 100% of the principal amount plus accrued interest. The Series 1992 B bonds are not subject to mandatory or optional redemption prior to maturity. If converted to a fixed interest rate, the Series 1991 D bonds are subject to mandatory redemption on January 1, 2017 and January 1, 2018 at 100% of the principal amount plus accrued interest. The Series 1991 D bonds are also subject to optional redemption prior to maturity in whole or in part of a redemption price of 100% plus accrued interest.

The Series 2000 A bonds maturing after January 1, 2014 are subject to redemption prior to maturity on or after January 1, 2010 at the option of the Authority in whole or, in part, at any time and from time to time. The redemption price is 100% plus accrued interest. The bonds are also subject to mandatory redemption on January 1, 2021 through January 1, 2030 at 100% of the principal amount plus accrued interest.

The Series 2000 B-G bonds were issued as auction rate with interest rates not to exceed 10% (the average rate for 2004 was 1.01 %). The auction date for the Series 2000 B-G bonds generally occurs every seven days. Interest on the auction rate bonds will accrue for each auction interest period and will be payable in arrears on each succeeding interest payment date. An interest auction period begins on, and includes, an interest payment date and ends on (but excludes) the next succeeding interest payment date. The final interest payment date on the Series B-G Bonds will be January 1, 2030. These auction rate bonds of each Series are subject to redemption prior to maturity at the option of the Authority in whole or in part at redemption price of 100%, plus accrued interest. The bonds are also subject to mandatory redemption on January 1, 2021 through January 1, 2030 at 100% of the principal amount plus accrued interest.

The Series 2003 A Bonds are subject to redemption prior to maturity on and after July 1, 2013 at the option of the Turnpike Authority in whole or in part at any time and from time to time. The redemption price is 100% plus accrued interest.

The Series 2003 B Bonds are not subject to optional redemption prior to maturity.

The Series 2003 C Bonds, while bearing interest at a Weekly Interest Rate, are subject to redemption prior to maturity on any Interest Payment Date at the option of the Turnpike Authority in whole or in part at any time and from time to time. The redemption price is 100% plus accrued interest.

The Series 2003 D Bonds while bearing interest at an Auction Rate are subject to redemption prior to maturity on any Interest Payment Date at the option of the Turnpike Authority in whole, or in part, at any time and from time to time. The redemption price is 100% plus accrued interest.

The 2003 Series C and D adjustable rate bonds in the amount of $500,000,000 and $400,000,000 respectively, were issued in connection with Swap Agreements. Under those Agreements the Authority has agreed to pay each Counterparty a fixed rate of interest equal to the lesser of, up to and including January 1, 2016, (a) 63% of LIBOR plus 0.20% and (b) the actual rate of interest on the Hedged Series 2003 D bonds, which is 3.4486% for Series C and 3.034% for Series D. After January 1, 2016 the floating rate payable by each Counterparty is 63% of LIBOR plus 0.20%. The Swap Agreements terminate on January 1, 2024 unless terminated sooner in accordance with their respective terms.

The 2004 Series A Bonds initially will bear interest at the Initial Multiannual Rate until the Mandatory Tender Date of January 1, 2010. The Series 2004 A Bonds are not subject to redemption prior to the Mandatory Tender Date.

The 2004 Series B Bonds were issued at a discount to their total maturity value with interest compounded semiannually at a fixed rate until January 1, 2015. The bonds are subject to optional redemption on or after January 1, 2017 and are subject to mandatory redemption in certain years beginning January 1, 2031 with both redemptions at a price equal to 100% of the accreted value plus accrued interest.

The 2004 Series C-1 Bonds are subject to redemption prior to maturity at the option of the Turnpike Authority on January 1, 2010 or any date thereafter at a price of par plus accrued interest to the date to redemption.

The Series 2004 C-2 Bonds are not subject to redemption prior to maturity.

All bonds outstanding under the Bond Resolution, together with amounts owed under the interest rate swap agreements, are secured on a parity by a pledge of Net Revenues of the Authority senior in priority to any other Authority obligations secured by such net revenues. The off-balance sheet risk associated with the interest rate swap agreements are termination payments. These payments, which under certain circumstances could be substantial amounts, would be required to be made by the Authority, if the Authority opted to cancel any of the agreements. These termination payments are not included in the accompanying statement of assets, liabilities and fund balances as of December 31, 2004 as the Authority does not intend to terminate any of the agreements at this time.

In accordance with the Bond Resolution, The Authority, to meet the Debt Reserve Requirement (see note 2) may maintain a surety bond or insurance policy payable to the Trustee in lieu of required deposits in the Debt Reserve Fund. As of December 31, 2004, the Authority maintained insurance policies with a face amount of $3,001,116,727 and surety bonds with a payment limit of $319,617,360.

The following table sets forth as of December 31, 2004, payments of principal (through sinking fund installments) and interest to be made to the Debt Service Fund from the Revenue Fund on all outstanding bonds of the Authority for the next five years and thereafter (in thousands). The table excludes the funds deposited in 2004 to the Debt Service Fund to provide the January 1, 2005 payments amounting to $28,065,000.

	Principal	Interest	Total
2005	$ 32,634,496	$ 220,300,031	$ 252,934,527
2006	66,815,270	221,922,130	288,737,400
2007	74,948,648	219,452,403	294,401,051
2008	80,336,088	216,523,465	296,859,553
2009	104,195,012	212,416,781	316,611,793
2010 – 2014	865,540,024	970,358,259	1,835,898,283
2015 – 2019	1,104,815,000	756,875,241	1,861,690,241
2020 – 2024	1,411,645,000	477,400,819	1,889,045,819
2025 – 2029	725,295,000	230,222,425	955,517,425
2030 – 2034	409,549,755	141,606,377	551,156,132
	$ 4,875,774,293	$ 3,667,077,931	$ 8,542,852,224

The Authority has covenanted that it will charge and collect such tolls and other charges as shall be required in order that in each calendar year net revenues (as defined) shall at least equal the greater of (1) the sum of the aggregate debt service on all outstanding bonds, maintenance reserve payments, and special project reserve payments and payments, if any, to the charges fund for each calendar year; or (2) 1.20 times the sum of the aggregate debt service on all outstanding bonds, for each calendar year. Net revenues with required transfers were sufficient to satisfy the most restrictive toll covenant requirements for 2004.

For the year ended December 31, 2004, interest expense was comprised of the following:

Turnpike Revenue Bonds, Series 1991 C	$ 8,947,250
Turnpike Revenue Bonds, Series 1991 D	22,964,900
Turnpike Revenue Bonds, Series 2000 A	65,317,790
Turnpike Revenue Bonds, Series 2000 B-G	4,011,780
Turnpike Revenue Bonds, Series 2003 A	39,223,563
Turnpike Revenue Bonds, Series 2003 B	29,356,810
Turnpike Revenue Bonds, Series 2003 C	17,990,190
Turnpike Revenue Bonds, Series 2003 D	12,536,000
	$ 200,348,283

(6) Pension and Deferred Compensation

Permanent full-time employees of the Authority are covered by the Public Employee's Retirement System of the State of New Jersey ("PERS"), a cost sharing, multiple employer public retirement system. The payroll subject to pension for the Authority's employees covered by PERS was $148,997,211 for the year ended December 31, 2004. The Authority's total payroll for the year ended December 31, 2004 was $181,683,220.

All Authority permanent full-time employees are required as a condition of employment to be members of PERS. A member may retire on a service retirement allowance as early as age 60; no minimum service requirement must be established. The formula for benefits is an annual allowance in the amount equal to years of service, divided by 55, times the final average salary. Final average salary means the average of the salaries (excluding overtime) received by the member for the last three years of creditable membership service preceding retirement or the highest three fiscal years of membership service, whichever provides the largest benefit. Benefits fully vest on reaching 10 years of service. Employees with 25 years of service may retire at or after age 55 with full retirement benefits. The system also provides death and disability benefits. Benefits are established by State statute.

Covered Authority employees are required by PERS to contribute a percentage of their salary. The Authority is required by State statute to contribute the remaining amounts necessary to pay benefits when due. The amount of the Authority's contribution is certified each year by PERS on the recommendation of the actuary who makes an annual actuarial valuation. The valuation is a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest.

The contribution requirement for the year ended December 31, 2004 expressed in both dollars and as a percentage of covered payroll was $ 4,469,916 (3%). This consisted solely of employee contributions of $ 4,469,916 for the year ended December 31, 2004.

In addition to providing pension benefits, the Authority self-insures certain health care benefits for both active and retired employees, as follows:

> Turnpike employees must have 5 years of service with the Authority and be eligible for a PERS retirement in order to receive retiree health benefits. Individual benefits and eligibility vary based upon class of employment and the applicable collective bargaining agreement in effect at the time of retirement.
>
> Former Highway Authority employees hired prior to July 1, 1996, must have 10 years of service to be eligible for continuing health benefits. An employee hired post July 1, 1996, must have 25 years of service to be eligible for health benefits. In some cases, employees eligible under the State service requirement of age 62 with at least 15 years of service may also qualify.

The Authority provided approximately $40,242,566.86 for these benefits which includes the Authority's costs for the entire year. The cost of providing those benefits for 1,772 retirees for the year ended December 31, 2004, is not separable from the cost of providing benefits for the 2,571 active employees in 2004.

In 1980, the Authority established the Employees Deferred Compensation Plan. All permanent employees are eligible to participate in the plan, which permits participants to defer annually a portion of their salary. The Authority does not make any contributions to the plan.

(7) Commitments and Contingent Liabilities

Under the terms of an agreement dated April 27, 1984 and amendments dated August 1, 1995 and March 27, 2000, the Authority agreed to make annual payments to the State of New Jersey to assist in transportation purposes. These payments are $22 million annually and are due until all obligations of the New Jersey Transportation Trust Fund Authority, as set forth in the 2000 Amendment, are paid for or such payment has been provided for. The payments are made from the General Reserve Fund and are subordinate to debt service payments under all outstanding bonds.

In April 2002, the Authority's Commissioners approved the execution of an Interagency Agreement with the (former) Highway Authority whereby the Turnpike Authority would provide a portion of the moneys required to construct a new bridge over the Raritan River. One provision of that agreement provides that for the State's fiscal years 2004-05 and 2005-06, in lieu of the $22 million annual payment, the amounts otherwise payable to the State for those periods could be used to fund the bridge project. Accordingly, payments totaling $11 million were required for the first half of 2004. No payments are required for the year 2005 or for the first half of 2006.

The Authority is obligated under contracts related to the Construction Fund. The contracts are primarily construction contracts and the open commitments totaled approximately $ 257,540,000 as of December 31, 2004 all of which are fully funded.

(8) Litigation

The Authority is party to a number of claims, which are incidental to performing its routine operations and functions. In the opinion of management, the ultimate resolution of these matters will not have a material effect on the Authority's financial position or cash flows.

The Authority continues to vigorously defend various actions that have been filed by individuals alleging discriminatory actions by New Jersey State Troopers on duty on the New Jersey Turnpike. As of December 31, 2004, a significant portion has been settled. In the event the Authority is found ultimately to be liable for the remaining cases, the Authority believes that it will be covered by insurance policies for a significant portion of such liability and that any payments in regard to such portions that are not covered by insurance would not materially adversely affect the operations of the Authority.

In addition, the Authority is a defendant in a lawsuit involving interest payments on a guaranteed investment contract. Discovery is not complete in this case and the outcome cannot be determined at this time. The Authority is vigorously defending this case.

(9) Garden State Arts Center

One of the results of consolidation with the Highway Authority was the acquisition of the PNC Bank Arts Center, an outdoor amphitheater and entertainment facility located in Holmdel, New Jersey. Prior to December 21, 2004, the Arts Center was not part of the Turnpike system, and as such, revenues were not pledged revenues under the Bond Resolution; similarly, expenses were not operating expenses for the purposes of the Resolution. Effective December 21, 2004, the Arts Center became a part of the Turnpike System for purposes of the Resolution, the revenues thereafter received by the Turnpike Authority form the Arts Center (other than revenues received pursuant to the Naming Agreement) will be Pledged Revenues under the Resolution, and the expenses, if any, incurred by the Turnpike Authority in connection with the operation of the Art Center will be operating expenses of the Turnpike System for purposes of the Resolution. The facility generates revenue in the form of naming and marketing rights (from PNC Bank) and in the form of lease payments from the facility tenant (Clear Channel Entertainment). These amounts, and the expenses incurred in the generation of same, are included in the Turnpike's financial statements.

(10) Escrow Restructuring Agreement

On September 30, 2003, the Authority entered into an escrow restructuring agreement with the Investment Management Advisory Group, Inc. (IMAGE). The Authority engaged IMAGE to assist in the structuring and implementation of a program to complete one or more escrow substitutions that would result in the recovery of negative arbitrage on escrow securities held in relation to debt defeased by the 2003 series. In 2004, settlements of such substituted amount occurred resulting in a gross savings of $37,597,125. This amount was offset by costs and expenses totaling $938,738 resulting in a net savings of $36,658,387, of which $31,828,479 of that balance is included in the Revenue Fund under Miscellaneous Revenue and the remaining portion of $4,829,907, is included in the Cost of Investments in Facilities. This allocation is in accordance with the escrow restructuring agreements.

NEW JERSEY TURNPIKE AUTHORITY

Schedule of Investments

December 31, 2004

		Interest rate	Maturity	Par value	Carrying value
Revenue Fund:					
US Treasury Backed Notes	TPK Div.	1.83% - 2.16%	1/5/05 - 1/18/05	$ 29,044,000	$ 29,009,364
US Treasury Backed Notes	PKY Div.	2.06% - 2.29%	1/5/05 - 1/21/05	33,608,000	33,572,549
Repurchase Agreements	PKY Div.	2.00%	1/6/2005	9,003,500	9,000,000
Repurchase Agreements	TPK Div.	2.00%	1/6/2005	30,003,889	30,000,000
				101,659,389	101,581,913
Construction Fund:					
US Treasury Backed Notes		1.75% - 2.63%	1/5/05 - 6/22/05	855,226,953	847,759,504
Repurchase Agreements		6.61%	6/1/2005	177,437,145	177,437,145
				1,032,664,098	1,025,196,649
Maintenance Reserve Fund:					
US Treasury Backed Notes		1.80% - 1.86%	1/6/05 - 1/10/05	14,000,000	13,994,168
				14,000,000	13,994,168
Special Project Reserve Fund:					
US Treasury Backed Notes		2.10% - 2.17%	1/3/2005	11,512,000	11,498,696
Repurchase Agreements		2.00%	1/6/2005	12,004,000	12,000,000
				23,516,000	23,498,696
General Reserve Fund:					
US Treasury Backed Notes		0.50% - 0.96%	1/7/05 - 2/9/05	233,375,000	232,585,990
Repurchase Agreements		2.05%	1/7/2005	15,007,687	15,000,000
				248,382,687	247,585,990
Charges Fund:					
US Treasury Backed Notes		1.15%	1/3/2005	570,000	569,945
Debt Service Fund:					
US Treasury Backed Notes		1.15% - 2.21%	1/3/05 - 1/24/05	149,353,000	148,940,995
	Total investments			$1,570,145,175	$1,561,368,356

NEW JERSEY TURNPIKE AUTHORITY

Schedule of Cash Receipts and Disbursements

For the Year Ended December 31, 2004

	Total Revenue Fund	Construction Fund	Maintenance Reserve Fund
Beginning Cash	$ 79,669,514	$ 18,079,586	$ 3,894,201
Revenues	828,919,609	–	–
Transfers from Revenue Fund	(89,590,912)	–	55,668,000
Net change in investments	(29,625,875)	(174,715,976)	(13,994,168)
Net change in receivables	4,896,543	141,932	–
Net change in cost of investment in facilities	–	(248,804,166)	–
Net change in other assets	(141,534)	(1,684,999)	–
Transfers of funds, net	(52,122,152)	2,451,994	5,792,116
Accretion of 1992B Bonds	–	2,189,754	
Current year retired debt	–	(138,370,000)	
Current year acquired debt	–	542,399,755	–
Operating disbursements	(426,791,419)	–	(49,701,828)
Sinking Fund Payment	–	33,605,000	–
Sinking Fund Transfer	(28,065,000)	(33,605,000)	–
Transfers to fund bond interest expense	(200,348,283)		–
Bond Interest Expense	–		–
Payments to State of New Jersey	–	–	–
Net change in current liabilities	12,116,068	9,111,791	425,008
	19,247,045	(7,279,915)	(1,810,872)
Ending Cash	$ 98,916,559	$ 10,799,671	$ 2,083,329

Special Project Reserve Fund	General Reserve Fund	Charges Fund	Debt Service Fund	Total
$ 5,258,193	$ 86,876,029	$ 3,165	$ 17,619	$ 193,798,307
–	–	–	–	828,919,609
28,549,000		5,373,912	–	0
(7,500,200)	(55,742,445)	(298,967)	7,222,516	(274,655,115)
2,018,105	–	–	–	7,056,580
–	–	–	–	(248,804,166)
–	–	–	–	(1,826,533)
51,007	48,261,927	(49)	(4,434,843)	–
				2,189,754
				(138,370,000)
–	–	–	–	542,399,755
(22,299,610)	(32,415,634)	(5,075,394)	–	(536,283,885)
–	–	–	(33,605,000)	–
–	–	–	28,065,000	(33,605,000)
–	–	–	200,348,283	–
–	–	–	(200,348,283)	(200,348,283)
–	(11,000,000)	–	–	(11,000,000)
(303,582)	324,520	–	2,761,140	24,434,945
514,720	(50,571,632)	(498)	8,813	(39,892,339)
$ 5,772,913	$ 36,304,397	$ 2,667	$ 26,432	$ 153,905,968

NEW JERSEY TURNPIKE AUTHORITY
Schedule of Bond Indebtedness
December 31, 2004

	Original amount authorized and issued
Turnpike revenue bonds:	
Series A, 4.75% (1966 issue), maturing January 1, 2006	$ 179,000,000
Series A, 5.12% (1968 issue), maturing January 1, 2008	75,000,000
Series C, 5.20% (1968 issue), maturing January 1, 2008	125,000,000
Series D, 5.75% (1969 issue), maturing January 1, 2008	60,000,000
Series E, 5.87% (1969 issue), maturing January 1, 2008	40,000,000
Series F, 7% (1969 issue), maturing January 1, 2009	137,000,000
Series G, 5.75% (1972 issue), maturing January 1, 2009	155,100,000
	771,100,000
Turnpike improvement revenue bonds:	
First series, 5.70% (1973 issue), maturing May 1, 2013	210,000,000
General revenue bonds:	
Turnpike revenue bonds (1950 issue), 3.25%, matured January 1, 1985	220,000,000
Turnpike revenue bonds (1951 issue), 3.20%, matured January 1, 1986	35,000,000
	255,000,000
Second series revenue bonds	211,200,000
Turnpike notes:	
Series A, 4.62% (1971 issue), matured January 1, 1975	125,500,000
Turnpike system revenue bonds:	
First series, 6% (refunding issue), maturing January 1, 2014	202,415,000
Turnpike revenue bonds:	
1984 Series, 6.75% to 12%, maturing January 1, 2003 through 2014	501,825,000
Turnpike revenue bonds:	
1985 series, bi-modal multi-term format (BMTF):	
Mode 1 (tender dates ranging from one week to July 2, 1990)	2,000,000,000
Mode A (tender dates ranging from one week to January 1, 2018)	1,000,000
	2,001,000,000
1985 series, Mode A, 7.2% maturing January 1, 2018	2,000,000,000

Refunded or acquired and canceled in prior year	Mandatory redemption/ sinking fund installments	Accretion of capital appreciation bonds	Amount outstanding December 31, 2004
$ (179,000,000)	$ –	$ –	$ –
(75,000,000)			–
(125,000,000)			–
(60,000,000)			–
(40,000,000)			–
(137,000,000)			–
(155,100,000)			–
(771,100,000)			–
(210,000,000)			–
(220,000,000)			–
(35,000,000)			
(255,000,000)			–
(211,200,000)			–
(125,500,000)			–
(202,415,000)			–
(501,825,000)			–
(2,000,000,000)			–
(1,000,000)			–
(2,001,000,000)			–
(2,000,000,000)			–

NEW JERSEY TURNPIKE AUTHORITY
Schedule of Bond Indebtedness
December 31, 2004

Turnpike revenue bonds:
- Series 1991 A, 5.25% to 6.90%, maturing January 1, 1994 through 2003, January 1, 2008 and January 1, 2014
- Series 1991 B, 4.45% to 5.25%, maturing January 1, 1994 and January 1, 1995
- Series 1991 C, 4.80% to 6.50%, maturing January 1, 1994 through 2011, January 1, 2013 and January 1, 2016
- Series 1991 D, (interest at 6.19% under an interest rate swap agreement) maturing January 1, 2018
- Series 1992 A, 4.80% to 6.20%, maturing January 1, 1996 through 2006, January 2012 and January 1, 2018
- Series 1992 B, capital appreciation bonds, maturing January 1, 2000 through 2012 with yields to maturity at 6.10% to 6.70%
- Series 2000 A, 4.80% to 6.00%, maturing January 1, 2001 through January 1, 2030
- Series 2000 B-G, at variable rates not to exceed 10.00%, maturing January 1, 2001 through January 1, 2030
- Series 2003 A, Subordinated Revenue Bonds Serial Bonds at variable rates, maturing January 1, 2019 through January 1, 2025
- Series 2003 A, 4.759% to 5.0% maturing January 1, 2019 through January 1, 2025
- Series 2003 B (Federally Taxable) 1.15% to 3.14% maturing January 1, 2004 through January 1, 2008
- Series 2003 C, 3.4486% (under interest swap agreement) maturing January 1, 2024, with mandatory redemptions 2022 and 2023
- Series 2003 D, 3.034% (under interest swap agreement) maturing January 1, 2024, with mandatory redemptions 2020 through 2023
- Series 2004 A, 3.150%, maturing January 1, 2035, with mandatory tender date of January 1, 2010
- Series 2004 B, 5.150%, Growth and Income Securities term bond with sinking fund redemption
- Series 2004 C-1, 4.50%, maturing January 1, 2031, subject to redemption prior to maturity after January 1, 2010
- Series 2004 C-2, 5.50%, maturing January 1, 2025 not subject to redemption prior to maturity

Parkway revenue bonds:
- Series 1986, Term bonds 5.50% maturing January 1, 2015 through January 1, 2016
- Series 1992, Serial bonds 5.70% to 6.15% maturing January 1, 2003 through January 1, 2007
- Series 1992, Term bonds 5.75% to 6.25% maturing January 1, 2010 through January 1, 2019
- Series 1993, Serial bonds 4.60% to 5.20% maturing January 1, 2003 through January 1, 2009
- Series 1999, Serial bonds 4.30% to 5.75% maturing January 1, 2003 through January 1, 2019
- Series 1999, Term bonds 5.625% maturing January 1, 2030
- Series 2001, Serial bonds 5.00% to 5.50% maturing January 1, 2006 through January 1, 2019
- Series 2003, Subordinated Revenue Bonds Serial Bonds at variable rates, maturing January 1, 2019 through January 1, 2024

Original amount authorized and issued	Refunded or acquired and canceled in prior year(s)	Mandatory redemption/ sinking fund installments	Accretion of capital appreciation bonds	Amount outstanding December 31, 2004
$ 423,205,000	$ (175,260,000)	$ (247,945,000)	$ –	$ –
79,340,000		(79,340,000)		–
1,247,850,000	(1,091,695,000)	(18,505,000)	137,650,000	
371,000,000				371,000,000
741,110,000	(468,430,000)	(272,680,000)		–
30,016,972		(27,000,159)	31,707,725	34,724,538
1,467,375,000	(450,095,000)			1,017,280,000
400,000,000				400,000,000
70,000,000	(70,000,000)			–
788,815,000				788,815,000
740,175,000		(28,205,000)		711,970,000
500,000,000				500,000,000
400,000,000				400,000,000
154,000,000				154,000,000
101,279,755				101,279,755
154,270,000				154,270,000
132,850,000				132,850,000
35,435,000	(35,435,000)			–
32,445,000	(32,445,000)			–
73,390,000	(73,390,000)			–
47,115,000	(47,115,000)			–
76,070,000	(76,070,000)			–
43,445,000	(43,445,000)			–
243,080,000	(243,080,000)			–
115,000,000	(115,000,000)			–
8,467,266,727	(2,921,460,000)	(673,675,159)	31,707,725	4,903,839,293
$ 14,745,306,727	$ (9,199,500,000)	$ (673,675,159)	$ 31,707,725	$4,903,839,293

NEW JERSEY TURNPIKE AUTHORITY
Schedule of Bond Indebtedness
December 31, 2004

Note:
As of December 31, 2003, bond and note indebtedness totaling
$9,199,500,000 had been defeased or retired from the following sources:

Revenues
Excess construction funds, bond proceeds and miscellaneous receipts allocated to revenues
Issuance of Series G (refunding issue) Turnpike Revenue Bonds
to refund Series F bonds for redemption on January 1, 1979
Portion of proceeds of the 1973 Turnpike Improvement Revenue
Bonds used to retire Turnpike notes, Series A
Issuance of Turnpike System Revenue Bonds, first series (refunding) to refund the 5.70%
Turnpike Improvement Revenue Bonds, first series, for retirement in accordance
with sinking fund installment established at the time of their issuance
Issuance of Turnpike Revenue Bonds, 1984 Series to refund the Turnpike Revenue Bonds
Series A through E and Series G and the Turnpike System Revenue Bonds, First Series
(refunding), for retirement in accordance with sinking fund installments established
at the time of their issuance
Issuance of Turnpike Revenue Bonds, 1985 Series, Mode A
used to retire 1985 Series bi-modal, multi-term format Mode 1 Bonds
Retirement of Turnpike Revenue Bonds, 1985 Series, Mode A
Issuance of Turnpike Revenue Bonds, Series 1991 A through D to refund Turnpike Revenue
Bonds, 1984 Series and a portion of Revenue Bonds, 1985 Series
Redemption and retirement of Turnpike Revenue Bonds, 1985
Series from moneys in the Construction Fund
Issuance of Turnpike Revenue Bonds, Series 2000 A to refund a portion of Turnpike Revenue
Bonds, Series 1991 A, Series 1991 C and Series 1992 A
Issuance of Turnpike Revenue Bonds, Series 2003 A through D to refund all Parkway Revenue
and all Parkway Service and Subordinated Revenue Bonds, Turnpike Revenue Bonds
Series 1991 A, Series 1992 A, Turnpike 2003 A Subordinated Revenue Bonds, and
a portion of Turnpike Revenue Bonds, Series 1991 C and of Series A
Issuance of Turnpike Revenue Bonds, Series 2004 C, to refund
a portion of the Turnpike Revenue Bonds, Series 2000 A

Original amount authorized and issued	Refunded or acquired and canceled in prior year(s)	Mandatory redemption/ sinking fund installments	Accretion of capital appreciation bonds	Amount outstanding December 31, 2004
$ 557,840,082	$ –	$ –	$ –	$ –
20,037,918				
137,000,000				
125,500,000				
210,000,000				
724,837,000				
2,000,000,000				
1,000,000				
2,085,460,000				
416,365,000				
867,760,000				
1,915,330,000				
138,370,000				
9,199,500,000	$ –	$ –	$ –	$ –

NEW JERSEY TURNPIKE AUTHORITY - TURNPIKE DIVISION

Schedule of Toll Revenue

Year Ended December 31, 2004

Class	Description
1	Passenger car, motorcycle, taxi or hearse, light truck
2	Vehicles having two axles other than type described under Class 1
3	Vehicle (vehicles), single or in combination, having three axles
4	Vehicle (vehicles), single or in combination, having four axles
5	Vehicle (vehicles), single or in combination, having five axles
6	Vehicle (vehicles), single or in combination, having six or more axles
7	Buses having two axles
8	Buses having three axles
	Nonrevenue vehicles
	Discounts
	Violations*
	Violation Collections
	Other adjustments

* During the year ended December 31, 2000, the Authority implemented the electronic toll collection system and accordingly the amounts of violations assessed are reported on this line. As a result of violation activities, some portion of unpaid tolls will be collected in subsequent years.

2004	
Toll revenue	Number of vehicles (unaudited)
$ 333,756,573	$ 214,095,494
28,803,744	8,375,367
13,151,881	3,392,011
15,510,558	2,668,861
117,050,661	15,749,361
2,311,147	260,708
673,288	285,701
5,421,399	1,371,383
	1,833,410
516,679,251	248,032,296
(468,966)	
(12,154,923)	
3,090,429	
(289,363)	
$ 506,856,428	

NEW JERSEY TURNPIKE AUTHORITY - PARKWAY DIVISION

Schedule of Toll Revenue

Year Ended December 31, 2004

Class	Description
1	Passenger car, motorcycle, taxi or hearse, light truck
2	Vehicles having two axles other than type described under Class 1
3	Vehicle (vehicles), single or in combination, having three axles
4	Vehicle (vehicles), single or in combination, having four axles
5	Vehicle (vehicles), single or in combination, having five axles
6	Vehicle (vehicles), single or in combination, having six or more axles
7	Buses having two axles
8	Buses having three axles
	Nonrevenue vehicles
	Other adjustments

* Reported revenue is net of discounts and violations.

	2004	
	Toll revenue	Number of vehicles (unaudited)
	$ 204,839,092	$ 601,563,541
	695,399	2,042,222
	121,032	355,443
	656,777	1,928,796
	477,753	1,403,048
	9,750	28,634
	83,089	244,013
	857,953	2,519,603
		367,784
*	207,740,845	610,453,084
	988,726	
	$ 208,729,571	

NEW JERSEY TURNPIKE AUTHORITY
Schedule of Combined Revenues and Expenses - By Division
For the Year Ended December 31, 2004

	NJTA	Parkway	Total
Revenues:			
Toll revenue	$ 506,856,428	$ 208,729,571	$ 715,585,999
Income from investment	5,083,600	444,139	5,527,739
Concession revenue	17,040,555	13,846,125	30,886,680
Miscellaneous revenue	34,220,379	7,030,452	41,250,831
Arts Center	–	3,322,716	3,322,716
ETC Project Fees	17,319,996	15,025,648	32,345,644
Total Revenues	580,520,958	248,398,651	828,919,609
Operating Expenses			
Executive office	2,531,190	765,851	3,297,041
E.T.C. Dept.	2,566,303	351,207	2,917,510
Law	1,132,486	404,117	1,536,603
Finance and budgets	3,430,372	2,854,171	6,284,543
Human resources	1,873,936	1,237,620	3,111,556
Technology and administrative service	8,748,801	5,501,314	14,250,115
Purchasing	689,890	–	689,890
Operations	3,828,275	1,832,833	5,661,108
Patron services	–	892,897	892,897
State police	22,482,503	22,957,578	45,440,081
Toll Collection	50,521,877	27,843,508	78,365,385
Maintenance	44,578,089	36,140,200	80,718,289
Engineering	2,338,526	928,486	3,267,012
Internal Audit	1,083,058	–	1,083,058
Strategic Planning	277,393	–	277,393
Non-departmental	9,079,584	9,583,315	18,662,899
Employee benefits	38,422,576	26,216,408	64,638,984
Snow	4,107,824	2,447,904	6,555,728
ETC	47,958,766	41,182,706	89,141,472
Cash discounts	(145)	–	(145)
Total operating expenses	245,651,304	181,140,115	426,791,419
Total revenues in excess of operating expenses before net debt service	334,869,654	67,258,536	402,128,190
Debt Service:			
Interest Expense, Turnpike Revenue Bond	200,348,283	–	200,348,283
Transfer to Debt Service Fund	28,065,000	–	28,065,000
Transfer to Charges Fund	5,373,912	–	5,373,912
Total Debt Service	233,787,195	–	233,787,195
Less interest earnings supplied from Construction Fun	–	–	–
Less capitalized interest	–	–	–
Net debt service	233,787,195	–	233,787,195
Total revenues in excess of operating expenses and net debt service	101,082,459	67,258,536	168,340,995
Interfund Transfers			
To Special Project Reserve Fund	(28,549,000)	–	(28,549,000)
To Maintenance Reserve Fund	(55,668,000)	–	(55,668,000)
To Parkway/Turnpike Funds	65,640,504	(65,640,504)	(0)
To General Reserve Fund	(4,798,117)		(4,798,117)
To General Reserve Surplus Transfer	(77,707,846)	(1,618,032)	(79,325,878)
Total revenues in excess of operating expenses, net debt service, and interfund transfers	$ –	$ –	$ –

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