



# 2024 ANNUAL REPORT

Atlantic City Expressway  
Atlantic City International Airport  
Transportation Services

**TABLE OF CONTENTS**

Enabling Legislation.....	ii
Letter of Transmittal from the Board Chair.....	iii
SJTA Purpose/Mission, Vision and Core Values.....	iv
SJTA Board of Commissioners.....	v
Core Functions.....	vi
Letter of Transmittal from the Executive Director.....	vii
Transportation Services Department Does Yeoman’s Work.....	1
READI Staff Attends Conference.....	2
SJTA’s READI Team Visits Schools.....	3
Sharing the SJTA Story: One Event at a Time.....	4
Firefighter Receives Valor Award.....	4
ACY Enhances Passenger Flow.....	5
Employee Appreciation Day.....	6
Road-E-O Challenge.....	7
Eclipse.....	8
Food Drive.....	8
Prioritizing Safety.....	9
Memorial Wreaths.....	10
911 Remembrance.....	11
Hats Off.....	12
100 Days Celebration.....	13-14
Charts and Graphs.....	15-16
2024 Report of Audit.....	17

## SJTA

### THE SOUTH JERSEY TRANSPORTATION AUTHORITY

was established by the Legislature in June 1991 to assume operational responsibilities for the Atlantic City Expressway, Atlantic City International Airport, and parking facilities in Atlantic City.

As the successor to the New Jersey Expressway Authority and Atlantic County Transportation Authority (ACTA), the SJTA serves six counties: Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem.

Legislation (South Jersey Transportation Authority Act), L.1991, c. 252 § 1, eff. Aug 9, 1991 (N.J.S.A. 27:25A-1 et seq.) charged the Authority with coordinating South Jersey's transportation system, including addressing the region's highway network, aviation facilities, and transportation needs. The Authority's network encompasses public highways, transportation projects, parking facilities and functions once performed by ACTA, other public transportation facilities and related economic development facilities in New Jersey.

## LETTER OF TRANSMITTAL

### from the Board Chair



Francis K. O'Connor  
NJDOT Commissioner

There are few sure things in transportation, but one, the South Jersey Transportation Authority is both a sure thing and a shore thing.

SJTA works hard to improve the safety and efficiency of travel between Philadelphia and shore points, including Atlantic City every day of the year. As I travel frequently across New Jersey I'm always impressed by what SJTA continues to accomplish in South Jersey.

This past year saw more growth and innovation.

Atlantic City International Airport (ACY) processed over 1 million passengers in 2024, an increase of over 15% compared to 2023. Close to 900,000 of those passengers were thanks to Spirit Airlines.

Over 40,000 travelers – up 27% from the prior year - used American Airlines' groundbreaking Luxury Motor Coach service, connecting the ACY with Philadelphia International Airport. This allows passengers to go through security at ACY and arrive at Philadelphia without needing to fight the lines there and clear security yet again.

ACY also improved its own customer experience: In November, the installation of new exit portals, known as Flip Flow doors, was completed. The new door technology significantly improves the airport's passenger flow, streamlining arrivals from the secured area into baggage claim. In December, the passenger seating area upgrade was completed, providing a more comfortable experience for the traveling public.

ACY also became members of the Hidden Disabilities Sunflower program, which is a globally recognized symbol for individuals with non-visible disabilities, allowing them to discreetly indicate they may need additional support, or a little more time, making their way through the airport. To facilitate this, all employees at the airport received training and awareness of what to do if somebody has a hidden disability.

The airport also became safer outside and was honored to receive the prestigious Airfield Project of the Year award from the Northeast Chapter - American Association of Airport Executives for our De-icing Project. This recognition is a testament to the hard work and innovation of our dedicated team members, who are committed to ensuring the safety and efficiency of operations, even during the most challenging weather conditions. Our success in this area is a direct result of their ongoing dedication to excellence.

SJTA also made great progress in making driving to and from Atlantic City easier. In June, SJTA started the conversion process to all-electronic AC Expressway tolling by opening a Customer Service Center in the Farley Service Plaza on the Expressway, 21 miles from Atlantic City. There, drivers may handle anything E-ZPass-related, including opening accounts. SJTA is close to reaching its goal of having as many vehicles as possible prepared for the arrival of electronic tolling in 2025, which will improve ease of travel, toll plaza congestion and air quality.

And another major shore travel improvement is on the way. In 2024, SJTA moved into the final design phase for widening the AC Expressway from two lanes to three lanes in each direction from Route 42 to the existing three lane section just east of the Route 73 interchange. Once completed, the Expressway will be three lanes along the entire corridor. The widening will provide operational safety for SJTA operations staff and greatly enhance the efficiency and convenience of travel.

Congratulations to the SJTA for another year of a job well-done.

*Francis K. O'Connor*

Francis K. O'Connor

**SJTA PURPOSE**

**MISSION**

The mission of the South Jersey Transportation Authority is to provide the traveling public with safe and efficient transportation through the acquisition, construction, maintenance, operation, and support of expressway, airport, transit, parking, other transportation projects, and services that support the economies of Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties.

**VISION**

A leader in transportation, safely moving people and commerce, to stimulate the economy now and into the future.

**CORE VALUES**

**SAFETY**

Maintain high standards in safety and security for our employees and the traveling public.

**INNOVATION**

Translate new ideas into solutions and improvements through technology and human resources.

**PROFESSIONALISM**

Conduct ourselves ethically and with integrity worthy of the public trust.

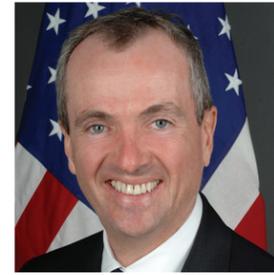
**DIVERSITY**

Provide a multicultural workforce, access to procurement opportunities and transportation services.

**EXCELLENCE**

Commit to the highest standards of customer service delivery.

**SJTA BOARD OF COMMISSIONERS 2024**



Philip Murphy  
Governor



Tahesha L. Way, Esq.  
Lt. Governor



Francis K. O'Connor  
NJDOT Commissioner

**SJTA COMMISSIONERS**



S. Zoe Baldwin  
Vice Chair



John F. Amodeo



Bryan J. Bush



Barbara Holcomb



C. Robert McDevitt



Christopher M. Milam



Joseph Ripa



Tim Sullivan

**SJTA EXECUTIVE DIRECTOR**



Stephen F. Dougherty

**LETTER OF TRANSMITTAL****from the Executive Director**

Stephen F. Dougherty  
SJTA Executive Director

As we reflect on the accomplishments of 2024, it is with great pride and appreciation that I share a few of the milestones and progress achieved by the South Jersey Transportation Authority. This year has been one of sustained advancement and growth, and I am pleased to report we are continuing to build a future where travel is safer, more efficient, and increasingly convenient for everyone.

One of the highlights of 2024 has been the ongoing work on the widening of our roadway, which has reached the final design phase. This critical project will help reduce congestion, particularly during the busy summer months when increased traffic demands can lead to delays and frustration. By expanding the roadway, we are enhancing the flow of traffic and improving the overall travel experience for both commuters and tourists alike. This expansion will ultimately help reduce travel times, increase safety, and provide a more reliable route for everyone who relies on the Atlantic City Expressway.

Equally significant is the progress of our All-Electronic Tolling project, which is on track for a 2025 launch. This forwardthinking initiative, and a first in the State of New Jersey, will streamline the tolling process, providing a faster and more efficient way for drivers to pay their tolls without the need to stop. The transition to all-electronic tolling will not only improve traffic flow but also reduce operational costs, all while maintaining our commitment to using toll-payers' funds wisely on projects that enhance convenience and ease of travel.

At the Atlantic City International Airport, we are pleased to report a substantial increase in passenger traffic, with over one million passengers processed in 2024. This underscores the growing importance of our airport as a key gateway for travelers. This growth reflects the continued investment in improving the airport's infrastructure, services, and overall experience for passengers, and we are excited to build on this momentum in the years ahead.

Our Transportation Services Department continues to expand. This year began the first of a three-year agreement with the City of Camden Parking Authority to assist the city with events at the Freedom Mortgage Pavillion. Nineteen events took place with close to 10,000 people enjoying the comforts of one of our shuttles bringing them to and from their vehicles while enjoying the music of Jason Aldean, Alanis Morissette, and Imagine Dragons, among others.

The Department also provided approximately 282,000 one-way passenger trips on its various shuttle routes an increase of 10% over last year. And their home-delivered meals program provided nearly 105,000 meals to seniors in-need throughout Gloucester County.

None of these achievements would have been possible without the support of our exceptional staff, who work tirelessly every day to ensure the smooth and safe operation of our roadway, airport, and shuttle services. I would also like to express my sincere gratitude to our Chair and Board of Commissioners, whose guidance and trust in our abilities have enabled us to focus on what matters most—delivering quality service and sustainable projects that benefit the public.

As we look to the future, we understand the responsibility that comes with managing the infrastructure that so many rely on. Be assured, the SJTA will continue to prioritize the needs of the traveling public while always striving for operational excellence.

Thank you to everyone for their continued support and partnership as we work together to build a brighter, more connected future for all.

Respectfully,

Stephen F. Dougherty  
SJTA Executive Director



### Transportation Services Department Does Yeomans Work Day In and Day Out

While most associate the South Jersey Transportation Authority with the Atlantic City Expressway and the Atlantic City International Airport, there is a third division that quietly serves multiple transportation needs.



The SJTA's Transportation Services Department works in coordination with NJ Transit in expanding transportation in areas currently underserved by public transit.

The largest route under this program is the Pureland East West Community Shuttle which transports patrons along 11 stops, from NJ Transit's Avondale Park & Ride to the Pureland Industrial Park, the east coast's second largest industrial park east of the Mississippi River, which houses a multitude of national and international companies. Other routes include colleges, universities, medical facilities, local businesses, and shopping centers.



The SJTA is extremely proud of its home-delivered meals program which saw 108,152 meals distributed to residents-in-need throughout Camden County, NJ.

In 2024, Transportation Services provided assistance to the Battleship NJ which was in drydock for 78 days. SJTA shuttles provided visitors with travel to and from their vehicles, quickly and safely. Transportation Services also did the same for music fans at the Freedom Mortgage Pavilion in Camden, NJ during their 2024 concert series, helping 9,691 riders throughout the 19 event season.



### READI Staff Attends the 2024 Northeastern Transportation and Wildlife Conference in Mystic, CT



The conference strengthens professional relationships and friendships that have grown over the years at NETWC. Participants take home new lessons, expanded enthusiasm, and a connection to those in the region who are engaged in the same great work we do every day in our home state of NJ.

The Authority's presence was enhanced by the attendance of Charles Garrett who himself established new professional friendships for SJTA. Charles was proud that it was his granddaughter Ayanna N. Garrett who gave READI its name when she was an intern here at SJTA engineering dept. and is now a civil engineer.

The South Jersey Transportation Authority READI program attended and presented at the NETWC conference in collaboration with the NJ Department of Transportation and the NJ Turnpike Authority.

A National Geographic reporter spoke with our team and showed interest in the READI program and planned to discuss it further with Nick Marchese.

The theme of the conference, "Small Scale, Large Victories: Collaborating with Partners for Transportation Improvements Yields Cumulative Wildlife Benefits," blended well with the READI panel discussion and exhibit table that showcased the Authority's efforts to establish wildlife roadway crossings, wildflower pollinator areas, bird box habitat and improvements in our approach to highway maintenance ecology.

READI would like to recognize the South Jersey Transportation Authority administrators for supporting READI and understanding the effort that is involved in planning, meeting and implementing the workshop topics and presentations.



### SJTA's READI Team Visits Schools to Celebrate Earth and Arbor Day



The South Jersey Transportation Authority's environmental division, known as READI (Roadway Environmental Advancement Initiative) visited Glendora Elementary in Glendora, NJ and Oak Knoll Elementary in Williamstown, NJ in 2024 to discuss the READI program's stewardship efforts.

Students learned about the importance of pollinators, native wildflowers, and wildlife crossings. The READI team also displayed various bird boxes, discussing the differences between each and how they are used by the birds, bats, and pollinators and why these habitats need to be provided.

Future projects were also discussed including the importance of conserving diamondback terrapins and the climate change learning

photo stations that will be installed with NJ Department of Environmental Protection and why rising sea levels are a concern.

To leave a lasting stewardship impression on the students, the Authority also provided them with bird boxes and a tree planting on the grounds of both schools. A white oak tree was planted at Glendora Elementary with help from the SJTA's Crafts Division. At Oak Knoll Elementary, a red headed woodpecker box was installed next to the white oak tree planted in 2017 during READI's last visit.

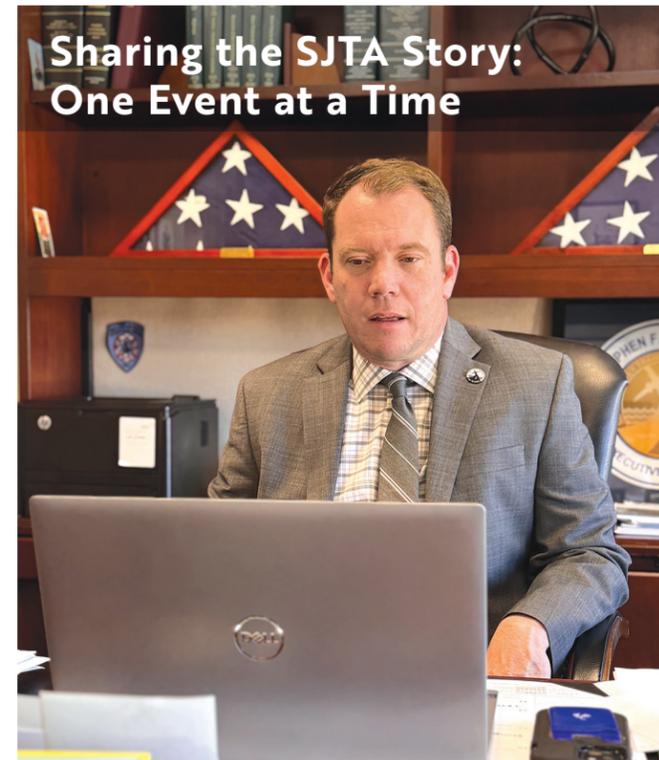
The SJTA established READI in 2017 to provide a formal strategy for responsible stewardship of the Atlantic City Expressway that travels 28 miles through the South Jersey Pinelands National Reserve.

The program includes the planting of native wildflowers, installing bird boxes and nesting platforms along with storm water management.

READI assists the NJ Fish and Wildlife Services through the CHANJ (Connecting Habitats Across New Jersey) project. Together, READI and NJF&WS have established and monitored safe wildlife crossings under the roadway that ensure the successful migration of the pine snake and other animals throughout the roadway.

READI also benefits from an academic partnership with Stockton University that connects environmental science students with the Authority through an academic internship semester.

### Sharing the SJTA Story: One Event at a Time



Throughout the year, South Jersey Transportation Authority Executive Director, Stephen F. Dougherty, has graciously agreed to be a guest speaker at various events and functions. These speaking engagements have provided a platform for Mr. Dougherty to share the Authority's ongoing initiatives in transportation along the Atlantic City Expressway and the Atlantic City International Airport.

### ACY Firefighter Earns Valor Award



On April 17, 2024, Atlantic City International firefighter and EMT, Mike McGrath, was presented with a Harold J. "Whitey" Swartz Valor Award from the Atlantic County Firefighters' Association. At the annual meeting, over 100 guests and fellow firefighters were told of the bravery of McGrath, when, on August 23, 2023, while serving in his capacity on the Longport Beach Patrol as a lieutenant/EMT, he responded to a male in cardiac arrest on a boat in the Seaview Marina in Egg Harbor Township. All emergency responders worked together that day to successfully provide CPR and AED shocks to the patient while removing him from the open rear deck of a boat that limited the number of responders providing immediate care. The patient was transported to AtlantiCare Regional Medical Center Mainland Campus for treatment before being released home.



(New Exit Portal)



(Old Exit Portal)

### Atlantic City International Airport Enhances Passenger Flow with New Exit Lane Technology

Atlantic City International Airport held a press conference in the installation of new exit lane technology, designed to significantly improve passenger flow and streamline the process of exiting the terminal. The system replaced the previous exit portals and meets the demands of high passenger throughput and offers a more efficient and seamless experience for travelers.

The new exit lanes are state-of-the-art, one-way access doors that maintain the integrity of the airport's sterile side while allowing for faster and more efficient movement. The innovative doors were manufactured by Record North America, a leading provider of automated door solutions.



Atlantic City International Airport is committed to continually improving its facilities to meet the needs of its passengers and the addition of these high-tech exit lanes marked an exciting step forward in that effort.

### Employee Appreciation Day: A Celebration of Dedication and Team Spirit



The South Jersey Transportation Authority hosted a memorable Employee Appreciation Day to honor and celebrate the commitment, loyalty, and hard work of its diverse workforce. Held under the vibrant theme of a "Hawaiian Luau," the event brought together employees from every corner of the Authority, offering a chance to connect, relax, and enjoy each other's company in a festive atmosphere. The day featured delicious tropical food and lively music, creating a joyful environment that captured the spirit of the islands.

One of the highlights of the day was the recognition of employees who reached significant milestones in their careers with the agency. Those with 5, 10, 15, 20, and 25 years of service were each presented with commemorative pins as tokens of appreciation. These pins symbolized their dedication and the invaluable contributions they've made over the years.

A special ceremony was held to honor employees with 30 or more years of service. These long-

standing team members were presented with awards and certificates in recognition of their exceptional loyalty to the SJTA's success. Their commitment is a testament to the agency's enduring strength and the positive work culture it has fostered over the years.

A surprise Lifetime Service award was also presented to Carole Miller, who was instrumental in establishing the Authority's Transportation Department. Carole's vision and leadership have guided the department since its inception, ensuring that the six southern counties we serve have access to essential transportation resources.

Employee Appreciation Day wasn't just a reflection on the past; it was also an opportunity to look forward to the future. It underscored the SJTA's commitment to continuing to grow, innovate, and foster a culture where every employee feels valued and appreciated.

## Mastering the Winter Roads: Annual Road-E-O Driver Challenge



The South Jersey Transportation Authority held its annual driving skills competition in October. This event was a fantastic opportunity for its drivers to showcase their talents and push their limits through 13 nail-biting events designed to demonstrate their maneuvering skills and judgment while plowing snow. Nine participants battled a time clock through a maze of obstacles including straight-line driving, weaving through tight serpentine lanes, accuracy stopping, driving in reverse, and pushing barrels to a target, among others.

Beyond the competitive spirit, this event serves as a valuable team-building experience. Drivers bond through friendly rivalry, fostering camaraderie and teamwork that strengthens the SJTA. It's not just about winning—it's about honing skills, having fun, and reinforcing the Authority's commitment to safety.



*Congratulations to the 2024 Road-E-O champion, Andrew Dare, Hammonton Maintenance Yard.*

## Now You See It... Now You Don't

On April 8, employees at the South Jersey Transportation Authority ventured outside to catch a glimpse of a solar eclipse.

The natural phenomenon occurred around 3:30 p.m. when the moon made its way between the sun and the Earth. While the Garden State was not lucky enough to see a total eclipse, viewers donned special glasses to observe a 90% coverage of the sun. The closest area to New Jersey that saw a total solar eclipse was Buffalo, New York, which saw the sun completely covered by the moon for three minutes and 31 seconds from 3:18 p.m. to 3:21 p.m.



The last solar eclipse in New Jersey was on August 21, 2017, with 70% to 80% coverage. And, according to NASA, the next eclipse when the state experiences total coverage will take place on May 1, 2079.

## A Heartfelt Success: The Food Drive That Exceeded Expectations

This year, the South Jersey Transportation Authority set an ambitious goal for its annual food drive: to collect one ton of food to support local communities in need. And thanks to the incredible generosity of its employees, the agency surpassed that goal, collecting an impressive 3,200 pounds of food.

Food drives are a powerful way to give back, and this year's effort brought the Authority together to support those facing food insecurity. Employees from all departments donated items, organized efforts, and encouraged coworkers to contribute, showing a strong sense of community and care for others.



This outpouring of kindness is a testament to the amazing team at the SJTA whose collective effort went above and beyond, reinforcing the Authority's commitment to making a positive impact in those communities it serves.

This year's donations were distributed between the Cathedral Kitchen in Camden and the Community FoodBank of New Jersey in Egg Harbor Township.



## Prioritizing Safety at South Jersey Transportation Authority



At the South Jersey Transportation Authority, the safety of our employees and the communities we serve is our highest priority. We believe that a well-prepared workforce is essential not only for maintaining operational efficiency but also for fostering a safe environment for everyone. This commitment is exemplified in our comprehensive safety training program, which every new employee undergoes upon joining our team. This program ensures that all staff members are equipped with the necessary skills and knowledge to handle various safety scenarios effectively.

Our safety training encompasses a wide range of critical topics. New hires learn about bloodborne pathogens, which is crucial for understanding health risks associated with potential exposure. Proper lifting techniques are also emphasized to prevent injuries and promote physical well-being. Furthermore, employees are educated on fire exits and evacuation procedures, ensuring they know how to respond quickly and safely in the event of an emergency. Additionally, we provide clear guidance on the locations of first aid kits and conduct hands-on training for using



fire extinguishers, empowering employees to act decisively if a situation arises.

The impact of this training goes beyond compliance; it cultivates a culture of safety that permeates our organization. Employees feel more confident in their ability to manage workplace hazards and emergencies, leading to increased morale and job satisfaction. This proactive approach to safety not only protects our staff but also enhances our ability to serve the public effectively. By prioritizing safety, we demonstrate our commitment to protecting both our workforce and the communities we engage with daily.

As we continue to grow and evolve, our focus on safety remains steadfast. We are dedicated to regularly reviewing and updating our training programs to address emerging challenges and incorporate best practices. Through these ongoing efforts, the South Jersey Transportation Authority aims to foster an environment where safety is a shared responsibility, ultimately benefiting everyone we serve.

## Memorial Wreaths Placed to Pay Tribute to Lives Lost

This holiday season, the entire SJTA family took time to reflect on the enduring spirit of its community. In this moment of remembrance, staff laid memorial wreaths at three key locations along the Atlantic City Expressway, paying tribute to those whose lives were tragically lost, including colleagues, State Police, and 9/11 victims.

**As a transportation authority, the SJTA’s mission is more than just to provide a service—it’s to serve with care, respect, and compassion.**

The SJTA is grateful for the ongoing support of our patrons, passengers, and partners and for the opportunity to contribute to a community that stands strong, even in the face of hardship. It’s the Authority’s pledge to honor the legacy of those who gave everything.

Those who lost their lives while employed by the SJTA include Charles A. Young, Louis Pitale III, Warren W. Wilson, and Trooper Marienus J. Segeren. The wreath laying also paid tribute to those who perished during the September 11, 2001, attack on the World Trade Center.





### Honoring the Legacy: A 9/11 Remembrance

Each year, as September arrives and the crispness of autumn settles in, the South Jersey Transportation Authority takes a moment to reflect on the events of September 11, 2001. This day is set aside as a solemn occasion—one that calls for deep remembrance and respectful reflection.

The ceremony takes place outside the Atlantic City International Airport, in a serene space in front of the airport terminal. At its center stands a piece of steel—an artifact from the World Trade Center. This remnant of history is a stark, silent witness to the magnitude of the tragedy. It serves as a powerful symbol, a constant reminder of the lives lost, the bravery displayed, and the resilience of a nation in the face of unspeakable loss.

For all in attendance, the ceremony is not just a moment of silence but a time to reflect on the broader significance of 9/11—the acts of heroism that emerged in its wake, the solidarity that bound people together, and the strength that became visible in the aftermath of unspeakable chaos.

The ceremony is an opportunity to honor not only the fallen but also the many who stepped forward in response, whether as first responders, volunteers, or ordinary citizens who displayed extraordinary courage.

Another piece of steel from the World Trade Center resides at the Farley Service Plaza. There, it remains a constant presence, both a tribute to those lost and a symbol of resilience.

As the years pass, the 9/11 ceremony has become more than a tradition; it is a foundational part of the SJTA's culture. It is a time for reflection, a time for respect, and a time to reaffirm the Authority's mission to serve with dedication and care. Though time moves forward, the significance of September 11th and the lessons learned from it remain a guiding force for the Authority.



### Hats Off to Our Heroes: SJTA Operations Team Reunites Boy with Lost Cap After Gum-Gone-Awry Incident

In a heartwarming twist of fate, a young boy's cherished hat, lost in a rather unusual manner, was miraculously recovered by the SJTA's dedicated operations team.

It all started with a simple act that went terribly wrong.

This spring, 11-year-old Sewell resident, Michael Itri, was on his way to baseball camp. While traveling on the Atlantic City Expressway, Michael was enjoying the car ride with his Uncle Eric, his brother, Luca, and cousins, Landon and Brady. Casually thinking about what the day's pitching, batting, and fielding drills would look like, and in a moment of playful mischief, he decided to spit out his chewing gum from the moving vehicle. Unfortunately, in the process, his beloved Michael Jordan baseball cap, a hat he kept pristine for the past five years, flew off into the road and onto the wooded shoulder.

Upon hearing the news when Michael returned home, his mother, Lauren, distraught but hopeful, reached out to the SJTA by way of the Authority's website. She wrote, "So... my family was driving on the Atlantic City Expressway heading to my son's baseball camp. He went to spit his gum out and his hat blew right off his head.



Usually, I wouldn't even bother, but it was his favorite hat. If you come across it when the grass is cut or someone is out picking up trash, could you please let me know. I would appreciate it greatly. It's a camo Jordan hat with a red Jordan guy on the front. I have a picture taken right before with it on if needed. Thank you so much!"

Fortunately, the hat was recovered during routine maintenance earlier the next day, miraculously intact and just as the young boy remembered it.

When the hat was finally returned to the grateful family, the joy on Michael's face was priceless (as you can see). The hat's journey had come full circle, all thanks to our team who proved that maybe, just maybe, a hat in the woods is not just trash but a young boy's irreplaceable treasure.



Beautiful Weather Highlights 100 Days of Summer Party



The South Jersey Transportation Authority's annual 100 Days of Summer Party proved to be another resounding success, drawing thousands of patrons from all over the region to celebrate the start of the summer season. Held at the Farley Service Plaza, the event was a vibrant blend of community spirit, where local businesses, vendors, crafters, car enthusiasts, government agencies, all gathered for a full afternoon of family-friendly fun.

As the sun shone down, visitors were welcomed by a wide array of food trucks offering everything from spicy Cajun treats, to tacos, to sweet treats. The highlight of the day, as always, was Chickie's & Pete's Sports Bar, who not only provided free samples of their favorite Crabfries®, but also paid for all eastbound tolls for a one hour period making travel to one's favorite shore destination a smooth and hassle-

free experience. The generosity of Chickie's & Pete's was met with excitement, as patrons honked their horns as they traveled through the Egg Harbor Toll Plaza.

The event was also home to a car cruise featuring a stunning array of classic and modern vehicles, with car enthusiasts and collectors from across the region showcasing their prized vehicles. The first 50 cars to register received a commemorative "Piece of the Roadway" with the first 100 receiving a SJTA dash plaque.

The vendors who lined the plaza's grounds, offered an eclectic mix of products that ranged from handmade crafts to jewelry and local goods. Among the vendors were local crafters, government agencies providing information on services, and small businesses that brought a personal touch to the event. Many vendors gave



away free samples or small goodies, adding to the festive atmosphere.

The New Jersey State Police and Atlantic City International Airport Fire and Rescue were other popular features of the event. The State Police mounted state police horse, quickly became a favorite attraction for families and children, while other members of the department displayed their specialized vehicles. The fire department showed off their impressive trucks and allowing guests to explore the powerful equipment used in emergency situations. Both agencies provided an educational opportunity, allowing visitors to learn more about the vital services they provide to the community.

Ron's Gardens Farm Market was a highlight for those looking to enjoy fresh, local produce. Their tent was filled with an abundance of

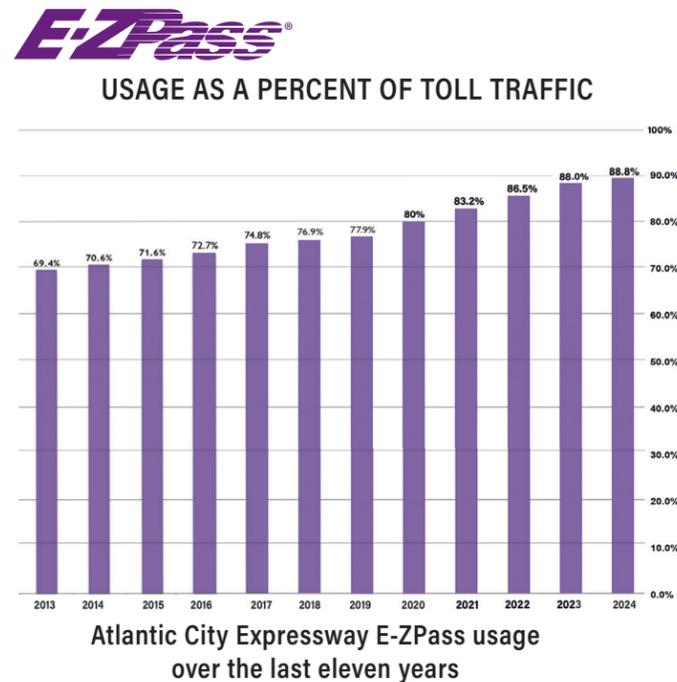
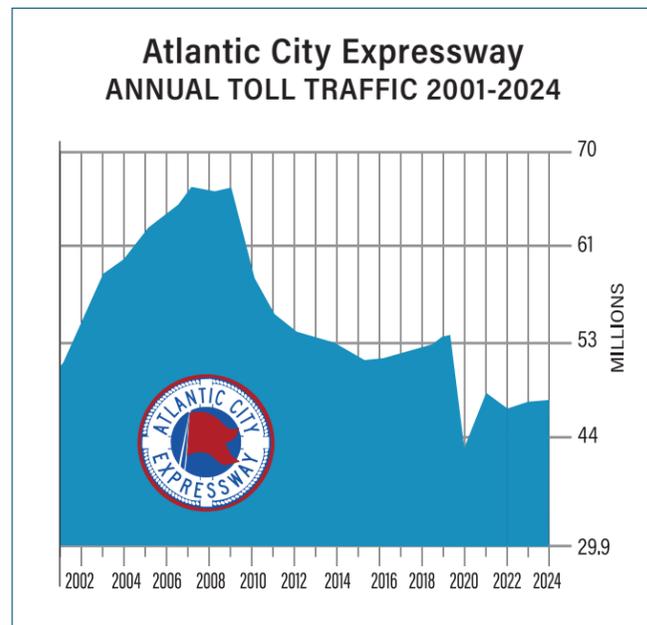
fruits, vegetables, and flowers, including vibrant hanging baskets that added a splash of color to the scene. Patrons could shop for everything from fresh strawberries to leafy greens, while also picking up beautiful blooms to brighten their homes.

A special touch to the event was the live radio remote broadcast from SportsRadio 94 WIP. The broadcast brought added excitement, with radio hosts engaging with attendees and showcasing the energy of the event to their listeners. The station's presence amplified the event's reach, giving it a greater platform to connect with the local community.

With food, fun, and festivities for all ages, the 100 Days of Summer Party continues to be a beloved tradition that brings people together and showcases the best of the region.

ANNUAL TOLL TRAFFIC AND TOLL REVENUES

YEAR	TOLL TRAFFIC	TOLL REVENUE	TOTAL SJTA REVENUES	PERCENT FROM TOLLS
2024	47,578,935	\$123,483,164	\$165,087,162	74.8%
2023	47,553,702	\$119,985,115	\$163,646,813	73.3%
2022	46,958,444	\$114,234,793	\$156,160,920	73.2%
2021	47,788,804	\$112,844,105	\$151,688,050	74.4%
2020	41,022,522	\$75,001,197	\$112,560,132	66.6%
2019	54,426,484	\$83,499,059	\$118,431,042	70.5%
2018	53,535,226	\$80,672,144	\$114,446,942	70.5%
2017	51,782,054	\$77,736,375	\$109,904,267	70.7%
2016	51,825,590	\$77,185,675	\$107,343,494	71.9%
2015	51,121,893	\$76,141,803	\$107,089,866	71.1%
2014	50,985,868	\$74,956,149	\$105,082,910	71.3%
2013	52,079,719	\$76,124,544	\$104,981,542	72.5%
2012	52,995,151	\$77,569,176	\$107,021,581	72.5%
2011	53,382,708	\$76,895,065	\$106,046,142	72.5%
2010	54,977,031	\$78,914,150	\$108,654,245	72.6%
2009	58,432,437	\$82,162,229	\$109,632,566	74.9%
2008	66,961,243	\$63,476,068	\$91,605,689	69.3%
2007	66,728,789	\$61,830,498	\$89,416,482	69.1%
2006	66,820,291	\$59,477,706	\$83,676,217	71.1%
2005	64,594,708	\$57,970,661	\$82,007,410	70.7%
2004	63,036,743	\$57,247,411	\$78,771,768	72.7%
2003	60,332,338	\$51,190,087	\$59,488,734	86.0%
2002	59,000,044	\$48,525,003	\$56,373,284	86.1%
2001	54,415,354	\$45,853,899	\$58,712,782	78.1%
2000	50,619,351	\$44,322,412	\$56,594,079	78.3%
1999	48,050,179	\$44,434,942	\$57,923,324	76.7%



ANNUAL TOLL TRAFFIC INCREASE OR DECREASE BY LOCATION

YEAR	PLEASANTVILLE	NEW ROAD	POMONA	MAYS LANDING	EGG HARBOR	HAMMONTON	WINSLOW	WILLIAMSTOWN	CROSS KEYS	ROUTE 50	TOTAL
2024	1.3%	-6.6%	2.9%	-0.26%	-1.0%	1.7%	-11.5%	1.1%	-0.3%	-0.2%	0.1%
2023	3.2%	-6.1%	2.7%	-1.9%	1.0%	4.6%	0.7%	-2.7%	-2.0%	3.9%	1.2%
2022	-0.6%	-13.6%	-1.9%	-9.0%	-1.2%	0.5%	-0.4%	-2.3%	-1.1%	-0.5%	-1.8%
2021	24.3%	7.1%	17.0%	14.7%	13.8%	4.3%	2.9%	10.4%	12.0%	13.6%	16.5%
2020	-29.9%	-19.4%	-32.5%	-31.5%	-18.6%	-19.6%	-19.1%	-19.7%	-23.9%	-24.4%	-24.6%
2019	3.7%	-13.2%	2.6%	1.6%	4.2%	2.3%	4.5%	0.7%	-3.8%	8.2%	2.5%
2018	4.0%	18.6%	-5.2%	-1.4%	3.8%	-1.7%	1.2%	-1.9%	-0.2%	1.6%	2.5%
2017	-1.7%	-7.6%	0.4%	-3.3%	2.8%	-1.3%	3.0%	1.9%	-1.8%	9.0%	-0.1%
2016	1.4%	5.7%	4.0%	-1.2%	-1.0%	8.1%	6.5%	4.9%	1.6%	13.6%	1.4%
2015	-2.8%	10.3%	2.5%	-2.9%	2.1%	1.5%	-0.3%	1.2%	6.2%	8.2%	0.3%
2014	-5.6%	2.2%	-1.7%	-1.8%	-1.1%	1.6%	4.2%	5.0%	1.1%	14.8%	-2.1%
2013	-1.8%	3.8%	-1.2%	-0.6%	-2.5%	-1.9%	6.0%	-4.0%	-1.1%	10.1%	-1.7%
2012	-2.0%	-1.7%	0.1%	-3.5%	1.7%	0.4%	-1.0%	-3.1%	0.3%	10.7%	-0.8%
2011	-2.3%	-1.4%	-1.7%	-2.9%	-3.9%	0.1%	-2.2%	-7.5%	-0.4%	76.4%	-2.9%
2010	-10.2%	-4.6%	-1.3%	-11.6%	-2.9%	2.4%	2.0%	-2.6%	1.6%	-6.1%	-5.9%
2009	-15.4%	-11.3%	-17.7%	-18.4%	-6.4%	-2.0%	-8.5%	-12.5%	-17.5%	N/A	-12.7%
2008	6.4%	-6.0%	2.1%	-4.4%	-5.4%	-3.9%	-1.0%	-1.0%	-1.9%		0.4%
2007	-0.1%	9.7%	4.8%	-0.7%	-1.5%	-0.5%	-0.8%	-0.9%	1.3%		-0.1%
2006	3.7%	8.7%	6.3%	1.6%	2.2%	2.1%	4.7%	3.1%	7.9%		3.4%
2005	3.1%	7.5%	2.4%	1.8%	1.2%	0.0%	-1.9%	3.7%	5.1%		2.5%
2004	1.7%	17.5%	3.2%	4.3%	5.7%	6.6%	7.6%	6.7%	13.0%		4.4%
2003	-1.1%	58.2%	2.9%	4.0%	2.1%	1.5%	-61.6%	2.2%	170.7%		2.1%
2002	8.1%	N/A	2.0%	15.8%	6.6%	4.8%	-28.9%	4.6%	N/A		8.6%
2001	4.6%		4.6%	13.6%	5.3%	5.0%	68.0%	2.6%			7.5%
2000	0.0%		8.9%	9.2%	2.4%	10.9%	193.5%	11.4%			5.3%
1999	-6.1%		-11.3%	-9.9%	-5.6%	6.7%	2.1%	2.4%			-5.5%

MOTORIST AIDS BY EMERGENCY SERVICE PATROL

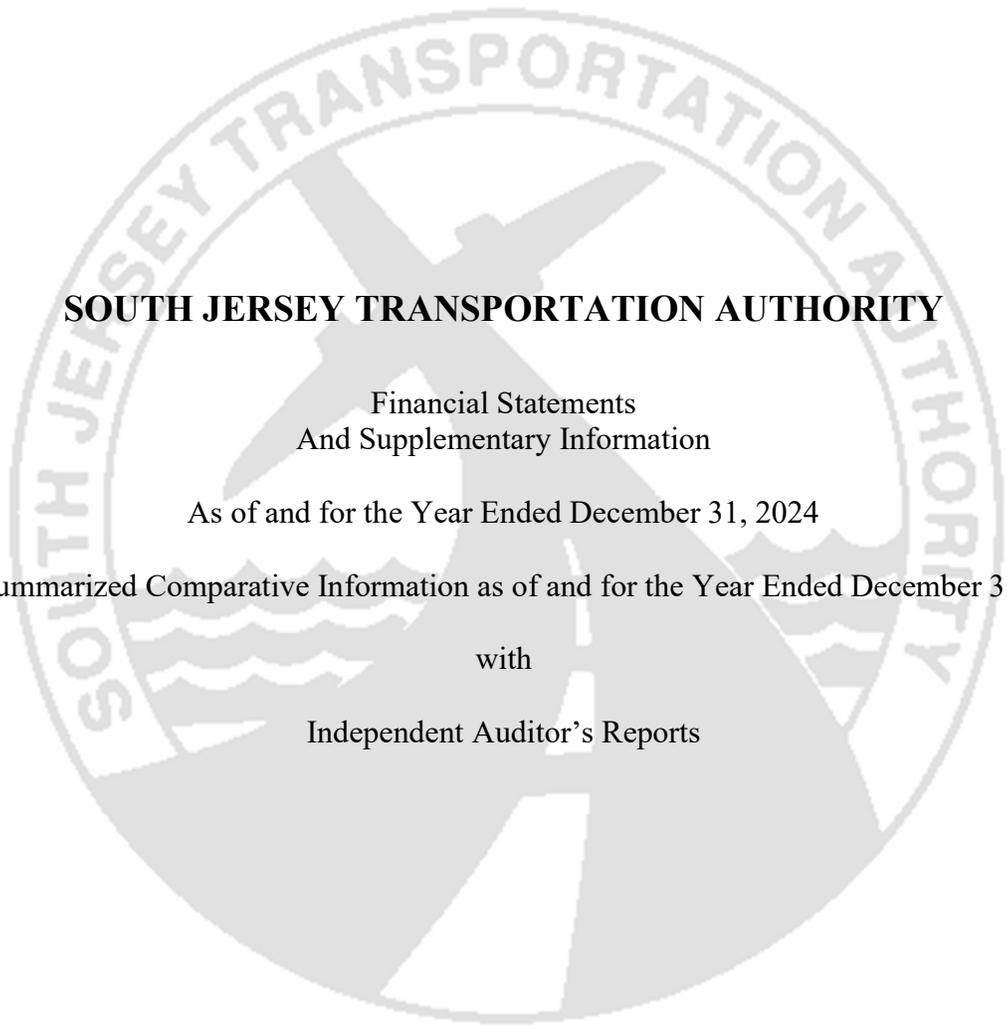
	2018	2019	2020	2021	2022	2023	2024
Dead Battery	812	787	372	516	632	711	806
Flat Tire	4,517	2,796	2,446	3,172	4,223	4,941	6,067
Accidents	812	787	703	620	564	594	637
Mechanical	4,752	3,865	3,658	4,357	4,987	5,492	7,089
Out of Gas	699	835	4,334	777	652	684	676
Overheat	747	353	319	427	460	471	523
Resting/Cell Phone	913	930	740	1,059	1,278	1,381	1,572
Request for Tow Truck	3,963	2,546	2,700	2,990	2,614	2,517	2,312
Remove Debris	n/a	587	450	575	607	3,852	3,974
Provided Safety	1,679	9,796	8,776	10,093	10,727	28,087	32,608
Total	18,894	23,282	24,498	24,586	26,744	48,730	56,264

When a motorist on the Atlantic City Expressway has a problem, he or she can count on getting quick help from our Emergency Service Patrols. Their vehicles make continuous circuits along the 44-mile Expressway, stopping whenever they see a vehicle pulled off to the side of the roadway. This free service helps keep our commuters moving along efficiently every day of the year.

ATLANTIC CITY EXPRESSWAY 2024 TOLL RATES

Classification	Curr. Rate	E-Z Pass Frequent User Discount
<b>Pleasantville</b>		
Auto	1.40	0.95
Limo	2.55	1.53
Dual Tire	2.55	2.30
Three Axle	3.55	3.20
Four Axle	4.70	4.24
Five Axle	5.85	5.27
Six Axle	6.85	6.17
<b>Egg Harbor and Route 50 Interchange</b>		
Auto	4.70	3.01
Limo	6.85	4.11
Dual Tire	6.85	6.17
Three Axle	10.15	9.14
Four Axle	13.70	12.33
Five Axle	17.00	15.30
Six Axle	20.30	18.27
<b>Pleasantville Route 9 Ramp</b>		
Auto	1.40	0.95*
Truck/Bus/Limo	1.40	1.40*
<b>Pomona (AC Int'l Airport), Mays Landing, Hammonton, Winslow</b>		
Auto	1.40	0.84*
Truck/Bus/Limo	1.40	1.40*
<b>Williamstown, Berlin-Cross Keys</b>		
Auto	0.75	0.45*
Truck/Bus/Limo	0.75	0.75*

\* When two outer ramp tolls are used in the same direction during one trip (within one hour) only one toll is charged to the user's E-ZPass account.  
 FREQUENT USER PLAN: To qualify, use your E-ZPass tag at least 30 times during a 35 day period and the discount will be applied for the next 35 days. Keep using it, and the discount will continue. You must sign up for the Expressway either when you enroll, or by calling the customer service center at 1-888-288-6865. There is no additional charge for this discount.



**SOUTH JERSEY TRANSPORTATION AUTHORITY**

Financial Statements  
And Supplementary Information

As of and for the Year Ended December 31, 2024

(With Summarized Comparative Information as of and for the Year Ended December 31, 2023)

with

Independent Auditor's Reports

**South Jersey Transportation Authority**  
**Financial Statements**  
**For the Year Ended December 31, 2024**

	<u>Page</u>
<b>Independent Auditor's Reports</b>	1
<b>Management's Discussion and Analysis</b>	6
<b>Basic Financial Statements</b>	
Statement of Net Position	16
Statement of Revenue, Expenses and Changes in Net Position	19
Statement of Cash Flows	20
Statement of Net Position – Proprietary Funds	22
Statement of Revenue, Expenses and Changes in Net Position – Proprietary Funds	25
Statement of Cash Flows – Proprietary Funds	27
Statements of Fiduciary Net Position and Changes in Fiduciary Net Position – Other Postemployment Benefits Trust	29
Notes to Financial Statements	30
<b>Required Supplementary Information</b>	
Schedules of Proportionate Share of the Net Pension Liability	91
Schedules of Authority's Pension Contributions	92
Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios	93
Schedule of Authority's OPEB Contributions	94
<b>Other Supplementary Information</b>	
Statement of Net Position – Fund Financial Statements	95
Statement of Revenue, Expenses and Changes in Net Position – Fund Financial Statements	98
Schedule of Bonds Payable	99
Schedule of Toll Revenue and Transactions	102



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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Chair and Commissioners  
of the South Jersey Transportation Authority  
Hammonton, New Jersey

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the South Jersey Transportation Authority (the "Authority"), a component unit of the State of New Jersey, as of and for the year ended December 31, 2024, with comparative totals for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

#### ***Unmodified Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the generally accepted accounting principles. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, and *Government Auditing Standards*, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit in order to design 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management discussion and analysis*, the Schedules of Proportionate Share of the Net Pension Liability, Schedule of Authority's Pension Contributions, Schedules of Changes in the Authority's Net OPEB Liability and Related Ratios and the Schedule of Authority OPEB Contributions, identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Leon P Costello*  
Leon P. Costello  
Certified Public Accountant

July 31, 2025



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**INDEPENDENT AUDITOR'S REPORT**  
**ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER**  
**MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE**  
**WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Chair and Commissioners of the  
of the South Jersey Transportation Authority  
Hammonton, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements, as listed in the accompanying table of contents, of the South Jersey Transportation Authority (a component unit of the State of New Jersey), Hammonton, State of New Jersey, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated July 31, 2025, which was unmodified.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Leon P. Costello*  
Leon P. Costello  
Certified Public Accountant

July 31, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### OVERVIEW

South Jersey Transportation Authority (“SJTA” or the “Authority”) was created in 1991 and became the successor to the New Jersey Expressway Authority and the Atlantic County Transportation Authority. The Authority operates the Atlantic City Expressway, the Atlantic City International Airport and provides transportation services to riders in the areas served. The vision of SJTA is to be a leader in transportation, safely moving people and commerce, to stimulate the economy now and into the future. The mission of the Authority is to provide the traveling public with safe and efficient transportation through the acquisition, construction, maintenance, operation and support of expressway, airport, transit, parking, other transportation projects and services that support the economies of Atlantic, Camden, Cape May, Cumberland, Gloucester and Salem Counties.

The Authority operates under the following Core Values:

**Safety** - Maintain high standards in safety and security for our employees and the traveling public.

**Innovation** - Translate new ideas into solutions and improvements through technology and human resources.

**Professionalism** - Conduct ourselves ethically and with integrity worthy of public trust.

**Diversity** - Provide a multicultural workforce, access to procurement opportunities and transportation services.

**Excellence** - Commit to the highest standards of customer service delivery.

Our discussion and analysis of the South Jersey Transportation Authority’s (SJTA) financial performance provides an overview of the Authority’s financial activities for the year ended December 31, 2024. Please read it in conjunction with the Authority’s financial statements that begin on Page 16.

### 2024 Highlights

#### Expressway

Traffic on the Atlantic City Expressway in 2024 remained consistent with the prior year, which has held relatively constant during this post-COVID era. There were 47.6 million vehicle transactions in 2024, an increase of 25 thousand compared to 2023, with a new high of 88.8% utilizing E-ZPass as a payment method which was an increase of .8% compared to 2023. As a result of the increased traffic and the 3% annual toll indexing effective January 1, 2023, toll revenue reached its highest level in Authority history of \$124 million which was an increase of 2.9% or \$3.5 million compared to 2023.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### OVERVIEW (Continued)

In May 2023, the Authority awarded the civil contract for the All Electronic Tolling (AET) and ITS Upgrade, one of the flagship projects in the capital plan. The groundbreaking for the construction of the gantries was held in October 2023. The ceremony was attended by dignitaries including members of the Board of Commissioners, Congressman Donald W. Norcross and the New Jersey Department of Transportation Commissioner and then Chair of SJTA's Board Diane Gutierrez-Scaccetti along with many members of the public. All Electronic Tolling is expected to go into effect on the Expressway in the 4<sup>th</sup> quarter of 2025.

### Airport

The number of airport passengers at the Atlantic City Airport (ACY) increased compared to 2023. A total of 1.0 million passengers utilized the Airport in 2024, reflecting an increase of 12.5% compared to 2023. Almost 21 thousand of these passengers used American Airlines which, in 2022, began offering passengers the ability to check-in for their flights at ACY and are then transported to Philadelphia airport by luxury motorcoach to board their flight to their destination. The number of passengers utilizing this service increased by 25% compared to 2023. In addition, the number of charter passengers decreased 2% to 124 thousand in 2024. Total airport revenue of \$13.9 million in 2024 decreased by \$1.2 million or 8.1% compared to 2023, despite an increase in airport parking revenue which had increased by \$1.5 thousand or 31.3% compared to 2023.

## FINANCIAL HIGHLIGHTS

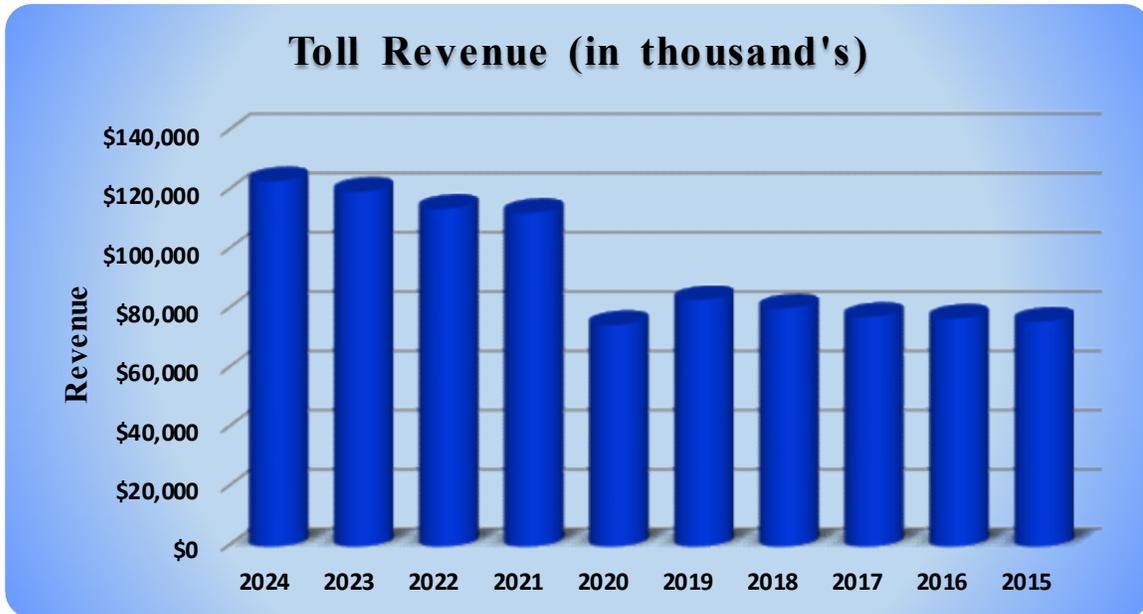
### Operating Revenue

- Total operating revenues were \$165.4 million in 2024 as compared to \$163.7 million in 2023, representing a net 1.1% increase. This is attributable to several factors:
  - Toll indexing of 3% that went into effect January 1, 2024
  - An 8% increase in concession revenue
  - An 8% decrease in Airport Revenue due to the drop off of COVID related grants
  - A 49% increase in Other miscellaneous Transportation Services revenue due to increase property recoveries from motor vehicle accidents.
  
- Toll revenue, which accounted for 74.7% of operating revenue, was \$124 million. This is an increase of 2.9% over the prior year. (See Chart I).

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

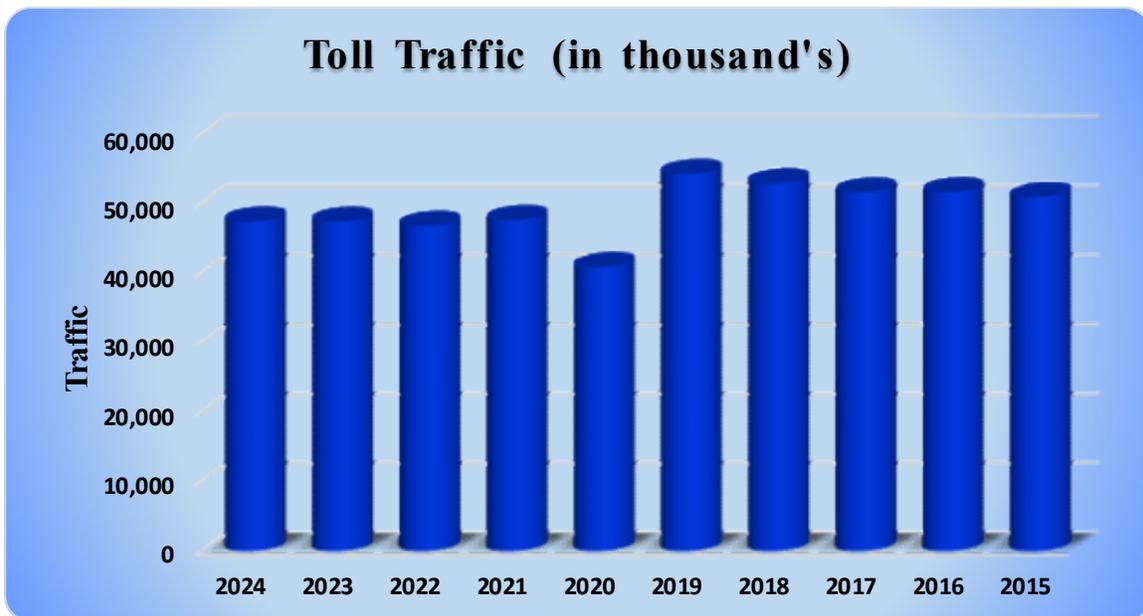
FINANCIAL HIGHLIGHTS (Continued)

**Chart I – Historical Toll Revenue 2015-2024**



- Traffic on the Atlantic City Expressway (ACE) in 2024 was consistent in comparison to 2023. (See Chart II).

**Chart II – Historical Toll Traffic 2015-2024**



## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL HIGHLIGHTS (Continued)

- Airport revenues of \$13.9 million decreased 8.1% compared to \$15.1 million in 2023. This decrease is primarily a result of the receipt of COVID-19 related grants of \$3.03 million in 2023 that were not received in 2024 (See Chart III).

**Chart III Historical Airport Revenue 2015-2024**



- Scheduled service passengers using the Atlantic City Airport in 2024 increased 14.8% over the number of scheduled service passengers in 2023 while charter service passengers decreased 2%. Overall air passenger traffic increased 12.5% (See Chart IV).

**Chart IV Historical Airport Passengers 2015-2024**



## MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL HIGHLIGHTS (Continued)

#### Operating Expenses

- Operating expenses before depreciation expense for the year ended December 31, 2024 were \$93.3 million, a \$6 million or 6.8% increase as compared to the year ended December 31, 2023. Actual operating expenses for 2024 were \$13.9 million or 12.9% lower than budgeted operating expenses. The Authority closely monitors spending to maintain operating margins.
- This resulted in net operating income for 2024 of \$36.6 million, as compared to \$38.9 million for 2023.

### FINANCIAL POSITION SUMMARY

The Authority’s financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America. Accrual of the current year’s revenue and expenses are considered regardless of when cash is received or paid. Capital assets are capitalized and, except land and construction in progress, are depreciated over their useful lives. Amounts are restricted for rehabilitation and repair, debt service and, where applicable, capital projects.

The Statement of Net Position and the Statement of Revenue, Expenses and Changes in Net Position report information on all Authority assets, liabilities, revenue and expenses in a manner similar to that used by most private-sector companies. These two statements also report on the Authority’s *net position* and changes to it.

Net position increases both when revenue exceeds expenses and when the Authority’s assets increase without a corresponding increase in the Authority’s liabilities. It is important to note, however, depreciation’s negative impact on net position. Depreciation decreases the Authority’s net position even though it is a non-cash expense and may represent a write off against a contributed capital item paid for by a federal grant or private source. Net position also increases or decreases when new accounting pronouncements are implemented.

The Statement of Cash Flows presents information about the Authority’s relevant sources and uses of cash for the year. It is prepared in a manner that summarizes (1) cash flows from operating activities, (2) non-capital financing activities, (3) capital and related financing activities and (4) investing activities. Specifically, the Statement of Cash Flows, together with related disclosures and information on other financial statements, can be useful in assessing the following:

- Ability of an entity to generate future cash flows.
- Ability of an entity to pay its debt as the debt matures.
- The need to seek outside financing.
- Reasons for differences between cash flows from operations and operating income

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL POSITION SUMMARY (Continued)

#### Financial Analysis of the Statement of Net Position

Below is a summarized Statement of Net Position as of December 31, 2024, with comparative totals as of December 31, 2023:

	<u>2024</u>	<u>2023</u>
Unrestricted Assets	\$ 143,570,789	\$ 149,397,669
Restricted Assets	580,258,816	598,272,422
Capital Assets	623,383,536	580,352,928
Deferred Outflows of Resources	<u>25,073,963</u>	<u>27,352,044</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 1,372,287,104</u>	 <u>\$ 1,355,375,063</u>
 Current Unrestricted Liabilities	 \$ 13,790,202	 \$ 12,023,284
Current Restricted Liabilities	53,847,697	46,296,093
Accrued Expenses	35,000	35,000
Net Pension Liability	37,055,754	39,669,086
Net OPEB Liability	50,832,876	60,213,299
Non-Current Bonds Payable, net	926,535,083	948,362,184
Deferred Inflows of Resources	<u>37,418,474</u>	<u>37,407,722</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>1,119,515,086</u>	 <u>1,144,006,668</u>
 Net Investment in Capital Assets	 178,585,272	 117,619,494
Restricted	57,672,435	80,296,329
Unrestricted Net Position	115,069,132	113,334,957
Related to Net Pension Liability	(33,176,018)	(39,669,086)
Related to Net OPEB Liability	<u>(65,378,803)</u>	<u>(60,213,299)</u>
 Total Net Position	 <u>252,772,018</u>	 <u>211,368,395</u>
 Total Liabilities, Deferred Inflow of Resources and Net Position	 <u>\$ 1,372,287,104</u>	 <u>\$ 1,355,375,063</u>

- Unrestricted assets decreased by \$5.8 million due primarily to the increase in operating expenses.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL POSITION SUMMARY (Continued)

- Restricted assets decreased by \$18.0 million in 2024 primarily in cash and cash equivalents due to Capital additions and for Pre-Development Services under an Agreement with the Delaware River Port Authority (DRPA) for the Glassboro-Camden Light Rail Line.
- Capital assets, net of accumulated depreciation, increased by a net of \$43.0 million. Depreciation during the year was \$35.5 million while additions amounted to \$78.9 million.
- Deferred outflows of resources decreased \$2.3 million due to changes in actuarial assumptions in calculating the OPEB liability and pension liability as well as a reduction to the unamortized deferred losses on the early extinguishment of Debt.
- Current unrestricted liabilities increased \$1.8 million primarily due to an increase in accounts payable.
- Accounting Standards require state and local government's financial reports to reflect systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and provides information about actuarial accrued liabilities associated with the OPEB and whether and to what extent progress is being made in funding the plan. The Authority's net OPEB liability at December 31, 2024, was \$50.8 million, a decrease of \$9.4 million from 2023 mainly resulting from a change in valuation assumptions and employer contributions. This represents the expected rate of return on plan assets. See the required supplementary information ("RSI") in the financial statements.
- SJTA's net pension liability of \$37.1 million represents the Authority's proportionate share of the net pension liability of the State of New Jersey's multi-employer, cost sharing pension plans. This liability and how it is determined is discussed in greater detail in the accompanying Notes to the Financial Statements.
- Deferred inflows of resources increased by a net amount of \$11 thousand, mainly resulting from the decrease from the recognition of lease revenue and pensions costs offset by the increase related to OPEB costs. See the required supplementary information ("RSI") in the financial statements for more information related to OPEB costs.

## MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL POSITION SUMMARY (Continued)

#### **Financial Analysis of the Statement of Revenue, Expenses and Changes in Net Position**

Below is a summarized Statement of Revenue, Expenses and Changes in Net Position as of December 31, 2024, with comparative totals as of December 31, 2023:

	<u>2024</u>	<u>2023</u>
Operating Revenue	\$ 165,405,534	\$ 163,646,813
Operating Expenses	(128,805,815)	(124,731,273)
Non-Operating Income (Expense)	(9,209,345)	(10,942,508)
Capital Contributions	<u>14,013,249</u>	<u>5,435,702</u>
Change in Net Position	41,403,623	33,408,734
Net Position -- Beginning	<u>211,368,395</u>	<u>177,959,661</u>
Net Position -- Ending	<u>\$ 252,772,018</u>	<u>\$ 211,368,395</u>

- Operating revenue increase of \$1.8 million is primarily a result of the 3% toll indexing implemented January 1, 2023.
- Operating expenses increased by \$4.1 million.
- Capital Contributions received during the year increased by \$8.6 million. This increase was due, in large part, to higher FAA Airport Improvement grants in 2024 at the Atlantic City International Airport.

#### **New Accounting Pronouncements**

For 2024, the Authority implemented Statement No. 100 Accounting Changes and Error Corrections and Statement No. 101, Compensated Absences. The adoption of these Statements had no impact on the Authority’s financial statements.

#### **Investment in Infrastructure**

Capital projects on *Atlantic City Expressway* substantially completed in 2024 are:

- Upgrades to the Expressway Weather Stations
- Expressway Connector & Tunnel LED Lighting Conversion
- Expressway Tunnel Improvements Re-Bid
- Expressway Bridge Painting Program
- Expressway East Maintenance Garage Project
- Expressway 2024 Spring Resurfacing Project
- Expressway 2024 Fall Resurfacing Project

## **MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

### **FINANCIAL POSITION SUMMARY (Continued)**

Capital projects at the *Atlantic City International Airport* substantially completed in 2024 are:

- Airport Runway 13-31 Lighting Rehabilitation Project
- Airport Apron Rehabilitation Project
- Airport Emergency Terminal Generator Replacement Project
- Airfield Electrical Rehabilitation Program

### **AIRPORT SUBSIDY**

The Authority’s enabling legislation created the South Jersey Transportation Authority to deal with regional transportation issues. Included in the legislation were the powers to acquire and operate the Atlantic City International Airport. The available surplus, net revenue generated by the Atlantic City Expressway project, has historically been available to subsidize the airport operations as was anticipated in the legislation and clearly presented in the original documents adopted by the Authority. The airport project is considered a general project under the Authority’s General Bond Resolution and payment of any airport subsidy (excess of airport expenses over airport revenue) is subordinate to payments to bond holders under the Authority’s General Bond Resolution and payable from the general reserve fund.

The airport operating subsidy was \$6.0 million for the year ended December 31, 2024, compared with \$3.8 million in 2023, not including debt service on airport bonds and depreciation of capital assets. The increase in the subsidy is attributable to a reduction in airport revenues due to a drop off in COVID related grants.

### **USING THIS FINANCIAL REPORT**

This financial report consists of a series of financial statements, notes to the financial statements and supplementary information. The Basic Financial Statements consist of the Statement of Net Position, the Statement of Revenue, Expenses and Changes in Net Position (“Operating Statement”) and the Statement of Cash Flows (on Pages 16 - 21) that provide information about the activities of the Authority as a single enterprise fund. An enterprise fund uses proprietary fund reporting that focuses on the determination of operating income, changes in net position (or cost recovery), financial position and cash flows.

Proprietary Fund financial statements for the Authority’s two main funds start on Page 22. These financial statements report on the Authority’s operations in more detail than the Basic Financial Statements by providing information about the Authority’s most significant funds. The Authority’s two major operating entities, which are being reported separately in the Proprietary Fund financial statements, are the Atlantic City Expressway and the Atlantic City International Airport. Common costs for these two major operating entities are generally assigned to the Expressway.

The Statements of Net Position and Changes in Fiduciary Net Position for the Other Postemployment Benefits Trust can be found on Page 29. Fund financial statements are also included in the Other Supplementary Information on Pages 95 - 98. Fund financial statements report the Authority’s operations, in detail, for all the funds of the Authority.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

### **USING THIS FINANCIAL REPORT (Continued)**

Some funds are required to be established by bond covenants, while the Authority establishes many other funds to help it control and manage money for particular purposes. Resources are accounted for in individual funds based upon the purpose for which they are to be spent and the restrictions, if any, on the spending activities.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

### **Other Supplementary Information**

In addition to the financial statements and accompanying notes, this report also presents certain supplementary information concerning the Authority's fund financial statements, bonds and other debt, and toll revenue and vehicle count.

### **Contacting the Authority's Financial Management**

This financial report is designed to provide our Commissioners, customers, investors, and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance at the South Jersey Transportation Authority, Farley Service Plaza, Administration Building, P.O. Box 351, Hammonton, NJ 08037.

BASIC FINANCIAL STATEMENTS

South Jersey Transportation Authority  
Statement of Net Position  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	<u>2024</u>	<u>2023</u>
<b><u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u></b>		
<b>Unrestricted Assets:</b>		
Cash and Cash Equivalents	\$ 126,181,556	\$ 127,482,557
Change Funds	142,491	189,943
Accounts Receivable, net	5,985,845	6,885,028
Leases Receivable	6,241,943	8,967,804
Grants Receivable	1,983,708	2,477,417
Prepaid Expenses	2,773,324	3,119,626
Security Deposits	146,416	150,416
Inventory	115,506	124,878
<b>Total Unrestricted Assets</b>	<u>143,570,789</u>	<u>149,397,669</u>
<b>Restricted Assets:</b>		
Cash and Cash Equivalents	552,204,462	568,608,715
Investments	24,631,814	24,946,823
Accounts Receivable	3,130,000	4,180,000
Grants Receivable	205,433	437,350
Interest Receivable	87,107	99,534
<b>Total Restricted Assets</b>	<u>580,258,816</u>	<u>598,272,422</u>
<b>Capital Assets:</b>		
Non-Depreciable Capital Assets:		
Land and Right of Ways	145,464,608	145,464,608
Construction in Progress	151,789,454	80,874,712
<b>Total Non-Depreciable Capital Assets</b>	<u>297,254,062</u>	<u>226,339,320</u>
<b>Non-Infrastructure Capital Assets:</b>		
Buildings and Equipment	219,932,931	219,252,469
Less Accumulated Depreciation	(160,557,175)	(154,694,785)
<b>Total Non-Infrastructure Capital Assets</b>	<u>59,375,756</u>	<u>64,557,684</u>
<b>Infrastructure Capital Assets:</b>		
Infrastructure - Equipment	31,567,113	30,380,214
Infrastructure	688,721,346	688,096,038
Less Accumulated Depreciation	(453,534,741)	(429,020,328)
<b>Total Infrastructure Capital Assets</b>	<u>266,753,718</u>	<u>289,455,924</u>
<b>Total Assets</b>	<u>1,347,213,141</u>	<u>1,328,023,019</u>
<b>Deferred Outflows of Resources:</b>		
Related to Pensions	6,338,026	7,258,513
Related to OPEB	14,896,102	15,236,571
Loss on Early Extinguishment of Debt	3,839,835	4,856,960
<b>Total Deferred Outflows of Resources</b>	<u>25,073,963</u>	<u>27,352,044</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 1,372,287,104</u>	<u>\$ 1,355,375,063</u>

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Net Position  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	<u>2024</u>	<u>2023</u>
<b><u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u></b>		
<b>Current Liabilities Payable From Unrestricted Assets:</b>		
Accounts Payable	\$ 10,058,713	\$ 9,250,867
Unearned Income	584,292	671,288
Escrow Deposits	320,440	204,637
Accrued Expenses	<u>2,826,757</u>	<u>1,896,492</u>
<b>Total Current Liabilities Payable From Unrestricted Assets</b>	<u>13,790,202</u>	<u>12,023,284</u>
<b>Current Liabilities Payable From Restricted Assets:</b>		
Accrued Interest Payable	6,863,997	6,930,587
Accrued Expenses	5,844,975	1,200,000
Accounts Payable	6,067,346	10,113,536
Escrow Deposits	-	13,732
Retainages Payable	1,899,256	696,036
Due to Other Governmental Agencies	208,335	208,335
PFC Advanced	2,547,154	711,393
CFC Advanced	3,934,462	3,607,282
Insurance and Labor Reserves	4,655,071	4,646,102
Bonds Payable, Net of Discount and Premiums of (\$3,607,101)	<u>21,827,101</u>	<u>18,169,090</u>
<b>Total Current Liabilities Payable From Restricted Assets</b>	<u>53,847,697</u>	<u>46,296,093</u>
<b>Noncurrent Liabilities:</b>		
Accrued Expenses	35,000	35,000
Net Pension Liability	37,055,754	39,669,086
Net OPEB Liability	50,832,876	60,213,299
Bonds Payable, Net of Discount and Premiums of (\$45,630,083)	<u>926,535,083</u>	<u>948,362,184</u>
<b>Total Non-Current Liabilities</b>	<u>1,014,458,713</u>	<u>1,048,279,569</u>
<b>Total Liabilities</b>	<u>1,082,096,612</u>	<u>1,106,598,946</u>
<b>Deferred Inflows of Resources:</b>		
Related to Pensions	2,458,290	2,960,465
Related to OPEB	29,442,029	25,884,869
Related to Leases	<u>5,518,155</u>	<u>8,562,388</u>
<b>Total Deferred Inflows of Resources</b>	<u>37,418,474</u>	<u>37,407,722</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ 1,119,515,086</u>	<u>\$ 1,144,006,668</u>

The Notes to Financial Statements are an integral part of this statement.

**South Jersey Transportation Authority**  
**Statement of Net Position**  
**As of December 31, 2024**  
**With Summarized Comparative Information as of December 31, 2023**

	<u>2024</u>	<u>2023</u>
<b><u>NET POSITION</u></b>		
Net Investment in Capital Assets	\$ 178,585,272	\$ 117,619,494
<b>Restricted for:</b>		
Debt Service	3,139,697	2,765,632
Rehabilitation and Repair	7,295,703	6,938,635
Debt Service Reserve	38,789,379	36,118,820
State Payment	269	261
Capital Projects	(6,114,813)	15,668,336
Arbitrage Rebate	(5,844,806)	(1,199,831)
Subordinated Debt Fund	20,407,006	20,004,476
<b>Unrestricted:</b>		
Unrestricted Net Position	115,069,132	113,334,957
Related to Net Pension Liability	(33,176,018)	(39,669,086)
Related to Net OPEB Liability	(65,378,803)	(60,213,299)
<b>Total Net Position</b>	<u>252,772,018</u>	<u>211,368,395</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 1,372,287,104</u>	<u>\$ 1,355,375,063</u>

The Notes to Financial Statements are an integral part of this statement.

**South Jersey Transportation Authority**  
**Statement of Revenue, Expenses and Change in Net Position**  
**For the Year Ended December 31, 2024**  
**With Summarized Comparative Information for the Year Ended December 31, 2023**

	<u>2024</u>	<u>2023</u>
<b>Operating Revenue:</b>		
Tolls	\$ 123,506,749	\$ 119,985,115
Concessions	1,064,223	985,415
ETC Administrative Revenue	11,810,238	12,060,054
Marina Parking Revenue	66,912	1,105,917
Rentals	4,162,520	4,356,808
FEMA Grant Reimbursement	193,105	519,955
Naming Rights	391,322	360,202
SJTPO Programs	3,585,224	2,840,816
Transportation Services	5,560,760	5,528,882
Other	1,168,302	783,844
Airport	13,896,179	15,119,805
<b>Total Operating Revenue</b>	<u>165,405,534</u>	<u>163,646,813</u>
<b>Operating Expenses:</b>		
Executive	969,409	900,916
Business Administration	1,637,814	1,491,469
Engineering	1,714,902	2,500,339
Finance	1,541,740	1,364,904
Central Accounts	14,563,737	13,291,361
Other Post-Employment Benefits	3,046,185	2,920,396
Marketing and Communications	300,452	128,383
Toll Services and Bus Management	4,807,438	4,673,551
Maintenance	17,164,165	12,250,162
Police	8,022,434	9,499,599
Emergency Service Patrol	1,102,658	1,052,460
Electronic Toll Collection Expense	7,753,103	8,003,857
Information Services	1,500,550	2,177,692
SJTPO Programs	3,585,224	2,840,816
Transportation Services	6,030,190	5,666,715
Airport	19,570,889	18,568,281
Depreciation	35,494,925	37,400,372
<b>Total Operating Expenses</b>	<u>128,805,815</u>	<u>124,731,273</u>
<b>Operating Income</b>	<u>36,599,719</u>	<u>38,915,540</u>
<b>Non-Operating Revenue (Expenses):</b>		
Interest and Dividends	28,755,893	32,260,802
Market Value Adjustment on Investments	374,990	657,089
Gain (Loss) on Disposal of Assets	(437,728)	-
Other Income (Expenses)	55,772	182,821
Bad Debt Expense	-	(219,761)
Effect of Change in Pension Liability	2,195,020	325,949
Effect of Change in OPEB Liability	155,584	(1,287,603)
Amortization of Bond Premium	3,708,059	3,812,293
Interest on Bonds	(41,516,935)	(44,174,098)
State Payment	(2,500,000)	(2,500,000)
<b>Total Non-Operating Income (Expense)</b>	<u>(9,209,345)</u>	<u>(10,942,508)</u>
<b>Loss before Capital Contributions</b>	27,390,374	27,973,032
Capital Contributions	14,013,249	5,435,702
<b>Change in Net Position</b>	\$ 41,403,623	\$ 33,408,734
<b>Total Net Position -- Beginning</b>	<u>211,368,395</u>	<u>177,959,661</u>
<b>Total Net Position -- Ending</b>	<u>\$ 252,772,018</u>	<u>\$ 211,368,395</u>

The Notes to Financial Statements are an integral part of this statement.

**South Jersey Transportation Authority**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2024**  
**With Summarized Comparative Information for the Year Ended December 31, 2023**

	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from Customers, Users and Grants	\$ 167,120,846	\$ 166,512,257
Payments to Suppliers	(48,705,124)	(61,219,685)
Payments to Employees	(47,883,735)	(25,124,661)
<b>Net Cash Provided by Operating Activities</b>	<b>70,531,987</b>	<b>80,167,911</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Payment of State Payment Obligation	(2,500,000)	(2,500,000)
<b>Net Cash Used by Noncapital Financing Activities</b>	<b>(2,500,000)</b>	<b>(2,500,000)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Capital Grants	14,245,166	5,882,917
Proceeds from Sale of Fixed Assets	10,702	-
Other Income (Expenses)	55,772	182,821
Payments for Capital Acquisitions	(78,748,684)	(74,951,253)
Principal Paid on Capital Debt	(14,530,000)	(1,790,000)
Loans Payments Received	1,050,000	999,998
Interest Paid on Capital Debt	(41,583,526)	(44,398,753)
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>(119,500,570)</b>	<b>(114,074,270)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	315,009	-
Interest and Dividends	33,400,868	32,261,815
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>33,715,877</b>	<b>32,261,815</b>
<b>Net Increase In Cash and Cash Equivalents</b>	<b>(17,752,706)</b>	<b>(4,144,544)</b>
Balance - Beginning of Period	696,281,215	700,425,759
Balance - End of Period	<u>\$ 678,528,509</u>	<u>\$ 696,281,215</u>
<b>Reconciliation to Statement of Net Position:</b>		
Unrestricted Cash and Cash Equivalents	\$ 126,181,556	\$ 127,482,557
Change Funds	142,491	189,943
Restricted Cash and Cash Equivalents	552,204,462	568,608,715
	<u>\$ 678,528,509</u>	<u>\$ 696,281,215</u>

The Notes to Financial Statements are an integral part of this statement.

**South Jersey Transportation Authority**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2024**  
**With Summarized Comparative Information for the Year Ended December 31, 2023**

	<u>2024</u>	<u>2023</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income	\$ 36,599,719	\$ 38,915,540
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	35,494,925	37,400,372
Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:		
Receivables, Net	899,183	1,162,661
Grants Receivable	493,709	(521,307)
Prepaid Expenses	346,302	(103,566)
Security Eeposites	4,000	1,320
Inventory	9,372	(931)
Accounts and Other Payables	807,846	3,374,114
Unearned Income	(86,996)	194,954
Pension & Related Items	(5,482,794)	(3,694,741)
Leases and Related	405,416	2,236,070
Escrow Deposits and Reserves	111,040	3,425
Accrued Expenses	930,265	1,200,000
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 70,531,987</u>	<u>\$ 80,167,911</u>

Noncash capital financing activities:

Capital assets of \$14,013,249 were acquired through contributions from governmental agencies and private developers.

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Net Position - Proprietary Funds  
As of December 31, 2024

With Summarized Comparative Information as of December 31, 2023

	Expressway	Airport	Consolidation Eliminations	Totals	
				2024	2023
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
<b>Unrestricted Assets:</b>					
Cash and Cash Equivalents	\$ 124,175,817	\$ 2,005,739		\$ 126,181,556	\$ 127,482,557
Change Funds	142,491	-		142,491	189,943
Accounts Receivable, net	4,421,034	1,564,811		5,985,845	6,885,028
Leases Receivable	3,835,003	2,406,940		6,241,943	8,967,804
Grants Receivable	1,870,244	113,464		1,983,708	2,477,417
Prepaid Expenses	2,370,309	403,015		2,773,324	3,119,626
Security Deposits	144,886	1,530		146,416	150,416
Inventory	115,506	-		115,506	124,878
Interfunds Receivable	8,144,009	38,534,357	(46,678,366)	-	-
<b>Total Unrestricted Assets</b>	<b>145,219,299</b>	<b>45,029,856</b>	<b>(46,678,366)</b>	<b>143,570,789</b>	<b>149,397,669</b>
<b>Restricted Assets:</b>					
Cash and Cash Equivalents	529,262,207	22,942,255		552,204,462	568,608,715
Investments	23,826,314	805,500		24,631,814	24,946,823
Accounts Receivable	3,130,000			3,130,000	4,180,000
Grants Receivable	-	205,433		205,433	437,350
Interest Receivable	83,239	3,868		87,107	99,534
<b>Total Restricted Assets</b>	<b>556,301,760</b>	<b>23,957,056</b>	<b>-</b>	<b>580,258,816</b>	<b>598,272,422</b>
<b>Capital Assets:</b>					
<b>Non-Depreciable Capital Assets:</b>					
Land and Right of Ways	126,797,086	18,667,522		145,464,608	145,464,608
Construction in Progress	90,667,371	61,122,083		151,789,454	80,874,712
<b>Total Non-Depreciable Capital Assets</b>	<b>217,464,457</b>	<b>79,789,605</b>	<b>-</b>	<b>297,254,062</b>	<b>226,339,320</b>
<b>Non-Infrastructure Capital Assets:</b>					
Buildings and Equipment	62,335,300	157,597,631		219,932,931	219,252,469
Less Accumulated Depreciation	(47,791,957)	(112,765,218)		(160,557,175)	(154,694,785)
<b>Total Non-Infrastructure Capital Assets</b>	<b>14,543,343</b>	<b>44,832,413</b>	<b>-</b>	<b>59,375,756</b>	<b>64,557,684</b>
<b>Infrastructure Capital Assets:</b>					
Infrastructure - Equipment	18,110,345	13,456,768		31,567,113	30,380,214
Infrastructure	556,585,709	132,135,637		688,721,346	688,096,038
Less Accumulated Depreciation	(376,691,452)	(76,843,289)		(453,534,741)	(429,020,328)
<b>Total Infrastructure Capital Assets</b>	<b>198,004,602</b>	<b>68,749,116</b>	<b>-</b>	<b>266,753,718</b>	<b>289,455,924</b>
<b>Total Capital Assets</b>	<b>430,012,402</b>	<b>193,371,134</b>	<b>-</b>	<b>623,383,536</b>	<b>580,352,928</b>
<b>Total Assets</b>	<b>1,131,533,461</b>	<b>262,358,046</b>	<b>(46,678,366)</b>	<b>1,347,213,141</b>	<b>1,328,023,019</b>
<b>Deferred Outflows of Resources:</b>					
Related to Pensions	4,841,608	1,496,418		6,338,026	7,258,513
Related to OPEB	13,257,531	1,638,571		14,896,102	15,236,571
Loss on Early Extinguishment of Debt	3,789,080	50,755		3,839,835	4,856,960
<b>Total Deferred Outflows of Resources</b>	<b>21,888,219</b>	<b>3,185,744</b>	<b>-</b>	<b>25,073,963</b>	<b>27,352,044</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,153,421,680</b>	<b>\$ 265,543,790</b>	<b>\$ (46,678,366)</b>	<b>\$ 1,372,287,104</b>	<b>\$ 1,355,375,063</b>

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Net Position - Proprietary Funds  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	Expressway	Airport	Consolidation Eliminations	Totals	
				2024	2023
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>Current Liabilities Payable From Unrestricted Assets:</b>					
Accounts Payable	\$ 6,649,600	\$ 3,409,113		\$ 10,058,713	\$ 9,250,867
Unearned Income	222,670	361,622		584,292	671,288
Escrow Deposits	156,017	164,423		320,440	204,637
Accrued Expenses	2,391,842	434,915		2,826,757	1,896,492
Interfunds Payable		46,678,366	\$ (46,678,366)	-	-
<b>Total Current Liabilities Payable From Unrestricted Assets</b>	<b>9,420,129</b>	<b>51,048,439</b>	<b>(46,678,366)</b>	<b>13,790,202</b>	<b>12,023,284</b>
<b>Current Liabilities Payable From Restricted Assets:</b>					
Accrued Interest Payable	6,343,705	520,292		6,863,997	6,930,587
Accrued Expenses	5,844,975			5,844,975	1,200,000
Accounts Payable	3,862,118	2,205,228		6,067,346	10,113,536
Escrow Deposits	-			-	13,732
Retainages Payable	990,834	908,422		1,899,256	696,036
Due to Other Governmental Agencies	208,335			208,335	208,335
PFC Advanced		2,547,154		2,547,154	711,393
CFC Advanced		3,934,462		3,934,462	3,607,282
Insurance and Labor Reserves	3,629,708	1,025,363		4,655,071	4,646,102
Bonds Payable, Net of Discount and Premiums of (\$3,607,101)	20,322,315	1,504,786		21,827,101	18,169,090
<b>Total Current Liabilities Payable From Restricted Assets</b>	<b>41,201,990</b>	<b>12,645,707</b>	<b>-</b>	<b>53,847,697</b>	<b>46,296,093</b>
<b>Noncurrent Liabilities:</b>					
Accrued Expenses	35,000	-		35,000	35,000
Net Pension Liability	30,185,428	6,870,326		37,055,754	39,669,086
Net OPEB Liability	45,241,260	5,591,616		50,832,876	60,213,299
Bonds Payable, Net of Discount and Premiums of (\$45,630,083)	845,284,356	81,250,727		926,535,083	948,362,184
<b>Total Non-Current Liabilities</b>	<b>920,746,044</b>	<b>93,712,669</b>	<b>-</b>	<b>1,014,458,713</b>	<b>1,048,279,569</b>
<b>Total Liabilities</b>	<b>971,368,163</b>	<b>157,406,815</b>	<b>(46,678,366)</b>	<b>1,082,096,612</b>	<b>1,106,598,946</b>
<b>Deferred Inflows of Resources:</b>					
Related to Pensions	1,869,312	588,978		2,458,290	2,960,465
Related to OPEB	26,203,406	3,238,623		29,442,029	25,884,869
Related to Leases	3,390,089	2,128,066		5,518,155	8,562,388
<b>Total Deferred Inflows of Resources</b>	<b>31,462,807</b>	<b>5,955,667</b>	<b>-</b>	<b>37,418,474</b>	<b>37,407,722</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 1,002,830,970</b>	<b>\$ 163,362,482</b>	<b>\$ (46,678,366)</b>	<b>\$ 1,119,515,086</b>	<b>\$ 1,144,006,668</b>

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Net Position - Proprietary Funds  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	Expressway	Airport	Consolidation Eliminations	Totals	
				2024	2023
<b><u>NET POSITION</u></b>					
Net Investment in Capital Assets	\$ 67,198,318	\$ 111,386,954		\$ 178,585,272	\$ 117,619,494
<b>Restricted for:</b>					
Debt Service	3,005,229	134,468		3,139,697	2,765,632
Rehabilitation and Repair	7,295,703			7,295,703	6,938,635
Debt Service Reserve	32,483,018	6,306,361		38,789,379	36,118,820
State Payment	269			269	261
Capital Projects	(12,794,904)	6,680,091		(6,114,813)	15,668,336
Arbitrage Rebate	(5,844,806)			(5,844,806)	(1,199,831)
Subordinated Debt Fund	20,407,006			20,407,006	20,004,476
<b>Unrestricted:</b>					
Unrestricted Net Position	124,241,144	(9,172,012)		115,069,132	113,334,957
Related to Net Pension Liability	(25,984,350)	(7,191,668)		(33,176,018)	(39,669,086)
Related to Net OPEB Liability	(59,415,917)	(5,962,886)		(65,378,803)	(60,213,299)
<b>Total Net Position</b>	<b>150,590,710</b>	<b>102,181,308</b>	<b>-</b>	<b>252,772,018</b>	<b>211,368,395</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>					
	<b>\$ 1,153,421,680</b>	<b>\$ 265,543,790</b>	<b>\$ (46,678,366)</b>	<b>\$ 1,372,287,104</b>	<b>\$ 1,355,375,063</b>

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Revenue, Expenses and Changes in Net Position - Proprietary Funds  
For the Year Ended December 31, 2024  
With Summarized Comparative Information for the Year Ended December 31, 2023

	Expressway	Airport	Consolidation Eliminations	Totals	
				2024	2023
<b>Operating Revenue:</b>					
Tolls	\$ 123,506,749			\$ 123,506,749	\$ 119,985,115
Concessions	1,064,223			1,064,223	985,415
ETC Administrative Revenue	11,810,238			11,810,238	12,060,054
Marina Parking Revenue	66,912			66,912	1,105,917
Rentals	4,162,520			4,162,520	4,356,808
FEMA Grant Reimbursement	193,105			193,105	519,955
Naming Rights	391,322			391,322	360,202
SJTPO Programs	3,585,224			3,585,224	2,840,816
Transportation Services	5,560,760			5,560,760	5,528,882
Other	1,168,302			1,168,302	783,844
Airport		\$ 13,896,179		13,896,179	15,119,805
<b>Total Operating Revenue</b>	<b>151,509,355</b>	<b>13,896,179</b>	<b>-</b>	<b>165,405,534</b>	<b>163,646,813</b>
<b>Operating Expenses:</b>					
Executive	969,409			969,409	900,916
Business Administration	1,637,814			1,637,814	1,491,469
Engineering	1,714,902			1,714,902	2,500,339
Finance	1,541,740			1,541,740	1,364,904
Central Accounts	14,563,737			14,563,737	13,291,361
Other Post-Employment Benefits	2,711,105	335,080		3,046,185	2,920,396
Marketing and Communications	300,452			300,452	128,383
Toll Services and Bus Management	4,807,438			4,807,438	4,673,551
Maintenance	17,164,165			17,164,165	12,250,162
Police	8,022,434			8,022,434	9,499,599
Emergency Service Patrol	1,102,658			1,102,658	1,052,460
Electronic Toll Collection Expense	7,753,103			7,753,103	8,003,857
Information Services	1,500,550			1,500,550	2,177,692
SJTPO Programs	3,585,224			3,585,224	2,840,816
Transportation Services	6,030,190			6,030,190	5,666,715
Airport		19,570,889		19,570,889	18,568,281
Depreciation	24,706,794	10,788,131		35,494,925	37,400,372
<b>Total Operating Expenses</b>	<b>98,111,715</b>	<b>30,694,100</b>	<b>-</b>	<b>128,805,815</b>	<b>124,731,273</b>
<b>Operating Income (Loss)</b>	<b>53,397,640</b>	<b>(16,797,921)</b>	<b>-</b>	<b>36,599,719</b>	<b>38,915,540</b>
<b>Non-Operating Revenue (Expenses):</b>					
Interest and Dividends	28,409,133	346,760		28,755,893	32,260,802
Market Value Adjustment on Investments	374,990			374,990	657,089
Gain (Loss) on Disposal of Assets	(328,296)	(109,432)		(437,728)	-
Other Income (Expenses)	1	55,771		55,772	182,821
Bad Debt Expense	-			-	(219,761)
Effect of Change in Pension Liability	2,195,020			2,195,020	325,949
Effect of Change in OPEB Liability	155,584			155,584	(1,287,603)
Amortization of Bond Premium	2,198,447	1,509,612		3,708,059	3,812,293
Interest on Bonds	(37,891,976)	(3,624,959)		(41,516,935)	(44,174,098)
State Payment	(2,500,000)			(2,500,000)	(2,500,000)
<b>Total Non-Operating Income (Expense)</b>	<b>(7,387,097)</b>	<b>(1,822,248)</b>	<b>-</b>	<b>(9,209,345)</b>	<b>(10,942,508)</b>

South Jersey Transportation Authority  
Statement of Revenue, Expenses and Changes in Net Position - Proprietary Funds  
For the Year Ended December 31, 2024  
With Summarized Comparative Information for the Year Ended December 31, 2023

	Expressway	Airport	Consolidation Eliminations	Totals	
				2024	2023
<b>Income (Loss) before Contributions and Transfers</b>	\$ 46,010,543	\$ (18,620,169)	\$ -	\$ 27,390,374	\$ 27,973,032
Capital Contributions	427,197	13,586,052	-	14,013,249	5,435,702
Transfers In		19,736,746	(19,736,746)	-	-
Transfers Out	(19,736,746)		19,736,746	-	-
<b>Change in Net Position</b>	26,700,994	14,702,629	-	41,403,623	33,408,734
<b>Total Net Position -- Beginning</b>	123,889,716	87,478,679	-	211,368,395	177,959,661
<b>Total Net Position -- Ending</b>	<u>\$ 150,590,710</u>	<u>\$ 102,181,308</u>	<u>\$ -</u>	<u>\$ 252,772,018</u>	<u>\$ 211,368,395</u>

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Cash Flows - Proprietary Funds  
For the Year Ended December 31, 2024  
With Summarized Comparative Information for the Year Ended December 31, 2023

	Expressway	Airport	Totals	
			2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from Customers, Users and Grants	\$ 152,636,849	\$ 14,483,997	\$ 167,120,846	\$ 166,512,257
Payments to Suppliers	(35,938,445)	(12,766,679)	(48,705,124)	(61,219,685)
Payments to Employees	(41,219,089)	(6,664,646)	(47,883,735)	(25,124,661)
<b>Net Cash Provided by Operating Activities</b>	<u>75,479,315</u>	<u>(4,947,328)</u>	<u>70,531,987</u>	<u>80,167,911</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Payment of State Payment Obligation	(2,500,000)	-	(2,500,000)	(2,500,000)
Operating Subsidies and Transfers to Other Funds	(16,988,983)	16,988,983	-	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>(19,488,983)</u>	<u>16,988,983</u>	<u>(2,500,000)</u>	<u>(2,500,000)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital Grants	427,197	13,817,969	14,245,166	5,882,917
Proceeds from Sale of Fixed Assets	10,702	-	10,702	-
Other Income (Expenses)	1	55,771	55,772	182,821
Payments for Capital Acquisitions	(59,279,060)	(19,469,624)	(78,748,684)	(74,951,253)
Principal Paid on Capital Debt	(14,530,000)	-	(14,530,000)	(1,790,000)
Loans Payments Received	1,050,000	-	1,050,000	999,998
Interest Paid on Capital Debt	(37,970,526)	(3,613,000)	(41,583,526)	(44,398,753)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(110,291,686)</u>	<u>(9,208,884)</u>	<u>(119,500,570)</u>	<u>(114,074,270)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of Investments	315,009	-	315,009	-
Interest and Dividends	33,054,108	346,760	33,400,868	32,261,815
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>33,369,117</u>	<u>346,760</u>	<u>33,715,877</u>	<u>32,261,815</u>
<b>Net Increase In Cash and Cash Equivalents</b>	<u>(20,932,237)</u>	<u>3,179,531</u>	<u>(17,752,706)</u>	<u>(4,144,544)</u>
Balance - Beginning of Period	<u>674,512,752</u>	<u>21,768,463</u>	<u>696,281,215</u>	<u>700,425,759</u>
Balance - End of Period	<u>\$ 653,580,515</u>	<u>\$ 24,947,994</u>	<u>\$ 678,528,509</u>	<u>\$ 696,281,215</u>

The Notes to Financial Statements are an integral part of this statement.

South Jersey Transportation Authority  
Statement of Cash Flows - Proprietary Funds  
For the Year Ended December 31, 2024  
With Summarized Comparative Information for the Year Ended December 31, 2023

	Expressway	Airport	Totals	
			2024	2023
<b>Reconciliation to Statement of Net Position:</b>				
Unrestricted Cash and Cash Equivalents	\$ 124,175,817	\$ 2,005,739	\$ 126,181,556	\$ 127,482,557
Change Funds	142,491	-	142,491	189,943
Restricted Cash and Cash Equivalents	529,262,207	22,942,255	552,204,462	568,608,715
	\$ 653,580,515	\$ 24,947,994	\$ 678,528,509	\$ 696,281,215
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income	\$ 53,397,640	\$ (16,797,921)	\$ 36,599,719	\$ 38,915,540
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	24,706,794	10,788,131	35,494,925	37,400,372
Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:				
Receivables, Net	389,747	509,436	899,183	1,162,661
Grants Receivable	464,589	29,120	493,709	(521,307)
Prepaid Expenses	(147,294)	493,596	346,302	(103,566)
Security Deposits	4,000	-	4,000	1,320
Inventory	9,372	-	9,372	(931)
Accounts and Other Payables	(326,921)	1,134,767	807,846	3,374,114
Unearned Income	(48,796)	(38,200)	(86,996)	194,954
Pension and Other Post Employment Benefits	(4,334,187)	(1,148,607)	(5,482,794)	(3,694,741)
Leases and Related	317,954	87,462	405,416	2,236,070
Escrow Deposits and Reserves	116,152	(5,112)	111,040	3,425
Accrued Expenses	930,265	-	930,265	1,200,000
<b>Net cash provided (used) by operating activities</b>	<b>\$ 75,479,315</b>	<b>\$ (4,947,328)</b>	<b>\$ 70,531,987</b>	<b>\$ 80,167,911</b>

**Noncash capital financing activities:**

Capital assets of \$14,013,249 were acquired through contributions from governmental agencies and private developers.

The Notes to Financial Statements are an integral part of this statement.

**South Jersey Transportation Authority**  
**Statement of Fiduciary Net Position - Other Postemployment Benefit Trust**  
**As of December 31, 2024**  
**With Summarized Comparative Information as of December 31, 2023**

<b><u>ASSETS</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Cash and Cash Equivalents	23,150,032	7,396,471
Accrued Income	180,377	343,077
Investments	31,418,675	39,739,685
Total assets	<u>54,749,084</u>	<u>47,479,233</u>
<b><u>LIABILITIES</u></b>	<u>-</u>	<u>-</u>
<b><u>NET POSITION</u></b>		
Restricted for OPEB	<u>54,749,084</u>	<u>47,479,233</u>

**South Jersey Transportation Authority**  
**Statement of Changes in Fiduciary Net Position -**  
**Other Postemployment Benefit Trust**  
**For the Year Ended December 31, 2024**  
**With Summarized Comparative Information for the Year Ended December 31, 2023**

<b><u>ADDITIONS</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Employer Contributions	\$ 5,327,210	\$ 4,449,461
Benefits	2,890,601	2,920,396
Investment income (loss)		
Net realized gains	(6,314)	(614,468)
Interest and dividend income	1,631,965	1,400,279
Net unrealized gains (losses)	316,990	1,556,886
Total investment income (loss)	<u>\$ 1,942,641</u>	<u>\$ 2,342,697</u>
Total additions	<u>\$ 10,160,452</u>	<u>\$ 9,712,554</u>
<b><u>DEDUCTIONS</u></b>		
Benefit payments	<u>\$ 2,890,601</u>	<u>\$ 2,920,396</u>
Net increase (decrease)	<u>\$ 7,269,851</u>	<u>\$ 6,792,158</u>
<b><u>NET POSITION</u></b>		
Beginning of year	<u>\$ 47,479,233</u>	<u>\$ 40,687,075</u>
Restricted for OPEB, end of year	<u>\$ 54,749,084</u>	<u>\$ 47,479,233</u>

The Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity

The South Jersey Transportation Authority (“Authority”) was created in 1991 by the South Jersey Transportation Authority Act (“Act”), Chapter 252 of the Laws of New Jersey. The Authority became the successor to the New Jersey Expressway Authority and the Atlantic County Transportation Authority (“ACTA”). Pursuant to the Act, the Authority acquired the Civil Terminal Area of the Atlantic City International Airport as a transportation project. The purpose of the Authority is to coordinate South Jersey’s transportation system in its regional jurisdiction of the counties of Atlantic, Camden, Cape May, Cumberland, Gloucester and Salem, and deal particularly with the highway network, aviation facilities and the transportation problems of Atlantic County.

The Authority’s responsibility is to maintain, repair and operate the 46.4-mile Atlantic City Expressway along with portions of Routes 30, 187, and 42. Other functions of the Authority include those assumed with the acquisition of ACTA as follows: automobile parking in Atlantic City, New Jersey; traffic management; and transportation planning in Atlantic County. The Airport Division is responsible for operating and improving the Airport.

The Authority operates under a Board of Commissioners. There are nine Commissioners, comprised of the Commissioner of New Jersey Department of Transportation, who also currently serves as the Chair, the CEO and Secretary of the New Jersey Commerce and Economic Growth Commission, and seven members appointed by the Governor with Senate approval. Serving under the Authority’s Commissioners is the Executive Director, Chief of Administration, Chief of Operations, Chief Financial Officer, Chief of Staff and various Department Directors.

The financial statements of the Authority include all funds controlled by or dependent on the Authority Commissioners in accordance with accounting principles generally accepted in the United States of America.

The Authority is a component unit included in the State of New Jersey’s annual comprehensive financial report.

Basis of Accounting

The Authority prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which are similar to those for private business enterprises. Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

The assets, liabilities and net position of the Authority are reported in a self-balancing set of accounts, which include restricted and unrestricted resources, representing funds available for support of the Authority’s operations.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Accounting (continued)

All funds of the Authority follow Governmental Accounting Standards Board (“GASB”) Statements and Interpretations.

Operating Revenue and Expenses

The Authority’s operating revenue and expenses consist of revenue earned and expenses incurred relating to the operation and maintenance of its Transportation System, which specifically includes the operations of the Atlantic City Expressway and the Atlantic City International Airport. Grant revenue and expenses for South Jersey Transportation Planning Organization (“SJTPO”) and Transportation Services (see Footnotes 16 and 22, respectively) are included in operations of the Atlantic City Expressway. All other revenue and expenses are reported as non-operating revenue and expenses. The Authority has allocated certain direct costs to Airport operations. Among the direct cost allocations are expenses for health insurance coverage for eligible employees and reserve requirements for the Authority’s self-insurance program, which includes coverage for worker’s compensation insurance, auto liability and general liability coverage. Additional direct cost allocations are made pertaining to pension expenses and other post-employment benefits. Costs such as administrative staff time and other indirect costs remain in the expressway fund.

Cash and Cash Equivalents

For purposes of the statement of cash flows, demand deposit accounts, short term treasuries with commercial banks, investments with maturities of less than 90 days, and cash invested in commercial money market funds (including restricted assets) are considered cash equivalents.

Investments

Investments consist of both unrestricted and restricted investments and are carried at fair value as determined in an active market.

Accounts Receivable

Accounts receivable for the Authority is reflected net of allowance for doubtful accounts. The allowance account is adjusted at the end of every year for estimated bad debt. The estimate is based on the age of the receivables and the likelihood of collection.

Restricted Assets

Restricted assets of the Authority represent bond proceeds designated for construction and other monies and assets required to be restricted for debt service, the state payment, arbitrage rebate, rehabilitation and repair, subordinated debt, and capital projects.

Basis of Organization: Description of Funds

The accounts of the Authority are organized on the basis of funds, each of which is a separate entity with its own self-balancing accounts that is comprised of assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenue, and expenses.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Organization: Description of Funds (Continued)

Resources are accounted for in individual funds based upon the purpose for which they are to be spent and the restrictions, if any, on the spending activities. The accrual basis of accounting in accordance with generally accepted accounting principles is used for all the funds, which are consolidated and reported as Proprietary Funds in the accompanying financial statements.

The Authority is subject to the provisions and restrictions of the third amended and restated resolution authorizing revenue bonds and other obligations adopted May 19, 2009 (“Bond Resolution”). A summary of the activities of each Fund created by the Bond Resolution is covered below.

Revenue Fund – accounts for resources and expenditures for Authority operations of a general nature. The Revenue Fund contains two sub-funds; one relating to revenue and expenses of the SJTPO and one relating to revenue and expenses of Transportation Services Program (see footnotes 17 and 23 for further details).

Construction Fund – accounts for the receipt and disbursement of funds for the acquisition and construction of capital projects. Included in this Fund are proceeds from the issuance of Transportation System Revenue Bonds, as well as receipt of federal grants, state grants and other contributed capital.

Debt Service Fund – accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Debt Service Reserve Fund – maintenance of an amount equal to the maximum annual Debt Service requirement on all outstanding bonds in a calendar year. The monies in this fund are utilized to make up any deficiency in the Debt Service Fund. In accordance with the Bond Resolution, the Authority may maintain a surety bond or an insurance policy payable to the trustee in lieu of required cash deposit in the Debt Service Reserve. The Debt Service Reserve requirement was \$60,554,883 at December 31, 2024 and 2023. As of December 31, 2024 and 2023, the total cash and investments in the Debt Service Reserve Fund was \$65,727,793 and \$63,044,807, respectively.

Rehabilitation and Repair Fund – accounts for monies that shall be used to pay the costs of major resurfacing, repairs, renewals or reconstruction of each Pledged Project or any part thereof, whether buildings, improvements, fixtures, or equipment as determined in writing by the Authority and filed with the Trustee. The Authority is required to maintain a minimum balance of \$7,000,000 at December 31, 2024.

State Payment Fund – accounts for the accumulation of resources for, and the payment of, the Authority’s State payment obligation.

Rebate Fund – established for the purpose of paying to the United States Treasury, the rebatable arbitrage or the penalty amount in lieu of rebate and, if elected, any amount required to terminate such penalty.

Subordinated Debt Fund – The Authority issued 2020 and 2019 subordinated bonds. These bonds are secured by amounts on deposit from the Subordinated Debt Fund or the General Reserve Fund. The Debt Service Reserve balance for the Subordinated Debt was \$3,135,496 as of December 31, 2024.

General Reserve Fund – makes up deficiencies in payments to the other funds to cover operating expenses of any general project or for any other corporate purpose of the Authority permitted by the Act.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Organization: Description of Funds (Continued)

Airport Revenue Fund – accounts for the resources and expenditures of the Atlantic City International Airport.

Interest Income on Funds

Pursuant to Article I of the Bond Resolution, all earnings on the investment of monies in other funds are eligible to be included as revenue in the Revenue Fund subject to Section 5.15 of the Bond Resolution which restricts the transfer of earnings on investments in the General Reserve Fund to first being applied to other funds to meet any deficiencies in funding requirements. Earnings on the Debt Service, Debt Service Reserve (after all required transfers have been made to the Construction Fund), Rehabilitation and Repairs and State Payment Funds shall be transferred to the Revenue Fund if such Funds are at their requirements.

Earnings in the Construction Fund shall remain there until the project to which such earnings relate has been substantially completed, at which time any excess funds may be transferred to other accounts established in the Construction Fund or, if no other account is so specified, (1) the Debt Service Reserve Fund if such fund shall be below the Debt Service Requirement, and (2) the Rehabilitation and Repair Fund, to the extent of any remaining balances of such monies.

Inability to Meet Debt Service Requirements

If amounts held in the Debt Service Fund are insufficient to pay the Debt Service Requirement coming due on bonds, the Trustee shall transfer from the following funds an amount sufficient to eliminate such deficiency: the Debt Service Reserve Fund, the State Payment Fund, the Rehabilitation and Repair Fund, the Subordinated Debt Fund, and the General Reserve Fund.

Pledged and General Projects

Pledged Projects are the projects for which the Bonds were issued (except for the project constituting the Airport facilities) and, in addition to those projects, a project:

- (a) which generates revenue sufficient to pay the operating expenses and rehabilitation and repair requirement associated with such project in the fiscal year in which such project becomes operational or is designated a Pledged Project by the Authority; and
- (b) which is reasonably projected by the Authority to generate revenue sufficient to pay such project's associated operating expenses and rehabilitation and repair requirement for each of the five fiscal years following the year in which such project becomes operational or is designated a Pledged Project by the Authority.

General Projects are projects that do not generate revenue sufficient to fully pay associated operating expenses and rehabilitation and repair requirements. General Projects may become Pledged Projects if they meet certain net revenue tests. The Airport Parking Garage is a General Project. Since the Airport Parking Garage Project is related to the Airport, such project is considered a General Project under the Resolution.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Budgetary Information

In accordance with Section 7.06 of the Bond Resolution, on or before the fifteenth day of each year, the Authority adopts by resolution an Annual Operating Budget for such year. All operating appropriations lapse at the end of such year. As with all resolutions of the Authority, the budget resolution is subject to a fifteen-day Governor's veto period. The resolution comes into full force and effect if no veto is exercised.

The Budget is prepared at the Department Division level. All Division Managers are responsible for maintaining expenditures below budget. The Department Directors may make line-item transfers of appropriations within their departments. All line-item transfers must be approved in writing by the Executive Director or his designee. The accounting system will not allow charges to accounts where the budget is expended.

Inventory

Inventory consists of fuel for the Authority's vehicles valued at cost of the most recent purchases and SJTA logo clothing available for purchase by employees.

Capital Assets

*Cost Basis* – All capital assets are recorded at historical cost. The cost of property and equipment includes costs for infrastructure assets, right of ways, land and improvements, electronic toll equipment, buildings, and equipment (including software). Costs for infrastructure assets include construction costs, design and engineering fees, and legal and administrative expenses paid from construction monies, incurred during the period of construction. Idle assets, if any, are carried at fair value until they are disposed of.

*Capitalization Policy* – Costs to construct or acquire additional capital assets, which in some cases replace existing assets or otherwise prolong their useful lives, are capitalized for buildings and improvements, electronic toll equipment, other equipment and intangible assets (including software). Under the Authority's policy of accounting for infrastructure assets, property costs represent a historical accumulation of costs expended to acquire right of ways and to construct, improve, and place in operation the various projects and related facilities. The Authority has established that capital expenditures with an original unit cost of at least \$5,000, with a useful life of one year or greater are required to be capitalized.

*Construction in Progress* – Costs related to the construction of capital assets that have been classified as ongoing projects and are not yet being used for their intended purpose have been reported as Construction in Progress. These assets are not being depreciated until the Authority has determined that they are substantially completed and are being utilized for their intended purpose. At that time, the costs will be reclassified to the respective asset class and depreciated in accordance with the depreciation policy noted below.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Capital Assets (Continued)

*Depreciation Policy* – The Authority depreciates its assets using the straight-line method over the estimated useful lives of the assets as follows:

Infrastructure	30 years
Infrastructure-Equipment	10 years
Buildings	30 years
Building Improvements	5 to 10 years
Electronic Tolls	10 years
Vehicles and Equipment	5 years
Heavy Duty Fire Truck	20 years
Road Overlay	10 years

Pensions

For purposes of measuring the collective net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System and the Police and Firemen's Retirement System (the "Plans") and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Bond Discount and Premium Amortization

Bond discounts are presented as a reduction of the face amount of revenue bonds payable. Bond discounts and premiums are associated with the issuance of bonds and are amortized using the bonds outstanding method.

Restricted Net Position

Restricted net position is comprised of amounts reserved for debt service, debt service reserve, arbitrage rebate, rehabilitation and repair, capital projects and state payment fund.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority's Retiree Benefits Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognized benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recently Issued and Adopted Accounting Pronouncements

Statement No. 100 Accounting Changes and Error Corrections. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The adoption of this Statement had no impact on the Authority's financial statements.

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The adoption of this Statement had no impact on the Authority's financial statements.

Recently Issued Accounting Pronouncements

Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by requiring a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. The Statement will become effective for the Authority in the year ending December 31, 2025. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. That objective is achieved by improving the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The Statement will become effective for the Authority in the year ending December 31, 2025. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. That objective is achieved by improving financial reporting by providing users of financial statements with essential information about certain types of capital assets to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**2. DEPOSITS AND INVESTMENTS**

Pursuant to Article VI, Sections 6.02(a) and (b) and Section 6.03 of the Authority's Bond Resolution, all monies held by any depository may be placed on demand or time deposit, as directed by the Authority, provided that such deposits shall permit the monies so held to be available for use when needed. All monies held by the Trustee, or any other fiduciary, or any depository shall be insured by the Federal Deposit Insurance Corporation and to the extent not so insured, shall be continuously and fully secured either by federal securities having a market value of not less than the amount of such monies or in such other manner as may then be required by applicable federal or state laws and regulations to provide security for the deposit of public funds.

All investments shall be made in "investment securities" as defined by Article I, Section 1.01 of the Bond Resolution and shall mature or become subject to repurchase, withdrawal without penalty or redemption at the option of the holder on or before the dates the invested amounts are reasonably expected to be needed.

Article I, Section 1.01 of the Authority's Bond Resolution provides a list of investment securities that may be purchased by the Authority. The investment securities, as defined by the Bond Resolution, consist of the following:

- (a) Federal securities,
- (b) Bonds, debentures, notes or other evidence 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,
- (c) Bonds, debentures, notes or other evidence of indebtedness issued by any corporation chartered by the United States, including but not limited to: 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, Resolution Funding Corporation, Export-Import Bank, Federal Financing Bank, and Student Loan Marketing Association,
- (d) Negotiable or non-negotiable certificates of deposit (or other time deposit arrangements) issued by any bank, trust company or national banking association, including a Fiduciary, which certificates of deposit shall be continuously secured or collateralized by obligations described in subparagraphs (a) or (b) above, which shall have a market value 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,
- (e) Uncollateralized negotiable or non-negotiable certificates of deposit (or other time deposit arrangements) 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 sub-categories, by Moody's and Standard & Poor's ("S&P"),
- (f) Repurchase agreements collateralized by obligations described in subparagraphs (a), (b) or (c) with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction, which has an uninsured, unsecured and unguaranteed obligation rate of "Prime-1" or

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

- (g) "A-3" or better by Moody's, and "A-1" or "A" or better by S&P, or any commercial bank with the above ratings, provided:
- (i) a master repurchase agreement or specific written repurchase agreement governs the transaction which characterizes the transaction as a purchase and sale of securities.
  - (ii) 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.
  - (iii) a perfected first security interest under the Uniform Commercial 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.
  - (iv) 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.
  - (v) the repurchase agreement matures on or before a debt service payment date (or, if held in a fund other than the Debt Service Fund, Debt Service Reserve Fund or Subordinated Debt Fund, other appropriate liquidation period).
  - (vi) the fair market value of the securities in relation to the amount of the repurchase obligation is equal to the collateral levels established by a rating agency for the ratings assigned by the rating agency to the seller.
- (h) Banker's acceptances, Eurodollar deposits and certificates of deposit, in addition to the certificates of deposit provided for by subparagraphs (d) and (e) 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 bankers' acceptances and certificates of deposit held at any time as investments of funds under the Bond 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 Moody's and S&P;
- (i) 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.
- (j) Deposits in the New Jersey Cash Management Fund.
- (k) Obligations of any state, commonwealth or possession of the United States or a political subdivision thereof of 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.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

- (l) Commercial paper with a maturity date not more than 270 days rated by the rating agencies at least equal to the rating assigned by the rating agencies to the applicable series of bonds and in no event lower than the "A" category established by a rating agency (which may include sub-categories indicated by plus or minus or by numbers) at the time of such investment, issued by an entity incorporated under the laws of the United States or any state thereof.
- (m) Shares of diversified open-end management investment company as defined in the Investment Company Act of 1940, which is a money-market fund which is then rated in any of the three highest rating categories by any nationally recognized bond rating agency which is then rating the bonds or money-market accounts of the Trustee or any bank or trust company organized under the laws of the United States or any state thereof which has a combined capital and surplus of not less than \$50,000,000.
- (n) Investment contracts:
  - (i) providing for the future purchase of securities of the type described in (a), (b), (c), (h) and (k) above, which contracts have been approved for sale by a national securities exchange and all regulatory authorities having jurisdiction; or
  - (ii) the obligor under which or the guarantor thereof shall have a credit rating such that its long-term debt is rated at least "A+" by S&P if the bonds are then rated by such rating agency and at least "A-1" by Moody's if the bonds are then rated by such rating agency.
- (o) any other investments permitted by State and Federal law.

"Federal Securities" shall mean (i) 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, (ii) any obligations of any state or political subdivision of a state ("Refunded Bonds") which 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 Refunded Bonds, and (iii) 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; and (iv) non-redeemable and AAA rated (a) municipal securities 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 any two Rating Agencies, (b) negotiable or non-negotiable certificates of deposit (or other time deposit arrangements) issued by any bank, trust company or national banking association, including a Fiduciary, 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 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; (c) 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; and (d) Bonds, debentures, notes or other evidences of indebtedness issued by any corporation chartered by the United States, including, but not limited to: Government National Mortgage Association, Federal Land Banks, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Banks, Federal Intermediate Credit

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

Banks, Banks for Cooperatives, Tennessee Valley Authority, United States Postal Service, Farmers Home Administration, Resolution Funding Corporation, Export-Import Bank, Federal Financing Bank and Student Loan Marketing Association.

All monies held under the Bond Resolution shall be continuously and fully secured by lodging, 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 monies. The Authority's total book (cash and investments) balances were \$703,017,832 at December 31, 2024. The Authority's total bank (cash and investments) balances were \$702,531,591 at December 31, 2024. The difference between bank balance and book balance is due primarily to the timing of deposits and outstanding checks. In accordance with GASB 40, the Authority is also required to disclose custodial credit risk, concentration of credit risk, and interest rate risk of its investments.

**Concentration of Credit Risk:**

Concentration of credit risk is the inability to recover the value of deposit, investment, or collateral securities in the possession of an outside party caused by a lack of diversification. The Authority's Investment Policy does not limit the amount of funds that can be invested with any one financial institution or issuer. However, the Authority mitigates concentration of credit risk by depositing cash and purchasing investments among several financial institutions. The following schedule lists the allocation of cash and investments by financial institution.

<u>Institution/Issuer</u>	<u>Amount</u>	<u>% of Portfolio</u>
U.S. Treasury	\$ 18,228,239	2.53%
Bank of America	1,439,175	0.20%
Wells Fargo	25,451,076	3.53%
Bank of New York/Mellon	412,702,450	57.22%
NJ Cash Management Fund	244,710,653	33.93%
Change Funds	142,995	0.02%
	<u>\$ 702,674,588</u>	<u>97.43%</u>

**Custodial Credit Risk:**

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty to a transaction, the Authority will not be able to recover the value of its investment. The Authority mitigates this risk by depositing or investing most of its funds available for investment in insured or collateralized investments or in pooled investments of US government securities from time to time, as well as investing in high rated uncollateralized financial instruments. As of December 31, 2024, the Authority's custodial credit risk is classified as follows:

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

<b>Custodial Credit Risk:</b>	<b><u>12/31/2024</u></b>
Insured	\$ 500,000
Collateralized:	
Collateral Held by Pledging Bank in Authority's Name	26,390,251
Pooled Investments	657,413,103
Government Securities	18,228,239
Change Funds	<u>142,995</u>
	<u><u>\$ 702,674,588</u></u>

**Interest Rate Risk:**

Interest rate risk is the possibility that an interest rate change could adversely affect an investment's fair value. The Authority manages interest rate risk on its short-term investments by purchasing investments with staggering maturity. The weighted average maturity is calculated taking into consideration the maturity dates of the securities in the consolidated portfolio. The Authority had no short-term investments as of December 31, 2024.

The Authority's long-term investments are related to amounts on deposit in the debt service reserve fund, subordinated debt service fund, capital programs fund and OPEB trust fund. The Authority mitigates interest rate risk on its long-term investments by trying to match the life of these investments to the life of the obligation related to these investments using guaranteed investment contracts and long-term treasury obligations.

The Authority also has two (2) investments in United States Treasury Notes in the face amount totaling \$18,044,843. This investment relates to the debt service reserve for the Senior 2019 Transportation System Revenue Refunding Bonds. These investments mature 3/31/26 and 2/15/31. Earnings are restricted to the bond yield of 1.98%.

**Fair Value Measurement**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the financial statement measurement date. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – unadjusted quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 – quoted prices other than those included within Level 1 and other inputs that are observable for an asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3. When the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level that is significant to the entire measurement.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

The Authority's fair value measurements as of December 31, 2024 are as follows:

<u>Investment</u>	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
US Treasury Bonds and Notes	\$ 18,228,239	\$ 18,228,239		
Municipal Bonds	4,964,400		\$ 4,964,400	
Repurchase Agreement	1,439,175		1,439,175	
<b>Total Investments</b>	<b>\$ 24,631,814</b>	<b>\$ 18,228,239</b>	<b>\$ 6,403,575</b>	<b>\$ -</b>

While the Authority believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

**3. ACCOUNTS RECEIVABLE**

Accounts receivable consist of user fees and other amounts from private entities. The following provides a summary of the amounts of accounts and other receivables:

*Unrestricted Assets:*

Airport User Fees	\$ 1,564,811	\$ 2,074,247
Airport Leases	2,406,940	2,521,850
Transportation Service User Fees	743,017	601,822
EZ-Pass Toll Revenue Receivable	2,158,761	2,597,990
Billboard Leases	3,835,003	6,445,954
Other Expressway User Fees	1,611,570	1,656,984
Grants Receivable	1,983,708	2,477,417
<b>Gross Receivables</b>	<b>14,303,810</b>	<b>18,376,264</b>
Less: Allowance for Uncollectibles	(92,314)	(46,015)
<b>Net Receivables</b>	<b>\$ 14,211,496</b>	<b>\$ 18,330,249</b>

*Restricted Assets:*

Grants Receivable	\$ 205,433	\$ 437,350
New Jersey DOT- South Inlet Project	3,130,000	4,180,000
	<b>\$ 3,335,433</b>	<b>\$ 4,617,350</b>

The receivable from the New Jersey Department of Transportation of \$3,130,000 in Restricted Assets represents the unpaid principal portion of the \$17,000,000 originally borrowed from the Authority for the South Inlet Transportation Improvements Program (See Footnote #25 for additional information).

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**4. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2024, is as follows:

	<b>December 31, 2023</b>	<b>Additions</b>	<b>Transferred to Completed/ Deletions</b>	<b>December 31, 2024</b>
Capital Assets not being Depreciated:				
Land and Improvements	\$ 145,464,608	-	-	\$ 145,464,608
Construction in Progress	80,874,712	\$ 77,851,828	\$ (6,937,086)	151,789,454
	<u>226,339,320</u>	<u>77,851,828</u>	<u>(6,937,086)</u>	<u>297,254,062</u>
Non-Infrastructure Capital Assets:	219,252,469	6,231,967	(5,551,505)	219,932,931
Infrastructure Capital Assets:				
Infrastructure - Equipment	30,380,214	1,201,965	(15,066)	31,567,113
Infrastructure	688,096,038	625,308	-	688,721,346
	<u>937,728,721</u>	<u>8,059,240</u>	<u>(5,566,571)</u>	<u>940,221,390</u>
Less:				
Accumulated Depreciation	<u>(583,715,113)</u>	<u>(35,494,925)</u>	<u>5,118,122</u>	<u>(614,091,916)</u>
<b>Total Capital Assets</b>	<u><u>\$ 580,352,928</u></u>	<u><u>\$ 50,416,143</u></u>	<u><u>\$ (7,385,535)</u></u>	<u><u>\$ 623,383,536</u></u>

Each year the Authority performs a review of capital assets to determine whether any assets were obsolete or no longer in use. Fully depreciated assets are reviewed, and a determination is made as to whether the item was obsolete or no longer utilized. Also identified are items that had been upgraded with new construction, replaced due to damage, outdated due to new technology, and obsolete engineering costs no longer applicable to the Authority's capital projects. These items were removed from the statement of net position along with their associated accumulated depreciation.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**5. CAPITAL CONTRIBUTIONS**

The Authority received Capital Contributions totaling \$14,013,249 in 2024. These contributions are detailed as follows:

<u>Source</u>	<u>2024</u>	<u>2023</u>
Federal Aviation Administration	\$ 13,586,052	\$ 1,945,667
Passenger Facility Charges	230,432	2,543,507
Atlantic County Economic Alliance	173,455	
Transportation Security Administration		154,203
State of New Jersey - DOT	23,310	792,325
	<u>\$ 14,013,249</u>	<u>\$ 5,435,702</u>

The capital funding the Authority receives from the United States Department of Transportation Federal Aviation Administration (“FAA”) and the Passenger Facility Charges, as well as other local funds received, are designated and utilized towards the development and improvement of the Atlantic City International Airport and expressway projects. The capital funding the Authority received from the Transportation Security Administration (“TSA”) is for a De-icing Pad.

The Authority has been approved by the Federal Aviation Administration (“FAA”) to impose a Passenger Facility Charge (“PFC”) of \$4.50 on passengers enplaned at the Atlantic City International Airport. PFC collections, including any interest earned after such collections, may be used only to finance the allowable costs of approved projects at the Airport. PFC collections are classified as PFC Advanced until allowable costs are incurred. The Authority collected \$2,066,193 in PFC fees in 2024. The balance of PFC Advance as of December 31, 2024 was \$2,547,154. At the time costs are incurred, the associated PFC revenue is recognized as Capital Contributions. The Authority recognized \$230,432 in PFC Capital Contributions in 2024.

As part of the Airport Development Plan, the Authority relocated the car rental operations at Atlantic City International Airport (“Airport”) into the parking garage subject to the private use limitations set forth in the indenture related to the financing of the construction of the parking garage. These improvements in the construction of the parking garage directly benefit the rental car companies.

The rental car companies at the Airport impose a Customer Facility Charge (“CFC”) of \$3.00 per vehicle, per day, which is remitted to the Authority. These charges, along with any interest earned on cash balances, are dedicated to the improvements in the construction of the parking garage associated with rental cars. CFC collections are classified as CFC Advanced until allowable costs are incurred. At the time costs are incurred, the associated CFC revenue is recognized as Capital Contributions. The balance of CFC Advance as of December 31, 2024 was \$3,934,462. At the time costs are incurred, the associated PFC revenue is recognized as Capital Contributions. The Authority recognized no PFC Capital Contributions in 2024.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**6. COMMITMENTS AND CONTINGENCIES**

- A. The Authority recognizes expenses when they are incurred. Commitments do not constitute expenses or liabilities; they relate to unperformed contracts for goods or services. As of December 31, 2024, commitments for projects still in progress was \$148,992,428.
- B. The Authority is the subject of, or a party to, various pending or threatened legal actions. The Authority believes that any ultimate liability arising from these legal actions should not have a material effect on its financial position or operations. Public liability claim exposures are self-insured by the Authority. The Authority self-insures the initial retention limit which ranges from \$100,000 to \$500,000, per occurrence, depending on the nature of the claim, after which exists \$15,000,000 of excess liability insurance per occurrence to respond to any large losses exceeding the retention.

The Authority is a defendant in several claims and suits resulting from the normal course of business. The Authority plans to vigorously defend these claims.

- C. The Authority receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and may require repayment to the grantor agency.

**7. ACCOUNTS PAYABLE**

Accounts payable consists of liabilities payable from unrestricted and restricted assets. The following provides a summary of the amounts of accounts payable at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
<b>Unrestricted:</b>		
Electronic toll collection expense	\$ 379,116	\$ 370,755
State Police	3,120,128	1,244,373
Payroll liabilities	90,667	638,533
Airport	3,318,444	2,274,346
SJTPO	381,074	410,711
Contingent liability-lawsuit	112,979	
Expressway operating expenses	<u>2,656,303</u>	<u>4,312,149</u>
	<u>\$ 10,058,711</u>	<u>\$ 9,250,867</u>

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

---

**7. ACCOUNTS PAYABLE (CONTINUED)**

	<u>2024</u>	<u>2023</u>
<b>Restricted:</b>		
Roadway Improvements	\$ 47,664	\$ 245,957
Roadway Equipment	65,855	243,043
Vehicles and Equipment	102,417	491,232
Tunnel Equipment and Upgrades	7,298	167,142
Third Lane widening	569,458	3,857,352
Road Overlay & Rehabilitation	53,430	140,341
Bridge Repair/Restoration	-	289,283
Electronic Tolls	2,757,180	598,129
Facility Improvements	86,412	352,409
Other expressway improvements	172,404	124,654
Baggage Handling Improvements	179,859	284
Airport Deicing Pad/Recovery System	581,253	1,279,648
Taxiway Rehabilitation	24,638	206,121
Runway Improvements	528,452	305,083
Security Upgrades	35,173	58,650
Loading Bridge Replacement/Rehabilitation	365,498	6,734
Parking Garage Rehabilitation and Upgrades	39,097	116,939
Terminal Improvements	68,696	738,895
Airport Facilities Rehabilitation	81,964	62,535
Escalator/Elevator Maintenance	32,845	14,424
Airport Equipment	850	39,172
Airport State Police Equipment	19,590	
Airport Fire Station Equipment	82,176	
Airport Fire Station Rehabilitation		31,659
Mitigation and Security Fencing	74,178	629,574
Landside Improvements	35,703	
Airport Switch Refresh	45,150	
Other airport improvements	10,107	114,276
	<u>\$ 6,067,347</u>	<u>\$10,113,536</u>

The most significant changes in Unrestricted Accounts Payable were increases in legal and consultant fees, fuel costs, and ETC fees. Restricted Accounts Payable increased mainly due to the Third Lane Widening Project.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE**

**Transportation System Revenue Bonds, Series 2022 A**

In September of 2022, the Authority issued \$225,000,000 Series A Transportation System Revenue Bonds. The proceeds of the 2022 Bonds will be used to: (i) pay a portion of the costs of certain Transportation Projects, each of which constitutes either a Pledged Project or a General Project pursuant to the Resolution, contained in the Authority's ten-year Capital Plan, as amended and

supplemented from time to time; (ii) fund the amount required to increase the amount on deposit in the Debt Service Reserve Fund to the Debt Service Reserve Requirement; and (iii) pay costs of issuance of the 2022 Bonds.

**Optional Redemption**

The 2022 Series A Bonds maturing on November 1, 2032 are subject to redemption, at the option of the Authority, on and after November 1, 2032 in whole or in part (and if in part, by lot) at any time or from time to time at 100% of the principal amount thereof, together with accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption**

The 2022 Series A Bonds maturing on November 1, 2047 shall be subject to mandatory sinking fund redemption as hereinafter described, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of the 2022 Bonds on November 1 in each of the years and in the principal amount as follows:  
amounts as follows:

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2043	\$ 13,445,000
2044	14,065,000
2045	14,715,000
2046	15,400,000
2047*	16,110,000

\* Final Maturity

The 2022 Series Bonds maturing November 1, 2052 in the principal amount of \$58,620,000 and bearing CUSIP number 838536MR8 shall be subject to mandatory sinking fund redemption as hereinafter described, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of such 2022 Series A Bonds on November 1 in each of the years and in the principal amounts as follows:

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2048	\$ 10,560,000
2049	11,110,000
2050	11,695,000
2051	12,305,000
2052*	12,950,000

\* Final Maturity

The 2022 Series Bonds maturing on November 1, 2052 in the principal amount of \$35,000,000 and bearing CUSIP number 838536MQ0 shall be subject to mandatory sinking fund redemption as hereinafter described, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of such 2022 Series A Bonds on November 1 in each of the years and in the principal amounts as follows:

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2048	\$ 6,300,000
2049	6,635,000
2050	6,980,000
2051	7,350,000
2052*	7,735,000

\* Final Maturity

**Transportation System Revenue Bonds, Series 2020 A**

In October of 2020, the Authority issued \$298,910,000 Series A Transportation System Revenue Bonds. The proceeds will be used to: (i) pay a portion of the costs of certain Expressway Projects; (ii) pay capitalized interest on the 2020 Series A Bonds through and including May 1, 2022, (iii) fund the amount, if any, required to increase the amount on deposit in the Debt Service Reserve Fund to the Debt Service Reserve Requirement; and (iv) pay cost of issuance of the 2020 Series A Bonds.

**Optional Redemption**

The 2020 Series A Bonds maturing on November 1, 2045 are subject to redemption, at the option of the Authority, on and after November 1, 2020 in whole or in part (and if in part, by lot) at any time or from time to time at 100% of the principal amount thereof, together with accrued interest to the date of redemption.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

**Mandatory Sinking Fund Redemption**

The 2020 Series A Bonds maturing on November 1, 2045 shall be subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of such 2020 Series A Bonds on November 1 in each of the years and in the principal amounts as follows:

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2042	\$ 23,420,000
2043	24,595,000
2044	25,825,000
2045*	27,115,000

\* Final Maturity

The 2020 Series A Bonds maturing November 1, 2050 shall be subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of such 2020 Series A Bonds on November 1 in each of the years and in the principal amounts as follows:

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2046	\$ 28,470,000
2047	29,610,000
2048	30,790,000
2049	32,025,000
2050*	33,305,000

\* Final Maturity

**Transportation System Revenue Refunding Bonds, Series 2020 B (Federally Taxable)**

In October of 2020, the Authority issued \$48,000,000 Series B Transportation System Revenue Refunding Bonds to achieve a reduction in debt service. Proceeds from the 2020 B Bonds were used for the following purposes:

A current refunding of its outstanding 2020A Series A Bonds to achieve a reduction in debt service. Proceeds of \$47,581,928 along with other funds of \$1,084,125 were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of this defeasance, the Authority reduced its total debt requirements by \$1,575,352 which resulted in net present value savings in the amount of \$1,482,188.

The 2020 Series B Bonds are not subject to redemption prior to their stated maturity dates.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

**2020 Subordinated Bonds, Series A**

In October of 2020, the Authority issued 2020 Subordinated Bonds in the principal amount of \$26,090,000. The proceeds will be used to: (i) pay a portion of the costs of the Light Rail Project, which constitutes a General Project pursuant to the Resolution, as part of the Authority’s ten-year Capital Plan, as amended and supplemented from time to time; (ii) fund the amount, if any, required to increase the amount on deposit in the Subordinated Bonds Debt Service Reserve Fund to the Subordinated Bonds Debt Service Reserve Requirement; (iii) pay capitalized interest on the 2020 Subordinated Bonds through and including May 1 2022, and (iv) pay cost of issuance of the 2020 Subordinated Bonds.

**Optional Redemption**

The 2020 Subordinated Bonds are subject to redemption, at the option of the Authority, on or after November 1, 2030 in whole or in part (and if in part, by lot) at any time or from time to time at 100% of the principal amount thereof, together with accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption**

The 2020 Subordinated Bonds maturing on November 1, 2045 shall be subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of such 2020 Subordinated Bonds on November 1 in each of the years and in the principal amounts as follows:

<b>Year (November 1)</b>	<b>Principal Amount</b>
2040	\$ 1,855,000
2041	1,950,000
2042	2,045,000
2043	2,150,000
2044	2,255,000
2045*	2,370,000

\* Final Maturity

The 2020 Subordinated Bonds maturing on November 1, 2050 shall be subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of such 2020 Subordinated Bonds on November 1 in each of the years and in the principal amounts as follows:

<b>Year (November 1)</b>	<b>Principal Amount</b>
2046	\$ 2,485,000
2047	2,585,000
2048	2,690,000
2049	2,795,000
2050*	2,910,000

\* Final Maturity

**8. BONDS PAYABLE (CONTINUED)**

**Transportation System Revenue Refunding Bonds, Series 2019 A**

In October of 2019, the Authority issued \$62,435,000 Series A Transportation System Revenue Refunding Bonds to achieve a reduction in debt service. Because these bonds were issued over par value, a premium in the amount of \$17,360,478 was also received with this issue. Proceeds from the 2019 A Bonds were used for the following purposes:

A current refunding of its outstanding 2006 Series A Bonds and 2009 Series A Bonds to achieve a reduction in debt service. Proceeds of \$80,851,167 were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of this defeasance, the Authority reduced its total debt requirements by \$28,025,593 which resulted in net present value savings in the amount of \$20,326,710.

**Optional Redemption**

The 2019 Series A Bonds maturing prior to November 1, 2030 are not subject to optional redemption prior to maturity. The 2019 Series A Bonds maturing on or after November 1, 2030 are subject to redemption, at

the option of the Authority, on or after November 1, 2029 in whole or in part (and if in part, by lot) at any time or from time to time at 100% of the principal amount thereof, together with accrued interest to the date of redemption.

**Transportation System Revenue Refunding Bonds, Series 2019 B (Federally Taxable)**

In October of 2019, the Authority issued \$38,630,000 Series B Transportation System Revenue Refunding Bonds to achieve a reduction in debt service over the next five years. Proceeds from the 2019B Bonds were used for the following purposes:

An advance refunding of a portion of its outstanding 2012 Series A Bonds, 2014 Series A Bonds, and 2014 Series B Bonds on a taxable basis. Proceeds of \$39,189,356 were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called. As a result of the defeasance, the Authority increased its total debt service requirement over the life of the issue by \$7,052,270 which resulted in negative net present value savings in the amount of \$3,708,156. Although there was an increase in debt service requirements over the life of the issue, the Authority will save \$38,698,605 during the first five (5) years of the new issue.

**Mandatory Sinking Fund Redemption**

The 2019 Series B Taxable Bonds maturing on November 1, 2035 shall be subject to mandatory sinking fund redemption as hereinafter described, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of the 2019 Series B Taxable Bonds on November 1 in each of the years and in the principal amounts as follows:

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

---

**8. BONDS PAYABLE (CONTINUED)**

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2034	\$ 9,320,000
2035*	9,760,000

\* Final Maturity

**Notice of Redemption – 2019 Senior Bonds**

Notice of the call for redemption shall be given by the Trustee (on behalf of the Authority) by mailing a copy of the redemption notice by first class mail (postage prepaid) at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to the registered owners of each 2019 Senior Bond to be redeemed at the address shown on the registration books of the Trustee, as bond registrar.

Notice having been given in the manner provided in the Resolution, the 2019 Senior Bond will be due and payable on the redemption date so designated at a redemption price equal to the principal amount thereof, without premium, plus interest accrued and unpaid to the redemption date, upon presentation and surrender thereof at the office specified in such notice. If, on the redemption date, moneys for the redemption of all the 2019 Senior Bond of a Series, together with interest to the redemption date, shall be held by the Trustee

to be available therefore on said date and, if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, interest on such Series of the 2019 Senior Bond will cease to accrue and become payable. If said moneys shall not be so available on the redemption date, the 2019 Senior Bond of such Series will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

If at the time of mailing of any notice of redemption the Authority shall not have deposited with the Trustee moneys sufficient to redeem all the 2019 Senior Bond of a Series called for redemption, such notice shall state that it is conditional and subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited.

**Transportation System Revenue Refunding Bonds, Series 2019 A Subordinated Bonds**

In October of 2019, the Authority issued \$8,930,000 Series A Subordinated Transportation System Revenue Refunding Bonds to achieve a reduction in debt service. Because these bonds were issued over par value, a premium in the amount of \$1,476,296 was also received with this issue. Proceeds from the 2019 A Subordinated Bonds were used for the following purposes:

A current refunding of its outstanding 2009 Series A Subordinated Bonds to achieve a reduction in debt service. Proceeds of \$10,852,937 were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of this defeasance, the Authority reduced its total debt requirements by \$2,198,037 which resulted in net present value savings in the amount of \$1,426,116.

**Optional Redemption**

The 2019 Subordinated Bonds are not subject to optional redemption.

**8. BONDS PAYABLE (CONTINUED)**

**Transportation System Revenue Refunding Bonds, Series 2014A**

In December of 2014, the Authority issued \$112,305,000 Series A Transportation System Revenue Refunding Bonds to achieve a reduction in debt service. Because these bonds were issued over par value, a premium in the amount of \$10,760,051 was also received with this issue. Proceeds from the 2014A Bonds were used for the following purposes:

- A current refunding of its outstanding 2004 Series A Bonds to achieve a reduction in debt service. Proceeds of \$17,957,445 were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of this defeasance, the Authority reduced its total debt requirements by \$1,192,369 which resulted in net present value savings in the amount of \$1,545,658.
- An advance refunding of a portion of its outstanding 2009 Series A-1 Bonds to achieve a reduction in debt service. Proceeds of \$16,240,761 from the 2014A Bonds were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of the defeasance, the Authority increased its total debt service requirements over the life of the issue by \$9,087,619 which resulted in negative net present value savings in the amount of \$1,812,002. Although there was an increase in debt service requirements over the life of the issue, the Authority will be able to save \$3,598,756 during the first five (5) years of the new issue.
- The Authority tendered the purchase of its outstanding 2009 Series A-3 and A-4 Bonds to achieve a reduction in debt service with proceeds of the 2014A Bonds of \$88,866,846. As a result of the defeasance, the Authority decreased its total debt service requirements over the life of the issue by \$3,744,988 which resulted in net present value savings in the amount of \$5,006,707. By eliminating the variable rate obligations, the Authority also eliminated the counterparty risk associated with outstanding letters of credit and the Authority's exposure to variable interest rate risk.

**Optional Redemption**

The 2014 Series A Bonds maturing prior to November 1, 2025 are not subject to optional redemption prior to maturity. The 2014 Series A Bonds maturing on or after November 1, 2025 are subject to redemption, at the option of the Authority, on or after November 1, 2024 in whole or in part (and if in part, by lot) at any time or from time to time at 100% of the principal amount thereof, together with accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption**

The 2014 Series A Bonds maturing on November 1, 2039 shall be subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of the 2014 Series A Bonds on November 1 in each of the years and in the principal amounts as follows:

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2035	\$ 4,585,000
2036	5,180,000
2037	5,780,000
2038	24,100,000
2039*	27,110,000

\* Final Maturity

A portion of the Transportation System Revenue Refunding Bonds, Series 2019 B, issued in October 2019 were used to complete an advance refunding of a portion of the Transportation System Revenue Bonds, Series 2014 A.

**Transportation System Revenue Refunding Bonds, Series 2014 B (Federally Taxable)**

In December of 2014, the Authority issued \$17,255,000 of Federally Taxable Transportation System Revenue Refunding Bonds Series 2014B. Proceeds from this issue were used to finance the termination the Authority’s outstanding swap agreements with Bank of America; Merrill Lynch and Wells Fargo, N.A. in the amount of \$16,493,671 and \$11,015,193, respectively. The Authority provided \$10,400,000 from its Capital Projects Revolving Fund to offset the costs of termination.

A portion of the Transportation System Revenue Refunding Bonds, Series 2019B, issued in October 2019 were used to complete an advance refunding of a portion of the Transportation System Revenue Bonds, Series 2014 B.

**Mandatory Sinking Fund Redemption**

The 2014 Series B Taxable Bonds maturing on November 1, 2027 shall be subject to mandatory sinking fund redemption as hereinafter described, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of the 2014 Series B Taxable Bonds on November 1 in each of the years and in the principal amounts as follows:

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2025	\$ 2,140,000
2026	2,220,000
2027*	2,305,000

\* Final Maturity

**8. BONDS PAYABLE (CONTINUED)**

**Make Whole Redemption**

The 2014 Series B Taxable Bonds are subject to redemption prior to maturity by written direction of the Authority, in whole or in part, on any Business Day at the "Make-Whole Redemption Price" (as defined herein). The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the 2014 Series B Taxable Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2014 Series B Taxable Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2014 Series B Taxable Bonds are to be redeemed, discounted to the date on which the 2014 Series B Taxable Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the adjusted "Treasury Rate" (as defined herein) plus thirty (30) basis points, plus, in each case, accrued and unpaid interest on the 2014 Series B Taxable Bonds to be redeemed on the redemption date.

The "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2014 Series B Taxable Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one (1) year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one (1) year will be used.

**Transportation System Revenue Refunding Bonds, Series 2012**

In June of 2012, the Authority refunded a portion of certain maturities of its outstanding 1999 Series Bonds by issuing \$25,680,000 of Series 2012 Transportation System Revenue Refunding Bonds to achieve a reduction in debt service. Proceeds from the 2012 Bonds were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of the defeasance, the Authority reduced its total debt service requirements by \$4,568,985 which resulted in net present value savings in the amount of \$3,654,068.

**Optional Redemption**

The 2012 Senior Bonds are not subject to optional redemption prior to maturity.

**Transportation System Revenue Refunding Bonds, Series 2012 A**

In October of 2012, the Authority refunded the remaining portion of certain maturities of its outstanding 1999 Series Bonds by issuing \$76,780,000 of Series 2012A Transportation System Revenue Refunding Bonds to achieve a reduction in debt service. Proceeds from the 2012A Bonds were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of the defeasance, the Authority reduced its total debt service requirements by \$11,437,611, which resulted in net present value savings in the amount of \$7,488,864.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

---

**8. BONDS PAYABLE (CONTINUED)**

A portion of the Transportation System Revenue Refunding Bonds, Series 2019 B, issued in October 2019 were used to complete an advance refunding of a portion of the Transportation System Revenue Bonds, Series 2012 A.

A portion of the Transportation System Revenue Refunding Bonds, Series 2020 B, issued in October 2020 were used to complete an advance refunding of a portion of the Transportation System Revenue Bonds, Series 2012 A.

**Transportation System Revenue Bonds, Series 2009 A-5; Federally Taxable – Issuer Subsidy- Build America Bonds**

On August 4, 2009, the Authority issued \$96,260,000 of Transportation System Revenue Bonds, 2009 Series A-5, Federally Taxable-Issuer Subsidy - Build America Bonds. The proceeds of the 2009 A-5 Taxable Senior Bonds were used to (i) pay a portion of the costs of the 2009 Expressway Project consisting of, among other things, westbound third lane widening, bridge rehabilitation and repair, electronic toll collection upgrades, and pavement overlay; (ii) fund the amount required to increase the amount on deposit in the Debt Service Reserve Fund to the Debt Service Reserve Requirements and; (iii) pay certain costs of issuing the 2009 A-5 Taxable Senior Bonds.

The 2009 Taxable Senior Bonds have been issued as taxable, Build America Bonds as authorized by The American Recovery and Reinvestment Act of 2009 signed into law by President Obama on February 17, 2009 ("Recovery Act"). Pursuant to the Recovery Act, the Authority will receive cash subsidy payments from the United States Treasury equal to 35% of the interest payable on the 2009 Taxable Senior Bonds.

The cash subsidy payments received are treated as an offset to interest expense pursuant to the Third Amended and Restated Resolution. During 2024, the Authority received \$2,242,067. Through December 31, 2024, the Authority has received a total of \$34,143,433 in cash subsidy payments from the United States Treasury.

**Redemption**

**Make Whole Redemption**

The 2009 Taxable Senior Bonds are subject to redemption prior to maturity by written direction of the Authority, in whole or in part, on any Business Day at the "Make-Whole Redemption Price". The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the 2009 Taxable Senior Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2009 Taxable Senior Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2009 Taxable Senior Bonds are to be redeemed, discounted to the date on which the 2009 Taxable Senior Bonds are to be redeemed on a semi-annual basis, at the adjusted "Treasury Rate" plus 40 basis points, plus, in each case, accrued and unpaid interest on the 2009 Taxable Senior Bonds to be redeemed on the redemption date.

The "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity that has become publicly available at least two (2) business days prior to the redemption date most clearly equal to the period from the redemption date to the maturity date of the 2009 Taxable Senior Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one (1) year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one (1) year will be used.

**South Jersey Transportation Authority  
Notes to Financial Statements  
December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

**Extraordinary Optional Redemption**

The 2009 Taxable Senior Bonds are subject to redemption prior to maturity at the option of the Authority, in whole or in part upon the occurrence of an Extraordinary Event, at a redemption price equal to the greater of: (1) 100% of the principal amount of the 2009 Taxable Senior Bonds to be redeemed; and (2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2009 Taxable Senior Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2009 Taxable Senior Bonds are to be redeemed, discounted to the date on which the 2009 Taxable Senior Bonds are to be redeemed on a semi-annual basis, at the Treasury Rate, plus 100 basis points; plus, in each case, accrued interest on the 2009 Taxable Senior Bonds to be redeemed at the redemption date. An “Extraordinary Event” will have occurred if a material adverse change has occurred to Section 54AA or 6431 of the Code pursuant to which the Authority’s 35% cash subsidy payment from the United States Treasury is reduced or eliminated.

**Mandatory Sinking Fund Redemption**

The 2009 Taxable Senior Bonds maturing on November 1, 2038 shall be subject to mandatory sinking fund redemption as hereinafter described, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The mandatory sinking fund redemption payments shall be sufficient to redeem the principal amount of the 2009 Taxable Senior Bonds on November 1 in each of the years and in the principal amounts as follows:

<b>Year (November 1)</b>	<b>Principal Amount</b>
2030	\$ 5,460,000
2031	5,725,000
2032	6,020,000
2033	11,710,000
2034	12,775,000
2035	13,375,000
2036	19,555,000
2037	19,725,000
2038*	1,915,000

\* Final Maturity

**Sources of Payment and Security for Bonds and Subordinated Indebtedness**

The Bond Resolution provides that, subject only to the rights of the Authority to apply amounts for Operating Expenses of Pledged Projects, the Revenue of the Transportation System (excluding Airport Revenue), all Scheduled Counterparty Payments, all Government Direct Subsidies and any moneys, other than the foregoing, received by the Authority from any other source for operating, maintaining, or repairing the Transportation System are pledged on a senior lien basis to secure the payment of Bonds issued under the Resolution, Qualified Swap Obligations, if any, and Credit Facility Reimbursement Obligations, if any.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

In addition to the foregoing, the 2019 A Bonds and a portion of the 2014 A Bonds are also payable from and secured by a lien on and pledge of the Authority's Airport Revenue.

Subordinated Indebtedness issued pursuant to the provisions of the Resolution are not Bonds within the meaning of the Resolution and are secured solely by amounts in the Subordinated Debt Fund or the General Reserve Fund, subject to the provisions of the Resolution requiring prior application of amounts in such Funds to other purposes, including, but not limited to, the payment of Debt Service on Bonds issued under the Resolution, Qualified Swap Obligations, if any, and Credit Facility Reimbursement Obligations.

As of December 31, 2024, the outstanding bonds payable balance has been offset with unamortized bond discounts in the amount of \$737,861 and increased by the unamortized bond premium of 49,975,045.

**Schedule of Annual Debt Service for Principal and Interest for Long Term-Debt Issued and Outstanding:**

Bonds Payable:

<b>Calendar Year</b>	<b>Non-Airport</b>		<b>Airport</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2025	\$ 18,220,000	\$ 37,570,980		\$ 3,613,000	\$ 59,403,980
2026	18,775,000	37,018,463		3,613,000	59,406,463
2027	19,370,000	36,421,061		3,613,000	59,404,061
2028	18,735,000	35,801,916	\$ 1,255,000	3,613,000	59,404,916
2029	4,255,000	35,088,540	16,605,000	3,550,250	59,498,790
2030-2034	74,035,000	169,112,240	46,790,000	7,557,500	297,494,740
2035-2039	144,325,000	143,770,313	7,610,000	1,544,250	297,249,563
2040-2044	192,155,000	105,020,338			297,175,338
2045-2049	241,765,000	55,408,281			297,173,281
2050-2052	95,230,000	7,750,700			102,980,700
	<u>\$ 826,865,000</u>	<u>\$ 662,962,832</u>	<u>\$ 72,260,000</u>	<u>\$ 27,104,000</u>	<u>\$ 1,589,191,832</u>

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

Below is a schedule reconciling the Outstanding Bond Principal to the Bonds Payable, net of Discount and Premium:

	<u>2024</u>	<u>2023</u>
Principal on Expressway Bonds	\$ 826,865,000	\$ 841,395,000
Principal on Airport Bonds	72,260,000	72,260,000
Discount on Bonds Payable	(737,861)	(806,830)
Premium on Bonds Payable	<u>49,975,045</u>	<u>53,683,104</u>
	<u>\$ 948,362,184</u>	<u>\$ 966,531,274</u>
Short Term portion of Bonds Payable	\$ 21,827,101	\$ 18,169,090
Long Term portion of Bonds Payable	<u>926,535,083</u>	<u>948,362,184</u>
	<u>\$ 948,362,184</u>	<u>\$ 966,531,274</u>

Below is a schedule that details the outstanding bonds payable net of discount on bonds payable and premium on bonds payable:

	<u>Principal Balance</u>	<u>Unamortized Bond Discount</u>	<u>Unamortized Bond Premium</u>	<u>Bonds net of Defeasance Discount and Premium</u>
2009 A-5	\$ 96,260,000	\$ (737,861)		\$ 95,522,139
2014 A	104,930,000		\$ 5,380,258	110,310,258
2014 B	7,545,000			7,545,000
2019 A	62,435,000		9,785,883	72,220,883
2019 B	38,630,000			38,630,000
2019 Sub	4,460,000		342,296	4,802,296
2020 A	298,910,000		27,331,155	326,241,155
2020 B	34,865,000			34,865,000
2020 A Sub	26,090,000		2,691,590	28,781,590
2022 A	<u>225,000,000</u>		<u>4,443,863</u>	<u>229,443,863</u>
	<u>\$ 899,125,000</u>	<u>\$ (737,861)</u>	<u>\$ 49,975,045</u>	<u>\$ 948,362,184</u>

**Debt Defeasance**

In October of 2019, the Authority refunded the outstanding balance of its Series 2006 A Transportation System Revenue Bonds, the outstanding balance of its 2009 Series A-2 Transportation System Revenue Bonds, a partial balance of its 2012 Series A Transportation Revenue Bonds, a partial balance of its 2014

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**8. BONDS PAYABLE (CONTINUED)**

Series A Transportation System Revenue Bonds, a partial balance of its 2014 Series B Transportation System Revenue Bonds, and the outstanding balance of its 2009 Series A Subordinated Bonds by issuing \$62,435,000 of Series 2019 A Transportation System Revenue Refunding Bonds as well as issuing \$38,630,000 of Series 2019 B Transportation System Revenue Refunding Bonds (Federally Taxable) as well as 2019 Series A Subordinated Transportation System Refunding Bonds to realize debt service savings. Proceeds from the 2019 A and 2019 B Bonds were used to purchase U.S. Government Securities that were placed in an escrow account. The investments and fixed earnings from the investments were sufficient to fully service the defeased debt until the debt was called. As a result of the defeasance, the Authority decreased its total debt service requirements by \$36,111,835. This financing resulted in net present value savings in the amount of \$18,044,670. As a result of this refunding the Authority will recognize near-term debt service savings over the next five (5) years in the amount of \$23,101,455.

In October of 2020, the Authority refunded a portion of the outstanding balance of its 2012 Series A Transportation System Revenue Refunding Bonds in the amount of \$43,365,000 by issuing \$48,000,000 of 2020 Series B Federally Taxable Transportation System Revenue Refunding Bonds to realize debt saving on its 2012 Series A obligations. The Authority also defeased the November 1, 2020 principal amounts due for the 2012 Series Transportation System Revenue Refunding Bonds, the 2014 Series A Transportation System Revenue Refunding Bonds and the 2019 Series B Transportation System Revenue Refunding Bonds in the amounts of \$8,145,000, \$720,000 and \$805,000, respectively.

**9. ARBITRAGE REBATE PAYABLE**

The Tax Reform Act of 1986 imposed additional restrictive regulations, reporting requirements and arbitrage rebate liabilities on issuers of tax-exempt debt. This Act requires the remittance to the IRS of 90% of the cumulative rebatable arbitrage within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The estimated amount of arbitrage payable represents the excess of amounts earned on “taxable” investments over the interest cost of the tax-exempt borrowing, plus income attributable to the excess. The Authority had no arbitrage rebate due on any of its outstanding debt as of December 31, 2024. However, a reserve for potential arbitrage rebates payable of \$1,899,256 has been established in the Rebate Fund as of December 31, 2024.

**10. CONDUIT DEBT OBLIGATIONS**

Conduit debt obligations are defined as certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not part of the issuer’s financial reporting entity.

The Authority issued and sold Special Revenue Bonds to Mirage Resorts, Incorporated in 1999, 2000, and 2001 to provide funds to pay a portion of Mirage’s share of the cost of the Atlantic City Expressway Connector Project (“Connector”). The Special Revenue Bonds are payable solely by CRDA pursuant to the Pledge Agreement dated October 10, 1997 between the Authority and CRDA.

The Authority has no other responsibility for the payment of this debt. The amounts payable by CRDA under the CRDA Pledge Agreement are Governmental Grants, which do not constitute Revenue under the Bond Resolution, and the Special Revenue Bonds are not payable from or secured by such Revenue.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**10. CONDUIT DEBT OBLIGATIONS (CONTINUED)**

The total amount of this outstanding conduit debt as of December 31, 2024 is as follows:

<u>Year Issued</u>	<u>Amount Issued</u>	<u>Accreted Value</u>	<u>Maturity Value</u>
1999	\$ 20,003,701	\$ 24,425,000	\$ 24,425,000
2000	24,999,328	30,075,000	30,075,000
2001	<u>9,996,322</u>	<u>11,390,000</u>	<u>11,390,000</u>
	<u>\$ 54,999,351</u>	<u>\$ 65,890,000</u>	<u>\$ 65,890,000</u>

All the Special Revenue Bonds mature on October 1, 2037 and have interest rates ranging from 3.5% to 4.05%.

In 2007, the Authority began receiving payments pursuant to the CRDA Pledge Agreement described above. As of December 31, 2024, the Authority has cumulatively received \$19,224,215. This amount was applied to outstanding interest payable proportionally to all series and remitted to the bondholders by the trustee in accordance with the terms of the indenture.

**11. LONG-TERM LIABILITIES**

Long-Term Liabilities as of December 31, 2024 were as follows:

	<u>Balance 1/1/2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/2024</u>	<u>Due Within One Year</u>
Bonds Payable:					
General Obligation Bonds	\$ 913,655,000		\$ (14,530,000)	\$ 899,125,000	\$ 14,530,000
Less Amount:					
Issuance Premiums	53,683,104		(3,708,059)	49,975,045	3,676,070
Issuance Discounts	<u>(806,830)</u>		<u>68,969</u>	<u>(737,861)</u>	<u>(68,969)</u>
Total Bonds Payable	<u>966,531,274</u>	<u>-</u>	<u>(18,169,090)</u>	<u>948,362,184</u>	<u>18,137,101</u>
Other Liabilities:					
Accrued Expenses	35,000			35,000	
Net Pension Liabilities	39,669,086		(2,613,332)	37,055,754	
Postemployment Benefits	<u>60,213,299</u>	<u>935,613</u>	<u>(10,316,036)</u>	<u>50,832,876</u>	
Total Other Liabilities	<u>99,917,385</u>	<u>935,613</u>	<u>(12,929,368)</u>	<u>87,923,630</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 1,066,448,659</u>	<u>\$ 935,613</u>	<u>\$ (31,098,458)</u>	<u>\$ 1,036,285,814</u>	<u>\$ 18,137,101</u>

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**12. RATES AND CHARGES**

Section 7.08 of the Bond Resolution states as follows:

- (a) (1) The Authority shall at all times fix, impose, charge and collect tolls, fares, fees and other charges for the use of the Transportation System as shall be required in order that, in each fiscal year, net revenue and net revenue available for debt service shall at least equal the net revenue requirements for such year; and
- (2) The Authority shall at all times fix, impose, charge and collect tolls, fares, fees and other charges for the use of the Transportation System as shall be required in order that, in each fiscal year, current revenue and airport revenue available for debt service shall at least equal the Operating Expenses for Pledged Projects for such fiscal year and the debt service on all outstanding bonds (net of capitalized interest) and subordinated indebtedness for such fiscal year and any required deposits to the Debt Service Reserve Fund and the Rehabilitation and Repair Fund, if any such deposits are required.

The net revenue requirement means an amount of net revenue for the period under consideration equal to the greater of:

- 120% of the debt service payable on all outstanding bonds (net of capitalized interest available for the purpose), or
- 100% the aggregate of debt service payable on all outstanding bonds (net of available capitalized interest as aforesaid), Rehabilitation and Repair Requirements, State Payment Requirement, debt service payable during the period on subordinated indebtedness, operating expenses of general projects, and other required deposits to funds, including the Debt Service Reserve Fund and Rebate Fund.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

**12. RATES AND CHARGES (CONTINUED)**

	<b>Section 7.08 (a)(1) 120.00%</b>	<b>Section 7.08 (a)(1) 100.00%</b>	<b>Section 7.08 (a)(2) 100.00%</b>
Operating Revenue	\$ 165,405,534	\$ 165,405,534	\$ 165,405,534
Contract Payments - South Inlet		1,254,000	
Interest Revenue - Unrestricted	5,970,754	5,970,754	5,970,754
Total Revenue	<u>171,376,288</u>	<u>172,630,288</u>	<u>171,376,288</u>
Less:			
Grant Revenue	6,163,639	6,163,639	6,163,639
Airport Revenue	13,896,179	13,896,179	13,896,179
Airport Interest	<u>346,760</u>	<u>346,760</u>	<u>346,760</u>
Total Available Revenue	150,969,710	152,223,710	150,969,710
Pledged Project Expenses	<u>67,241,282</u>	<u>67,241,282</u>	<u>67,241,282</u>
Net Revenues	83,728,428	84,982,428	83,728,428
Airport Revenue Available for Debt Service (ARAFDS)	<u>3,624,959</u>	<u>3,624,959</u>	<u>3,624,959</u>
Net Revenue + ARAFDS	87,353,387	88,607,387	87,353,387
Total Available Revenue + ARAFDS			154,594,669
Senior Debt Service	53,628,043	53,628,043	53,628,043
Subordinated Debt Service		2,418,892	
State Payment Requirement		2,500,000	
General Project Operating Expenses		<u>9,287,989</u>	
Total Debt Service & Other Obligations	<u>\$ 53,628,043</u>	<u>\$ 67,834,924</u>	N/A
Total Pledged Projects and Debt Service	N/A	N/A	<u>\$120,869,325</u>
Coverage Ratio	162.89%	130.62%	127.90%
Required Coverage	<u>120.00%</u>	<u>100.00%</u>	<u>100.00%</u>
Excess Coverage	<u>42.89%</u>	<u>30.62%</u>	<u>27.90%</u>

### **13. PENSION PLANS**

#### **General Information about the Pension Plans**

##### ***Plan Descriptions***

All full-time and eligible part-time Authority employees participate in the Public Employees' Retirement System ("PERS") or the Police and Firemen's Retirement System ("PFRS") (collectively "Plans") which are cost-sharing multiple-employer defined benefit pension plans administered by the State of New Jersey, Division of Pension and Benefits (the Division) to provide pension benefits for State and local government employees. The authority to amend the provision of these plans rests with legislation passed by the State of New Jersey.

Pension reforms enacted pursuant to P.L. 201, C.78 included provisions creating a special Pension Plan Design Committee for PERS, once a Target Funded Ratio (TFR) is met. These Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost-of-living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the target funded ratio (TFR) in any one year of a 30-year projection period. The Local portion of the Plan attained the required TFR in Fiscal Year 2012, thus a pension committee has been established for the Local Employer portion of the Plan.

The State Legislature adopted P.L. 2018, C.55 in July 2018, which transferred management of PFRS from the Division to a newly constituted twelve-member PFRS Board of Trustees (PFRSNJ). The PFRSNJ was established February 2019 per the legislation. In addition to overseeing the management of PFRS, the PFRSNJ has the authority to direct investment decisions, to adjust current benefit levels, and to change member and employer contribution rates. With regard to changes to current benefit provisions, such changes can only be made with the approval of a supermajority of eight (8) or the twelve (12) members of the PFRSNJ. Also, benefit enhancement can only be made if an independent actuary certifies that the benefit enhancements will not jeopardize the long-term viability of PFRS.

A publicly available Annual Comprehensive Financial Report (ACFR) of the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, is issued which include the financial statements, required supplementary information, and detailed information about the PERS and PFRS fiduciary net position can be obtained at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

##### ***Benefits Provided***

###### ***Public Employees' Retirement System***

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits to substantially all full-time employees of the State or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. Pension benefits generally vest after ten years of service.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

The following represents the membership tiers for PERS:

<b>Tier</b>	<b>Definition</b>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service and have not reached the service retirement age for the respective tier.

*Police and Firemen's Retirement Fund*

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<b>Tier</b>	<b>Definition</b>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% of each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years, but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**13. PENSION PLANS (CONTINUED)**

***Contributions***

The contribution policy for PERS and PFRS is set by N.J.S.A. 43:15A and N.J.S.A. 43:16A, respectively, and requires contributions by active members and contributing employers. PERS and PFRS covered employees are required by state statute to contribute a certain percentage of their salaries to the Plans. The contribution requirements of employees are established and may be amended by the Pension Plan Design Committee of the respective plan. The PERS employee contribution rate is 7.5%. The rate for PFRS employee contributions is 10.0%.

The required employer contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

The State of New Jersey is a non-employer entity that is legally responsible for making contributions directly to PFRS due to the following legislation:

Chapter 511, P.L. 1991	Requires the State to pay for an increase in the benefit payable to the surviving spouse of a retiree from 35% to 50% and raise the minimum benefit from \$1,600 to \$4,500.
Chapter 247, P.L. 2001	Requires the State to pay the increase in costs related to certain members who transfer from PERS to PFRS.
Chapter 8, P.L. 2000	Requires the State to fund certain costs and accrued liabilities if the valuation of assets is insufficient.
Chapters 86 and 318, P.L. 2001	Requires the State to pay for an increase in active-duty benefits to the beneficiary of a member who died in active duty.
Chapter 109, P.L.1979	Requires extra State contributions of 1.1 percent of covered salary to provide for an increase in retirement benefits from 50% to 60% of final average compensation for members who retire with 25 years of service.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The Authority's proportionate share of the net pension liability at December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
PERS	\$ 32,810,248	\$ 35,033,805
PFRS	<u>4,245,506</u>	<u>4,635,281</u>
Total	<u>\$ 37,055,754</u>	<u>\$ 39,669,086</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. The Authority's proportion at June 30, 2024 and 2023 were:

	<u>6/30/2024</u>	<u>6/30/2023</u>
PERS	0.2414640678%	0.2418731065%
PFRS	0.0411123300%	0.0419528700%

For the year ended December 31, 2024, the Authority recognized pension expense (benefit) as follows:

	<u>Expressway</u>	<u>Airport</u>	<u>Total</u>
PERS	\$ 662,493	\$ 57,608	\$ 720,101
PERS - State Support	97,318	8,462	105,780
PFRS		177,059	177,059
PFRS - State Support		<u>96,289</u>	<u>96,289</u>
Total	<u>\$ 759,811</u>	<u>\$ 339,418</u>	<u>\$ 1,099,229</u>

The Authority recognized revenue in 2024 for support provided by the State in the amount of \$105,780 for PERS and \$96,289 for PFRS.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

**Deferred Outflows of Resources Related to Pensions**

	<u>PERS</u>	<u>PFRS</u>	<u>TOTAL</u>
Difference between expected and actual experience	\$ 657,250	\$ 267,464	\$ 924,714
Changes of assumptions	40,761	6,711	47,472
Difference between expected and actual investment earnings on pension plan investments		-	-
Changes in proportion	1,278,956	232,551	1,511,507
Difference between actual employer contributions and employer's prorata share			-
	<u>1,976,967</u>	<u>506,726</u>	<u>2,483,693</u>
<b>Total Deferred Outflows of Resources from Pensions</b>	<b>\$ 1,976,967</b>	<b>\$ 506,726</b>	<b>\$ 2,483,693</b>

**Deferred Inflows of Resources Related to Pensions**

	<u>PERS</u>	<u>PFRS</u>	<u>TOTAL</u>
Difference between expected and actual experience	\$ 87,350	\$ 145,342	\$ 232,692
Changes of assumptions	373,305	124,684	497,989
Difference between expected and actual investment earnings on pension plan investments	1,521,321	33,229	1,554,550
Changes in proportion	49,884	123,175	173,059
	<u>2,031,860</u>	<u>426,430</u>	<u>2,458,290</u>
<b>Total Deferred Outflows of Resources from Pensions</b>	<b>\$ 2,031,860</b>	<b>\$ 426,430</b>	<b>\$ 2,458,290</b>

<b>Net Deferred Outflows and Inflows of Resources</b>	<b>\$ (54,893)</b>	<b>\$ 80,296</b>	<b>\$ 25,403</b>
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Year ending December 31:			
2025	\$ (59,556)	\$ 567,827	\$ 508,271
2026	46,083	(654,270)	(608,187)
2027	(26,512)	164,214	137,702
2028	(15,305)	76,257	60,952
2029	398	(67,839)	(67,441)
Thereafter	-	(5,893)	(5,893)
		-	
<b>Total</b>	<b>\$ (54,892)</b>	<b>\$ 80,296</b>	<b>\$ 25,404</b>

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

*Actuarial Assumptions*

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2024. The actuarial valuation used the following actuarial assumptions:

	<u>PERS</u>
Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	2.75 - 6.55%
	based on years of service
Investment rate of return	7.00%
	<u>PFRS</u>
Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	All Future Years
	3.25 - 16.25%
	based on years of service
Investment rate of return	7.00%

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability Retiree retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

For PFRS, employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large-Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Non-U.S. Developed Small Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private DebVCredit	8.00%	9.10%
Private Equity	10.00%	10.10%

***Discount Rate***

*Public Employees' Retirement System*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan member will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payment to determine the total pension liability.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**13. PENSION PLANS (CONTINUED)**

*Police and Firemen's Retirement Fund*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan member will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefits payment to determine the total pension liability.

***Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.***

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Authority's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Pension Plan	PERS		
	At 1% Decrease (6.00%)	At Current Discount (7.00%)	At 1% Increase (8.00%)
Authority's Proportionate Share of the Net Pension Liability	\$ 43,637,630	\$ 32,810,248	\$ 23,623,379

State of New Jersey's Proportional Share of Net Pension Liability associated with the Authority	PFRS		
	At 1% Decrease (6.00%)	At Current Discount (7.00%)	At 1% Increase (8.00%)
Authority's Proportionate Share of the Net Pension Liability	\$ 6,071,074	\$ 4,245,506	\$ 2,717,124
	359,907	836,992	301,317
	<u>\$ 6,430,981</u>	<u>\$ 5,082,498</u>	<u>\$ 3,018,441</u>

***Pension Plans Fiduciary Net Position***

Detailed information about the Pension Plans' fiduciary net position is available in the separately issued PERS and PFRS financial reports.

## **14. RISK MANAGEMENT AND HEALTH INSURANCE**

### **Risk Management**

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, error and omission, injury to employees, professional liability, airport liability, environmental and natural disasters. The Authority established a self-insurance fund program for certain areas of risk and purchased excess commercial insurance to further protect against these risks. Settled claims have not exceeded this coverage in any of the past three years.

#### **Expressway**

The Authority has established a self-insurance fund program for certain risk areas. The Authority's per occurrence self-insurance retention levels are \$500,000 for worker's compensation, \$500,000 for auto liability, \$500,000 for Shuttle liability, \$500,000 for general liability \$100,000 for law enforcement liability, \$100,000 for public officials' liability, and \$150,000 for employment practices liability. The Reserve for Insurance Claims is \$3,249,196 as of December 31, 2024.

#### **Airport**

The Authority established a self-insurance reserve for certain risk areas related to Airport activity. The Authority's per occurrence self-insurance retention levels are \$500,000 for worker's compensation, \$500,000 for auto liability, and \$500,000 for general liability. The Authority also purchased a separate Aviation Liability program for the Airport. An allocation of these retention levels has been made based on the number of employees currently employed at the Airport. The reserve balance as of December 31, 2024 is \$1,000,000.

The Authority purchased excess commercial insurance policies over the self-insurance retention levels described above and additionally purchased Cyber, Property & Inland Marine, Pollution, Auto Physical Damage, Bridge Physical Damage, and EMT Professional coverages to protect against various exposures at both the Expressway and Airport.

The Authority is party to various legal actions and disputes. Although the ultimate effect, if any, of these matters is not presently determinable, management believes that collectively they will not have a material effect on the results of operations or the financial position of the Authority.

### **Health Insurance**

Beginning July 1, 2015, the Authority enrolled its employees in the New Jersey State Health Benefits Plan (SHBP). In accordance with Chapter 78, P.L. 2011, employees are required to contribute to their premiums based on their salary and the type of coverage selected.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**15. COMPENSATED ABSENCES**

The Authority has recorded a liability through December 31, 2024 totaling \$1,896,492 for vacation and sick pay, with \$365,676 paid out to employees during the 2024. Benefits are earned according to the following policies: It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Accumulation and payment of vacation and sick leave for agreement employees is based on the collective bargaining agreements with the various unions. As required under GASB Statement No. 16, *Accounting for Compensated Absences*, the compensated absences should be accrued as a liability when earned and the liability should be measured using the pay rates in effect at the statement of net position date.

A. Non-Union Employees

Full-time, non-union employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. If an employee was hired prior to February 2005, the Authority compensates them for unused sick leave upon retirement if the employee vests in the pension system when retirement age has been reached or upon resignation. For employees hired after February 2005, the Authority only compensates them for unused sick leave upon retirement or upon resignation if the employee is eligible to immediately retire under the pension system.

Effective November 18, 2010, the maximum payout to an employee at retirement is \$15,000 at the employee's current rate of pay. Any employee having a balance of \$17,500 or over on the effective date will be eligible to cash out at the higher rate. Additionally, if the employee's balance falls below the \$17,500 prior to retirement they are no longer eligible to cash out at the higher rate. A full year's vacation entitlement may be carried to the next calendar year. Any carried-over vacation time must be taken during the subsequent year, or it is lost.

Effective October 29, 2018, new legislation was enacted that granted part-time employees' sick time. Part-time employees not governed by a collective bargaining agreement began accruing paid sick leave in accordance with the New Jersey Paid Sick Leave Act ("Act"). Eligible employees receive forty hours of sick leave each year. Employees may not have more than forty hours of sick leave at any time.

Compensatory time for full-time employees cannot accrue beyond eighty hours and must be taken within twelve months of being earned. The use of compensatory time must be approved by a department Director. The Authority may, at its discretion, purchase back compensatory time at the employee's rate of pay when the compensatory time was earned.

B. Union Employees

Vacation Time

In accordance with the union contract in effect in 2024, members of the International Federation of Professional and Technical Engineers, Local 196, Chapter 2 and Local 193, Chapter A, states that ten vacation days may be carried to the next calendar year for Local 196 and Local 193. Any carried-over vacation time must be taken during the subsequent year, or it is lost.

Members of the Atlantic City International Airport Fire Fighters, Local S-18 of the International Association of Fire Fighters, AFL-CIO, CLC may carry up to one year's vacation allotment. Any carried over vacation time must be taken during the subsequent year, or it is lost.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**15. COMPENSATED ABSENCES (CONTINUED)**

Sick Time

Members of the International Federation of Professional and Technical Engineers, Local 196, Chapter 2 and Local 193, Chapter A, are entitled to cash out sick time up to \$17,500. The following percentages apply:

- (a) For employees who resign in good standing or retire, but are not eligible to receive pension payments under PERS:
  - 50% of present salary for the first 150 days of accumulated sick days.
  - 100% of present salary for accumulated sick leave in excess of 150 days.
  - Maximum of \$17,500
  
- (b) For employees who retire and are immediately eligible to receive payments under PERS:
  - Seventy-five percent of present salary for the first 150 days of accumulated sick days.
  - 100% of present salary for accumulated sick leave in excess of 150 days.
  - Maximum of \$17,500.

Local S-18 members are entitled to cash out sick leave up to \$17,500 at the employee’s rate of pay at retirement. Unused sick time earned will not be paid upon resignation, termination or layoff.

Part-time employees, unless governed by a collective bargaining agreement, are entitled to receive one (1) hour of sick leave for every thirty (30) hours worked. This policy became effective on October 29, 2018.

Compensatory Time

Under the contract for Local 196, Chapter 2, compensatory time can be accrued up to a maximum of forty hours per contract year but can re-accumulate up to forty hours as the time is used. Under the contract for S-18, compensatory time can be accrued up to a maximum of two hundred and forty (240) hours per contract year. Compensatory time must be taken within twelve (12) months of being earned, otherwise payment of unused time will be paid in the first pay of December.

C. Accrued Expense

The Authority’s liability for compensated absences is included in Current Liabilities Payable from Unrestricted Assets in the accompanying Statement of Net Position. The Authority’s accrued liability for compensated absences, including additional amounts accrued for Social Security, Medicare and pension plan contributions as of December 31, 2024 is as follows:

	<u>Expressway</u>	<u>Airport</u>	<u>Total</u>
Sick Time	\$ 767,859	\$ 244,188	\$ 1,012,047
Vacation Time	424,868	106,575	531,443
Compensatory Time	268,850	84,152	353,002
	<u>\$ 1,461,577</u>	<u>\$ 434,915</u>	<u>\$ 1,896,492</u>

**16. SOUTH JERSEY TRANSPORTATION PLANNING ORGANIZATION**

The South Jersey Transportation Planning Organization is a metropolitan planning organization whose function is to develop transportation programs for urbanized areas of the State in order to encourage and promote the development of intermodal transportation systems that maximize mobility and minimize air pollution. The Department of Transportation Grant for Administration Staff Support for the SJTPO is designed to reimburse the Authority for its expenses incurred each year for the SJTPO. These expenses typically include salaries, fringe benefits and non-salary direct expenses.

**17. AIRPORT MANAGEMENT**

Pursuant to N.J.S.A. 27:25A-24, the Authority established a transportation project known as the Atlantic City International Airport (“ACY”). Effective April 15, 1998, the Authority assumed control of the runways and taxiways at ACY pursuant to Resolution 1998-14. The Authority executed a lease and cooperative agreement with the William J. Hughes Technical Center for certain lands, facilities and equipment for the Atlantic City International Airport. The execution of this agreement requires the Authority to maintain the airfield at ACY, but it also allows for the collection of landing fees.

Pursuant to the Act, the Authority has the power to set rates and charges at ACY. The Authority has adopted a compensatory rates and charges methodology. Rates and charges are subject to review and adjustment every two years. Currently, the Authority is operating under the Rates and Charges Resolution adopted December 18, 2019.

Effective October 1, 2016, the Authority entered into an operating and maintenance agreement with TBI Airport Management, Inc. for five years and exercised five one-year renewal options at the discretion of the Authority. Also, on October 1, 2021, the Authority entered into an agreement with U.S. Facilities, Inc. for maintenance and janitorial services at the airport. This agreement is for five years. Under these arrangements, the Authority is entitled to receive all the revenue and must pay all the expenses associated with the operation of ACY terminal operations.

**18. STATE PAYMENT**

Pursuant to an agreement dated November 17, 1983 (“State Contract”), between the Authority (as successor to the New Jersey Expressway Authority) and the New Jersey Department of Transportation (“NJDOT”), the Authority is obligated to pay to the NJDOT annually, during the term of the State Contract, a guaranteed minimum sum of \$2,500,000 (“State Payment”). The State Payment is payable in equal monthly installments on or before the twenty-first day of each month for deposit into the State Payment Fund.

Subject to the pledge of the Third Amended and Restated Resolution, the Authority has pledged, pursuant to the terms of the State Contract, all revenue for the payment of the State Payment, which pledge is subordinate in rank and right of payment to that of Subordinated Indebtedness issued pursuant to the Third Amended and Restated Resolution.

On May 19, 2009, the State Contract was amended to provide for a reduction in the amount of the State Payment by the amount of the NJDOT’s Payment Obligation regarding the 2009 Subordinated Bonds (as hereinafter defined) to the extent such NJDOT’s Payment Obligation is unpaid in any Fiscal Year. See Note 25 (“South Inlet Transportation Improvements Project”) regarding the Authority’s issuance of the 2009 Subordinated Bonds.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**19. ELECTRONIC TOLL COLLECTION**

The Authority, along with the New Jersey Turnpike Authority (“Turnpike Authority”), the Delaware River Port Authority (“DRPA”), The Delaware River and Bay Authority (“DRBA”), the Burlington County Bridge Commission (“BCBC”) and the Delaware River Joint Toll Bridge Commission (“DRJTBC”) (each an “Agency” and, collectively, the “Agencies”) entered into a contract with Xerox State & Local Solutions, Inc. (now “Conduent”) on October 15, 2015 to design, install, implement, operate and maintain a new Customer Service Center (“CSC”) for E-ZPass® electronic toll collection. The contract is for a period of 8 years from the date on which the new CSC system is implemented.

Conduent invoices the Authority on a monthly basis for its proportion of amounts due for those services (“CSC Services”) pertaining to establishment, operation and maintenance of the Customer Service Center, including the portion of the CSC to be used for the processing of toll collection violations (“VPC”).

Payments to be made by the Authority under the Xerox Agreement constitute Operating Expenses of the Expressway Project. In addition, the Authority receives its proportion of violation toll revenue and administrative fee revenue earned by the New Jersey EZPass Group. The proportions allocated to the Agencies are updated annually.

**20. INTERFUNDS AND AIRPORT SUBSIDY**

The total interfund payable from the Airport Fund to the Expressway Fund at December 31, 2024 is \$46,678,366 which is payable from unrestricted funds.

The third amended and restated resolution authorizing bonds and other obligations, Section 5.02(I) establishes an Airport Fund. Accordingly, the Airport Fund is maintained separately from the Expressway Fund and the financial results are separately presented in the accompanying Proprietary Fund Financial Statements. Any excess direct operating expense incurred over revenue earned at the Airport is subsidized by the Expressway Fund and is a liability of the Airport Fund to the Expressway Fund. The Authority periodically transfers amounts from the Expressway Fund to the Airport Fund to subsidize Airport operations. When such transfers are made, the Authority establishes a loan receivable from the Airport Fund to the Expressway Fund for the amount transferred. The loan is payable to the Expressway Fund from unrestricted funds of the Airport Fund when the monies are used on Airport operating expenses, and the loan is payable from restricted funds of the Airport Fund when the monies are used on Airport capital expenditures. These loans are payable to the Expressway Fund when Airport revenue exceeds Airport direct operating expense in any given year, but in no event later than ten years from the date of the loan. Any amounts not repaid by the end of the term due will be written off at the end of the ten-year period. During 2024, \$5,241,453 was written off.

**21. CRDA PARKING FEE AGREEMENT**

On October 10, 1997, in connection with the Atlantic City Expressway Connector Project, the Authority entered into a Parking Fee Agreement with the Casino Reinvestment Development Authority (“CRDA”).

Pursuant to the Agreement, a portion of certain statutory parking fees (“Marina Parking Fees”) receivable by CRDA from marina parking facilities used in conjunction with any new licensed casino hotel construction and located on land in the Marina District (also commonly known as the H-Tract) will be

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**21. CRDA PARKING FEE AGREEMENT (CONTINUED)**

payable to the Authority. These parking fees pertain to the minimum charge per day for each motor vehicle parked, garaged, or stored in a parking space in the parking facility, other than for motor vehicles owned or leased by the owner or operator of such facility or by an employee of the casino hotel which owns or leases such facility.

The maximum amount payable by CRDA under the Parking Fee Agreement is an amount sufficient to amortize \$65 million in Authority bonds issued to finance the Atlantic City Expressway Connector Project and certain allocated costs of issuance. CRDA's payment obligations under the Parking Fee Agreement, as amended by the First, Second and Third Amendments dated June 15, September 20, 2001, and March 2005 respectively are subordinate to the prior lien on the Marina Parking Fees of certain parking revenue bonds of CRDA, plus liens associated with two additional issuances of CRDA parking revenue bonds. During 2024, the Authority received revenue of \$66,912 compared to \$1,105,917 in 2023.

Through December 31, 2024, CRDA has paid the Authority a total of \$47,676,636. Because of the subordination provisions described above, there are no assurances that the amount of Marina Parking Fees available to enable CRDA to pay the Authority will be sufficient for such purposes.

**22. TRANSPORTATION SERVICES**

Effective January 1, 2004, the Authority acquired and assumed the operation of the "Comprehensive Transportation System" in Camden and Gloucester Counties, previously operated by the Camden County Improvement Authority. The Comprehensive Transportation System includes (i) the transportation needs of the Work Force New Jersey and Temporary Assistance to Needy Families ("TANF") recipients, post-TANF recipients, welfare clients, low-income individuals, and other transit dependents, (ii) the operation of a Job Access/Reverse Commute Program in Camden, Atlantic, and Gloucester Counties, (iii) a partnership with New Jersey Transit to provide local shuttle motor bus passenger service. Funding from the various state grants above are used to fund operating costs. Operating expenses incurred are offset by operating revenue from each respective grantor agency, as well as revenue from local private employers.

The Authority also continued to provide shuttle services at the airport for passengers' convenience to and from surface parking lots, as well as transportation services for Camden County Department of Health and Senior Services to provide residents a means to get to dialysis and deliver meals. The Transportation Services Division provides shuttle bus services for Rowan University and Camden County College. Also, provides shuttles services in the City of Camden for colleges, universities and businesses.

During 2024, the Authority realized \$5,560,760 in program revenue compared to \$5,528,882 in 2023.

**23. LEASES**

Effective January 1, 2022, SJTA adopted Governmental Accounting Standards Board Statement No. 87 Leases. The objective of this Statement is to increase the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**23. LEASES (CONTINUED)**

SJTA leases portions of its land, buildings and other assets to unrelated entities for the use and convenience of the Authority’s patrons. The terms of current leases expire between December 31, 2024 – December 31, 2061. No leases transfer ownership of the underlying asset.

Lease receivables are measured at the present value of lease payments expected to be received during the lease term using a discount rate of 4% and is included in Lease Receivables in the accompanying Statement of Net Position. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease. Under the lease agreements, the Authority may receive variable lease payments that are dependent upon the lessee’s revenue. The variable payments are recorded in the period the payment is received.

The balance of the Leases Receivable and related Interest Receivable at December 31, 2024 is shown below:

	<u>Expressway</u>	<u>Airport</u>	<u>Total</u>
Beginning Balance	\$ 6,445,954	\$ 2,521,850	\$ 8,967,804
Lease revenue			
Billboards	(2,515,795)		(2,515,795)
Land	(108,607)	(71,452)	(180,059)
Office		(51,486)	(51,486)
	<u>3,821,552</u>	<u>2,398,912</u>	<u>6,220,464</u>
Interest Receivable			
Billboards	\$ 6,001		\$ 6,001
Land	7,450	\$ 7,496	14,946
Office		532	532
	<u>13,451</u>	<u>8,028</u>	<u>21,479</u>
Total Receivable	<u>\$ 3,835,003</u>	<u>\$ 2,406,940</u>	<u>\$ 6,241,943</u>

**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**General Information about the OPEB Plan**

*Plan Description*

The South Jersey Transportation Authority Retiree Benefits Plan (the “Plan”) provides medical, prescription drug, vision, dental and Medicare Part B reimbursement to retirees and their covered dependents, in accordance with the terms of the applicable collective bargaining agreements or Authority personnel policies for non-bargaining unit members. The Plan is a single employer defined benefit OPEB plan that is administered through a Trust. Active employees who retire from the Authority and meet the eligibility criteria will receive these benefits.

**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

*Benefits Provided*

The Plan provides healthcare, prescription, dental and vision benefits for eligible retirees and their dependents. The Plan also reimburses Medicare Part B premiums to its retired employees, and their eligible dependents and surviving spouses. Healthcare and prescription benefits are provided through the New Jersey State Health Benefits Plan whose premiums are based on the benefits paid during the year. Dental benefits are paid through a plan under which benefits are paid by a third-party service provider on behalf of the Authority. Vision benefits and Medicare Part B premium reimbursements are paid by the Authority.

*Contributions*

SJTA management determines the annual contribution rate based on the prior year's OPEB Valuation. The contribution rate is the amount of the change in the Net OPEB Liability less the deferral amounts. The contribution rate for 2025 was \$5,327,210. For 2025 the contribution rate will be \$4,259,501. Employees are not required to contribute to the Plan.

**Net OPEB Liability**

The Authority's net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The actuarial assumptions used to value the postretirement medical liabilities can be categorized into three groups:

- Economic Assumptions – the discount rate and health care trend rates.
- Benefit Assumptions – the initial per capita cost rates for medical and prescription drug coverage.
- Demographic assumptions – including the probabilities of retiring, dying, terminating (without a benefit), becoming disabled, recovery from disability, election (participating rates) and coverage levels.

In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, we used demographic and health care assumptions consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan (SHBP) as reported in their July 1, 2020 Actuarial Valuation to value the GASB obligations.

Economic Assumptions

The economic assumptions used in the valuation are the discount rate and the health care cost trend rates, and salary and Social Security Taxable Wage Base increases for the determination of projected pension payments. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

---

**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Discount Rate**

The discount rate under GASB 75 should be the single rate that reflects (a) the long-term expected rate of return on plan investments that are expected to be used to finance the benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments and the assets are expected to be invested using a strategy to achieve that return and (b) a yield or index rate for 20-year, tax exempt general obligations municipal bonds with an average rating of AA/AAa or higher (or an equivalent quality on another scale) to the extent that the conditions in (a) are not met. Effective in 2018, SJTA established an irrevocable OPEB Trust and expects to fund the trust based on the increase in the benefit obligation during the prior year. The discount rate used for determining the Total OPEB Liability as of December 31, 2024 is the long-term expected rate of return on plan investments of 3.26%. Given that the plan assets are 100% invested in fixed income securities, we estimated the expected rate of return using the “The Bond Buyer 20-Bond GO Index” as of the measurement date.

**Salary Increases**

3.0% per year.

**Inflation Rate**

2.5% per year.

**Health Care Cost Trend Rates**

Year	Pre-65 Medical	Post -65 Medical	Prescription Drug	Medicare Part B	Dental/Vision
2023	5.25%	4.50%	7.00%	5.00%	3.50%
2024	5.15%	4.50%	6.75%	5.00%	3.50%
2025	5.05%	4.50%	6.50%	5.00%	3.50%
2026	5.00%	4.50%	6.25%	5.00%	3.50%
2027	5.00%	4.50%	6.00%	5.00%	3.50%
2028	5.00%	4.50%	5.75%	5.00%	3.50%
2029	5.00%	4.50%	5.50%	5.00%	3.50%
2030	5.00%	4.50%	5.25%	5.00%	3.50%
2031 +	5.00%	4.50%	5.00%	5.00%	3.50%

**Benefit Assumptions**

The valuation projects the cost to the SJTA of providing healthcare benefits to employees who remain in the medical plan after retirement (postemployment coverage). Medical and prescription drug benefits are provided through the NJ State Health Benefit Program. Dental and vision benefits are provided by the Authority as stand-alone self-funded benefit programs. Under the rules set out in GASB 75, both the direct contribution and any implicit subsidy must be considered in measuring post-retirement medical benefit obligation. Following actuarial standards, specifically ASOP 6, we have developed incurred claims costs for the prescription drug benefits based on current costs for the plans adjusted to age-specific health care cost estimates.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

2024 Annual age-adjusted claims cost for retirees and spouses are as follows:

Age	Medical	Prescription Drug	Dental/Vision
45	10,638.60	1,525.62	580.00
50	12,663.88	1,918.26	580.00
55	15,447.55	2,412.54	580.00
60	19,044.07	3,021.29	580.00
65	1,631.53	2,280.18	580.00
70	1,845.00	2,746.32	580.00
75	2,003.58	3,107.16	580.00
80	2,217.05	3,233.53	580.00
85	2,525.06	3,268.63	580.00
90	2,696.85	3,282.67	580.00

In addition, to the claims costs defined above, we have also assumed a Medicare Part B reimbursement for future retirees of \$164.90 per month for 2024. The Medicare Part B rate assumed for current retirees is \$133.73, which is based on actual premium reimbursement amounts for current retirees, adjusted for the change in the Medicare Part B premium amount from 2023 to 2024.

Demographic Assumptions

**Mortality**

- Pre-Retirement: PUB-2010 (G) Headcount-Weighted Healthy Employee Male/Female Mortality Projected with Scale MP-2021.
- Post-Retirement: PUB-2010 (G) Headcount-Weighted Healthy Annuitant Male / Female Mortality Projected with Scale MP-2021.
- Disabled: PUB-2010 (G) Headcount-Weighted Disabled Retiree Male / Female Mortality Projected with Scale MP-2021.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Retirement Rates**

Civilians are assumed to retire according to the following rates that vary by age and service, with 100% of Civilians assumed to retire at age 75.

Age	<25	25	>25	Age	<25	25	>25
48	N/A	3.00%	2.25%	62	7.50%	34.00%	25.00%
49	N/A	3.00%	3.00%	63	7.50%	34.00%	22.00%
50	N/A	3.50%	3.50%	64	7.50%	34.00%	20.00%
51	N/A	4.25%	3.75%	65	11.00%	35.00%	20.00%
52	N/A	4.75%	3.75%	66	15.00%	43.00%	26.00%
53	N/A	7.00%	5.00%	67	14.00%	40.00%	26.00%
54	N/A	7.00%	6.00%	68	13.00%	40.00%	22.00%
55	N/A	15.00%	15.00%	69	13.00%	37.00%	22.00%
56	N/A	17.00%	13.00%	70	13.00%	37.00%	24.00%
57	N/A	18.00%	12.00%	71	13.00%	37.00%	24.00%
58	N/A	18.00%	12.00%	72	13.00%	37.00%	20.00%
59	N/A	18.00%	12.00%	73	13.00%	37.00%	20.00%
60	4.50%	18.00%	14.00%	74	13.00%	37.00%	20.00%
61	4.50%	18.00%	14.00%	75	100.00%	100.00%	100.00%

**Withdrawal**

Turnover rates vary by age and service. No termination is assumed after attainment of retirement eligibility.

Service	Less than 31 Years Old	31 Years or Older	Service	Less than 31 Years Old	31 Years or Older
0	21.00%	12.00%	13	1.20%	1.20%
1	21.00%	12.00%	14	1.10%	1.10%
2	16.00%	9.00%	15	0.90%	0.90%
3	15.00%	8.00%	16	0.80%	0.80%
4	13.00%	7.00%	17	0.70%	0.70%
5	12.00%	7.00%	18	0.60%	0.60%
6	10.00%	6.50%	19	0.60%	0.60%
7	9.00%	5.50%	20	0.50%	0.50%
8	9.00%	5.00%	21	0.50%	0.50%
9	6.50%	4.00%	22	0.50%	0.50%
10	1.70%	1.70%	23	0.40%	0.40%
11	1.50%	1.50%	24-29	0.30%	0.30%
12	1.40%	1.40%			

**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Disability Rates**

Disability rates vary by age.

**Decrement Timing**

All decrements and benefit payments are assumed to occur at the middle of the year.

**Participation Rates**

We have assumed 100% of future retirees who meet the eligibility requirements will participate in the postemployment welfare plans upon retirement.

**Spousal Coverage**

55% of future retirees are assumed to have dependent coverage upon retirement, with males assumed to be 3 years older than females. Current retiree dependent coverage information was provided by SJTA.

**Chapter 78 Retiree Contributions**

Retiree contributions are based on current medical premium rates indexed for future increases in assumed healthcare trend rates.

**Expenses**

Administrative expenses for medical and prescription drug costs are included in the above per capita claims costs.

**Assumption Changes**

The discount rate was changed from 3.70% at the beginning of the year to 3.26% at the end of the year to reflect changes in the “The Bond Buyer 20-Bond GO Index.”

*Actuarial Methods*

**GASB 75 Actuarial Cost Method**

The actuarial cost method used to determine the plan’s cost is the Entry Age Normal Cost Method. Under the entry age normal cost method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The Service Cost is the portion of this actuarial present value allocated to a valuation year. The Total Pension Liability is the portion of this actuarial present value not provided for at the valuation date by the actuarial present value of future service costs.

**Asset Valuation Method**

The Fiduciary Net Position is equal to the market value of plan assets plus receivable interest.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

Changes in Net OPEB Liability:

	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
	<b>A</b>	<b>B</b>	<b>A-B</b>
Beginning Balance	107,692,532	47,479,233	60,213,299
Changes for the year:			
Service cost	3,812,066		3,812,066
Interest cost	3,585,397	1,591,477	1,993,920
Difference between expected and actual experience loss (gain)	7,442,059		7,442,059
Changes in assumptions	(13,903,909)		(13,903,909)
Contributions - employer		8,373,395	(8,373,395)
Contributions - employee			-
Plan asset gain or (loss)		351,164	(351,164)
Benefits payments, including refunds	(3,046,185)	(3,046,185)	-
Net changes	<u>(2,110,572)</u>	<u>7,269,851</u>	<u>(9,380,423)</u>
Ending Balance	<u><u>105,581,960</u></u>	<u><u>54,749,084</u></u>	<u><u>50,832,876</u></u>

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates**

The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate and healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate and healthcare trend rate.

The Net OPEB liability at December 31, 2024 calculated using a discount rate that is:

	<b>1% Decrease 3.08%</b>	<b>Current Rate 4.08%</b>	<b>1% Increase 5.08%</b>
Total OPEB liability	\$ 122,902,066	\$ 105,581,960	\$ 91,650,934
Plan fiduciary net position	54,749,084	54,749,084	54,749,084
Net OPEB liability	<u>\$ 68,152,982</u>	<u>\$ 50,832,876</u>	<u>\$ 36,901,850</u>
Plan fiduciary net position as a percentage of the total OPEB liability	44.5%	51.9%	59.7%

The Net OPEB liability at December 31, 2024 calculated using a healthcare cost trend rate that is:

	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 89,971,142	\$ 105,581,960	\$ 130,798,553
Plan fiduciary net position	54,749,084	54,749,084	54,749,084
Net OPEB liability	<u>\$ 35,222,058</u>	<u>\$ 50,832,876</u>	<u>\$ 76,049,469</u>
Plan fiduciary net position as a percentage of the total OPEB liability	60.9%	51.9%	41.9%

*OPEB plan Fiduciary Net Position*

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2024, the Authority recognized OPEB expense of \$4,207,999. At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resource related to the OPEB from the following sources:

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**24. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual demographic experience	\$ 6,378,908	\$ 2,506,834
Changes of assumptions	7,523,217	26,935,195
Net difference between projected and actual investment performance	<u>993,977</u>	<u>-</u>
Total	<u>\$ 14,896,102</u>	<u>\$ 29,442,029</u>

Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31,	
2025	\$(2,304,382)
2026	(4,110,146)
2027	(993,354)
2028	(923,354)
2029	(923,122)
Thereafter	(923,188)

*Payable to the OPEB Plan*

At December 31, 2024, there was no amount outstanding for contributions payable to the Plan.

**25. SOUTH INLET TRANSPORTATION IMPROVEMENTS PROJECT**

Pursuant to a tri-party agreement, dated May 18, 2009, by and among the Casino Reinvestment Development Authority (“CRDA”), New Jersey Department of Transportation (“NJDOT”) and the Authority (“South Inlet Funding Agreement”), CRDA has agreed to undertake the construction of the South Inlet Transportation Improvements Project. The Authority has agreed to finance the NJDOT’s construction portion of the costs of the South Inlet Transportation Improvements Project, in the amount of \$17,000,000 through the issuance of the 2009 Subordinated Bonds pursuant to the Subordinated Resolution. See footnote #8 for more information regarding the 2009 Subordinated Bonds.

Pursuant to the terms of the South Inlet Funding Agreement, NJDOT has agreed to pay the Authority, subject to State Legislative appropriations and the availability of funds therefore, in each State Fiscal Year for a period not to exceed twenty (20) years, an amount equal to debt service on the 2009 Subordinated Bonds, plus all costs, liabilities and administrative expenses incurred by the Authority in connection therewith (collectively, “NJDOT’s Payment Obligation”), which aggregate amount shall not exceed \$2,500,000 in each year. The amount received by the Authority from the NJDOT for NJDOT’s Payment Obligation payable under the South Inlet Funding Agreement constitutes revenue under the Third Amended and Restated Bond Resolution.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**25. SOUTH INLET TRANSPORTATION IMPROVEMENTS PROJECT (CONTINUED)**

On August 4, 2009, the Authority issued \$19,085,000 of Subordinated Bonds, \$17,000,000 of which was transferred to the CRDA on behalf of the NJDOT in accordance with the terms of the South Inlet Funding Agreement.

During 2019, the outstanding balance in the amount of \$10,835,000 was refunded as part of the 2019 Series A Subordinated Transportation System Revenue Refunding Bonds. As a result of this refunding, the Authority reduced its total debt requirements by \$2,198,037 which resulted in a reduction in the total debt obligation related to NJDOT. The updated NJDOT repayment schedule is outlined below:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	1,257,250	2027	1,257,000
2025	1,253,000	2028	1,260,000

**26. POLLUTION REMEDIATION COST**

Effective 2008, pollution remediation costs are required to be charged in accordance with the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. The Statement establishes standards for determining when expected pollution remediation outlays should be accrued as a liability or, if appropriate, capitalized. An operating expense and corresponding liability, measured at its current value using the expected cash flow method, should be recognized for certain pollution remediation obligations that are no longer able to be capitalized as a component of a capital project. Pollution remediation obligations, which are estimates and subject to changes resulting from price increases or reductions, technology, or changes in applicable laws or regulations, occur when any one of the following obligating events take place:

- The Authority is compelled to take pollution remediation action because of imminent endangerment.
- The Authority is in violation of a pollution prevention-related permit or license.
- The Authority is named by a regulator as a responsible or potentially responsible party to participate in remediation.
- The Authority is named or there is evidence to indicate that it will be named in a lawsuit that compels participation in remediation activities, or
- The Authority voluntarily commences or legally obligates itself to commence remediation efforts.

As of December 31, 2024, the Authority has determined that it is not required to recognize any operating expense or record a corresponding liability for any pollution remediation obligation.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**27. ATLANTIC CITY INTERNATIONAL AIRPORT**

Below are detailed schedules of Atlantic City International Airport’s operating revenue and expenses. These schedules are presented to provide additional detail of the single-line item entitled “Airport” presented in the Statement of Revenue, Expenses and Changes in Net Position in the accompanying financial statements.

	<u>2024</u>	<u>2023</u>
<b>Revenue:</b>		
<i>Non-Aeronautical</i>		
Airside	\$ 94,561	\$ 126,082
Landside	1,340,085	1,007,072
Parking	6,162,996	4,692,597
Terminal	1,855,857	5,165,784
<i>Aeronautical</i>		
Airside	3,793,850	3,504,973
Landside	42,000	42,000
Terminal	606,829	581,297
	<u>\$ 13,896,178</u>	<u>\$ 15,119,805</u>
<b>Expenses:</b>		
Central Accounts	\$ 2,332,026	\$ 2,125,167
Marketing	177,169	387,266
SJTA Administration	1,108,361	850,423
ACY Customer Service	112,666	71,065
Firefighter Administration	2,514,064	2,375,618
Operations - Airside	33,200	29,701
Operations - Landside	18,337	16,334
Operations - Terminal	3,253,942	3,073,310
NJ State Police-LEO/ACY	4,247,230	4,025,340
Maintenance - Airside	928,426	911,837
Maintenance - Landside	58,629	49,747
Maintenance - Terminal	3,730,238	3,500,192
Parking	1,136,354	1,064,579
ACY Shuttle	255,327	408,946
	<u>\$ 19,905,969</u>	<u>\$ 18,889,525</u>

**28. SUBSEQUENT EVENTS**

Management has evaluated events occurring after December 31, 2024 for possible adjustment to or disclosure in the financial statements through July 31, 2025, the date on which the financial statements were available to be issued.

**Toll Indexing**

On January 1, 2025, the Authority implemented toll rate indexing of 3% on both of the roadways.

**South Jersey Transportation Authority**  
**Notes to Financial Statements**  
**December 31, 2024**

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**29. SUBSEQUENT EVENTS**

Bond Refunding

In January of 2025, the Authority issued Transportation System Revenue Refunding Bonds, 2025 Series A in the amount of \$98,725,000. The proceeds of the 2025 Bonds, together with \$2,044,709 of other funds held by the Authority, were used to refund all of the Authority's outstanding Transportation System Revenue Refunding Bonds, 2014 Series A, and to pay cost of issuance of the 2025 Bonds. As a result of lower interest rates on the 2025 bonds, as compared to the 2014 bonds, and premiums received from the 2025 issuance, the Authority achieved a present value savings of \$9,259,005.

REQUIRED SUPPLEMENTARY INFORMATION

**South Jersey Transportation Authority  
Schedules of Proportionate Share of the Net Pension Liability  
December 31, 2024**

**Public Employees' Retirement System**

Measurement Date Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	0.2414640678%	0.2418731065%	0.2350007255%	0.2307447324%	0.2260935132%	0.2213124262%	0.215793%	0.217251%	0.210408%	0.231252%
Authority's proportionate share of the net pension liability	\$ 32,810,248	\$ 35,033,805	\$ 35,464,845	\$ 27,335,173	\$ 36,869,939	\$ 39,877,142	\$ 42,488,523	\$ 50,572,598	\$62,316,827	\$51,911,440
Authority's covered payroll (plan measurement period)	\$ -	\$ 18,544,875	\$ 18,256,137	\$ 17,022,188	\$ 16,589,176	\$ 16,095,568	\$ 15,749,013	\$ 15,078,852	\$14,774,681	\$14,757,134
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	#DIV/0!	188.9%	194.3%	160.6%	222.3%	247.8%	269.8%	335.4%	421.8%	351.8%
Plan fiduciary net position as a percentage of the total pension liability	#DIV/0!	65.2%	62.9%	70.3%	58.3%	56.3%	53.6%	48.1%	40.1%	47.9%

**Police and Firemen's Retirement System\*\***

Measurement Date Ended June 30,	2024	2023	2021	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	0.0411123300%	0.0419528700%	0.0410659506%	0.0410659506%	0.0380083314%	0.0398232631%	0.042547%	0.044675%	0.045559%	0.048000%
Authority's proportionate share of the net pension liability	\$ 4,245,506	\$ 4,635,281	\$ 3,001,573	\$ 3,001,573	\$ 4,911,178	\$ 4,873,499	\$ 5,757,247	\$ 6,896,991	\$ 8,708,697	\$ 7,995,159
Authority's covered payroll (plan measurement period)	\$ -	\$ 1,378,676	\$ 1,371,219	\$ 1,314,756	\$ 1,280,488	\$ 1,158,359	\$ 1,225,875	\$ 1,223,495	\$ 1,264,577	\$ 1,306,281
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	#DIV/0!	336.2%	218.9%	228.3%	383.5%	420.7%	469.6%	563.7%	688.7%	612.1%
Plan fiduciary net position as a percentage of the total pension liability	#DIV/0!	70.2%	77.3%	77.3%	63.5%	65.0%	62.5%	58.6%	52.0%	56.3%

\* This schedule is intended to show information for 10 years. The Authority adopted GASB 68 in 2015. Additional years will be presented as they become available.

\*\* The 2022 PFRS information is reflective of the 6/30/2021 valuation.

**South Jersey Transportation Authority  
Schedules of Authority's Pension Contributions  
December 31, 2024**

**Public Employees' Retirement System**

Year Ended December 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 3,285,651	\$ 3,232,700	\$ 2,842,316	\$ 2,702,289	\$ 2,473,349	\$ 2,152,718	\$ 2,146,441	\$ 2,012,600	\$ 1,869,235	\$ 1,988,147
Contributions in relation to the contractually required contribution	3,285,651	3,232,700	2,842,316	2,702,289	2,473,349	2,152,718	2,146,441	2,012,600	1,869,235	1,988,147
Contribution deficiency (excess)	<u>\$ -</u>									
Authority's covered payroll (Calendar Year)	\$20,081,046	\$18,975,797	\$18,256,137	\$17,526,825	\$16,722,193	\$16,166,495	\$15,749,013	\$15,078,852	\$14,774,681	\$14,757,134
Contributions as a percentage of covered payroll	16.4%	17.0%	15.6%	15.4%	14.8%	13.3%	13.6%	13.3%	12.7%	13.5%

**Police and Firemen's Retirement System**

Year Ended December 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 568,682	\$ 558,477	\$ 478,609	\$ 491,702	\$ 424,618	\$ 402,259	\$ 415,955	\$ 395,384	\$ 371,707	\$ 375,187
Contributions in relation to the contractually required contribution	568,682	558,477	478,609	491,702	424,618	402,259	415,955	395,384	371,707	375,187
Contribution deficiency (excess)	<u>\$ -</u>									
Authority's covered payroll (Calendar Year)	\$ 1,425,822	\$ 1,376,958	\$ 1,373,559	\$ 1,344,212	\$ 1,288,244	\$ 1,094,328	\$ 1,225,875	\$ 1,223,495	\$ 1,264,577	\$ 1,306,281
Contributions as a percentage of covered payroll	39.9%	40.6%	34.8%	36.6%	33.0%	36.8%	33.9%	32.3%	29.4%	28.7%

\* This schedule is intended to show information for 10 years. The Authority adopted GASB 68 in 2015. Additional years will be presented as they become available.

South Jersey Transportation Authority  
Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios\*  
December 31, 2024

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>							
Service cost	\$ 3,812,066	\$ 3,267,381	\$ 4,778,785	\$ 4,488,723	\$ 3,679,559	\$ 3,238,571	\$ 3,109,466
Interest	3,585,397	3,645,876	2,636,826	2,609,583	2,926,282	3,394,643	3,334,258
Changes of benefit terms		-	-	-	-	-	-
Differences between expected and actual experience	7,442,059	(185,922)	(3,164,253)	(253,583)	(4,371,758)	(12,115,048)	1,193,720
Changes of assumptions	(13,903,909)	7,155,593	(30,035,118)	2,615,990	14,147,184	9,105,267	4,037,351
Benefit payments	(3,046,185)	(2,920,396)	(2,666,207)	(2,335,934)	(2,113,570)	(2,095,856)	(3,139,880)
<b>Net change in total OPEB liability</b>	(2,110,572)	10,962,532	(28,449,967)	7,124,779	14,267,697	1,527,577	8,534,915
<b>Total OPEB liability-beginning</b>	107,692,532	96,730,000	125,179,967	118,055,188	103,787,491	102,259,914	93,724,999
<b>Total OPEB liability-ending</b>	<u>\$ 105,581,960</u>	<u>\$ 107,692,532</u>	<u>\$ 96,730,000</u>	<u>\$ 125,179,967</u>	<u>\$ 118,055,188</u>	<u>\$ 103,787,491</u>	<u>\$ 102,259,914</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 8,373,395	\$ 7,369,857	\$ 5,479,019	\$ 6,015,493	\$ 5,293,099	\$ 6,294,662	\$ 29,632,315
Net investment income	1,942,641	2,342,697	(3,085,395)	(59,911)	1,466,259	1,540,564	462,417
Benefit payments	(3,046,185)	(2,920,396)	(2,666,207)	(2,335,934)	(2,113,570)	(2,095,856)	(3,139,880)
Administrative expense	-	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	7,269,851	6,792,158	(272,583)	3,619,648	4,645,788	5,739,370	26,954,852
<b>Plan fiduciary net position-beginning</b>	47,479,233	40,687,075	40,959,658	37,340,010	32,694,222	26,954,852	-
<b>Plan fiduciary net position-ending</b>	<u>\$ 54,749,084</u>	<u>\$ 47,479,233</u>	<u>\$ 40,687,075</u>	<u>\$ 40,959,658</u>	<u>\$ 37,340,010</u>	<u>\$ 32,694,222</u>	<u>\$ 26,954,852</u>
<b>Authority's net OPEB liability-ending</b>	<u>\$ 50,832,876</u>	<u>\$ 60,213,299</u>	<u>\$ 56,042,925</u>	<u>\$ 84,220,309</u>	<u>\$ 80,715,178</u>	<u>\$ 71,093,269</u>	<u>\$ 75,305,062</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	52%	44%	42%	33%	32%	32%	26%
<b>Covered-employee payroll</b>	\$ -	\$ 20,352,755	\$ 19,629,696	\$ 18,871,037	\$ 18,010,437	\$ 17,126,649	\$ 16,307,396
<b>Authority's net OPEB liability as a percentage of covered employee payroll</b>	#DIV/0!	296%	286%	446%	448%	415%	462%
<b>Authority's Total OPEB liability as a percentage of covered employee payroll</b>	#DIV/0!	529%	493%	663%	655%	606%	627%

\*This schedule is intended to show information for 10 years. The Authority adopted GASB 75 in 2018. Additional years will be presented as they become available.

**South Jersey Transportation Authority  
Schedule of Authority's OPEB Contributions\*  
December 31, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$3,812,066	\$ 3,267,381	\$ 4,778,785	\$ 4,488,723	\$ 3,179,529	\$ 4,198,806	\$ 3,785,492
Contributions in relation to the actuarially determined contribution	<u>3,812,066</u>	<u>3,267,381</u>	<u>4,778,785</u>	<u>4,488,723</u>	<u>3,179,529</u>	<u>4,198,806</u>	<u>3,785,492</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Covered employee-payroll	\$ -	\$20,352,755	\$19,629,696	\$18,871,037	\$18,010,437	\$17,126,649	\$16,307,396
Contributions as a percentage of covered-employee payroll	#DIV/0!	16.05%	24.34%	23.79%	17.65%	24.52%	23.21%

**Notes to Schedule**

Valuation date: December 31.

Actuarially determined contribution rates are calculated as of December 31 one year prior to the end of the year in which contributions are reported.

For actuarial assumptions and methods see Note 25 of the Notes to the Financial Statements.

\*This schedule is intended to show information for 10 years. The Authority adopted GASB 75 in 2018. Additional years will be presented as they become available.

OTHER SUPPLEMENTARY INFORMATION

South Jersey Transportation Authority  
Statement of Net Position - Fund Financial Statement  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	Unrestricted Accounts			Restricted Accounts							Totals		
	Revenue Fund	Airport Fund	General Reserve Fund	Debt Service Fund	Rehabilitation and Repair Fund	State Payment Fund	Debt Service Reserve Fund	Arbitrage Rebate Fund	Subordinated Debt Fund	Construction Fund	Consolidation Eliminations	2024	2023
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>													
<b>Unrestricted Assets:</b>													
Cash and Cash Equivalents	\$ 24,145,906	\$ 2,005,739	\$ 100,029,911									\$ 126,181,556	\$ 127,482,557
Change Funds	142,491											142,491	189,943
Accounts Receivable, net of allowance for uncollectible accounts of \$92,314	4,421,034	1,564,811										5,985,845	6,885,028
Leases Receivable	3,835,003	2,406,940										6,241,943	8,967,804
Grants Receivable	1,870,244	113,464										1,983,708	2,477,417
Prepaid Expenses	2,370,309	403,015										2,773,324	3,119,626
Security Deposits	144,886	1,530										146,416	150,416
Inventory	115,506											115,506	124,878
Interfunds Receivable	37,271,945	38,534,357	71,423,283								\$ (147,229,585)	-	-
<b>Total Unrestricted Assets</b>	<b>74,317,324</b>	<b>45,029,856</b>	<b>171,453,194</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(147,229,585)</b>	<b>143,570,789</b>	<b>149,397,669</b>
<b>Restricted Assets:</b>													
Cash and Cash Equivalents				\$ 7,024,046	\$ 7,083,030	\$ 269	\$ 41,095,979		\$ 3,453,993	\$ 493,547,145		552,204,462	568,608,715
Investments							24,631,814					24,631,814	24,946,823
Accounts Receivable									3,130,000			3,130,000	4,180,000
Grants Receivable										205,433		205,433	437,350
Interest Receivable							87,107					87,107	99,534
Interfunds Receivable				16,287,754	1,608,036	208,335	1,507,322	\$ 224,295	49,394,301	68,352,743	(137,582,786)	-	-
<b>Total Restricted Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,311,800</b>	<b>8,691,066</b>	<b>208,604</b>	<b>67,322,222</b>	<b>224,295</b>	<b>55,978,294</b>	<b>562,105,321</b>	<b>(137,582,786)</b>	<b>580,258,816</b>	<b>598,272,422</b>
<b>Capital Assets:</b>													
<b>Non-Depreciable Capital Assets:</b>													
Land and Right of Ways										145,464,608		145,464,608	145,464,608
Construction in Progress										151,789,454		151,789,454	80,874,712
<b>Total Non-Depreciable Capital Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297,254,062</b>	<b>-</b>	<b>297,254,062</b>	<b>226,339,320</b>
<b>Non-Infrastructure Capital Assets:</b>													
Buildings and Equipment										219,932,931		219,932,931	219,252,469
Less Accumulated Depreciation										(160,557,175)		(160,557,175)	(154,694,785)
<b>Total Non-Infrastructure Capital Asset</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,375,756</b>	<b>-</b>	<b>59,375,756</b>	<b>64,557,684</b>
<b>Infrastructure Capital Assets:</b>													
Infrastructure - Equipment										31,567,113		31,567,113	30,380,214
Infrastructure										688,721,346		688,721,346	688,096,038
Less Accumulated Depreciation										(453,534,741)		(453,534,741)	(429,020,328)
<b>Total Infrastructure Capital Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>266,753,718</b>	<b>-</b>	<b>266,753,718</b>	<b>289,455,924</b>
<b>Total Assets</b>	<b>74,317,324</b>	<b>45,029,856</b>	<b>171,453,194</b>	<b>23,311,800</b>	<b>8,691,066</b>	<b>208,604</b>	<b>67,322,222</b>	<b>224,295</b>	<b>55,978,294</b>	<b>1,185,488,857</b>	<b>(284,812,371)</b>	<b>1,347,213,141</b>	<b>1,328,023,019</b>
<b>Deferred Outflows of Resources:</b>													
Related to Pensions	4,841,608	1,496,418										6,338,026	7,258,513
Related to OPEB	13,257,531	1,638,571										14,896,102	15,236,571
Loss on Early Extinguishment of Debt										3,839,835		3,839,835	4,856,960
<b>Total Deferred Outflows of Resources</b>	<b>18,099,139</b>	<b>3,134,989</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,839,835</b>	<b>-</b>	<b>25,073,963</b>	<b>27,352,044</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 92,416,463</b>	<b>\$ 48,164,845</b>	<b>\$ 171,453,194</b>	<b>\$ 23,311,800</b>	<b>\$ 8,691,066</b>	<b>\$ 208,604</b>	<b>\$ 67,322,222</b>	<b>\$ 224,295</b>	<b>\$ 55,978,294</b>	<b>\$ 1,189,328,692</b>	<b>\$ (284,812,371)</b>	<b>\$ 1,372,287,104</b>	<b>\$ 1,355,375,063</b>

South Jersey Transportation Authority  
Statement of Net Position - Fund Financial Statements  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	Unrestricted Accounts			Restricted Accounts							Totals		
	Revenue Fund	Airport Fund	General Reserve Fund	Debt Service Fund	Rehabilitation and Repair Fund	State Payment Fund	Debt Service Reserve Fund	Arbitrage Rebate Fund	Subordinated Debt Fund	Construction Fund	Consolidation Eliminations	2024	2023
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>													
<b>Current Liabilities Payable From Unrestricted Assets:</b>													
Accounts Payable	\$ 6,649,600	\$ 3,409,113										\$ 10,058,713	\$ 9,250,867
Unearned Income	222,670	361,622										584,292	671,288
Escrow Deposits	146,005	164,423							\$ 10,012			320,440	204,637
Accrued Expenses	2,391,842	434,915										2,826,757	1,896,492
Interfunds Payable	105,021,601	46,678,366	\$ 42,859								\$ (151,742,826)	-	-
<b>Total Current Liabilities Payable From Unrestricted Assets</b>	<b>114,431,718</b>	<b>51,048,439</b>	<b>42,859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,012</b>	<b>(151,742,826)</b>	<b>13,790,202</b>	<b>12,023,284</b>
<b>Current Liabilities Payable From Restricted Assets:</b>													
Accrued Interest Payable				\$ 6,631,855				\$ 232,142				6,863,997	6,930,587
Accrued Expenses								\$ 5,844,975				5,844,975	1,200,000
Accounts Payable									6,067,346			6,067,346	10,113,536
Escrow Deposits												-	13,732
Retainages Payable										1,899,256		1,899,256	696,036
Due to Other Governmental Agencies						\$ 208,335						208,335	208,335
PFC Advanced										2,547,154		2,547,154	711,393
CFC Advanced									3,934,462			3,934,462	3,607,282
Insurance and Labor Reserves	3,629,708	1,025,363										4,655,071	4,646,102
Bonds Payable, Net of Discounts and Premiums of (\$3,607,101)												21,827,101	18,169,090
Interfunds Payable				13,540,248	\$ 1,395,363		28,532,843	224,126	17,449,058	4,378,043	17,555,260	87,621,705	(133,069,545)
<b>Total Current Liabilities Payable From Restricted Assets</b>	<b>3,629,708</b>	<b>1,025,363</b>	<b>-</b>	<b>20,172,103</b>	<b>1,395,363</b>	<b>208,335</b>	<b>28,532,843</b>	<b>6,069,101</b>	<b>19,436,460</b>	<b>106,447,966</b>	<b>(133,069,545)</b>	<b>53,847,697</b>	<b>46,296,093</b>
<b>Noncurrent Liabilities:</b>													
Accrued Expenses	35,000											35,000	35,000
Net Pension Liability	30,185,428	6,870,326										37,055,754	39,669,086
Net OPEB Liability	45,241,260	5,591,616										50,832,876	60,213,299
Bonds Payable, Net of Discounts and Premiums of (\$45,630,083)									16,134,828	910,400,255		926,535,083	948,362,184
<b>Total Non-Current Liabilities</b>	<b>75,461,688</b>	<b>12,461,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,134,828</b>	<b>910,400,255</b>	<b>-</b>	<b>1,014,458,713</b>	<b>1,048,279,569</b>
<b>Total Liabilities</b>	<b>193,523,114</b>	<b>64,535,744</b>	<b>42,859</b>	<b>20,172,103</b>	<b>1,395,363</b>	<b>208,335</b>	<b>28,532,843</b>	<b>6,069,101</b>	<b>35,571,288</b>	<b>1,016,858,233</b>	<b>(284,812,371)</b>	<b>1,082,096,612</b>	<b>1,106,598,946</b>
<b>Deferred Inflows of Resources:</b>													
Related to Pensions	1,869,312	588,978										2,458,290	2,960,465
Related to OPEB	26,203,406	3,238,623										29,442,029	25,884,869
Related to Leases	3,390,089	2,128,066										5,518,155	8,562,388
<b>Total Deferred Inflows of Resources</b>	<b>31,462,807</b>	<b>5,955,667</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,418,474</b>	<b>37,407,722</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 224,985,921</b>	<b>\$ 70,491,411</b>	<b>\$ 42,859</b>	<b>\$ 20,172,103</b>	<b>\$ 1,395,363</b>	<b>\$ 208,335</b>	<b>\$ 28,532,843</b>	<b>\$ 6,069,101</b>	<b>\$ 35,571,288</b>	<b>\$ 1,016,858,233</b>	<b>\$ (284,812,371)</b>	<b>\$ 1,119,515,086</b>	<b>\$ 1,144,006,668</b>

South Jersey Transportation Authority  
Statement of Net Position - Fund Financial Statements  
As of December 31, 2024  
With Summarized Comparative Information as of December 31, 2023

	Unrestricted Accounts			Restricted Accounts							Totals		
	Revenue Fund	Airport Fund	General Reserve Fund	Debt Service Fund	Rehabilitation and Repair Fund	State Payment Fund	Debt Service Reserve Fund	Arbitrage Rebate Fund	Subordinated Debt Fund	Construction Fund	Consolidation Eliminations	2024	2023
<b>NET POSITION</b>													
Net Investment in Capital Assets										\$ 178,585,272		\$ 178,585,272	\$ 117,619,494
<b>Restricted for:</b>													
Debt Service				\$ 3,139,697								3,139,697	2,765,632
Rehabilitation and Repair					\$ 7,295,703							7,295,703	6,938,635
Debt Service Reserve							\$ 38,789,379					38,789,379	36,118,820
State Payment						\$ 269						269	261
Capital Projects									(6,114,813)			(6,114,813)	15,668,336
Arbitrage Rebate								\$ (5,844,806)				(5,844,806)	(1,199,831)
Subordinated Debt Fund									\$ 20,407,006			20,407,006	20,004,476
<b>Unrestricted for:</b>													
Unrestricted Net Position	\$ (47,169,191)	\$ (9,172,012)	\$ 171,410,335									115,069,132	113,334,957
Related to Net Pension Liability	(27,213,132)	(5,962,886)										(33,176,018)	(39,669,086)
Related to Total OPEB Liability	(58,187,135)	(7,191,668)										(65,378,803)	(60,213,299)
<b>Total Net Position</b>	<u>(132,569,458)</u>	<u>(22,326,566)</u>	<u>171,410,335</u>	<u>3,139,697</u>	<u>7,295,703</u>	<u>269</u>	<u>38,789,379</u>	<u>(5,844,806)</u>	<u>20,407,006</u>	<u>172,470,459</u>	<u>-</u>	<u>252,772,018</u>	<u>211,368,395</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 92,416,463</u>	<u>\$ 48,164,845</u>	<u>\$ 171,453,194</u>	<u>\$ 23,311,800</u>	<u>\$ 8,691,066</u>	<u>\$ 208,604</u>	<u>\$ 67,322,222</u>	<u>\$ 224,295</u>	<u>\$ 55,978,294</u>	<u>\$ 1,189,328,692</u>	<u>\$ (284,812,371)</u>	<u>\$ 1,372,287,104</u>	<u>\$ 1,355,375,063</u>

South Jersey Transportation Authority  
Statement of Revenue, Expenses and Changes in Net Position - Fund Financial Statements  
For the Year Ended December 31, 2024  
With Summarized Comparative Information for the Year Ended December 31, 2023

	Unrestricted Accounts			Restricted Accounts							Totals		
	Revenue Fund	Airport Fund	General Reserve Fund	Debt Service Fund	Rehabilitation and Repair Fund	State Payment Fund	Debt Service Reserve Fund	Arbitrage Rebate Fund	Subordinated Debt Fund	Construction Fund	Consolidation Eliminations	2024	2023
<b>Operating Revenue:</b>													
Tolls	\$ 123,506,749											\$ 123,506,749	\$ 119,985,115
Concessions	1,064,223											1,064,223	985,415
ETC Administration Revenue	11,810,238											11,810,238	12,060,054
Marina Parking Revenue	66,912											66,912	1,105,917
Rentals	4,162,520											4,162,520	4,356,808
FEMA Grant Reimbursement	193,105											193,105	519,955
Naming Rights	391,322											391,322	360,202
SJTPO Programs	3,585,224											3,585,224	2,840,816
Transportation Services	5,560,760											5,560,760	5,528,882
Other	1,168,302											1,168,302	783,844
Airport		\$ 13,896,179										13,896,179	15,119,805
<b>Total Operating Revenue</b>	<b>151,509,355</b>	<b>13,896,179</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>165,405,534</b>	<b>163,646,813</b>
<b>Operating Expenses:</b>													
Executive	969,409											969,409	900,916
Business Administration	1,637,814											1,637,814	1,491,469
Engineering	1,714,902											1,714,902	2,500,339
Finance	1,541,740											1,541,740	1,364,904
Central Accounts	14,563,737											14,563,737	13,291,361
Other Post-Employment Benefits	2,711,105	335,080										3,046,185	2,920,396
Marketing and Community Relations	300,452											300,452	128,383
Toll Services	4,807,438											4,807,438	4,673,551
Maintenance	17,164,165											17,164,165	12,250,162
Police	8,022,434											8,022,434	9,499,599
Emergency Service Patrol	1,102,658											1,102,658	1,052,460
Electronic Toll Collection Expense	7,753,103											7,753,103	8,003,857
Information Services	1,500,550											1,500,550	2,177,692
SJTPO Programs	3,585,224											3,585,224	2,840,816
Transportation Services	6,030,190											6,030,190	5,666,715
Airport		19,570,889										19,570,889	18,568,281
Depreciation										\$ 35,494,925		35,494,925	37,400,372
<b>Total Operating Expenses</b>	<b>73,404,921</b>	<b>19,905,969</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,494,925</b>	<b>-</b>	<b>128,805,815</b>	<b>124,731,273</b>
<b>Operating Income (Loss)</b>	<b>78,104,434</b>	<b>(6,009,790)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(35,494,925)</b>	<b>-</b>	<b>-</b>	<b>36,599,719</b>	<b>38,915,540</b>
<b>Non-Operating Revenue (Expenses)</b>													
Interest and Dividends	893,499	104,771	\$ 4,972,484	\$ 387,578	\$ 360,846	\$ 1,971	\$ 2,325,360		\$ 386,223	19,323,161		28,755,893	32,260,802
Market Value Adjustments on Investments							374,990					374,990	657,089
Gain (Loss) on Disposal of Assets										(437,728)		(437,728)	-
Other Income (Expenses)										55,772		55,772	182,821
Bad Debt Expense												-	(219,761)
Effect of Change in Pension Liability	1,649,521	545,499										2,195,020	325,949
Effect of Change in OPEB Liability	(21,347)	176,931										155,584	(1,287,603)
Amortization of Bond Premium									288,556	3,419,503		3,708,059	3,812,293
Interest on Bonds				(40,083,043)					(1,433,892)			(41,516,935)	(44,174,098)
State Payment						(2,500,000)						(2,500,000)	(2,500,000)
<b>Total Non-Operating Income/(Expense)</b>	<b>2,521,673</b>	<b>827,201</b>	<b>4,972,484</b>	<b>(39,695,465)</b>	<b>360,846</b>	<b>(2,498,029)</b>	<b>2,700,350</b>	<b>-</b>	<b>(759,113)</b>	<b>22,360,708</b>	<b>-</b>	<b>(9,209,345)</b>	<b>(10,942,508)</b>
<b>Income (Loss) before Contributions and Transfers</b>	<b>80,626,107</b>	<b>(5,182,589)</b>	<b>4,972,484</b>	<b>(39,695,465)</b>	<b>360,846</b>	<b>(2,498,029)</b>	<b>2,700,350</b>	<b>-</b>	<b>(759,113)</b>	<b>(13,134,217)</b>	<b>-</b>	<b>27,390,374</b>	<b>27,973,032</b>
Capital Contributions										14,013,249		14,013,249	5,435,702
Transfers (To) From Unrestricted Funds	(16,424,779)	4,178,535	12,246,244	53,614,530	(3,778)	2,498,037	(29,791)		1,161,643	20,113,622		77,354,263	55,155,323
Transfers (To) From Restricted Funds	(57,567,083)	1,062,918	(20,850,098)	(13,545,000)				\$ (4,644,975)		18,189,975		(77,354,263)	(55,155,323)
<b>Change in Net Position</b>	<b>6,634,245</b>	<b>58,864</b>	<b>(3,631,370)</b>	<b>374,065</b>	<b>357,068</b>	<b>8</b>	<b>2,670,559</b>	<b>(4,644,975)</b>	<b>402,530</b>	<b>39,182,629</b>	<b>-</b>	<b>41,403,623</b>	<b>33,408,734</b>
<b>Total Net Position Balance -- Beginning</b>	<b>(139,203,703)</b>	<b>(22,385,430)</b>	<b>175,041,705</b>	<b>2,765,632</b>	<b>6,938,635</b>	<b>261</b>	<b>36,118,820</b>	<b>(1,199,831)</b>	<b>20,004,476</b>	<b>133,287,830</b>	<b>-</b>	<b>211,368,395</b>	<b>177,959,661</b>
<b>Total Net Position -- Ending</b>	<b>\$ (132,569,458)</b>	<b>\$ (22,326,566)</b>	<b>\$ 171,410,335</b>	<b>\$ 3,139,697</b>	<b>\$ 7,295,703</b>	<b>\$ 269</b>	<b>\$ 38,789,379</b>	<b>\$ (5,844,806)</b>	<b>\$ 20,407,006</b>	<b>\$ 172,470,459</b>	<b>\$ -</b>	<b>\$ 252,772,018</b>	<b>\$ 211,368,395</b>

South Jersey Transportation Authority  
Schedule of Bonds Payable  
As of December 31, 2024

	<u>Date of Issue</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance December 31, 2023</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance December 31, 2024</u>
Transportation System Revenue Bonds, 2009 Series A-5 (Federally Taxable-Issuer Subsidy-Build America Bonds)	08/04/2009	\$ 96,260,000	7.000%	11/01/2030	\$ 5,460,000			\$ 5,460,000
			7.000%	11/01/2031	5,725,000			5,725,000
			7.000%	11/01/2032	6,020,000			6,020,000
			7.000%	11/01/2033	11,710,000			11,710,000
			7.000%	11/01/2034	12,775,000			12,775,000
			7.000%	11/01/2035	13,375,000			13,375,000
			7.000%	11/01/2036	19,555,000			19,555,000
			7.000%	11/01/2037	19,725,000			19,725,000
			7.000%	11/01/2038	1,915,000			1,915,000
				<u>96,260,000</u>	<u>-</u>	<u>-</u>	<u>96,260,000</u>	
Transportation System Revenue Refunding Bonds, 2014 Series A (Tax Exempt)	12/29/2014	\$ 112,305,000	5.000%	11/01/2024	545,000		\$ 545,000	-
			5.000%	11/01/2025	1,705,000			1,705,000
			5.000%	11/01/2026	1,790,000			1,790,000
			5.000%	11/01/2027	1,880,000			1,880,000
			5.000%	11/01/2028	3,485,000			3,485,000
			5.000%	11/01/2029	4,555,000			4,555,000
			5.000%	11/01/2030	4,755,000			4,755,000
			5.000%	11/01/2031	4,965,000			4,965,000
			5.000%	11/01/2032	5,190,000			5,190,000
			5.000%	11/01/2033	5,415,000			5,415,000
			5.000%	11/01/2034	4,435,000			4,435,000
			5.000%	11/01/2035	4,585,000			4,585,000
			5.000%	11/01/2036	5,180,000			5,180,000
			5.000%	11/01/2037	5,780,000			5,780,000
5.000%	11/01/2038	24,100,000			24,100,000			
5.000%	11/01/2039	27,110,000			27,110,000			
				<u>105,475,000</u>	<u>-</u>	<u>545,000</u>	<u>104,930,000</u>	
Transportation System Revenue Refunding Bonds, 2014 Series B (Federally Taxable)	12/29/2014	\$ 17,255,000	4.550%	11/01/2024	2,065,000		2,065,000	-
			4.900%	11/01/2025	2,140,000			2,140,000
			4.900%	11/01/2026	2,220,000			2,220,000
			4.900%	11/01/2027	2,305,000			2,305,000
			5.050%	11/01/2028	880,000			880,000
							<u>9,610,000</u>	<u>-</u>
Transportation System Revenue Refunding Bonds, 2019 Series A (Tax Exempt)	10/24/2019	\$ 62,435,000	5.000%	11/01/2028	1,075,000			1,075,000
			5.000%	11/01/2029	16,305,000			16,305,000
			5.000%	11/01/2030	11,690,000			11,690,000
			5.000%	11/01/2031	12,290,000			12,290,000

(Continued)

**South Jersey Transportation Authority**  
**Schedule of Bonds Payable**  
**As of December 31, 2024**

	<u>Date of Issue</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance December 31, 2023</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance December 31, 2024</u>
Transportation System Revenue Refunding Bonds, 2019 Series A (Tax Exempt) (Cont'd)	10/24/2019	\$ 62,435,000						
			5.000%	11/01/2032	\$ 12,900,000			\$ 12,900,000
			5.000%	11/01/2033	8,175,000			8,175,000
					<u>62,435,000</u>	<u>-</u>	<u>-</u>	<u>62,435,000</u>
Transportation System Revenue Refunding Bonds 2019 Series B (Federally Taxable)	10/24/2019	\$ 38,630,000	3.020%	11/01/2025	2,180,000			2,180,000
			3.120%	11/01/2026	2,265,000			2,265,000
			3.260%	11/01/2027	2,365,000			2,365,000
			3.360%	11/01/2028	12,740,000			12,740,000
			3.936%	11/01/2034	9,320,000			9,320,000
			3.936%	11/01/2035	9,760,000			9,760,000
		<u>38,630,000</u>	<u>-</u>	<u>-</u>	<u>38,630,000</u>			
Subordinated Refunding Bonds 2019 Series A (Tax Exempt)	10/24/2019	\$ 8,930,000	5.000%	11/01/2024	985,000		\$ 985,000	-
			5.000%	11/01/2025	1,030,000			1,030,000
			5.000%	11/01/2026	1,090,000			1,090,000
			5.000%	11/01/2027	1,140,000			1,140,000
			5.000%	11/01/2028	1,200,000			1,200,000
		<u>5,445,000</u>	<u>-</u>	<u>985,000</u>	<u>4,460,000</u>			
Transportation System Revenue Bonds, 2020 Series A (Tax Exempt)	10/29/2020	\$ 298,910,000	4.000%	11/01/2040	21,450,000			21,450,000
			5.000%	11/01/2041	22,305,000			22,305,000
			5.000%	11/01/2042	23,420,000			23,420,000
			5.000%	11/01/2043	24,595,000			24,595,000
			5.000%	11/01/2044	25,825,000			25,825,000
			5.000%	11/01/2045	27,115,000			27,115,000
			4.000%	11/01/2046	28,470,000			28,470,000
			4.000%	11/01/2047	29,610,000			29,610,000
			4.000%	11/01/2048	30,790,000			30,790,000
			4.000%	11/01/2049	32,025,000			32,025,000
			4.000%	11/01/2050	33,305,000			33,305,000
		<u>298,910,000</u>	<u>-</u>	<u>-</u>	<u>298,910,000</u>			
Transportation System Revenue Refunding Bonds 2020 Series B (Federally Taxable)	10/29/2020	\$ 48,000,000	2.095%	11/01/2024	10,935,000		10,935,000	-
			2.195%	11/01/2025	11,165,000			11,165,000
			2.401%	11/01/2026	11,410,000			11,410,000
			2.381%	11/01/2027	11,680,000			11,680,000
			2.561%	11/01/2028	610,000			610,000
		<u>45,800,000</u>	<u>-</u>	<u>10,935,000</u>	<u>34,865,000</u>			

(Continued)

South Jersey Transportation Authority  
Schedule of Bonds Payable  
As of December 31, 2024

	<u>Date of Issue</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance December 31, 2023</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance December 31, 2024</u>
Subordinated Bonds	10/29/2020	\$ 26,090,000	5.000%	11/01/2040	\$ 1,855,000			\$ 1,855,000
2020 Series A (Tax Exempt)			5.000%	11/01/2041	1,950,000			1,950,000
			5.000%	11/01/2042	2,045,000			2,045,000
			5.000%	11/01/2043	2,150,000			2,150,000
			5.000%	11/01/2044	2,255,000			2,255,000
			5.000%	11/01/2045	2,370,000			2,370,000
			4.000%	11/01/2046	2,485,000			2,485,000
			4.000%	11/01/2047	2,585,000			2,585,000
			4.000%	11/01/2048	2,690,000			2,690,000
			4.000%	11/01/2049	2,795,000			2,795,000
			4.000%	11/01/2050	2,910,000			2,910,000
					<u>26,090,000</u>	<u>-</u>	<u>-</u>	<u>26,090,000</u>
Transportation System Revenue Bonds,	9/22/2022	\$ 225,000,000	5.000%	11/01/2036	4,160,000			4,160,000
2022 Series A (Tax Exempt)			5.000%	11/01/2037	4,775,000			4,775,000
			5.000%	11/01/2038	5,715,000			5,715,000
			5.000%	11/01/2039	6,200,000			6,200,000
			5.000%	11/01/2040	11,670,000			11,670,000
			5.000%	11/01/2041	12,255,000			12,255,000
			4.500%	11/01/2042	12,870,000			12,870,000
			4.625%	11/01/2043	13,445,000			13,445,000
			4.625%	11/01/2044	14,065,000			14,065,000
			4.625%	11/01/2045	14,715,000			14,715,000
			4.625%	11/01/2046	15,400,000			15,400,000
			4.625%	11/01/2047	16,110,000			16,110,000
			5.250%	11/01/2048	16,860,000			16,860,000
			5.250%	11/01/2049	17,745,000			17,745,000
			5.250%	11/01/2050	18,675,000			18,675,000
			5.250%	11/01/2051	19,655,000			19,655,000
			5.250%	11/01/2052	20,685,000			20,685,000
					<u>225,000,000</u>	<u>-</u>	<u>-</u>	<u>225,000,000</u>
					\$ <u>913,655,000</u>	\$ <u>-</u>	\$ <u>14,530,000</u>	\$ <u>899,125,000</u>

**South Jersey Transportation Authority  
Schedule of Toll Revenue and Transactions  
Year Ended December 31, 2024**

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Interchange:	<u>Toll Revenue</u>	<u>Vehicle Count</u>
Pleasantville	\$ 29,161,752	18,065,267
Exit 5, Route 9	1,339,787	866,693
Mays Landing	3,200,961	2,273,846
Egg Harbor	3,118,949	2,258,658
Hammonton	1,227,707	260,846
Winslow	77,274,609	15,788,421
Williamstown	2,417,587	1,635,025
Pomona	1,128,909	734,221
Berlin Crosskeys	2,701,134	3,311,773
Route 50	1,935,355	2,384,185
Unusual and Toll Free	-	101,324
	<u>\$ 123,506,749</u>	<u>47,680,259</u>

Unusual vehicles include vehicles with special transit permits, fire equipment, ambulance, and patrons without funds.

Toll-free vehicles include Authority vehicles, emergency vehicles, vendors servicing the Expressway System, and other whom the Authority deems to be necessary and convenient to the operation of the Expressway System.