DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

DECEMBER 31, 2019

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

DECEMBER 31, 2019

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

ROSTER OF OFFICIALS
DECEMBER 31, 2019

New Jersey Commissioners	**Position**
Michael B. Lavery	Chairman
Yuki Moore Laurenti	Treasurer
Garrett Leonard Van Vliet	Member
Aladar Komjathy	Member
Lori Ciesla	Member
Pennsylvania Commissioners	**Position**
Wadud Ahmad	Vice Chairman
Pamela Janvey	Secretary
Daniel Grace	Member
Amy Zanelli	Member
John D. Christy	Member
Other Officials	**Position**
Joseph J. Resta	Executive Director
Arnold J. Conoline, Jr.	Chief Administrative Officer
James M. Petrino	Chief Financial Officer
Sean M. Hill	Deputy Executive Director of Operations
Joseph F. Donnelly	Deputy Executive Director of Communications
Roy W. Little	Chief Engineer
Qiyan Zhao	Comptroller

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Delaware River Joint Toll Bridge Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the proprietary and fiduciary funds of Delaware River Joint Toll Bridge Commission ("Commission") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Commission's preparation and fair presentation of the financial statements 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 Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Commission as of December 31, 2019, and its respective changes in financial position and its cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Matters

Comparative Financial Information

The financial statements of the Commission as of and for the year ended December 31, 2018, were audited by other auditors whose report dated June 20, 2019, expressed unmodified opinions on those financial statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in plans' net OPEB liability, Commission's OPEB contributions, Commission's proportionate share of net pension liability, and Commission's pensions contributions as listed 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying other supplementary schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated June 22, 2020, on our consideration of the Commission'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 solely 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 of internal control over financial reporting or on compliance. That report is an integral part of an audit performed with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Mercadien, P.C.
Certified Public Accountants

June 22, 2020

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the Delaware River Joint Toll Bridge Commission (the "Commission"), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission's fiscal years ended December 31, 2019 and 2018. We encourage readers to consider the information presented here in conjunction with the audited financial statements and supplementary information as a whole.

Financial Highlights

Operating revenues for the Commission totaled $144,995,216 for the year ended December 31, 2019, which represents an increase of 10.25% over the previous year. The Scudder Falls Toll Bridge began toll collection on July 14, 2019, which contributed $8,590,047 or 5.92% to the 2019 operating revenue.

In 2019, net operating income totaled $43,020,681 and Change in Net Position totaled $26,041,209 as compared to $38,230,113 and $23,506,908, respectively, for 2018. Total Operating Expense increased $8,689,220 which comprises $1,891,199 Salaries and Wages increase, $1,588,616 Fringe Benefit increase and $1,812,473 Other Operating Expenses increase, primarily due to Scudder Falls Bridge Toll Operation. The Other Post-Employment Benefits and Pension and Depreciation Expenses also increased $2,158,830 and $1,238,102, respectively.

A $2,256,267 or 15.32% increase in Net Non-Operating expenses was driven by a $4,838,477 or 520.88% increase in Amortization of Deferred Loss on Refunding of Debt and a $1,587,438 or 100% increase in Bond Issuance Cost. These increases resulted from the accounting for two independent bond-related transactions undertaken by the Commission in July 2019. The first was the Commission's use on July 2, 2019 of unrestricted cash in its General Reserve Fund to defease $39,800,000 of outstanding Series 2012A bonds and $10,935,000 of outstanding Series 2015 bonds. Secondly, on July 31, 2019 the Commission issued two series of bonds: $73,640,000 Series 2019A to fund capital projects and $99,730,000 Series 2019B to refund all of the outstanding Series 2007B variable rate bonds and to pay the termination fees to cancel the related interest rate swap agreements. The increases in Non-Operating expenses are offset by $1,206,337 increase in the Investment Income, $1,766,109 savings in Bond Interest Expense and $1,611,273 increase in Amortization of Net Premium on Bonds.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the Commission's financial statements, which are comprised of the financial statements, the notes to the financial statements, and certain required supplementary information. The supplementary information includes schedules of operating expenses, cash and cash equivalent balances, investments, receivables, capital assets and traffic and revenues.

Basic Financial Statements

The basic financial statements are designed to provide readers with a broad understanding of the Commission's finances, in a manner similar to that provided in the financial statements of private-sector business.

Basic Financial Statements (Continued)

The Statements of Net Position present information on the Commission's assets, deferred outflows of resources, deferred inflows of resources and liabilities at December 31, 2019 and 2018, with the difference between them reported as net position. At December 31, 2019, the Commission's net position equaled $451,352,572 as compared to $425,311,363 in 2018, an increase of 6.12%. This increase in net position is primarily the result of the $16.6 million increase in Deferred Outflows of Resources combined with $4.2 million decrease in Deferred Inflows of Resources.

The Statements of Revenues, Expenses and Changes in Net Position present information showing how position changed during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will not result in cash flows until future periods or for items that have resulted in cash flows in previous periods.

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning expenses, investments, and traffic.

Financial Analysis

Commission assets, consisting of restricted and unrestricted assets, totaled $1,361,998,173 (an increase of $64,554,105 or 4.98%). Unrestricted current assets totaling $28,087,998 (a decrease of $7,525,707 or 21.13%), represents cash in the operating accounts, cash equivalent investments, and E-ZPass toll receivables. These unrestricted current assets will be used to pay current expenses, to pay current debt service, or to be transferred to the General Reserve Fund. Additionally, the Commission has non-current unrestricted assets totaling $173,155,564 (a decrease of $44,411,522 or 20.41%) representing investments in the General Reserve Fund. The decrease in unrestricted assets is mainly due to the July 2, 2019 transfer from the General Reserve Fund to the 2012A/2015 Bridge System Revenue Bonds Escrow Fund to defease $39,800,000 of outstanding Series 2012A bonds and $10,935,000 of outstanding Series 2015 bonds.

Restricted assets, which are restricted under the Trust Indenture and are mainly investments designated for the Commission's bond requirements and which total $262,274,485, consist of current and non-current assets. Restricted current assets of $39,039,887 increased 35.55% from the previous year end and restricted non-current assets, comprised of investments of bond proceeds and prepaid bond insurance totaled $223,234,598, which represents a decrease of $28,465,389 from the 2018 year-end balance. The decrease in restricted assets is the result of $119.6 million bonded construction payments made for the Scudders Falls Bridge in year 2019, offset by $85.6 million deposited to Construction Fund from the proceeds of the Series 2019A bonds and $3.8 million deposited to the 2019

Financial Analysis (Continued)

Debt Service Reserve Fund from the proceeds of the Series 2019A and Series 2019B bonds issued on July 31, 2019. Net capital assets totaling $898,480,126, a 17.64% increase over 2018, consist of land, infrastructure, building, and equipment with an original value of $1,366,419,049 less accumulated depreciation of $467,938,923. The land and infrastructure consist of twenty bridge crossings and related access roads spread over a 140-mile-long stretch of the Delaware River extending from Trenton, New Jersey north to Milford, Pennsylvania/Montague, New Jersey.

At December 31, 2019, the Commission had current and non-current liabilities of $947,108,593, with the majority related to its series 2005A, 2012A, 2015, 2017, 2019A and 2019B bond issues, which represents an increase of $59,301,439 from 2018. The current liabilities increased $16.2 million and noncurrent liabilities increased $43.2 million mainly due to changes in outstanding bonds, net OPEB liability and net pension liability.

The following table contains condensed financial information derived from the December 31, 2019, 2018, and 2017 financial statements of the Commission:

	2019	2018	2017	Change 2019-2018	Percentage Change 2019-2018
Assets:					
Current and Other Assets	$ 463,518,047	$ 533,682,731	$ 671,567,291	$ (70,164,684)	-13%
Capital Assets	898,480,126	763,761,337	647,868,421	134,718,789	18%
Total Assets	1,361,998,173	1,297,444,068	1,319,435,712	64,554,105	5%
Deferred Outflows of Resources:					
Accumulated Decrease in Fair Value of Hedging Derivatives	-	16,015,297	20,775,942	(16,015,297)	-100%
Deferred Loss on Refunding	23,233,776	8,071,787	9,000,691	15,161,989	188%
Deferred Outflows – OPEB	11,783,277	2,143,324	-	9,639,953	450%
Deferred Outflows – Pensions	20,966,317	13,180,882	17,894,072	7,785,435	59%
Total Deferred Outflows	55,983,370	39,411,290	47,670,705	16,572,080	42%
Liabilities:					
Bond Indebtedness	782,885,972	745,767,628	764,126,323	37,118,344	5%
Other Liabilities	164,222,621	142,039,526	155,614,738	22,183,095	16%
Total Liabilities	947,108,593	887,807,154	919,741,061	59,301,439	7%
Deferred Inflows of Resources:					
Deferred Inflows – OPEB	17,633,561	19,364,779	-	(1,731,218)	-9%
Deferred Inflows – Pensions	1,886,817	4,372,062	2,358,228	(2,485,245)	-57%
Total Deferred Inflows	19,520,378	23,736,841	2,358,228	(4,216,463)	-18%
Net Position:					
Net Invested in Capital Assets	323,663,661	224,324,244	231,980,129	99,339,417	44%
Restricted	76,124,091	34,990,737	30,710,054	41,133,354	118%
Unrestricted	51,564,820	165,996,382	182,316,945	(114,431,562)	-69%
Total Net Position	$ 451,352,572	$ 425,311,363	$ 445,007,128	$ 26,041,209	6%
Changes in Net Position					
Operating Revenues	$ 144,995,216	$ 131,515,428	$ 130,978,581	$ 13,479,788	10%
Operating Expenses	(65,482,908)	(60,190,620)	(58,573,931)	(5,292,288)	9%
Other Post Employment Benefits & GASB 68 Expense	(6,233,582)	(4,074,752)	(9,347,481)	(2,158,830)	53%
Depreciation	(30,258,045)	(29,019,943)	(31,219,504)	(1,238,102)	4%
Total Operating Expenses	(101,974,535)	(93,285,315)	(99,140,916)	(8,689,220)	9%
Net Operating Income	43,020,681	38,230,113	31,837,665	4,790,568	13%
Nonoperating Revenue	12,085,411	10,879,074	4,857,165	1,206,337	11%
Nonoperating Expenses	(29,064,883)	(25,602,279)	(30,014,545)	(3,462,604)	14%
Change in Net Position	26,041,209	23,506,908	6,680,285	2,534,301	11%
Net Position - January 1	425,311,363	445,007,128	438,326,843	(19,695,765)	-4%
Restatement - GASB 75	-	(43,202,673)	-	43,202,673	-100%
Net Position as Restated	-	401,804,455	-	(401,804,455)	-100%
Net Position - December 31	$ 451,352,572	$ 425,311,363	$ 445,007,128	$ 26,041,209	6%

Financial Analysis (Continued)

The following table contains condensed financial information of cash flows derived from the December 31, 2019, 2018, and 2017 financial statements of the Commission**:**

Summary of Cash Flows	2019	2018	2017
Cash Flows from Operating Activities	$ 76,036,564	$ 83,311,491	$ 69,883,668
Cash Flows from Capital and Related Financing Activities	(154,497,568)	(217,248,762)	336,733,981
Cash Flows from Investing Activities	78,690,607	98,007,606	(348,148,661)
Net Increase (Decrease) in Cash and Cash Equivalents	229,603	(35,929,665)	58,468,988
Cash and Cash Equivalents - January 1	54,030,722	89,960,387	31,491,399
Cash and Cash Equivalents - December 31	$ 54,260,325	$ 54,030,722	$ 89,960,387

Capital Assets and Debt Administration

Capital Program

Since December 2001, the Commission has approved a rolling, ten-year capital program to assist it in planning for long-term capital improvements designed to sustain the structural integrity and extend the useful lives of all of its bridges and bridge related facilities. The Trust Indenture dated January 1, 2003 further requires the Commission to adopt a capital budget in each year.

Major bridge rehabilitation projects and minor construction projects, as well as vehicle and equipment purchases are included in each year's capital plan and ten-year capital program.

The Commission's largest capital project to date is the Scudder Falls Bridge Replacement Project, begun in 2017, following more than ten years of planning and preliminary steps including traffic studies, conceptual architectural and structural design, and site acquisition and preparation. The original Scudder Falls Toll Supported Bridge was a 1,740 foot-long bridge that carried Interstate 295 (formerly Interstate 95) across the Delaware River between Ewing Township, New Jersey and Lower Makefield Township, Pennsylvania. It was opened in 1961, becoming an important regional commuter connection between Bucks County Pennsylvania and Mercer County, New Jersey.

The Commission is undertaking the Project to address safety deficiencies and traffic congestion at the bridge, its nearby interchanges, and its approach roadways in New Jersey and Pennsylvania. Significantly, the New Scudder Falls Bridge is now operated as a toll bridge utilizing All Electronic Tolling, comprising EZ-Pass and Pay-by-Plate toll collection systems. The Commission expects the Scudder Falls Toll Bridge to be a significant source of Commission toll revenues. The Scudder Falls Bridge Replacement Project includes: (i) the demolition of the prior Scudder Falls Bridge and the construction of new northbound and southbound structures (i.e. the New Scudder Falls Bridge); (ii) 4.4 miles of approach roadway widening and improvements between the I-295/PA Route 332 Interchange in Pennsylvania and the I-295/Bear Tavern Road Interchange in New Jersey; (iii) the reconfiguration of the I-295/Taylorsville Road Interchange in Pennsylvania and the I-295/Route 29 Interchange in New Jersey, and associated ramps and structures; (iv) a pedestrian/bicycle shared-use pathway that ties in

Capital Assets and Debt Administration (Continued)

Capital Program (Continued)

with the canal towpaths in both states; (v) construction of noise walls in both states; (vi) construction of a Bridge Monitor/All Electronic Tolling Facility; and (vii) a wetland mitigation site in Pennsylvania. Construction is expected to occur over a five-year period. The estimated cost of the project is $570.4 million.

The Scudder Falls Toll Bridge when fully completed will consist of two parallel bridge structures. The first bridge structure was completed and opened for traffic on July 10, 2019. The collection of one-way tolls commenced on July 14, 2019 after a four-day test period. Upon opening of the toll bridge, all traffic was diverted to the new bridge and the prior Scudder Falls Toll Bridge was closed to traffic. By December 31, 2019 demolition of the prior bridge was well underway, and initial construction of the second bridge structure was begun. Following the demolition of the existing bridge and completion of the second replacement bridge, traffic will proceed in one direction only on each structure. Final completion of the project is projected to occur by May 2022.

As discussed under “Long-Term Debt” below, a significant portion of the cost of the Scudder Falls Bridge Replacement Project has been financed through the issuance of bonds, with the balance of funding expected to come from the Commission’s General Reserve Fund.

Another project completed during 2019 is the construction of a central administration/headquarters building for the Commission. Situated on property acquired from Lower Makefield Township adjacent to the new Scudder Falls Toll Bridge, the building opened for general occupancy in September 2019.

Other current significant capital projects include the I-78 Toll Bridge Approach Slab Rehabilitation and Replacement (New Jersey), and the Southern Operations & Maintenance Facilities Improvements slated for development in Morrisville and Langhorne Pennsylvania. As discussed under “Long-Term Debt” below, a significant portion of the anticipated costs of these projects has been financed through the issuance of bonds.

Long-Term Debt

The Commission generally finances its capital program on a pay-as-you-go basis, supplemented from time to time through the issuance of its Bridge System Revenue Bonds. The Commission monitors its debt obligations and has issued refunding bonds from time to time that generate debt service savings. As of December 31, 2019, all of the Commission’s outstanding debt obligations are fixed rate, tax exempt bonds, although certain prior series of bonds were issued on a federally taxable basis, while other prior series were issued as variable rate obligations with associated swap agreements, as further described below.

Long-Term Debt (Continued)

As of December 31, 2019, the Commission had total bonded debt outstanding in the principal amount of $709,245,000. This represents a net increase of $10,395,000 from the prior year end. The increase in outstanding debt can be attributable to two separate and notable bond-related transactions undertaken by the Commission in 2019, as described under "Significant Events" described below.

Significant Events

On July 2, 2019 the Commission deposited $55,661,528 from unrestricted monies held in the General Reserve Fund to an escrow fund held by TD Bank as escrow agent. This deposit, plus interest earnings thereon, is sufficient to defease $39,800,000 of outstanding Series 2012A Bonds and $10,935,000 of Series 2015 Bonds. The escrow fund is solely responsible to pay off the bonds at their first available call date and pay periodic interest on the bonds through the call date; the defeased bonds have been removed from the Commission's books and are no longer deemed outstanding.

On July 14, 2019, the Commission commenced tolling on the newly completed first span of the New Scudder Falls Toll Bridge, as described above. The Commission expects to earn significant revenues from the conversion of this bridge from a toll-supported to a tolled facility.

On July 31, 2019 the Commission issued its Bridge System Revenue Bonds, Series 2019A in the amount of $73,640,000 and Series 2019B in the amount of $99,730,000. Both series are fixed-rate, tax-exempt bonds. The Series 2019A bonds were issued to establish the 2019 Construction Fund to be used for capital costs of projects in the Commission-approved capital budget. The Series 2019B Bonds were issued for the purpose of refunding the Commission's Series 2007B variable rate bonds and terminating the associated swap agreements. As a result of the refunding, the Commission's entire debt portfolio now consists of fixed-rate bonds and no longer bears the risks associated with variable interest rates and swap obligations.

Contacting the Commission's Financial Management

This financial report is designed to provide the citizens, taxpayers and legislators of New Jersey and Pennsylvania, and the users of the Commission's bridges, with a general overview of the Commission's finances and to demonstrate the Commission's accountability for the revenues that it receives. If you have questions about this report or need additional financial information, contact the Commission at (267) 394-6700, by website at: www.drjtbc.org, or by mail at:

Delaware River Joint Toll Bridge
Commission Executive Offices
1199 Woodside Road
Yardley, Pennsylvania 19067

BASIC FINANCIAL STATEMENTS

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

STATEMENTS OF NET POSITION
December 31, 2019 and 2018

ASSETS	2019	2018
Current Assets		
Unrestricted Assets		
Cash and cash equivalents	$ 16,449,375	$ 26,042,912
Accounts receivable		
E-Zpass, Pay by Plate, and violations (net of allowance for uncollectible of $28,068,583 for 2019 and $26,588,029 for 2018)	9,925,233	6,690,567
Other	326,802	351,853
Interfund accounts receivable		
Fiduciary Fund	1,134,633	1,065,316
Prepaid expenses	251,955	1,463,057
Total unrestricted assets	28,087,998	35,613,705
Restricted assets		
Cash and cash equivalents	37,810,950	27,987,810
Accrued interest receivable	1,228,937	814,143
Total restricted assets	39,039,887	28,801,953
Total current assets	67,127,885	64,415,658
Noncurrent assets		
Unrestricted assets		
Investments	173,155,564	217,567,086
Total unrestricted assets	173,155,564	217,567,086
Restricted assets		
Investments	223,148,873	251,237,133
Prepaid bond insurance	85,725	462,854
Total restricted assets	223,234,598	251,699,987
Capital assets		
Capital assets not being depreciated	259,748,822	458,816,748
Capital assets being depreciated (net of accumulated depreciation)	638,731,304	304,944,589
Total capital assets	898,480,126	763,761,337
Total noncurrent assets	1,294,870,288	1,233,028,410
Total assets	$ 1,361,998,173	$ 1,297,444,068

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

STATEMENTS OF NET POSITION (CONTINUED)
December 31, 2019 and 2018

DEFERRED OUTFLOWS OF RESOURCES	2019	2018
Accumulated decrease in fair value of hedging derivatives	$ -	$ 16,015,297
Deferred loss on refunding of debt	23,233,776	8,071,787
Deferred outflows - OPEB	11,783,277	2,143,324
Deferred outflows - pensions	20,966,317	13,180,882
Total deferred outflows of resources	$ 55,983,370	$ 39,411,290
LIABILITIES		
Current liabilities payable from unrestricted assets		
Accounts payable and accrued expenses	$ 26,350,422	$ 19,234,571
E-Zpass customer deposits	-	100,364
Compensated absences payable	109,475	148,169
Retainage payable	22,651,848	17,882,108
Total current liabilities payable from unrestricted assets	49,111,745	37,365,212
Current liabilities payable from restricted assets		
Accrued interest payable on bonds	16,020,311	14,091,883
Bridge system revenue bonds payable	16,305,000	13,840,000
Total current liabilities payable from restricted assets	32,325,311	27,931,883
Noncurrent liabilities		
Compensated absences payable	2,370,440	2,173,144
Bridge system revenue bonds payable	766,580,972	731,927,628
Premium payment payable - derivative companion instrument	-	287,636
Derivative instrument - interest rate swaps	-	16,015,297
Net OPEB liability	25,033,652	14,739,507
Net pension liability	71,686,473	57,366,847
Total noncurrent liabilities	865,671,537	822,510,059
Total liabilities	$ 947,108,593	$ 887,807,154
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - OPEB	$ 17,633,561	$ 19,364,779
Deferred inflows - pensions	1,886,817	4,372,062
Total deferred inflows of resources	$ 19,520,378	$ 23,736,841
NET POSITION		
Net investment in capital assets	$ 323,663,661	$ 224,324,244
Restricted	76,124,091	34,990,737
Unrestricted	51,564,820	165,996,382
Total net position	$ 451,352,572	$ 425,311,363

See notes to financial statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended December 31, 2019 and 2018

OPERATING REVENUES	2019	2018
Cash tolls, net	$ 19,210,820	$ 20,945,988
E-Zpass and Pay by Plate tolls, net	123,798,483	108,663,431
Miscellaneous	1,985,913	1,906,009
Total operating revenues	144,995,216	131,515,428
OPERATING EXPENSES		
Administration		
Salaries and wages	4,749,403	6,015,594
Fringe benefits	3,510,652	4,282,860
Other	3,156,983	4,548,221
Toll bridges		
Salaries and wages	14,202,848	11,899,174
Fringe benefits	10,599,807	9,046,449
Other	17,089,347	14,007,045
Toll supported bridges		
Salaries and wages	4,839,189	3,985,473
Fringe benefits	4,042,183	3,234,717
Other	3,292,496	3,171,087
Other post-employment benefits and pension expense	6,233,582	4,074,752
Depreciation	30,258,045	29,019,943
Total operating expenses	101,974,535	93,285,315
Operating income	43,020,681	38,230,113
NONOPERATING REVENUES (EXPENSES)		
Investment income	12,085,411	10,879,074
Gain on disposal of capital assets	20,255	-
Bond issuance expense	(1,587,438)	-
Interest expense		
Interest on bonds	(26,725,656)	(28,491,765)
Amortization of deferred loss on refunding of debt	(5,767,382)	(928,905)
Amortization of net premium on bonds	5,469,966	3,858,693
Amortization of prepaid bond insurance	(474,628)	(40,302)
Total net nonoperating expense	(16,979,472)	(14,723,205)
Changes in net position	26,041,209	23,506,908
Net position, January 1,	425,311,363	445,007,128
Restatement - GASB 75	-	(43,202,673)
Net position, January 1, (restated)	425,311,363	401,804,455
Net position, December 31,	$ 451,352,572	$ 425,311,363

See notes to financial statements.

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2019 and 2018

CASH FLOWS FROM OPERATING ACTIVITIES	2019	2018*
Receipts from customers and users		
Cash tolls	$ 19,210,820	$ 20,945,988
E-Zpass and Pay by Plate tolls	120,463,453	109,059,963
Payments for other goods or services	(21,386,904)	(10,225,907)
Payments for employee services	(40,887,512)	(38,954,582)
Payments of interfund services provided	(69,317)	610,919
Contributions to Retiree Health Benefits Plan	(3,304,940)	-
Other Receipts	2,010,964	1,875,110
Net cash provided by operating activities	76,036,564	83,311,491
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(148,756,386)	(169,529,387)
Proceeds from sales of capital assets	20,255	-
Proceeds from issuance of new debt	187,912,109	-
Principal paid on capital debt	(13,840,000)	(14,500,000)
Defeasance of capital debt	(149,135,000)	-
Payment of capitalized interest paid on debt	(5,613,682)	(4,543,982)
Interest paid on capital debt	(25,084,864)	(28,675,393)
Net cash used in capital and related financing activities	(154,497,568)	(217,248,762)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	4,940,932	7,474,673
Proceeds from sale of investments	673,188,563	640,984,398
Payments for investments	(599,438,888)	(550,451,465)
Net cash provided by investing activities	78,690,607	98,007,606
Net increase (decrease) in cash and cash equivalents	229,603	(35,929,665)
Cash and cash equivalents, January 1 (including $27,987,810 and $57,706,017 reported as restricted)	54,030,722	89,960,387
Cash and cash equivalents, December 31 (including $37,810,950 and $27,987,810 reported as restricted)	$ 54,260,325	$ 54,030,722

* Certain prior year balances have been reclassed to conform with current year presentation.

STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended December 31, 2019 and 2018

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATION ACTIVITIES	2019	2018*
Operating income	$ 43,020,681	$ 38,230,113
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	30,258,045	29,019,943
Other post-employment benefits and pension expense, less cash contribution to Retiree Health Benefits Plan	2,928,642	4,074,752
Change in assets and liabilities		
(Increase) decrease in accounts receivable		
E-Zpass and violations	(3,234,666)	396,539
Other	25,051	(30,897)
(Increase) decrease in interfund accounts receivable	(69,317)	610,919
Decrease in prepaid expenses	1,211,102	-
Increase in operating accounts payable and accrued expenses	1,838,788	10,860,512
(Decrease) in E-ZPass customer deposits	(100,364)	(7)
Increase in compensated absences payable	158,602	149,617
Net cash provided by operating activities	$ 76,036,564	$ 83,311,491

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	2019	2018*
Decrease in accumulated change in fair value of hedging derivatives resulting from change in fair value	$ (16,015,297)	$ (4,760,645)

* Certain prior year balances have been reclassed to conform with current year presentation.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
RETIREE HEALTH BENEFITS PLAN

STATEMENTS OF FIDUCIARY NET POSITION
December 31, 2019 and 2018

ASSETS	2019	2018
Cash and cash equivalents	$ 459,663	$ 85,429
Investments	96,342,298	84,858,202
Total assets	96,801,961	84,943,631
LIABILITIES		
Current liabilities		
Interfund accounts payable	1,134,633	1,065,316
Total liabilities	1,134,633	1,065,316
NET POSITION RESTRICTED FOR OTHER POST-EMPLOYMENT BENEFITS	$ 95,667,328	$ 83,878,315

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
RETIREE HEALTH BENEFITS PLAN

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Years Ended December 31, 2019 and 2018

ADDITIONS	2019	2018
Contributions		
Employer	$ 3,304,940	$ -
Investment income		
Net appreciation/(depreciation) in fair value of investments	9,697,389	(15,496,347)
Interest	3,077,655	12,871,599
	12,775,044	(2,624,748)
Less		
Investment expense	125,825	223,628
Net investment income (expense)	12,649,219	(2,848,376)
Total additions	15,954,159	(2,848,376)
DEDUCTIONS		
Benefits	4,144,493	3,161,037
Administrative expenses	20,653	22,622
Total deductions	4,165,146	3,183,659
Net increase/(decrease)	11,789,013	(6,032,035)
Net position restricted for other post-employment benefits		
January 1	83,878,315	89,910,350
December 31	$ 95,667,328	$ 83,878,315

See notes to financial statements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Delaware River Joint Toll Bridge Commission (the "Commission"), a body corporate and politic, was created in 1934 by a compact, subsequently amended and supplemented, between the Commonwealth of Pennsylvania (the "Commonwealth") and the State of New Jersey (the "State"), with the approval of the Congress of the United States. As a governmental agency, the Commission has no stockholders or equity holders.

The Commission is authorized and empowered, with federal government approval required in certain cases, to acquire, construct, administer, operate and maintain such bridges as the Commission deems necessary to advance the interests of the Commonwealth and the State, to issue bonds and other obligations, and to make payment of interest thereon. The Capital Compact provides that Commission indebtedness shall not be deemed to constitute a debt or liability or a pledge of the faith and credit of the Commonwealth or the State or any subdivision thereof.

In 1985, a proposed compact change was enacted and approved by the State that was similar to the legislation that had been enacted by the Commonwealth in 1984. This proposed compact change received the required consent of the Congress of the United States in early 1987. The compact, as approved, required the Commission to refinance its bonded indebtedness. In addition, the Commission was obligated to assume full financial responsibility for the cost of operating and maintaining the toll supported bridges that were financed by appropriations from the Commonwealth and the State; accordingly, on July 1, 1987, the Commission defeased all of its then outstanding bonded indebtedness. Due to this compact change, the accompanying financial statements include the operations of the toll-supported bridges.

The Commission has jurisdiction for vehicular and pedestrian traffic across the Delaware River between the Commonwealth and the State from the Philadelphia / Bucks County line to the New York state line. The Commission's duties include the maintenance and operation of all the bridges over the Delaware River within its jurisdiction, with the following exceptions: the New Jersey-Pennsylvania Turnpike Bridge and the Burlington-Bristol Toll Bridge, both south of Trenton; and the Dingman's Ferry Toll Bridge, which is north of the Delaware Water Gap.

Measurement Focus, Fund Accounting

The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

As part of the Commission's financial statements, two funds are maintained: a proprietary fund (enterprise fund) and a fiduciary fund (other employee benefit trust fund). The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The focus of fiduciary funds is also the measurement of economic resources.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The enterprise fund is maintained on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

The fiduciary fund is maintained on the accrual basis of accounting, except for recognition of certain liabilities of post-employment healthcare plans. The fiduciary fund accounts for the recording and accumulation of other post-employment benefit resources, which are held in trust for the exclusive benefit of the Commission's retirees.

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Bridge tolls are recognized as revenue when services are provided.

Non-exchange transactions, which are when the Commission receives value without directly giving equal value in return, include grants, contributed capital and donations. Revenue from grants, contributed capital and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements in which the Commission must provide local resources to be used for a specified purpose, and expenditure requirements in which the resources are provided to the Commission on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Budgets and Budgetary Accounting

The Commission must adopt an annual budget in accordance with Section 702 of the Trust Agreement between the Commission and the TD Bank Pennsylvania, National Association, as Trustee. Section 702 requires the Commission to adopt the final operating budget no later than December 31 for the ensuing calendar year. The budget is adopted on the modified accrual basis of accounting with provisions for cash payments for bond principal. The Commission may not incur in a year any amount in excess of the amounts provided for current expenses in the annual budget.

If for any reason the Commission shall not have adopted the annual operating budget before the first day of any year, the budget for the preceding year shall, until the adoption of the annual operating budget, be deemed to be in force and shall be treated as the annual operating budget under Section 702.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (Continued)

The Commission records encumbrances. An encumbrance represents a commitment related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract would create an encumbrance. The encumbrance does not represent an expenditure for the period, only a commitment to expend resources. At year-end, the accounting records are adjusted to record only expenses in accordance with accounting principles generally accepted in the United States of America.

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, cash in banks, certificates of deposit, and all highly liquid investments with a maturity of three months or less at the time of purchase, and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. All other investments are stated at fair value.

The Commission's depository and investment options are subject to the provisions and restrictions of the Trust Indenture dated January 1, 2003, between the Commission and the TD Bank Pennsylvania, National Association, as Trustee. Section 601 of the Trust Agreement establishes the requirements for the security of deposits of the Commission.

General Objectives **-** The primary objectives, in priority of order of investment activities, shall be safety, liquidity, and yield:

Safety - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

Liquidity - The investment portfolio shall remain sufficiently liquid to meet all requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Yield - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A security with declining credit may be sold early to minimize loss of principal.

2. A security swap would improve the quality, yield, or target duration in the portfolio.

3. Liquidity needs of the portfolio require that the securities be sold.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued)

Suitable and Authorized Investments - The following investments are allowed under the Trust Indenture:

1. Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee ("Direct Obligations").

2. Direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; consolidated debt obligations and letter of credit-backed issues of the Federal Home Loan Banks; participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation (for purposes of this definition, "FHLMCs"); debentures of the Federal Housing Administration, senior debt obligations of the Federal National Mortgage Association (for purposes of this definition, "FNMAs"); participation certificates of the General Services Administration; guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; debt obligations and letter of credit-backed issues of the Student Loan Marketing Association; local authority bonds of the U.S. Department of Housing & Urban Development; guaranteed Title XI financing of the U.S. Maritime Administration; guaranteed transit bonds of the Washington Metropolitan Area Transit Authority; and Resolution Funding Corporation securities.

3. Direct obligations of any state of the United States of America or any subdivision or agency thereof whose unsecured, uninsured and under-guaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Services and "A" or better by Standard & Poor's Corporation, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation.

4. Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, "P-1" by Moody's Investor's Services and "A" or better by Standard & Poor's Corporation.

5. Federal funds, unsecured certificates of deposit, time deposit or bankers acceptance (in each case having maturities of not more than 365 days) of any domestic bank including a branch office of a foreign bank which branch office is located in the United States, provided legal options are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which, at the time of purchase, has a short-term "Bank Deposit" rating of "P-1" by Moody's Investors Services and a "Short-Term CD" rating "A-1" or better by Standard & Poor's Corporation.

6. Deposits of any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than $3 million, provided such deposits are continuously and fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued)

Suitable and Authorized Investments **-** The following investments are allowed under the Trust Indenture (Continued):

7. Investments in money-market funds rated “AAAm” or “AAAm-G” by Standard & Poor’s Corporation.

8. Repurchase agreements collateralized by Direct Obligations, GNMA’s, FNMAs or FHLMCs with any registered broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated “P-1” or “A3” or better by Moody’s Investors Service, and “A-1” or A-“ or better by Standard & Poor’s Corporation.

Inventory

Inventory consists of operating supplies and roadway de-icer for the Commission. The Commission has determined that the inventories are immaterial and, thus, are not recorded on the financial statements.

Prepaid Expenses

Payments made to vendors for services that will benefit future periods beyond the statement of net position date are recorded as prepaid expenses.

Capital Assets

Capital assets primarily consist of expenditures to acquire, construct, place in operation, and improve the facilities of the Commission. Purchased or constructed capital assets are recorded at cost or estimated historical cost. Infrastructure assets acquired prior to January 1, 2003, are reported primarily at estimated historical cost using deflated replacement cost. Assets acquired through gifts or donations are recorded at their estimated fair market value at time of acquisition.

Costs incurred for projects under construction are recorded as improvements in progress. In the year that the project is completed or substantially completed, these costs are transferred to completed (net of accumulated depreciation). The Commission capitalizes interest related to projects under construction. Capitalized interest for the years ended 2019 and 2018 amounted to $5,613,682 and $4,543,982, respectively.

Expenditures are capitalized when they meet the following requirements:

- Cost of $5,000 or more.
- Estimated useful life of five years or more.
- Increased value of an asset.

Upon sale or disposal of a capital asset the related costs and accumulated depreciation of assets disposed are removed, and any gain or loss on disposition is credited or charged to non-operating revenues or expenses.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation

Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Asset lives used in the calculation of depreciation are generally as follows:

Buildings	10-40 years
Infrastructure	15-50 years
Equipment	5-15 years

Depreciation begins when the asset is placed in service.

Bond Discounts / Premiums

Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount on the bonds. Bond issuance costs are expensed as incurred.

Deferred Loss on Refunding of Debt

Deferred loss on refunding arising from the issuance of the refunding general obligation bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Commission and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Commission and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

Derivative Instruments and Related Companion Instruments

The Commission has entered into interest rate swap agreements for the purpose of hedging interest rates on its outstanding long-term debt. As detailed in Note D, these agreements were terminated in 2019.

Income Taxes

The Commission operates as defined by the Internal Revenue Code Section 115 and appropriately is exempt from income taxes under Section 115.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Operating and Non-Operating Revenues and Expenses

Operating revenues consist primarily of cash tolls and E-ZPass revenues. Cash toll revenues are recognized as vehicles cross the bridges and cash tolls are collected at toll booths. E-ZPass revenues are recognized when vehicles cross the bridges and valid E-ZPass tags are read. Violations and Pay by Plate revenues are combined with E-ZPass revenue. Nonoperating revenues principally consist of interest income earned on investments and fair market value adjustments in the debt securities, which are recognized when earned.

Operating expenses include expenses associated with the operation, maintenance, and repair of the bridges, and general administrative expenses. Non-operating expenses principally include expenses attributable to the Commission's interest on bonded debt, amortization of deferred loss on refunding of debt, and bond issuance costs.

Net Position

Net position comprises the various earnings from operating income, non-operating revenues, expenses and capital contributions. The Commission applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available, Net position is classified in the following three components:

Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

Management of the Commission has made certain estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results may differ from those estimates.

Adoption of Governmental Accounting Standards Board (GASB) Statements

The GASB has issued GASB's Statement No. 75, *"Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions."* This statement was required to be adopted by the Commission for the year ended December 31, 2018. See Note J for the effect this adoption had on previously reported amounts.

The Government Accounting Standards Board has issued GASB's Statement No. 85, *"Omnibus 2017."* This statement was required to be adopted by the Commission for the year ended December 31, 2018. The adoption of this statement had no effect on previously reported amounts.

The Government Accounting Standards Board has issued GASB's Statement No. 86, *"Certain Debt Extinguishment Issues."* This statement was required to be adopted by the Commission for the year ended December 31, 2018. The adoption of this statement had no effect on previously reported amounts.

The Government Accounting Standards Board has issued GASB's Statement No. 83, *"Certain Asset Retirement Obligations."* This statement is required to be adopted by the Commission for the year ending December 31, 2019. The adoption of this statement had no effect on previously reported amounts.

The Government Accounting Standards Board has issued GASB's Statement No. 88, *"Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements."* This statement is required to be adopted by the Commission for the year ending December 31, 2019. The adoption of this statement had no effect on previously reported amounts.

The Government Accounting Standards Board has issued GASB's Statement No. 90, *"Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61."* This statement is required to be adopted by the Commission for the year ending December 31, 2019. The adoption of this statement had no effect on previously reported amounts.

Pending Governmental Accounting Standards Board (GASB) Statements

The Government Accounting Standards Board has issued GASB's Statement No. 84, *"Fiduciary Activities."* This statement is required to be adopted by the Commission for the year ending December 31, 2020. The Commission has not determined the effect of GASB's Statement No. 84 on the financial statements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pending Governmental Accounting Standards Board (GASB) Statements (Continued)

The Government Accounting Standards Board has issued GASB's Statement No. 87, *"Leases."* This statement is required to be adopted by the Commission for the year ending December 31, 2022. The Commission has not determined the effect of GASB's Statement No. 87 on the financial statements.

The Government Accounting Standards Board has issued GASB's Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period."* This statement is required to be adopted by the Commission for the year ending December 31, 2021. The Commission has not determined the effect of GASB's Statement No. 89 on the financial statements.

The Government Accounting Standards Board has issued GASB's Statement No. 91, *"Conduit Debt Obligations."* This statement is required to be adopted by the Commission for the year ending December 31, 2022. The Commission has not determined the effect of GASB's Statement No. 91 on the financial statements.

The Government Accounting Standards Board has issued GASB's Statement No. 92, *"Omnibus 2020".* This statement clarifies the effective date of Statement No. 87 and addresses other topics that are required to be adopted by the Commission for the year ended December 31, 2022. The Commission has not determined the effect of GASB's Statement No. 92 on the financial statements.

The Government Accounting Standards Board has issued GASB's Statement No. 93, *"Replacement of Interbank Offered Rates".* This statement is required to be adopted by the Commission for the year ending December 31, 2021. The Commission has not determined the effect of GASB's Statement No. 93 on the financial statements

The Government Accounting Standards Board has issued GASB's Statement No. 94, *"Public-Private and Public-Public Partnerships and Availability Payment Arrangements".* This statement is required to be adopted by the Commission for the year ending December 31, 2023. The Commission has not determined the effect of GASB's Statement No. 94 on the financial statements.

The Government Accounting Standards Board has issued GASB's Statement No. 95, *"Postponement of the Effective Dates of Certain Authoritative Guidance".* This statement postpones the effective dates of applicable pending Statements described above. The effective dates mentioned above are the applicable postponed dates as prescribed by Statement No. 95.

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Finance Related Legal and Contractual Provisions

The Commission has no material violations of finance related legal and contractual provisions.

Trust Indenture

The Commission is subject to the provisions and restrictions of the Trust Indenture relating to the Bridge System Revenue Bonds, Series 2005A, Series 2012A, Series 2015, and Series 2017, Series 2019A, and Series 2019B. The following is a summary of the activities of each account created by the Indenture:

Construction Fund - All bond proceeds for project costs are deposited into this fund.

Revenue Fund - All revenues received by the Commission are deposited in the Revenue Fund. No later than the last business day of each month, the Commission shall withdraw from the Revenue Fund and deposit to the Operating Fund the amount equal to (i) the amount shown by the annual operating budget to be necessary to pay current expenses for the ensuing month, and (ii) an amount determined by a Commission official as being reasonably necessary to pay current expenses which are expected for each month, after taking into account the amount on deposit in the Operating Account (including the amount described in clause (i) above), it being recognized that the annual operating budget may have to be amended accordingly.

Operating Account - Amounts on deposit in the Operating Account are used by the Commission to pay the Commission's operating expenses. Transfers are made from the Revenue Account on or before the last business day of the month.

Debt Service Fund - Transfers are made from the Revenue Fund on or before the last business day preceding each interest, principal or sinking fund redemption payment date to the Debt Service Fund to provide for the debt service on all series of bonds. Payments are made from the Debt Service Fund for interest on the bonds, for principal installments on the bonds, and for the redemption price for any bonds to be redeemed. At December 31, 2019 and 2018, the balance in the Debt Service Fund meets the requirements of the Trust Indenture.

Debt Service Reserve Fund - Transfers are made to this fund from the Revenue Fund in an amount necessary to meet the Debt Service Reserve Requirement. The Debt Service Reserve Requirement is an amount equal to the Maximum Annual Debt Service on account of all of such Bonds, provided however, that the amount to be deposited in connection with the issuance of any Series of Bonds (or issue of Bonds, if multiple Series are considered one issue for tax purposes) shall not exceed an amount equal to the lesser of (A) 10% of the original principal amount of each Series of Bonds (or the issue price of such Series, or issue as aforesaid, if the original issue discount and plus any original issue premium of such issue exceeds 2% of the original aggregate principal amount of the Series of Bonds), or (B) 125% of the average annual debt service requirement on said Series of Bonds of the same issue for tax purposes.

Amounts held in the Debt Service Reserve Fund shall be used for the purpose of paying interest on maturing principal and mandatory sinking fund redemption price of Debt Service Reserve Fund Bonds whenever and to the extent that the monies held for the credit of the Debt Service Fund shall be insufficient for such purpose. At December 31, 2019 and 2018, the balance in the Debt Service

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Trust Indenture (Continued)

Reserve Fund meets the requirements of the Trust Indenture.

Reserve Maintenance Fund - On or before the last business day of each month, the Commission shall transfer the amount shown in the annual capital budget for the ensuing month from the Revenue Fund to the credit of the Reserve Maintenance Fund.

General Reserve Fund - On or before the last business day of each month (or more frequently, if desired) the Commission may transfer from the Revenue Fund to the credit of the General Reserve Fund any funds which a Commission official determines to be in excess of the amount required to be reserved therein for future transfers to the Operating Fund, Debt Service Fund, Debt Service Reserve Fund, and the Reserve Maintenance Fund.

Monies in the General Reserve Fund may be used by the Commission to restore deficiencies in any funds or accounts created under the Trust Indenture and, absent any such deficiency, for any of the following purposes, with no one item having priority over any of the others:

(a) to purchase or redeem bonds
(b) to secure and pay the principal or redemption price of and any interest on any subordinated indebtedness
(c) to make payments into the Construction Fund
(d) to fund improvements, extensions and replacements of the Bridge System
(e) as a self-insurance reserve
(f) to further any corporate purpose

The Commission is authorized to apply monies on deposit in the General Reserve Fund for any of these purposes.

Rebate Fund **-** Amounts on deposit in the Rebate Fund may be used solely to make payments to the United States of America under Section 148 of the Internal Revenue Code, and to pay costs related to the calculation of the amounts due. Upon satisfaction of the Commission's covenants to calculate and pay Section 148 requirements, any amounts remaining in the Rebate Fund shall be deposited in the General Reserve Fund.

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Covenants as to Tolls

The Commission is required to fix, revise, charge, and collect tolls and other charges for traffic using the crossing facilities in order to provide an amount of "net revenues" in each year equal to not less than 130% of the principal and interest requirements for such year. The Commission satisfied this requirement for the years ended December 31, 2019 and 2018.

To arrive at "Net Revenues" as defined in the Trust Indenture, the following adjustments to operating income need to be made:

	December 31, 2019		December 31, 2018	
Operating income		$ 43,020,681		$ 38,230,113
Adjustments				
Net investment income *	$ 4,054,260		$ 3,415,676	
Gain on disposal of capital assets	20,255		-	
Depreciation expense	30,258,045		29,019,943	
Other post-employment benefits expense	6,233,582		4,074,752	
		40,566,142		36,510,371
Net revenues available for debt service coverage		$ 83,586,823		$ 74,740,484
Total debt services (principal and interest) **		$ 38,329,271		$ 36,450,207
Debt service coverage		218%		205%

* excludes all unrealized market value adjustments and construction fund interest income.

** excludes 2017 bond interest payment of $6,209,274 made from the 2017 Capitalized Interest Account on January 2, 2019 and includes capitalized interest $5,613,682.

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Annual Budget – 2019 and 2018

Description	2019 Budget (Unaudited)	2019 Actual	Variance
Budgetary expenses			
Salaries and wages	$ 24,362,475	$ 23,791,440	$ 571,035
Employee benefits	22,212,342	18,152,643	4,059,699
Heat, light and power	963,825	658,794	305,031
Office expense	295,733	203,886	91,847
Information technology and communications	2,148,105	2,046,147	101,958
Travel, meetings and education expense	654,743	300,774	353,969
E-ZPass operating and maintenance	7,167,785	6,226,526	941,259
State Police Bridge Security	5,685,192	5,611,172	74,020
Operating and maintenance expenses	3,745,935	3,374,347	371,588
Insurance	3,367,199	3,579,931	(212,732)
Professional service fee	1,597,000	1,501,601	95,399
Advertising and marketing	59,980	35,648	24,332
General contingency	300,000	-	300,000
Total budgetary expenses	$ 72,560,314	$ 65,482,909	$ 7,077,405

Description	2018 Budget (Unaudited)	2018 Actual	Variance
Budgetary expenses			
Salaries and wages	$ 22,892,985	$ 21,900,243	$ 992,742
Employee benefits	22,184,368	16,564,028	5,620,340
Heat, light and power	965,124	604,658	360,466
Office expense	269,353	204,730	64,623
Information technology and communications	1,829,362	1,774,159	55,203
Travel, meetings and education expense	641,265	304,333	336,932
E-ZPass operating and maintenance	5,236,746	5,352,253	(115,507)
State Police Bridge Security	5,787,023	5,548,133	238,890
Operating and maintenance expenses	3,676,755	2,650,655	1,026,100
Insurance	2,999,411	3,610,962	(611,551)
Professional service fee	1,391,800	1,649,741	(257,941)
Advertising and marketing	60,760	26,737	34,023
General contingency	300,000	-	300,000
Total budgetary expenses	$ 68,234,952	$ 60,190,632	$ 8,044,320

C. DETAIL NOTES – ASSETS

Cash and Cash Equivalents

Custodial Credit Risk **-** Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the Commission will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of December 31, 2019 and 2018, the Commission held in the enterprise fund and fiduciary fund a total book balance of $54,719,988 and $54,116,151, respectively, in cash and cash equivalents in financial institutions.

As of December 31, 2019 and 2018, the Commission's bank balance of $57,068,421 and $56,510,314, respectively, was exposed to custodial credit risk as follows:

	December 31, 2019		
	Enterprise Fund	Fiduciary Fund	Total
Insured	$ 500,000	$ 250,000	$ 750,000
Uninsured and collateralized with Securities held by pledging financial institutions	12,287,950	-	12,287,950
Uninsured and uncollateralized	43,820,808	209,663	44,030,471
	$ 56,608,758	$ 459,663	$ 57,068,421

	December 31, 2018		
	Enterprise Fund	Fiduciary Fund	Total
Insured	$ 250,000	$ -	$ 250,000
Uninsured and collateralized with Securities held by pledging financial institutions	9,051,771	-	9,051,771
Uninsured and uncollateralized	47,123,114	85,429	47,208,543
	$ 56,424,885	$ 85,429	$ 56,510,314

Investments

Custodial Credit Risk **-** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Commission, and are held by either the counterparty or the counterparty's trust department or agent. At December 31, 2019 and 2018, of the enterprise fund's $396,304,437 and $468,804,219 investments in U.S. federal agency notes and bonds, U.S. government treasuries, commercial paper, and municipal and state obligations and funds, all investments are registered in the name of the Commission and held by the counterparty. Of the Retiree Health Benefits Plan's (fiduciary fund) $96,342,298 and $84,858,202 investments in mutual funds – equity, mutual funds - fixed income, and partnerships/joint ventures as of December 31, 2019 and 2018, all investments are registered in the name of the Commission and held by the counterparty.

Interest Rate Risk **-** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Commission's Trust Indenture limits the investment maturities by fund, depending on the fund's purpose, as disclosed in Note A.

C. DETAIL NOTES – ASSETS

Investments (Continued)

As of December 31, 2019 and 2018, the Commission's enterprise fund had the following investments and maturities:

	December 31, 2019		
	Total	Investment Maturities (in Years)	
Investment Type	Fair Value	Less Than 1	1-5
Certificates of deposit	$ 23,103,319	$ 23,103,319	$ -
Commercial Paper	91,184,671	91,184,671	-
Corporate Bond	84,426,297	23,247,407	61,178,890
U.S. Federal Agency Notes and Bonds	70,130,653	35,972,464	34,158,189
U.S. Government Treasuries	127,459,497	119,536,413	7,923,084
Total	$ 396,304,437	$ 293,044,274	$ 103,260,163

	December 31, 2018		
	Total	Investment Maturities (in Years)	
Investment Type	Fair Value	Less Than 1	1-5
Municipal and State obligations and funds	$ 5,236,556	$ 5,236,556	$ -
Commercial Paper	103,210,338	103,210,338	-
U.S. Federal Agency Notes and Bonds	125,119,355	125,119,355	-
U.S. Government Treasuries	235,237,970	235,237,970	-
Total	$ 468,804,219	$ 468,804,219	$ -

As of December 31, 2019 and 2018, the Commission's fiduciary fund had the following investments and maturities:

	December 31, 2019		
	Total	Investment Maturities (in Years)	
Investment Type	Fair Value	Less Than 1	1-5
Mutual Funds - Equity	$ 36,424,315	$ 36,424,315	$ -
Mutual Funds - Fixed Income	56,340,389	56,340,389	-
Partnerships/Joint Ventures	3,577,594	3,577,594	-
Total	$ 96,342,298	$ 96,342,298	$ -

	December 31, 2018		
	Total	Investment Maturities (in Years)	
Investment Type	Fair Value	Less Than 1	1-5
Mutual Funds - Equity	$ 30,916,664	$ 30,916,664	$ -
Mutual Funds - Fixed Income	53,941,538	53,941,538	-
Total	$ 84,858,202	$ 84,858,202	$ -

C. DETAIL NOTES – ASSETS (CONTINUED)

Investments (Continued)

Credit Risk - Credit risk is the risk that an issuer or counterparty to an investor will not fulfill its obligations. The Commission limits its exposure to credit risk through the Trust Indenture which restricts the investment obligations that may be purchased, by type and credit rating, as disclosed in Note 1.

Presented are summaries of the Commission's investments by type and credit rating as of December 31, 2019 and 2018:

Enterprise Fund Investments -

Investment Type	December 31, 2019 Rating *	% of Total Investments
Certificates of deposit	A-1	5.83%
Commercial Paper	A-1	23.01%
Corporate Bond	AA- to AAA	21.30%
U.S. Federal Agency Notes and Bonds	A-1 / AAA	17.70%
U.S. Government Treasuries	A-1 / AAA	32.16%

Investment Type	December 31, 2018 Rating *	% of Total Investments
Municipal and State Obligations and Funds	A-1 / AA+	1.12%
Commercial Paper	A-1 / AA+	22.02%
U.S. Federal Agency Notes and Bonds	AA+	26.68%
U.S. Government Treasuries	AA+	50.18%

* A-1 and AAA represent the highest quality rating for short and long-term investments by Standard & Poor's, respectively.

Fiduciary Fund Investments -

Investment Type	December 31, 2019 Rating *	% of Total Investments
Mutual Funds - Equity	2 Stars	4.16%
Mutual Funds - Equity	3 Stars	5.50%
Mutual Funds - Equity	4 Stars	9.67%
Mutual Funds - Equity	5 Stars	18.49%
Mutual Funds - Fixed Income	4 Stars	58.48%
Partnerships/Joint Ventures	N/A	3.71%

Investment Type	December 31, 2018 Rating *	% of Total Investments
Mutual Funds - Equity	4 Stars	15.05%
Mutual Funds - Equity	5 Stars	21.38%
Mutual Funds - Fixed Income	2 Stars	43.32%
Mutual Funds - Fixed Income	4 Stars	20.25%

* 5 Stars represents the highest quality rating by Morningstar.

Concentration of Credit Risk - The Commission does not place a limit on the amount that may be invested in any one issuer. All permitted investments by the Commission must be rated in the three highest categories by the rating agencies.

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to

C. DETAIL NOTES – ASSETS (CONTINUED)

Investments (Continued)

measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Commission has no unfunded commitments related to its mutual fund investments. Additionally these investments do not have a limit on the redemption frequency or require a redemption notice period.

Capital Assets

The following schedules detail changes in capital assets, by major class, that occurred during the years ended December 31, 2019 and 2018:

	Balance January 1, 2019	Additions	Cap Int	Deletions	Transfers	Balance December 31, 2019
Capital assets not being depreciated						
Land	$ 133,408,299	$ 1,316,058	$ -	$ -	$ -	$ 134,724,357
Improvements in progress	325,408,449	154,069,975	5,613,682	-	(360,067,642)	125,024,464
Total capital assets not being depreciated	458,816,748	155,386,033	5,613,682	-	(360,067,642)	259,748,821
Capital assets being depreciated						
Buildings	30,224,931	-	-	-	39,164,731	69,389,662
Infrastructure	685,747,154	-	-	-	318,141,195	1,003,888,349
Equipment	26,673,558	3,978,179	-	(21,236)	2,761,716	33,392,217
Total capital assets being depreciated	742,645,643	3,978,179	-	(21,236)	360,067,642	1,106,670,228
Less accumulated depreciation for						
Buildings	(18,696,497)	(2,063,890)	-	-	-	(20,760,387)
Infrastructure	(402,401,159)	(26,080,365)	-	-	-	(428,481,524)
Equipment	(16,603,398)	(2,114,466)	-	20,852	-	(18,697,012)
Total accumulated depreciation	(437,701,054)	(30,258,721)	-	20,852	-	(467,938,923)
Total capital assets being depreciated, net	304,944,589	(26,280,542)	-	(384)	360,067,642	638,731,305
Total capital assets, net	$ 763,761,337	$ 129,105,491	$ 5,613,682	$ (384)	$ -	$ 898,480,126

	Balance January 1, 2018	Additions	Cap Int	Deletions	Transfers	Balance December 31, 2018
Capital assets not being depreciated						
Land	$ 132,774,710	$ 633,589	$ -	$ -	$ -	$ 133,408,299
Improvements in progress	190,628,955	137,144,227	4,543,982	-	(6,908,715)	325,408,449
Total capital assets not being depreciated	323,403,665	137,777,816	4,543,982	-	(6,908,715)	458,816,748
Capital assets being depreciated						
Buildings	30,113,143	-	-	-	111,788	30,224,931
Infrastructure	679,144,070	-	-	-	6,603,084	685,747,154
Equipment	23,888,654	2,591,061	-	-	193,843	26,673,558
Total capital assets being depreciated	733,145,867	2,591,061	-	-	6,908,715	742,645,643
Less accumulated depreciation for						
Buildings	(17,632,910)	(1,063,587)	-	-	-	(18,696,497)
Infrastructure	(376,278,209)	(26,122,950)	-	-	-	(402,401,159)
Equipment	(14,769,992)	(1,833,406)	-	-	-	(16,603,398)
Total accumulated depreciation	(408,681,111)	(29,019,943)	-	-	-	(437,701,054)
Total capital assets being depreciated, net	324,464,756	(26,428,882)	-	-	6,908,715	304,944,589
Total capital assets, net	$ 647,868,421	$ 111,348,934	$ 4,543,982	$ -	$ -	$ 763,761,337

C. DETAIL NOTES – ASSETS (CONTINUED)

Toll Revenue

	For the Years Ended			
	December 31, 2019		December 31, 2018	
Toll Class	Vehicles	Revenue	Vehicles	Revenue
1	38,516,935	$ 40,058,339	34,406,342	$ 34,406,342
2	1,069,545	6,948,346	868,810	5,593,379
3	442,459	5,255,398	457,907	5,418,355
4	529,806	8,361,503	509,175	8,011,712
5	4,059,082	79,660,088	3,767,761	73,803,438
6	126,854	2,949,187	115,077	2,682,886
7	3,531	98,841	4,611	128,153
11	241,944	492,144	215,390	430,780
Extra axles *	1,996	7,999	2,374	9,499
	44,990,156	143,831,845	40,345,073	130,484,544
Discounts, violations, allowances and other adjustments		(822,542)		(875,125)
		$ 143,009,303		$ 129,609,419

* Extra axles not included in total vehicle count.

In December 2002, the Commission initiated electronic toll collection and E-ZPass at the bridges. On July 14, 2019, the Commission initiated E-ZPass and Pay by Plate toll collection at the Scudder Falls Toll Bridge. The Commission records toll revenue net of uncollectible tolls, discounts and service fees. Gross toll revenue for December 31, 2019 and 2018, was $143,831,345 and $130,484,544, respectively, while the adjustments for uncollectible tolls, violations and discounts were $822,542 and $875,125, respectively.

D. DETAIL NOTES – LIABILITIES

Compensated Absences

Commission employees may accumulate unused sick days with no restrictions. Employees are compensated for accumulated sick leave upon retirement or resignation at one-half of their current hourly rate of pay times the number of days accumulated, up to a maximum of $18,000. The accrued liability for accumulated sick leave at December 31, 2019 and 2018, is estimated at $1,980,930 and $1,871,841, respectively.

Commission employees may carry forward up to five (5) vacation days not used during the year. Additional carryover days may be granted with permission from the executive director. Upon separation from the Commission, the employee will be paid for all accrued vacation time at their then current hourly rate. The accrued liability for accumulated vacation time at December 31, 2019 and 2018, is estimated at $498,985 and $449,472, respectively.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans

Pennsylvania State Employees' Retirement System

Plan Description

The Commission participates in the Pennsylvania State Employees' Retirement System ("SERS"), a cost-sharing multiple-employer defined benefit pension plan established by the Commonwealth to provide pension benefits for employees of state government and certain independent agencies. Membership in SERS is mandatory for most Commission (and other state) employees. Article II of the Commonwealth's constitution assigns the authority to establish and amend the benefit provision of the plan to the General Assembly. SERS issues a publicly available financial report that can be obtained at www.sers.pa.gov.

Benefits Provided

SERS provides retirement, death and disability benefits. Member retirement benefits are determined by taking years of credited service, multiplied by final average salary, multiplied by 2%, multiplied by class of service multiplier. According to the State Employees' Retirement Code ("SERC"), all obligations of SERS will be assumed by the Commonwealth should SERS terminate.

Contributions

Section 5507 of the SERC (71 Pa. C.S. §5507) requires the Commonwealth and other employers whose employees are SERS members to make contributions to the fund on behalf of all active members and annuitants necessary to fund the liabilities and provide the annuity reserves required to pay benefits. SERS funding policy, as set by the board, provides for periodic active member contributions at statutory rates. The SERS funding policy also provides for periodic employer contributions at actuarially determined rates based on SERS funding valuation, expressed as a percentage of annual retirement covered payroll, such that they, along with employee contributions and an actuarially determined rate of investment return, are adequate to accumulate assets to pay benefits when due. However, Act 2010-120 imposes rate increase collars (limits on annual rate increases) on employer contributions. The collar for Commonwealth fiscal year 2013 and 2014 was 4.5% and will remain at that rate until no longer needed.

Contributions to the pension plan from the Commission were $7,056,141 and $6,549,178 for the years ended December 31, 2019 and 2018, respectively. The Commission's retirement contribution, as a percentage of covered payroll, was 29.93% and 29.14% for the years ended December 31, 2019 and 2018, respectively.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

Pennsylvania State Employees' Retirement System (Continued)

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

At December 31, 2019 and 2018, the Commission reported a liability of $69,793,626 and $55,234,900 for its proportionate share of the net pension liability, respectively. The net pension liability was measured as of December 31, 2018 and 2017, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of those dates. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating agencies, actuarially determined. At December 31, 2018, the Commission's proportion was 0.33504659%, which was an increase of 0.01561662% from its proportion measured as of December 31, 2017. At December 31, 2017, the Commission's proportion was 0.31942997%, which was an increase of 0.00687765% from its proportion measured as of December 31, 2016.

For the years ended December 31, 2019 and 2018, the Commission recognized pension expense of $10,797,997 and $7,431,284, respectively. The Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,047,363	$ 756,283	$ 933,908	$ 1,048,774
Net difference between projected and actual investment earnings on pension plan investments	6,790,506	-	-	2,196,110
Changes in assumptions	1,859,473	-	2,765,384	-
Differences between employer contributions and proportionate share of contributions	-	316,565	-	255,462
Changes in proportion	3,561,108	59,642	1,922,729	159,042
Commission contributions subsequent to the measurement date	7,056,141	-	6,538,598	-
	$ 20,314,591	$ 1,132,490	$ 12,160,619	$ 3,659,388

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

The $7,056,141 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

Pennsylvania State Employees' Retirement System (Continued)

Years Ending December 31:	
2020	$ 4,420,214
2021	2,660,593
2022	1,873,078
2023	3,000,403
2024	171,672
Total	$ 12,125,960

Actuarial assumptions

The following methods and assumptions were used in the December 31, 2018 and 2017, actuarial valuations. These methods and assumptions were applied to all periods included in the measurement:

Actuarial cost method	entry age
Investment rate of return	7.25% net of manager fees including inflation
Projected salary increases	average of 5.60% with range of 3.70%-8.90%, including inflation
Asset valuation method	fair (market) value
Inflation	2.6%
Mortality rate	projected RP-2000 Mortality Tables adjusted for actual plan experience and future improvement
Cost of living adjustments (COLA)	none (ad hoc)

Every five years, SERS is required to conduct an actuarial experience study to determine whether the assumptions used in its annual actuarial valuations remain accurate based on current and anticipated demographic trends and economic conditions. The *18th Investigation of Actuarial Experience* study for the period 2011 – 2015 was released in March 2016. The actuary, under oversight of the State Employee's Retirement Board ('SERB"), reviewed economic assumptions (such as the future investment returns and salary increases) as well as the demographic assumptions (such as employee turnover, retirement, disability and death rates). Some assumption adjustments increased projected cost and some decreased projected cost, but the overall result was a slight increase to the net pension liability.

The long-term expected real rate of return on pension plan investments is determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of manager fees 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. The target allocation and best estimates of arithmetic real rates of return for each

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

Pennsylvania State Employees' Retirement System (Continued)

major asset class included in the pension plan's target asset allocation as of December 31, 2018 and 2017, are summarized in the following tables:

	2018		2017	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Private equity	16.00%	7.25%	16.00%	8.00%
Global public equity	48.00%	5.15%	43.00%	5.30%
Real assets	12.00%	5.26%	12.00%	5.44%
Multi-strategy	10.00%	4.44%	12.00%	5.10%
Fixed income	11.00%	1.26%	14.00%	1.63%
Cash	3.00%	0.00%	3.00%	(0.25)%
Total	100.00%		100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.25% for the years ended December 2018 and 2017. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable for each member and that employer contributions will be made based on rates determined by the actuary. Based on the assumptions, SERS fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active SERS members. Therefore, the long-term expected rate of return on SERS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission's proportionate share of the net pension liability to change in the discount rate

The following schedule presents the Commission's proportionate share of the 2018 and 2017 net pension liability calculated using the discount rate of 7.25%. It also shows what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Commission's share of the net pension liability as of December 31, 2018 measurement date	85,700,876	69,793,626	56,161,984
Commission's share of the net pension liability as of December 31, 2017 measurement date	70,110,314	55,234,900	42,492,384

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued SERS financial report.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

State of New Jersey Public Employees' Retirement System

Plan Description

The Commission participates in the State of New Jersey Public Employees' Retirement System (PERS), a cost-sharing, multi-employer, contributory, defined-benefit plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

The vesting and benefit provisions are set by N.J.S.A. 43:15. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
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.

Benefits Provided

A service retirement benefit of $1/55^{th}$ 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 $1/60^{th}$ 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 Tier 1 and 2 members before reaching age 60, to Tier 3 and 4 members before age 62, and Tier 5 members 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 credit and have not reached the service retirement age for the respective tier.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

State of New Jersey Public Employees' Retirement System (Continued)

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries determined the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years which began with the payments due in the fiscal year ended June 30, 2012, and are adjusted by the rate of return on the actuarial value of assets.

Employee contribution rates to PERS governed by P.L. 2011, C. 78, effective June 28, 2011, were increased from 5.5% of salary to 6.5% of salary, and a phase-in to 7.5% of salary over a seven-year period. Covered Commission employees are required by PERS to contribute 7.5% of their salaries. State statute requires the Commission to contribute an actuarially determined rate which includes the normal cost and the unfunded accrued liability. The amount of the Commission's contribution is certified each year by PERS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees, and the actuaries. Specific information on actuarial assumptions and rates of return can be found at www.nj.gov/treasury/pensions/documents/financial/gasb/gasb68-pers20.pdf.

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

At December 31, 2019 and 2018, the Commission reported a liability of $1,892,847 and $2,131,947, respectively, for its proportionate share of the net pension liability. The net liability was measured as of June 30, 2019 and 2018, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The Commission's proportionate share of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarially determined. At June 30, 2019 and 2018, respectively, the Commission's proportionate share of the collective pension liability was 0.0105050302% and 0.0108278375%, which was a decrease of 0.0003228073%. For the years ended December 31, 2019 and 2018, the Commission recognized pension expense of $229,995 and $274,459, respectively.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

State of New Jersey Public Employees' Retirement System (Continued)

The Commission reported deferred outflows of resources and deferred inflows of resources as follows:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 33,974	$ 8,362	$ 40,657	$ 10,993
Net difference between projected and actual investment earnings on pension plan investments	-	29,879	-	19,998
Changes in assumptions	189,008	657,001	351,310	681,683
Changes in proportion	377,653	59,085	533,927	-
Commission contributions subsequent to the measurement date	51,092	-	94,369	-
	$ 651,727	$ 754,327	$ 1,020,263	$ 712,674

The $51,092 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31:	
2020	$ 350,849
2021	(147,170)
2022	(183,544)
2023	(152,433)
2024	(21,394)
Total	$ (153,692)

Actuarial Assumptions

The total pension liability for the June 30, 2019 and 2018, measurement date, respectively, was determined by an actuarial valuation as of July 1, 2018 and 2017, respectively, which was rolled forward to June 30, 2019 and 2018, respectively, using the following actuarial assumptions:

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

State of New Jersey Public Employees' Retirement System (Continued)

	2019
Inflation: Price	2.75%
Inflation: Wage	3.25%
Salary increases:	
through 2026, based on years of service	2.00-6.00%
Thereafter, based on years of service	3.00-7.00%
Investment rate of return	7%

	2018
Inflation	2.25%
Salary increases:	
2012-2021, based on age	1.65% - 4.15%
Thereafter, based on age	2.65 - 5.15%
Investment rate of return	7.00%

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

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 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability 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-2019.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

State of New Jersey Public Employees' Retirement System (Continued)

In accordance with the New Jersey State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the NJ Directors of the Division of Investments and NJ 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 the 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 allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 and 2018, are summarized below:

	June 30, 2019	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk mitigation strategies	3.00%	4.67%
Cash equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment grade credit	10.00%	4.25%
High yield	2.00%	5.37%
Private credit	6.00%	7.92%
Real assets	2.50%	9.31%
Real estate	7.50%	8.33%
U.S. equity	28.00%	8.26%
Non-U.S. developed markets equity	12.50%	9.00%
Emerging markets equity	6.50%	11.37%
Private equity	12.00%	10.85%
	100.00%	

	June 30, 2018	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk mitigation strategies	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
High yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%
	100.00%	

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

State of New Jersey Public Employees' Retirement System (Continued)

Discount Rate

The discount rate used to measure the pension liabilities of PERS was 6.28% and 5.66% as of June 30, 2019 and 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following represents the Commission's proportionate share of the net pension liability as of June 30, 2019 and 2018, respectively, calculated using the discount rate described above, as well as what the Commission's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
Commission's proportionate share	$ 2,390,973	$ 1,892,847	$ 1,473,105

	June 30, 2018		
	At 1% Decrease (4.66%)	At Current Discount Rate (5.66%)	At 1% Increase (6.66%)
Commission's proportionate share	$ 2,680,678	$ 2,131,947	$ 1,671,597

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB)

Plan Description - The Commission provides healthcare and life insurance benefits to its retirees and their spouses and dependents under the Delaware River Joint Toll Bridge Commission's Retiree Health Benefits Plan ("Retiree Health Benefits Plan"), which was established as an irrevocable trust in December 2009. The amount the Commission pays for the medical and life insurance premiums for retirees and spouses varies. Most regular active employees who retire directly from the Commission and meet the eligibility criteria may participate.

Eligibility - Employees hired prior to January 1, 1995, are eligible for participation as follows:

- Hire date prior to January 1, 1979, the required years of service at retirement equals 65 minus age times 2; hire date January 1, 1979 - December 31, 1994, the required years of service at retirement equals 70 minus age times 2.

Eligibility

Employees hired prior to January 1, 1995, are eligible according to the following table:

Hire Date	Required Years of Service at Retirement Equals
Prior to January 1, 1979	65 minus age times 2
January 1, 1979 - December 31, 1994	70 minus age times 2

Employees hired after December 31, 1994 and before January 1, 2017, earliest of:

- Attainment of 55 with 25 years of service
- 60 with 20 years of service
- 65 with 15 years of service

Service includes all service in state, county or municipal pension systems within the State of New Jersey or the Commonwealth of Pennsylvania, with the last 5 years of employment with the Bridge Commission.

Employees hired after December 31, 2016, earliest of:

- Attainment of 55 with 25 years of service
- 60 with 20 years of service
- 65 with 15 years of service

Service includes all service in state, county or municipal pension systems within the State of New Jersey or the Commonwealth of Pennsylvania. U.S. military service may also be included (up to 5 years). The maximum non-Bridge Commission service to be credited is 10 years. The last 10 years of employment must be with the Bridge Commission.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

If an employee retires prior to age 55 with 25 or more years of service, he may receive COBRA until age 55 at which time he would be eligible for the retiree health benefit plan in effect at that time provided the employee is within 18 months of retirement eligibility at the time of separation of employment.

Medical Benefit

All eligible employees are allowed to continue medical, prescription drug, dental and vision coverage under the Plan for the retiree and any eligible dependents for the lifetime of the retiree. For those under age 65, coverage is continued in the same plan the retiree had at retirement. For those over 65, benefits are provided under New England Employee Benefits Company. In addition, the retiree is reimbursed for retiree/dependent Medicare Part B premiums (up to the standard premium for those who retire on or after January 1, 2018).

Employees hired before April 1, 1995, who retire on or after September 1, 2007, but before January 1, 2018, pay the current active co-pay of $260 per year.

Employees hired on or after April 1, 1995, or who retire on or after January 1, 2018, pay half of the dental premium and a percentage of their final year earnings toward medical. The percentage is shown in the table below:

Coverage	Percent of Final Pay
Single	1.00%
Husband/Wife or Parent/Child	1.25%
Family or Parent/Child	1.50%

Retirees who retire on or after January 1, 2018, who become eligible for non-disability related Medicare coverage, have their obligation to pay retiree contribution cease.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Plan Name	Co-Pay Plan	Contribution Plan
MEDICAL		
Deductible (Individual)		
INN	$ -	$ -
OON	$ 5,000	$ 5,000
OOP Max on Coinsurance		
INN	$ 5,600	$ 5,600
OON	$ 10,000	$ 10,000
OV-PCP	$10 co-pay	100% covered
OV-Specialist	$25 co-pay	100% covered
ER	$250 co-pay	$100 co-pay
Coinsurance		
INN	100%	100%
ONN	50%	50%
Prescription Drugs		
Retail (Generic/Brand)	$5/$15 co-pay	$5/$15 co-pay
Mail Order (Generic/Brand)	$10/$30 co-pay	$10/$30 co-pay

Life Benefit

Only applies to employees hired prior to January 1, 1995.

Employees receive life insurance coverage with no cost to the retiree according to the following schedule:

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Life Benefit (Continued)

Age at Retirement	Benefit
Less than 70	150% of annual salary at retirement reduced each year to age 70 to $10,000. After age 70 the benefit remains $10,000.
70 or more	75% of annual salary

Plan Changes in 2019 and 2018

None.

Net OPEB Liability

The net OPEB liability of the plan for measurement date December 31, 2018, was as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance recognized at 12/31/2018 (Based on 12/31/17 measurement date)	$ 104,649,857	$ 89,910,350	$ 14,739,507
Changes recognized for the fiscal year:			
Service cost	3,388,535	N/A	3,388,535
Interest of the total OPEB liability	6,388,854	N/A	6,388,854
Changes in benefit terms	-	N/A	-
Differences between expected and actual experience	3,436,978	N/A	3,436,978
Changes of assumptions			
Updated claims/trend	(12,414,013)	N/A	(12,414,013)
Mortality table	88,280	N/A	88,280
Discount rate	6,534,513	N/A	6,534,513
Total changes of assumptions	(5,791,220)	N/A	(5,791,220)
Benefit payments	(3,161,037)	(3,161,037)	-
Contributions from the employer	N/A	-	-
Contributions from the employee	N/A	-	-
Net investment income	N/A	(2,848,376)	2,848,376
Administrative expense	N/A	(22,622)	22,622
Net Changes	4,262,110	(6,032,035)	10,294,145
Balance recognized at 12/31/2019 (Based on 12/31/18 measurement date)	$ 108,911,967	$ 83,878,315	$ 25,033,652

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Net OPEB Liability (Continued)

The net OPEB liability of the plan for measurement date December 31, 2017, was as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance recognized at 12/31/2017 (Based on 12/31/16 measurement date)	$ 113,453,654	$ 76,520,177	$ 36,933,477
Changes recognized for the fiscal year:			
Service cost	4,161,867	N/A	4,161,867
Interest of the total OPEB liability	6,592,495	N/A	6,592,495
Changes in benefit terms	(45,529)	N/A	(45,529)
Differences between expected and actual experience	2,550,800	N/A	2,550,800
Changes of assumptions			
Updated claims/trend	3,837,086	N/A	3,837,086
Demographic decrement (SERS)	(8,300,785)	N/A	(8,300,785)
Dependent coverage	(6,709,109)	N/A	(6,709,109)
Mortality table	(3,417,780)	N/A	(3,417,780)
Discount rate	(4,328,490)	N/A	(4,328,490)
Total changes of assumptions	(18,919,078)	N/A	(18,919,078)
Benefit payments	(3,144,352)	(3,144,352)	-
Contributions from the employer	N/A	7,500,000	(7,500,000)
Contributions from the employee	N/A	-	-
Net investment income	N/A	9,056,129	(9,056,129)
Administrative expense	N/A	(21,604)	21,604
Net Changes	(8,803,797)	13,390,173	(22,193,970)
Balance recognized at 12/31/2018 (Based on 12/31/17 measurement date)	$ 104,649,857	$ 89,910,350	$ 14,739,507

Employer Contributions
The Commission had no contractually required contribution rate for fiscal years ended December 31, 2019 and 2018. The Commission made contributions of $3,304,940 and $0 to the OPEB plan for the years ended December 31, 2019 and 2018, respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2019 and 2018, the Commission reported a net OPEB liability of $25,033,652 and $14,739,507, respectively. The net OPEB liability was measured as of January 1, 2018 and 2017, and the total OPEB liability used to determine the net OPEB liability was determined by rolling forward the total OPEB liability as of January 1, 2018 to December 31, 2018 and January 1, 2017 to December 31, 2017, respectively.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the years ended December 31, 2019 and 2018, the Commission recognized OPEB expense of $2,227,914, and $2,527,485, respectively. At December 31, 2019 and 2018, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,560,174	$ -	$ 2,143,324	$ -
Net difference between projected and actual investment earnings on OPEB plan investments	3,918,163	-	-	3,467,918
Changes in assumptions	-	17,633,561	-	15,896,861
Commission's contributions subsequent to measurement date	3,304,940	-	-	-
	$ 11,783,277	$ 17,633,561	$ 2,143,324	$ 19,364,779

The $3,304,940 reported as deferred outflows of resources related to OPEB resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31:	
2020	$ (2,271,595)
2021	(2,271,595)
2022	(2,271,595)
2023	(1,404,620)
2024	(935,819)
Total	$ (9,155,224)

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Actuarial Assumptions

A summary of the actuarial assumptions used in the valuation is presented below:

- Discount Rate – 5.56% and 6.00% as of December 31, 2018 and 2017, respectively
- 20 Yr. Municipal Bond Rate – 4.10% and 3.44% as of December 31, 2018 and 2017, respectively
- Municipal Bond Rate Basis – Bond Buyer GO 20-Bond Municipal Bond Index

Salary Increases - Merit Scale			
Completed Years of Service	Annual Increase	Completed Years of Service	Annual Increase
1	6.00%	16	2.10%
2	4.50%	17	2.05%
3	4.00%	18	2.00%
4	3.75%	19	1.95%
5	3.50%	20	1.90%
6	3.25%	21	1.85%
7	3.00%	22	1.75%
8	2.90%	23	1.65%
9	2.80%	24	1.55%
10	2.70%	25	1.45%
11	2.60%	26	1.25%
12	2.50%	27	1.05%
13	2.40%	28	0.90%
14	2.30%	29	0.85%
15	2.20%	30+	0.80%

- General Inflation – 2.9%
- Retirement Age, Active Participants – The following table shows sample annual rates of retirement at selected ages. Retirement rates vary by age and service, and are based upon the Pennsylvania State Employees' Retirement System:

Age	Male	Female
55	23.00%	23.00%
56-57	24.00%	23.00%
58	27.00%	23.00%
59	30.00%	25.00%
60	25.00%	25.00%
61	20.00%	20.00%
62	25.00%	25.00%
63-64	20.00%	20.00%
65-66	25.00%	25.00%
67-70	23.00%	23.00%
71-79	20.00%	20.00%
80	100.00%	100.00%

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Actuarial Assumptions (Continued)

- Mortality Rates, Healthy and Disabled – Pub-2010 Mortality Table projected generationally with scale MP-2018 from the central year.
- Withdrawal Rates – The following table shows sample annual rates of withdrawal and is based upon the Pennsylvania State Employees' Retirement System:

	Male - Years of Service				Female - Years of Service			
Age	0	5	9	14	0	5	9	14
20	24.2%	n/a	n/a	n/a	28.4%	n/a	n/a	n/a
25	18.5%	3.0%	2.1%	n/a	22.4%	3.7%	2.3%	n/a
30	16.4%	3.0%	2.1%	1.0%	19.2%	3.3%	2.3%	1.7%
35	15.6%	2.4%	1.3%	1.0%	15.0%	3.2%	1.2%	1.2%
40	15.0%	2.4%	1.3%	1.0%	13.4%	3.2%	1.2%	1.0%
45	14.4%	2.4%	0.7%	1.1%	13.1%	2.7.%	1.2%	1.0%
50	14.4%	2.6%	0.7%	1.1%	13.1%	2.7%	1.5%	1.0%
55	14.4%	1.9%	0.8%	0.8%	13.1%	1.8%	1.0%	1.6%

- Decrement Timing – Beginning of year decrements.
- Health Care Participation Rate, Future Retirees – Assumed that 100% of current and future contingent eligible participants will elect health care benefits at their full eligibility age, or current age if later.
- Current Retirees – All current retirees are assumed to continue coverage.
- Spouse Coverage Election Rate, Future Retirees – Males are assumed to be 2 years older than females. Active male employees are assumed to be 70% married, and active female employees are assumed to be 50% married.
- Current Retirees – Spousal coverage is based on actual retiree coverage elections. Actual spouse age is used where available. In instances where this information is not available, males are assumed to be two years older than their female spouses.
- Projected Retiree Health Care Contributions – Equal to applicable percentage of projected salary based on all relevant assumptions described in this section, including health care trend rates, health care cost aging, and various demographic assumptions.
- Life Insurance Loads – Life insurance liabilities were loaded by 10% to reflect carrier retention charges, including administrative costs, risk charges, premium taxes, and other miscellaneous related charges.
- Administrative Expenses – Actual administrative expenses during the measurement period are recognized in expense.
- Asset Method – Fair market value.
- Actuarial Cost Method – Entry Age Normal cost method.
- Measurement Dates – December 31, 2018 and December 31, 2017.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Actuarial Assumptions (Continued)

- Valuation Dates – January 1, 2019 and January 1, 2018.
- Census Data – January 1, 2019 and January 1, 2018.
- Valuation Methodology and Terminology – GASB accounting methodology used to determine the postretirement medical benefit obligations.

Interest Rate Sensitivity

The following table illustrates the impact of interest rate sensitivity on the Net OPEB Liability for fiscal years ending December 31, 2019 and 2018:

At June 30, 2019		
1% Decrease 4.56%	Current Discount Rate 5.56%	1% Increase 6.56%
$ 40,948,272	$ 25,033,652	$ 11,967,767

At June 30, 2018		
1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
$ 29,543,918	$ 14,739,507	$ 2,529,193

Healthcare Cost Trend Sensitivity

The following table illustrates the impact of healthcare cost trend sensitivity on the Net OPEB Liability for fiscal years ending December 31, 2019 and 2018:

At June 30, 2019		
1% Decrease	Healthcare Cost Trend Rate	1% Increase
$ (1,777,818)	$ 25,033,652	$ 68,223,733

At June 30, 2018		
1% Decrease	Healthcare Cost Trend Rate	1% Increase
$ (10,411,889)	$ 14,739,507	$ 54,749,746

Asset Allocation

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Asset Allocation (Continued)

class. These ranges are combined to produce long-term expected rates 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 real rates of return for each major asset class included in the OPEB plan’s target asset allocations as December 31, 2019 and 2018, are summarized in the following table:

	2019		
Asset Class	Expected Nominal Rate of Return	Expected Real Rate of Return	Allocation
U.S. Equity	8.57%	5.51%	24.00%
International Equity	8.62%	5.56%	14.00%
Core Fixed Income	4.59%	1.65%	62.00%
Total Portfolio	6.61%	3.61%	100.00%

	2018		
Asset Class	Expected Nominal Rate of Return	Expected Real Rate of Return	Allocation
Large Cap U.S. Equity	6.30%	3.91%	27.61%
International (Non-U.S.) Equity (Developed)	7.40%	4.99%	15.20%
Cash (Gov't)	2.70%	0.39%	0.26%
Core U.S. Fixed Income (Market Duration)	3.70%	1.37%	27.28%
High Yield Bonds	2.80%	0.49%	5.16%
Intermediate Duration Bonds - Gov't	3.00%	0.68%	5.69%
Intermediate Duration Bonds - Credit	4.00%	1.66%	18.80%
Total Portfolio	5.49%	3.12%	100.00%

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness

The Commission has financed certain capital costs through the issuance of its Bridge System Revenue Bonds. Such bonds have been issued pursuant to the Trust Indenture dated as of January 1, 2003, as supplemented, between the Commission and the TD Bank / Pennsylvania, National Association as Trustee.

At December 31, 2019 and 2018, the Commission had $709,245,000 and $698,850,000, respectively, in Bridge System Revenue and Revenue Refunding Bonds outstanding.

Descriptions of bond series outstanding during 2019 and 2018 follow:

Series 2005A Bonds **-** On March 24, 2005, the Commission issued $72,645,000 of Bridge System Revenue Bonds, Series 2005A. The purpose of the bond issue was to finance the Commission's Compact Investment Program ("CIP") and to refund a portion of the Commission's outstanding Series 2003 bonds.

From the proceeds, $34,770,229 was deposited to the escrow account to advance refund $32,165,000 of the Commission's outstanding Series 2003 bonds, $2,918,863 was deposited to the debt service reserve fund, $1,500,436 was allocated to pay costs of issuance, and $40,000,000 was deposited into the 2005 construction fund to fund the CIP.

The CIP was established to provide funding for transportation infrastructure related projects in New Jersey and Pennsylvania communities that host Commission bridges. CIP projects included installation of upgrades to traffic signalization around Commission facilities, road widening in areas affected by Commission crossings, bicycle or pedestrian paths leading up to Commission facilities, park and ride facilities, safety lighting, and right-of-way renovation, protection, or beautification.

In October 2012, the Commission issued refunding bonds to defease $30,795,000 of the outstanding Series 2005A bonds (see "Series 2012A and 2012B (federally taxable) Bonds" below).

At December 31, 2019, $5,105,000 of the Series 2005A Bonds remained outstanding. The Series 2005A bonds mature in 2020.

Series 2007A, 2007B-1 and 2007B-2 Bonds - On September 20, 2007, the Commission issued three series of Bridge System Revenue Bonds: $134,170,000 Series 2007A, $75,000,000 Series 2007B-1, and $75,000,000 Series 2007B-2. The Series 2007A bonds were issued with fixed interest rates, while Series 2007B-1 and Series 2007B-2 bonds were issued as auction rate bonds. The Commission simultaneously entered into separate swap agreements that were associated with each variable rate bond series to act as interest rate hedges.

The purpose of the bond issue was to finance a portion of the costs of various capital projects related to the bridge system. From the aggregate bond proceeds, $272,306,343 was deposited into the 2007 construction fund, $11,739,376 was deposited into the Series 2007A debt service reserve fund, $4,191,574 was allocated to pay costs of issuance, and $895,792 was deposited into the interest account of the debt service fund.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

In September 2008, the Series 2007B-1 and Series 2007B-2 bonds were converted from auction rate bonds and remarketed as variable rate bonds bearing interest at a weekly rate, with direct pay letters of credit issued by Dexia Credit Local. The letters of credit provided for August 2011 expiration dates.

In May 2011, the entire amount of outstanding bonds of $69,825,000 for Series 2007B-1 and $69,825,000 for Series 2007B-2 were reissued under a direct purchase agreement and the letters of credit were terminated. Interest on the reissued bonds was at a variable rate based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index. The Series 2007B-1 interest rate was the SIFMA Municipal Swap Index Rate plus a spread of 0.85% and the Series 2007B-2 interest rate was the SIFMA Municipal Swap Index Rate plus a spread of 0.95%. Under the direct purchase agreements, the bonds were subject to mandatory repurchase on May 1, 2014.

In October 2013, the Commission defeased $31,905,000 of the outstanding Series 2007A bonds by funding an escrow account with $37,174,104 of unused monies remaining in the 2007 construction fund not otherwise allocated to or required for other capital projects.

In January 2014, the Commission entered into Forward Purchase Continuing Covenant Agreements under which the Series 2007B-1 and Series 2007B-2 bonds were remarketed via direct purchase on May 1, 2014. Under the terms of the remarketing, the interest rate on Series 2007B-1 and Series 2007B-2 was established at the SIFMA Index plus a spread of 0.60%, and a new mandatory repurchase date was set at May 1, 2017.

In April 2015 the Commission issued refunding bonds to defease $86,765,000 of the outstanding Series 2007A bonds (See “Series 2015 Bonds” below). The remaining Series 2007A bonds matured in 2018.

On May 1, 2017, the Commission once again remarketed the Series 2007B-1 and Series 2007B-2 bonds in SIFMA Index Mode via direct purchase. The initial interest rate was the SIFMA Index plus a spread of 0.47%; however, as a result of the federal corporate income tax change effective January 1, 2018, under the terms of the direct purchase agreements the rate was adjusted to the SIFMA Index plus a spread of 0.57%.

In July 2019, the Commission issued refunding bonds to redeem all of the outstanding Series 2007B-1 and Series 2007B-2 bonds and simultaneously terminate the associated swap agreements (see “Series 2019A and 2019B Bonds” below). As a result, the Commission no longer has any outstanding bonds in variable rate mode, and no longer is party to any swap agreements.

Series 2012A and 2012B (federally taxable) Bonds **-** On October 24, 2012, the Commission issued $97,810,000 of Bridge System Revenue Bonds, comprising $77,145,000 Series 2012A and $20,665,000 Series 2012B (federally taxable). The purpose of bond issue was to refund $76,775,000 of outstanding Series 2003 Bonds and $30,795,000 of outstanding Series 2005A Bonds.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

Proceeds from the bond issue, along with a transfer of $12,205,971 from the Series 2003 debt service reserve fund account, funded a deposit to the escrow fund for the refunded bonds in the amount of $115,651,751, a deposit of $2,875,978 into the Series 2012A debt service reserve fund account, and an allocation of $965,209 to pay costs of issuance.

In July 2013, the Commission purchased and thereby extinguished $1,210,000 of outstanding Series 2012A bonds, utilizing monies remaining in the Series 2005A account of the construction fund not otherwise allocated to or required for other capital projects.

On July 2, 2019, the Commission defeased $39,800,000 of outstanding Series 2012A bonds by funding an escrow account with undesignated monies that were held in the Commission's general reserve fund. (See Note E – DEFEASED BONDS).

At December 31, 2019, $27,360,000 of the Series 2012A bonds remain outstanding. The Series 2012B (federally taxable) bonds matured in 2018.

Series 2015 Bonds – On April 29, 2015, the Commission issued $86,505,000 of Bridge System Revenue Bonds, Series 2015. The Series 2015 bonds were issued for the purpose of refunding $86,765,000 of outstanding Series 2007A bonds. Proceeds from the bond issue, along with a transfer of $9,826,227 from the Series 2007A debt service reserve fund and a transfer of $1,400,000 from the 2007A account of the construction fund, funded a deposit to the escrow fund for the refunded bonds in the amount of $95,571,081, a deposit to the debt service reserve fund in the amount of $7,676,769, and an allocation of $1,012,822 to pay costs of issuance.

On July 2, 2019, the Commission defeased $10,935,000 of outstanding Series 2015 bonds by funding an escrow account with undesignated monies that were held in the Commission's general reserve fund. (See Note E – DEFEASED BONDS).

At December 31, 2019, $73,160,000 of the Series 2015 bonds remain outstanding.

Series 2017 Bonds – On March 1, 2017, the Commission issued $430,250,000 of Bridge System Revenue Bonds, Series 2017. The Series 2017 bonds were issued for the purpose financing a portion of the capital costs of the Scudder Falls Bridge Replacement Project.

Of the proceeds, $422,020,239 was deposited to the 2017 construction fund, $30,601,000 was deposited to the debt service reserve fund, $17,227,511 was deposited to the capitalized interest account, and $3,375,995 was allocated to pay costs of issuance.

At December 31, 2019, $430,250,000 of the Series 2017 bonds remain outstanding.

Series 2019A and 2019B Bonds – On July 31, 2019, the Commission issued $173,370,000 of Bridge System Revenue Bonds, comprising $73,640,000 Series 2019A and $99,730,000 Series 2019B. The Series 2019A bonds were issued for the purpose of financing various capital improvements related to the bridge system, while the Series 2019B bonds were issued for the purpose of refunding all of the outstanding Series 2007B-1 and B-2 SIFMA-Index variable rate bonds and making termination payments for each of the associated swap agreements.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

From the proceeds of the Series 2019A bonds, $85,661,528 was deposited to the Series 2019A construction fund, $1,635,559 was deposited to the debt service reserve fund, and $715,823 was allocated to pay costs of issuance. From the proceeds of the Series 2019B bonds, $98,400,000 was used to redeem all of the outstanding Series 2007B-1 and B-2 bonds, $19,544,100 was used to make swap termination payments to the swap counterparties, $2,215,023 was deposited to the debt service reserve fund, and $932,535 was allocated to pay costs of issuance.

At December 31, 2019, $73,640,000 of the Series 2019A bonds and $99,730,000 of the Series 2019B bonds remain outstanding.

The following schedules represent the debt service requirements for the outstanding bonds as of December 31, 2019:

	Year	Principal Amount	Interest	Total Debt Service
Series 2005A	2020	$ 5,105,000	$ 280,775	$ 5,385,775

	Year	Principal Amount	Interest	Total Debt Service
Series 2012A	2020	$ 1,195,000	$ 1,161,838	2,356,838
	2021	6,825,000	1,137,938	7,962,938
	2022	7,165,000	796,688	7,961,688
	2023	7,445,000	517,563	7,962,563
	2024	-	145,313	145,313
	2025	-	145,313	145,313
	2026	-	145,313	145,313
	2027	2,000,000	145,313	2,145,313
	2028	-	85,313	85,313
	2029	1,345,000	85,313	1,430,313
	2030	1,385,000	43,281	1,428,281
Total Series 2012A		$ 27,360,000	$ 4,409,186	$ 31,769,186

	Year	Principal Amount	Interest	Total Debt Service
Series 2015	2020	$ 2,540,000	$ 2,972,369	$ 5,512,369
	2021	2,540,000	2,845,369	5,385,369
	2022	2,695,000	2,718,369	5,413,369
	2023	2,795,000	2,583,619	5,378,619
	2024	2,935,000	2,471,819	5,406,819
	2025	3,015,000	2,325,069	5,340,069
	2026	3,180,000	2,174,319	5,354,319
	2027	4,540,000	2,015,319	6,555,319
	2028	3,380,000	1,879,119	5,259,119
	2029	-	1,773,494	1,773,494
	2030	-	1,773,494	1,773,494
	2031	-	1,773,494	1,773,494
	2032	545,000	1,773,494	2,318,494
	2033	10,595,000	1,755,100	12,350,100
	2034	11,020,000	1,331,300	12,351,300
	2035	11,460,000	890,500	12,350,500
	2036	11,920,000	432,100	12,352,100
Total Series 2015		$ 73,160,000	$ 33,488,347	$ 106,648,347

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

	Year	Principal Amount	Interest	Total Debt Service
Series 2017	2020	$ 945,000	$ 20,676,999	$ 21,621,999
	2021	875,000	20,663,769	21,538,769
	2022	1,740,000	20,649,550	22,389,550
	2023	1,865,000	20,562,550	22,427,550
	2024	1,970,000	20,469,300	22,439,300
	2025	1,070,000	20,370,800	21,440,800
	2026	-	20,338,700	20,338,700
	2027	20,000	20,338,700	20,358,700
	2028	35,000	20,337,900	20,372,900
	2029	8,380,000	20,336,500	28,716,500
	2030	8,845,000	19,917,500	28,762,500
	2031	10,765,000	19,475,250	30,240,250
	2032	14,735,000	18,937,000	33,672,000
	2033	15,715,000	18,200,250	33,915,250
	2034	16,500,000	17,414,500	33,914,500
	2035	17,325,000	16,589,500	33,914,500
	2036	18,190,000	15,723,250	33,913,250
	2037	22,015,000	14,813,750	36,828,750
	2038	23,115,000	13,713,000	36,828,000
	2039	24,270,000	12,557,250	36,827,250
	2040	25,485,000	11,343,750	36,828,750
	2041	26,760,000	10,069,500	36,829,500
	2042	28,100,000	8,731,500	36,831,500
	2043	29,505,000	7,326,500	36,831,500
	2044	30,845,000	5,987,000	36,832,000
	2045	32,240,000	4,587,300	36,827,300
	2046	33,705,000	3,124,950	36,829,950
	2047	35,235,000	1,596,850	36,831,850
Total Series 2017		$ 430,250,000	$ 424,853,368	$ 855,103,368

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

	Year	Principal Amount	Interest	Total Debt Service
Series 2019A	2020	$ 505,000	$ 3,031,087	$ 3,536,087
	2021	435,000	3,271,400	3,706,400
	2022	455,000	3,249,650	3,704,650
	2023	480,000	3,226,900	3,706,900
	2024	8,015,000	3,202,900	11,217,900
	2025	8,170,000	3,042,600	11,212,600
	2026	8,585,000	2,634,100	11,219,100
	2027	5,800,000	2,204,850	8,004,850
	2028	9,410,000	1,914,850	11,324,850
	2029	3,725,000	1,444,350	5,169,350
	2030	3,930,000	1,258,100	5,188,100
	2031	4,055,000	1,061,600	5,116,600
	2032	725,000	858,850	1,583,850
	2033	760,000	822,600	1,582,600
	2034	800,000	784,600	1,584,600
	2035	835,000	744,600	1,579,600
	2036	880,000	702,850	1,582,850
	2037	925,000	658,850	1,583,850
	2038	970,000	612,600	1,582,600
	2039	1,020,000	564,100	1,584,100
	2040	1,070,000	513,100	1,583,100
	2041	1,125,000	459,600	1,584,600
	2042	1,180,000	403,350	1,583,350
	2043	1,240,000	344,350	1,584,350
	2044	1,300,000	282,350	1,582,350
	2045	1,365,000	217,350	1,582,350
	2046	1,405,000	176,400	1,581,400
	2047	1,450,000	134,250	1,584,250
	2048	1,490,000	90,750	1,580,750
	2049	1,535,000	46,050	1,581,050
Total Series 2019A		$ 73,640,000	$ 37,958,987	$ 111,598,987

	Year	Principal Amount	Interest	Total Debt Service
Series 2019B	2020	$ 6,015,000	$ 4,584,810	$ 10,599,810
	2021	5,945,000	4,685,750	10,630,750
	2022	6,255,000	4,388,500	10,643,500
	2023	6,565,000	4,075,750	10,640,750
	2024	6,830,000	3,747,500	10,577,500
	2025	7,195,000	3,406,000	10,601,000
	2026	7,515,000	3,046,250	10,561,250
	2027	7,880,000	2,670,500	10,550,500
	2028	8,300,000	2,276,500	10,576,500
	2029	8,670,000	1,861,500	10,531,500
	2030	9,045,000	1,428,000	10,473,000
	2031	9,520,000	975,750	10,495,750
	2032	9,995,000	499,750	10,494,750
Total Series 2019B		$ 99,730,000	$ 37,646,560	$ 137,376,560

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Derivative Instruments

In October 2005, the Commission entered into two forward starting swaps with two counterparties.

On July 31, 2019, both swap agreements were terminated at an aggregate termination cost of $19,544,100, which represented the fair market value of the swaps at termination. The termination payments were funded with proceeds from the Series 2019B bonds issued on that date. (See "Series 2019A and 2019B Bonds" above).

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2019 and 2018, classified by type, and the changes in fair value of such derivative instruments for the years then ended are as follows (debit (credit)):

	Changes in Fair Value		Fair Value at December 31, 2019		
	Classification	Amount	Classification	Amount	Notional
	N/A	N/A	N/A	N/A	N/A

	Changes in Fair Value		Fair Value at December 31, 2018		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges					
Pay-fixed interest rate swap	Deferred outflow of resources	$ 2,610,000	Debt	$ 8,007,649	$ 51,930,000
Pay-fixed interest rate swap	Deferred outflow of resources	$ 2,610,000	Debt	$ 8,007,649	$ 51,930,000

The fair values of the interest rate swaps were estimated using the zero-coupon method.

This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

Objective and Terms of Hedging Derivative Instruments **-** The objective of the swaps was to hedge against future interest rates by taking advantage of the current historically low interest rate environment in advance of the issuance of bonds by the Commission's 2007B bonds. The following table displays the objective and terms of the Commission's hedging derivative instruments outstanding at December 31, 2019 and 2018, along with the credit rating of the associated counterparty:

As of December 31, 2019

Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
N/A	N/A	N/A	N/A	N/A	N/A	N/A

As of December 31, 2018

Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
Pay fixed interest rate swap	Hedges of changes in cash flows on the 2007 B-1 Series Bonds	$ 51,930,000	10/1/07	7/1/32	Pay fixed 4.231% receive SIFMA Swap Index	Baa1/BBB+
Pay fixed interest rate swap	Hedges of changes in cash flows on the 2007 B-2 Series Bonds	$ 51,930,000	10/1/07	7/1/32	Pay fixed 4.231% receive SIFMA Swap Index	A3/A+

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Derivative Instruments (Continued)

Risks Related to Derivative Instruments

Credit risk - As of December 31, 2019, the Commission was not party to any derivative instruments. As of December 31, 2018, the Commission was not exposed to credit risk on its hedging derivative instruments as all such derivative instruments were in a liability position based on their fair values.

The Commission's hedging derivative instruments were executed with two counterparties, each comprising fifty percent (50%) of the net exposure to credit risk. Merrill Lynch Capital Services is rated Baa1 by Moody's and BBB+ S&P. Morgan Stanley is rated A3 by Moody's and BBB+ by S&P. The two hedging derivative instruments were terminated in July 2019.

Basis risk – Following the reissuance of the 2007B Bonds in SIFMA Index Mode in May 2011, the Commission was not exposed to basis risk on its pay-fixed interest rate swap hedging derivative instruments because the variable-rate payments received by the Commission on these hedging derivative instruments were based on a rate or index that equaled the interest rates the Commission paid on its hedged variable-rate debt, which was remarketed weekly.

Termination risk - The swaps were governed by the International Swap Dealers Association Master Agreement, which includes standard termination events. In addition, the swaps could only be terminated by the counterparties if the long-term, unenhanced rating on the bonds issued by the Commission was withdrawn, suspended or fell below Baa3 as determined by Moody's, or BBB- as determined by S&P. Furthermore, the swaps could have been terminated if the counterparties' credit support provider failed to have any rated long-term, unsecured, unenhanced senior debt or if the rating of the senior debt was withdrawn, suspended or fell below Baa2 as determined by Moody's, or BBB as determined by S&P.

Rollover risk - The Commission was exposed to rollover risk on hedging derivative instruments that are hedges of debt that may be terminated prior to the maturity of the hedged debt. If the counterparty exercised its termination option, as discussed above, the Commission would have been re-exposed to the risks being hedged by the hedging derivative instrument.

Commitments - The Commission purchased two interest rate swap insurance policies dated October 6, 2005, issued by MBIA Insurance Corporation for the account of the Commission, as principal, and the counterparties, as beneficiary. As a result of purchasing the insurance policies, the Commission was not required to post collateral as part of the swap agreements. The swap insurance policies were terminated simultaneously with the termination of the swap agreements in July 2019.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Summary of Long-Term Liabilities

	Outstanding January 1, 2019	Additions	Reductions	Outstanding December 31, 2019	Due Within One Year
Revenue bonds					
Principal	$ 698,850,000	$ 173,370,000	$ 162,975,000	$ 709,245,000	$ 16,305,000
Unamortized premiums	46,917,628	35,734,567	9,011,223	73,640,972	-
Total revenue bonds	745,767,628	209,104,567	171,986,223	782,885,972	16,305,000
Other liabilities					
Premium payment payable - derivative companion instrument	287,636	88,042	375,678	-	-
Derivative instrument - interest rate swaps	16,015,297	-	16,015,297	-	-
Compensated absences	2,321,313	306,771	148,169	2,479,915	109,475
Net OPEB Liability	14,739,507	10,294,145	-	25,033,652	-
Net Pension Liability	57,366,847	14,319,626	-	71,686,473	-
Total other liabilities	90,730,600	25,008,584	16,539,144	99,200,040	109,475
Total long-term liabilities	$ 836,498,228	$ 234,113,151	$ 188,525,367	$ 882,086,012	$ 16,414,475

	Outstanding January 1, 2018	Additions	Reductions	Outstanding December 31, 2018	Due Within One Year
Revenue bonds					
Principal	$ 713,350,000	$ -	$ 14,500,000	$ 698,850,000	$ 13,840,000
Unamortized premiums	50,776,322	-	3,858,694	46,917,628	-
Total revenue bonds	764,126,322	-	18,358,694	745,767,628	13,840,000
Other liabilities					
Premium payment payable - derivative companion instrument	320,331	-	32,695	287,636	-
Derivative instrument - interest rate swaps	20,775,942	-	4,760,645	16,015,297	-
Compensated absences	2,171,696	279,919	130,302	2,321,313	148,169
Net OPEB Liability	36,933,477	-	22,193,970	14,739,507	-
Net Pension Liability	62,546,604	-	5,179,757	57,366,847	-
Total other liabilities	122,748,050	279,919	32,297,369	90,730,600	148,169
Total long-term liabilities	$ 886,874,372	$ 279,919	$ 50,656,063	$ 836,498,228	$ 13,988,169

E. DEFEASED BONDS

On July 2, 2019, the Commission deposited to an escrow fund $55,661,528 of monies that were held in the Commission's general reserve fund. Pursuant to an Escrow Deposit Agreement, such monies shall be invested and held by TD Bank as Escrow Agent and applied to the defeasance of $39,800,000 of Series 2012A bonds and $10,935,000 of Series 2015 bonds. Remaining outstanding principal as of December 31, 2019, for the Series 2012A and Series 2015 bonds is $27,360,000 and $73,160,000, respectively.

A portion of the amount deposited in the escrow fund plus investment earnings thereon will be sufficient to pay interest when due on the Series 2012A defeased bonds and to call and redeem the principal amount of the Series 2012A defeased bonds on the July 1, 2022 call date. As such, the Series 2012A defeased bonds are no longer an outstanding obligation of the Commission and are no longer recorded as a liability on the Commission's financial statements.

A portion of the amount deposited in the escrow fund plus investment earnings thereon will be sufficient to pay interest when due on the Series 2015 defeased bonds and to call and redeem the principal amount of the Series 2015 defeased bonds on the July 1, 2025 call date. As such, the Series 2015 defeased bonds are no longer an outstanding obligation of the Commission and are no longer recorded as a liability on the Commission's financial statements.

F. INTERFUND BALANCES

At December 31, 2019 and 2018, interfund balances in the amounts of $1,134,633 and $1,065,316, respectively, existed between the enterprise fund and the fiduciary fund. The interfund was created by payments made by the enterprise fund on-behalf of the fiduciary fund (post-employment benefits).

G. RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded coverage for the past several years.

H. DEFERRED COMPENSATION SALARY ACCOUNT

The Commission offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Commission or its creditors. Since the Commission does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Commission's financial statements.

I. COMMITMENTS AND CONTINGENCIES

Commitments - The Commission had several outstanding or planned construction projects as of December 31, 2019. These projects are evidenced by contractual commitments with contractors and include:

Project	Awarded	Commitment Remaining
Scudder Falls Bridge Replacement, Main Const.	$ 423,607,139	$ 171,894,615
Commission Adm. Building at Scudder Falls	21,357,000	1,222,162
Electronic Toll Collection System Replacement	12,462,964	1,154,207
Electronic Surveillance/Detection	5,217,521	4,421,998
JOCS Bridge Highway Civil North	3,500,000	2,988,635
JOCS Bridge Highway Civil South	2,500,000	2,454,756
JOCS Building and Facility North	3,000,000	3,000,000
JOCS Building and Facility South	3,500,000	3,500,000
Easton-Phillipsburg Toll Bridge Salt Storage	1,711,600	176,009
New Hope-Lambertville Toll Bridge Salt Storage	1,439,584	421,496
Total	$ 478,295,808	$ 191,233,878

J. RESTATEMENT OF NET POSITION/CHANGE IN ACCOUNTING PRINCIPLE

In 2018, the Commission implemented GASB No. 75, *"Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions"*. The Commission's net position as of January 1, 2018 has been restated as follows:

Net position - beginning of year	$ 445,007,128
Restatement of Net Position for GASB 75	(43,202,673)
Net position - beginning of year, restated	$ 401,804,455

K. OPERATIONS REORGANIZATION

On October 30, 2017, the Board of Commissioners approved the Operations Reorganization at the Commission meeting. The entire implementation of the reorganization was finished at the end of year 2018. Starting January 1, 2019, the Commission changed the financial reporting to allocate the expenses of Training Department, Public Safety, Bridge Security, Toll Operation and Maintenance Department to all related toll bridges, toll supported bridges, and administration departments. As a result, year 2019 operating expenses for administration departments decreased $3,429,637 compared to year 2018.

L. SUBSEQUENT EVENTS

Management has evaluated events subsequent to December 31, 2019, through June 22, 2020, noting no significant subsequent events requiring disclosure other than the following:

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Commission operates.

On March 10, 2020, the Commission’s toll bridge traffic and toll revenue began to decline as work and travel habits changed in response to the coronavirus outbreak.

Commission toll bridge traffic and toll revenue declined further following Pennsylvania Governor Wolf’s Executive Order dated March 19, 2020, regarding the closure of all businesses that are not life sustaining and several subsequent “Stay At Home” Executive Orders, and New Jersey Governor Murphy’s Executive Order No. 107 dated March 21, 2020, mandating statewide stay-at-home practices and closure of all non-essential retail businesses, along with other similar restrictions imposed in states throughout the northeast and mid-Atlantic regions.

On March 24, 2020, the Commission temporarily removed toll collectors from its seven toll bridges and implemented toll by mail billings in lieu of cash toll collections in an effort to help mitigate the spread of the virus. On May 13, 2020 the Commission resumed the collection of cash tolls on each applicable toll bridge.

While toll revenues have been improving since mid-April, they remain substantially below the levels experienced prior to the implementation of COVID-19 related restrictions. The course of the COVID-19 pandemic and related impacts are presently uncertain and it is unknown how long these conditions will last. In light of this uncertainty, it is not known what the complete financial effect will be to the Commission.

REQUIRED SUPPLEMENTARY INFORMATION

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF CHANGES IN PLAN'S NET OPEB LIABILITY (UNAUDITED)
December 31, 2019

	December 31, 2019 (Measurement Date of December 31, 2018)	December 31, 2018 (Measurement Date of December 31, 2017)
Total OPEB liability		
Service cost	$ 3,388,535	$ 4,161,867
Interest cost	6,388,854	6,592,495
Changes of benefit terms	-	(45,529)
Differences between expected and actual experiences	3,436,978	2,550,800
Changes of assumptions	(5,791,220)	(18,919,078)
Benefit payments	(3,161,037)	(3,144,352)
Net change in total OPEB liability	4,262,110	(8,803,797)
Total OPEB liability (beginning)	104,649,857	113,453,654
Total OPEB liability (ending)	$ 108,911,967	$ 104,649,857
Plan fiduciary net position		
Contributions - employer	$ -	$ 7,500,000
Contributions - member	-	-
Net investment income	(2,848,376)	9,056,129
Benefit payments	(3,161,037)	(3,144,352)
Administrative expense	(22,622)	(21,604)
Other	-	-
Net change in plan fiduciary net position	(6,032,035)	13,390,173
Plan fiduciary net position (beginning)	89,910,350	76,520,177
Plan fiduciary net position (ending)	$ 83,878,315	$ 89,910,350
Net OPEB liability (ending)	$ 25,033,652	$ 14,739,507
Net position as a percentage of OPEB liability	77.01%	85.92%
Covered-employee payroll	$ 24,588,730	$ 22,381,050
Net OPEB liability as a percentage of payroll	101.81%	65.86%

* The Commission adopted GASB 75 on the prospective basis for the year 2018; therefore only two years are presented in the above schedule.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF COMMISSION'S OPEB CONTRIBUTIONS – LAST 10 FISCAL YEARS (UNAUDITED)
December 31, 2019

	2019	2018	2017
Actuarially determined contribution	N/A	N/A	N/A
Contributions made in relation to the actuarially determined contribution	$ 3,304,940	$ -	$ 7,500,000
Contributions deficiency (excess)			
Covered payroll	$ 24,588,730	$ 22,381,020	$ 19,416,733
Contributions as a percentage of payroll	13.44%	0.00%	38.63%

Notes to Schedule:
During fiscal year 2017 and 2018, the Commission did not determine an actuarially based contribution. Beginning in 2019, the Commission adopted the following policy.

1. For each calendar year, the Commission shall contribute to the OPEB Trust Fund an amount equivalent to the retiree benefit expenses paid during the immediately preceding calendar year plus a growth factor, such factor to be determined annually based on the average annual rate of change in retiree benefit expenses over the previous five calendar years.
2. Upon approval by the Administrative Committee of a calendar year's contribution amount, the contribution amount shall be paid into the OPEB Trust Fund in regular quarterly installments or in such other regularly occurring time periods as determined by the Administrative Committee, after consultation with the OPEB Trust Fund Investment Manager. To the extent possible, the timing of such contribution installment payments should coincide with the requests for reimbursement from the OPEB Trust Fund of amounts paid by the Commission for retiree benefits for that time period.
3. The annual contribution amount and any installment thereof shall be reduced to the extent that the OPEB Trust Fund assets exceed 100% of the actuarially determined, expected liabilities.
4. The payment of the annual contribution amount or any installment thereof shall at all times be subject to the availability of funds for such purposes.

*The Commission adopted GASB 75 on the prospective basis for the year 2018; therefore only three years are presented in the above schedule.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF COMMISSION'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (UNAUDITED)

Last 10 Fiscal Years *

	Commonwealth of Pennsylvania State Employee Retirement System - 2019	Commonwealth of Pennsylvania State Employee Retirement System - 2018	Commonwealth of Pennsylvania State Employee Retirement System - 2017	Commonwealth of Pennsylvania State Employee Retirement System - 2016	Commonwealth of Pennsylvania State Employee Retirement System - 2015
Measurement date	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Commission's proportion of the net pension liability	0.3350465900%	0.3194299700%	0.3125523200%	0.3021920300%	0.3019247500%
Commission's proportionate share of the net pension liability	$ 69,793,626	$ 55,234,900	$ 60,198,594	$ 54,950,087	$ 44,858,192
Commission's covered-employee payroll	22,474,327	20,374,853	20,302,482	19,260,226	18,495,592
Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll	310.55%	271.09%	296.51%	285.30%	242.53%
Total pension liability	$ 160,045,093	$ 149,163,417	$ 142,674,552	$ 133,685,889	$ 127,397,710
Plan fiduciary net position	90,251,467	93,928,518	82,475,958	78,735,802	82,539,518
Plan fiduciary net position as a percentage of the total pension liability	56.40%	63.00%	57.80%	58.90%	64.80%

	State of New Jersey Public Employees Retirement System - 2019	State of New Jersey Public Employees Retirement System - 2018	State of New Jersey Public Employees Retirement System - 2017	State of New Jersey Public Employees Retirement System - 2016	State of New Jersey Public Employees Retirement System - 2015
Measurement date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Commission's proportion of the net pension liability	0.0105050302%	0.0108278375%	0.0100866457%	0.0074878511%	0.0074676777%
Commission's proportionate share of the net pension liability	$ 1,892,847	$ 2,131,947	$ 2,348,010	$ 2,217,687	$ 1,676,344
Commission's covered-employee payroll	788,296	765,534	531,733	546,677	515,120
Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll	240.12%	278.49%	441.58%	405.67%	325.43%
Total pension liability	$ 4,358,691	$ 4,594,422	$ 4,524,099	$ 3,704,592	$ 3,219,284
Plan fiduciary net position	2,465,844	2,462,475	2,176,089	1,486,905	1,542,940
Plan fiduciary net position as a percentage of the total pension liability	56.57%	53.60%	48.10%	40.14%	47.93%

*The Commission adopted GASB 68 on the prospective basis for the year 2015; therefore only five years are presented in the above schedule.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF COMMISSION'S PENSION CONTRIBUTIONS – LAST 10 FISCAL YEARS (UNAUDITED)

PA SERS - Last 10 Fiscal Years

	2019	2018	2017	2016	2015
Contractually required contribution	$ 7,056,141	$ 6,549,178	$ 5,872,463	$ 5,057,845	$ 2,981,231
Contributions in relation to the contractually required contribution	7,056,141	6,549,178	5,872,463	5,057,845	2,981,231
Covered-employee payroll	23,574,873	22,474,327	20,374,853	20,302,482	19,260,226
Contributions as a % of covered-employee payroll	29.93%	29.14%	28.82%	24.91%	15.48%

NJ PERS - Last 10 Fiscal Years

	2019	2018	2017	2016	2015
Contractually required contribution	$ 102,184	$ 107,702	$ 93,442	$ 66,521	$ 64,202
Contributions in relation to the contractually required contribution	102,184	107,702	93,442	66,521	64,202
Covered-employee payroll	805,391	788,296	765,534	531,733	546,677
Contributions as a % of covered-employee payroll	12.69%	13.66%	12.21%	12.51%	11.74%

*The Commission adopted GASB 68 on the prospective basis for the year 2015; therefore only five years are presented in the above schedule.

OTHER SUPPLEMENTARY SCHEDULES

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF TOLL REVENUE – CASH
Year Ended December 31, 2019

			Trenton-Morrisville		New Hope-Lambertville		Interstate 78		Easton-Phillipsburg	
Class	Description	Rate	Cash Volume	Cash Revenue	Cash Volume	Cash Revenue	Cash Volume	Cash Revenue	Cash Volume	Cash Revenue
1	Automobile subtotal	1.00	2,796,454	$ 2,796,454	270,980	$ 270,980	2,278,048	$ 2,278,048	1,493,856	$ 1,493,856
11	Auto with trailer	2.00	11,710	23,420	3,327	6,654	26,663	53,326	12,279	24,558
	Automobile subtotal		2,808,164	2,819,874	274,307	277,634	2,304,711	2,331,374	1,506,135	1,518,414
2	Commercial 2-axle peak	6.50	32,274	209,781	8,667	56,336	42,637	277,141	20,218	131,417
2	Commercial 2-axle off peak	5.85	-	-	-	-	-	-	-	-
3	Commercial 3-axle peak	12.00	4,793	57,516	1,693	20,316	9,128	109,536	3,909	46,908
3	Commercial 3-axle off peak	10.80	-	-	-	-	-	-	-	-
4	Commercial 4-axle peak	16.00	2,732	43,712	996	15,936	16,869	269,904	3,494	55,904
4	Commercial 4-axle off peak	14.40	-	-	-	-	-	-	-	-
5	Commercial 5-axle peak	20.00	23,320	466,400	2,919	58,380	210,021	4,200,420	19,821	396,420
5	Commercial 5-axle off peak	18.00	-	-	-	-	-	-	-	-
6	Commercial 6-axle peak	24.00	75	1,800	53	1,272	1,423	34,152	157	3,768
6	Commercial 6-axle off peak	21.60	-	-	-	-	-	-	-	-
7	Commercial 7-axle peak	28.00	21	588	3	84	174	4,872	7	196
7	Commercial 7-axle off peak	25.20	-	-	-	-	-	-	-	-
	Commercial subtotal		63,215	779,797	14,331	152,324	280,252	4,896,025	47,606	634,613
	Extra axles subtotal *		6	24	-	-	141	562	2	8
	Non-revenue *		886		1,013		3,180		6,183	
	Gross cash tolls		2,871,379	3,599,695	288,638	429,958	2,584,963	7,227,961	1,553,741	2,153,035
Discounts, allowances and other adjustments				5,191		68		1,936		(604)
Net cash revenue				$ 3,604,886		$ 430,026		$ 7,229,897		$ 2,152,431

* Note: extra axles and non-revenue not included in total volume amount.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF TOLL REVENUE – CASH (CONTINUED)
Year Ended December 31, 2019

			Portland-Columbia		Delaware Water Gap		Milford Montage		Totals	
Class	Description	Rate	Cash Volume	Cash Revenue	Cash Volume	Cash Revenue	Cash Volume	Cash Revenue	Cash Volume	Cash Revenue
1	Automobile subtotal	1.00	433,161	$ 433,161	2,372,341	$ 2,372,341	412,778	$ 412,778	10,057,618	$ 10,057,618
11	Auto with trailer	2.00	5,672	11,344	17,056	34,112	5,228	10,456	81,935	163,870
			-							
	Automobile subtotal		438,833	444,505	2,389,397	2,406,453	418,006	423,234	10,139,553	10,221,488
2	Commercial 2-axle peak	6.50	3,735	24,278	30,638	199,147	4,077	26,501	142,246	924,599
2	Commercial 2-axle off peak	5.85	-	-	-	-	-	-	-	-
3	Commercial 3-axle peak	12.00	1,197	14,364	4,368	52,416	504	6,048	25,592	307,104
3	Commercial 3-axle off peak	10.80	-	-	-	-	-	-	-	-
4	Commercial 4-axle peak	16.00	1,578	25,248	5,983	95,728	427	6,832	32,079	513,264
4	Commercial 4-axle off peak	14.40	-	-	-	-	-	-	-	-
5	Commercial 5-axle peak	20.00	3,295	65,900	96,383	1,927,660	2,007	40,140	357,766	7,155,320
5	Commercial 5-axle off peak	18.00	-	-	-	-	-	-	-	-
6	Commercial 6-axle peak	24.00	28	672	1,144	27,456	52	1,248	2,932	70,368
6	Commercial 6-axle off peak	21.60	-	-	-	-	-	-	-	-
7	Commercial 7-axle peak	28.00	2	56	165	4,620	1	28	373	10,444
7	Commercial 7-axle off peak	25.20	-	-	-	-	-	-	-	-
	Commercial subtotal		9,835	130,518	138,681	2,307,027	7,068	80,797	560,988	8,981,099
	Extra axles subtotal *		-	-	178	712	-	-	327	1,306
	Non-revenue *		1,311		3,011		1,821		-	
	Gross cash tolls		448,668	575,023	2,528,078	4,714,192	425,074	504,031	10,700,541	19,203,893
Discounts, allowances and other adjustments				(223)		1,237		(679)		6,927
Net cash revenue				$ 574,800		$ 4,715,429		$ 503,351		$ 19,210,820

* Note: extra axles and non-revenue not included in total volume amount.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF TOLL REVENUE – ELECTRONIC TOLL COLLECTION
Year Ended December 31, 2019

			Trenton-Morrisville		Scudder Falls		New Hope-Lambertville		Interstate 78	
Class	Description	Rate	ETC Volume	ETC Revenue	ETC / PBP Volume	ETC / PBP Revenue	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue
1	Automobile subtotal	1.00	6,190,420	$ 6,190,420	3,742,011	$ 5,283,415	1,513,565	$ 1,513,565	6,250,808	$ 6,250,808
11	Auto with trailer	2.00	22,182	44,364	13,084	34,424	9,459	18,918	48,640	97,280
	Automobile subtotal		6,212,602	6,234,784	3,755,095	5,317,838	1,523,024	1,532,483	6,299,448	6,348,088
2	Commercial 2-axle peak	6.50	213,115	1,385,248	83,138	597,980	44,479	289,114	222,810	1,448,265
2	Commercial 2-axle off peak	5.85	18,877	110,430	6,061	38,185	4,445	26,003	34,280	200,538
3	Commercial 3-axle peak	12.00	96,521	1,158,252	18,139	234,878	10,439	125,268	118,783	1,425,396
3	Commercial 3-axle off peak	10.80	9,824	106,099	2,007	23,040	1,241	13,403	27,732	299,506
4	Commercial 4-axle peak	16.00	71,813	1,149,008	14,762	255,751	8,811	140,976	175,704	2,811,264
4	Commercial 4-axle off peak	14.40	8,303	119,563	2,140	32,744	2,396	34,502	47,317	681,365
5	Commercial 5-axle peak	20.00	194,395	3,887,900	82,332	1,803,103	29,270	585,400	1,645,721	32,914,420
5	Commercial 5-axle off peak	18.00	52,573	946,314	17,716	338,913	6,237	112,266	515,469	9,278,442
6	Commercial 6-axle peak	24.00	1,780	42,720	1,236	32,841	969	23,256	54,831	1,315,944
6	Commercial 6-axle off peak	21.60	280	6,048	235	5,393	767	16,567	28,873	623,657
7	Commercial 7-axle peak	28.00	199	5,572	261	7,947	26	728	1,264	35,392
7	Commercial 7-axle off peak	25.20	11	277	2	54	1	25	75	1,890
	Commercial subtotal		667,691	8,917,432	228,029	3,370,829	109,081	1,367,508	2,872,859	51,036,078
	Extra axles subtotal *		99	396	22	105	-	-	607	2,428
	Gross ETC tolls		6,880,293	15,152,612	3,983,124	8,688,772	1,632,105	2,899,991	9,172,307	57,386,594
Commuter discounts				(306,188)		(139,238)		(77,191)		(328,133)
Violations, allowances and other adjustments				(1,623,178)		(2,441,691)		(205,213)		(4,446,095)
Penalties on violations				1,990,232		2,485,141		282,184		3,877,043
Commission vehicles				(10,150)		(2,937)		(15,067)		(8,440)
Net ETC revenue				$ 15,203,327		$ 8,590,047		$ 2,884,705		$ 56,480,969

* Note: extra axles and non-revenue not included in total volume amount.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF TOLL REVENUE – ELECTRONIC TOLL COLLECTION (CONTINUED)
Year Ended December 31, 2019

			Easton-Phillipsburg		Portland-Columbia		Delaware Water Gap		Milford Montage		Totals	
Class	Description	Rate	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue
1	Automobile subtotal	1.00	3,538,695	$ 3,538,695	774,098	$ 774,098	5,659,355	$ 5,659,355	790,365	$ 790,366	28,459,317	$ 30,000,722
11	Auto with trailer	2.00	15,709	31,418	6,714	13,428	37,292	74,584	6,929	13,858	160,009	328,274
	Automobile subtotal		3,554,404	3,570,113	780,812	787,526	5,696,647	5,733,939	797,294	804,224	28,619,326	30,328,995
2	Commercial 2-axle peak	6.50	87,699	570,044	18,095	117,618	145,067	942,936	14,423	93,750	828,826	5,444,952
2	Commercial 2-axle off peak	5.85	7,860	45,981	1,408	8,237	23,323	136,440	2,219	12,981	98,473	578,795
3	Commercial 3-axle peak	12.00	33,123	397,476	7,301	87,612	67,809	813,708	4,181	50,172	356,296	4,292,762
3	Commercial 3-axle off peak	10.80	4,024	43,459	695	7,506	14,728	159,062	320	3,456	60,571	655,532
4	Commercial 4-axle peak	16.00	28,557	456,912	41,830	669,280	67,791	1,084,656	2,909	46,544	412,177	6,614,391
4	Commercial 4-axle off peak	14.40	3,491	50,270	1,887	27,173	19,660	283,104	356	5,126	85,550	1,233,848
5	Commercial 5-axle peak	20.00	81,482	1,629,640	32,511	650,220	778,747	15,574,940	7,838	156,760	2,852,296	57,202,383
5	Commercial 5-axle off peak	18.00	20,349	366,282	4,762	85,716	230,593	4,150,674	1,321	23,778	849,020	15,302,385
6	Commercial 6-axle peak	24.00	812	19,488	483	11,592	22,510	540,240	133	3,192	82,754	1,989,273
6	Commercial 6-axle off peak	21.60	236	5,098	66	1,426	10,704	231,206	7	151	41,168	889,546
7	Commercial 7-axle peak	28.00	37	1,036	29	812	1,098	30,744	5	140	2,919	82,371
7	Commercial 7-axle off peak	25.20	4	101	1	25	145	3,654	-	-	239	6,026
	Commercial subtotal		267,674	3,585,787	109,068	1,667,216	1,382,175	23,951,364	33,712	396,050	5,670,289	94,292,263
	Extra axles subtotal *		-	-	-	-	941	3,764	-	-	1,669	6,693
	Gross ETC tolls		3,822,078	7,155,900	889,880	2,454,742	7,078,822	29,689,067	831,006	1,200,274	34,289,615	124,627,952
Commuter discounts				(177,764)		(40,549)		(299,563)		(43,174)		(1,411,800)
Violations, allowances and other adjustments				(620,224)		(403,542)		(2,053,059)		(163,850)		(11,956,853)
Penalties on violations				1,126,335		268,791		2,399,420		195,021		12,624,167
Commission vehicles				(12,741)		(13,742)		(12,196)		(9,710)		(84,983)
Net ETC revenue				$ 7,471,506		$ 2,265,700		$ 29,723,668		$ 1,178,562		$ 123,798,483

* Note: extra axles and non-revenue not included in total volume amount.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF OPERATING EXPENSES
Year Ended December 31, 2019

Description	Total Year Ended December 31, 2018	Total Year Ended December 31, 2019	Trenton-Morrisville	Scudder Falls	New Hope - Lambertville	I-78
Salaries and wages	$ 21,900,241	23,791,440	$ 2,377,395	$ 307,819	$ 1,441,369	$ 2,863,043
Employee benefits	16,564,026	18,152,643	1,755,056	254,746	1,037,200	2,255,621
GASB 68	1,547,267	4,005,668	360,142	57,078	208,725	467,321
Other post-employment benefits	2,527,485	2,227,914	200,066	66,614	116,743	261,112
	42,539,019	48,177,665	4,692,659	686,258	2,804,037	5,847,096
Allocation of departmental expenses	-	-	174,314	67,562	161,683	182,642
Heat, light and power	604,659	658,794	122,775	52,126	91,493	113,787
Office expense	204,711	203,886	2,627	2,157	422	3,280
Information technology and communications	1,774,158	2,046,147	59,738	24,144	57,028	211,385
Travel, meetings and education expense	285,371	300,774	906	-	44	1,620
E-ZPass operating and maintenance	5,352,253	6,226,526	1,272,718	222,135	400,697	1,696,551
State Police Bridge Security	5,548,134	5,611,172	899,226	332,494	183,996	957,411
Operating and maintenance expenses	2,669,627	3,374,347	275,632	51,439	214,543	493,085
Insurance	3,610,962	3,579,931	426,557	78,202	271,720	628,749
Professional service fee	1,649,741	1,501,601	-	-	-	-
Advertising and marketing	26,737	35,648	-	-	-	-
Depreciation	29,019,943	30,258,045	5,440,454	2,855,103	2,530,113	4,900,743
	50,746,296	53,796,870	8,674,948	3,685,363	3,911,740	9,189,253
Total operating expenses	$ 93,285,315	$ 101,974,535	$ 13,367,607	$ 4,371,621	$ 6,715,777	$ 15,036,349

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF OPERATING EXPENSES (CONTINUED)
Year Ended December 31, 2019

Description	Easton - Phillipsburg	Portland - Columbia	Delaware Water Gap	Milford - Montague	Toll Supported Bridges	Administrative Expenses
Salaries and wages	$ 2,065,827	$ 1,056,428	$ 2,990,150	$ 1,100,817	$ 4,839,189	$ 4,749,403
Employee benefits	1,502,375	770,124	2,206,805	817,881	4,042,183	3,510,652
GASB 68	313,072	161,344	462,223	170,138	792,415	1,013,210
Other post-employment benefits	166,648	83,324	249,972	88,894	444,469	550,072
	4,047,922	2,071,220	5,909,149	2,177,731	10,118,256	9,823,337
Allocation of departmental expenses	169,148	156,664	180,828	157,539	439,331	(1,689,713)
Heat, light and power	74,588	37,834	41,304	61,520	63,367	-
Office expense	2,735	2,037	2,685	1,912	598	185,433
Information technology and communications	172,618	57,254	107,673	179,310	255,471	921,525
Travel, meetings and education expense	2,807	130	529	26	-	294,712
E-ZPass operating and maintenance	797,639	240,893	1,361,710	234,183	-	-
State Police Bridge Security	526,185	111,632	750,010	108,827	1,741,392	-
Operating and maintenance expenses	227,314	157,203	258,087	151,551	217,753	1,327,740
Insurance	247,826	147,335	494,891	130,029	574,583	580,038
Professional service fee	-	-	-	-	-	1,501,601
Advertising and marketing	-	-	-	-	-	35,648
Depreciation	2,183,466	680,569	1,553,140	1,615,739	5,013,457	3,485,259
	4,404,326	1,591,551	4,750,858	2,640,637	8,305,953	6,642,242
Total operating expenses	$ 8,452,247	$ 3,662,771	$ 10,660,007	$ 4,818,367	$ 18,424,209	$ 16,465,579

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

ANALYSIS OF E-ZPASS, PAY BY PLATE, AND VIOLATIONS RECEIVABLE
Year Ended December 31, 2019

Analysis of E-Z Pass, Pay by Plate, and violations receivable		
Balance, January 1, 2019		$ 6,690,567
Increased by		
Gross E-ZPass and Pay by Plate tolls	124,627,951	
Delaware River Joint Toll Bridge Commission vehicles	(84,983)	
Commuter discounts	(1,411,800)	
Toll violations, allowances and charge-offs	1,977,953	
		125,109,121
		131,799,688
Decreased by		
Cash received from other agencies	116,513,029	
Toll bill payments	758,394	
Cash received from violations	4,603,032	
		121,874,455
Balance, December 31, 2019		$ 9,925,233
Analysis of balance		
E-ZPass - due from other agencies		5,434,203
Toll bill receivable, suspense		689,373
Toll violations receivable		31,870,240
Allowance for uncollectibles		(28,068,583)
		$ 9,925,233

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

ANALYSIS OF IMPROVEMENTS IN PROGRESS
Year Ended December 31, 2019

Analysis of improvements in progress		
Balance, January 1, 2019		$ 325,408,449
Increased by		
Purchases	$ 154,069,975	
Capitalized interest on bonds	5,613,682	
		159,683,657
		485,092,106
Decreased by		
Transferred to capital assets - completed		360,067,642
Balance, December 31, 2019		$ 125,024,464

ANALYSIS OF CAPITAL ASSETS – COMPLETED
Year Ended December 31, 2019

	January 1, 2019	Additions	Deletions	December 31, 2019
Land	$ 133,408,299	$ 1,316,058	$ -	$ 134,724,357
Buildings	30,224,931	39,164,731	-	69,389,662
Infrastructure	685,747,154	318,141,195	-	1,003,888,349
Equipment	26,673,558	6,739,895	21,236	33,392,217
	876,053,942	365,361,879	21,236	1,241,394,585
Less: accumulated depreciation	(437,701,054)	(30,258,721)	(20,852)	(467,938,923)
	$ 438,352,888	$ 335,103,158	$ 384	$ 773,455,662
Transferred from improvements in progress		$ 360,067,642		
Purchases		5,294,237		
		$ 365,361,879		

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

PROPRIETARY FUND – SCHEDULE OF INVESTMENTS
December 31, 2019

	Face	Descriptions	Coupon Rate	Date of Maturity	Market Value	Fair Value Cost	S&P Rating
US Fed. Agency Notes and Bonds	3,500,000.00	Federal Home Loan Banks	2.125%	2/11/2020	$ 3,501,872	$ 3,483,095	AAA
US Fed. Agency Notes and Bonds	4,000,000.00	Federal Home Loan Banks	2.150%	2/5/2021	$ 4,004,324	$ 4,000,000	AAA
US Fed. Agency Notes and Bonds	3,000,000.00	Federal Home Loan Banks	1.570%	11/6/2020	$ 2,999,028	$ 3,000,000	AAA
US Fed. Agency Notes and Bonds	3,500,000.00	Federal Home Loan Banks	1.660%	10/7/2020	$ 3,500,747	$ 3,500,000	AAA
US Fed. Agency Notes and Bonds	7,000,000.00	Federal Home Loan Banks	1.750%	10/28/2022	$ 7,008,632	$ 7,000,000	AAA
US Fed. Agency Notes and Bonds	3,000,000.00	Federal Home Loan Banks	0.000%	3/13/2020	$ 2,990,447	$ 2,970,396	A-1
US Fed. Agency Notes and Bonds	6,000,000.00	Federal Farm Credit Banks Funding Corp	2.540%	2/12/2020	$ 6,005,522	$ 5,999,988	AAA
US Fed. Agency Notes and Bonds	2,500,000.00	Federal Home Loan Mortgage Corp	2.400%	4/1/2021	$ 5,015,014	$ 5,000,000	AAA
US Fed. Agency Notes and Bonds	3,700,000.00	Federal Home Loan Mortgage Corp	2.125%	1/24/2022	$ 7,005,544	$ 7,000,000	AAA
US Fed. Agency Notes and Bonds	3,000,000.00	Federal Home Loan Mortgage Corp	2.000%	7/22/2021	$ 5,015,962	$ 5,000,000	AAA
US Fed. Agency Notes and Bonds	3,000,000.00	Federal Home Loan Mortgage Corp	2.100%	8/5/2021	$ 3,003,160	$ 3,000,000	AAA
US Fed. Agency Notes and Bonds	3,100,000.00	Federal Home Loan Mortgage Corp	1.970%	9/27/2021	$ 3,105,552	$ 3,100,000	AAA
US Fed. Agency Notes and Bonds	3,000,000.00	Federal National Mortgage Association	1.500%	7/30/2020	$ 2,997,970	$ 2,991,263	AAA
US Fed. Agency Notes and Bonds	8,000,000.00	Federal National Mortgage Association	2.875%	10/30/2020	$ 8,079,333	$ 8,088,106	AAA
US Fed. Agency Notes and Bonds	2,000,000.00	Federal National Mortgage Association	1.350%	9/28/2020	$ 1,994,711	$ 1,990,246	AAA
US Fed. Agency Notes and Bonds	2,000,000.00	Federal National Mortgage Association	1.450%	9/16/2020	$ 1,996,358	$ 1,992,705	AAA
US Fed. Agency Notes and Bonds	1,904,000.00	Private Export Funding Corp	2.250%	3/15/2020	$ 1,906,475	$ 1,897,977	AAA
Total US Federal Agency Notes and Bonds					$ 70,130,654		
US Treasury Note	69,354,000.00	United States Treasury	0.000%	1/30/2020	$ 69,278,488	$ 67,971,376	A-1
US Treasury Note	14,850,000.00	United States Treasury	0.000%	2/13/2020	$ 14,825,512	$ 14,712,146	A-1
US Treasury Note	3,500,000.00	United States Treasury	0.000%	3/26/2020	$ 3,487,752	$ 3,461,092	A-1
US Treasury Note	4,000,000.00	United States Treasury	0.000%	4/23/2020	$ 3,981,135	$ 3,949,992	A-1
US Treasury Note	13,870,000.00	United States Treasury	0.000%	5/21/2020	$ 13,788,736	$ 13,696,393	A-1
US Treasury Note	4,000,000.00	United States Treasury	0.000%	6/18/2020	$ 3,971,354	$ 3,939,317	A-1
US Treasury Note	10,300,000.00	United States Treasury	0.000%	8/13/2020	$ 10,203,435	$ 10,132,113	A-1
US Treasury Note	7,800,000.00	United States Treasury	2.625%	7/15/2021	$ 7,923,084	$ 7,931,625	A-1
Total US Government Treasuries					$ 127,459,497		
Certificate of Deposit	12,000,000.00	Credit Agricole Corporate And Investment Bank (New	1.830%	5/7/2020	$ 12,000,000	$ 12,000,000	A-1
Certificate of Deposit	11,100,000.00	Standard Chartered Bank New York Branch	2.030%	3/20/2020	$ 11,103,319	$ 11,100,000	A-1
Total Certificates of Deposit					$ 23,103,319		
Corporate Bond	1,400,000.00	Toyota Motor Credit Corporation	3.400%	9/15/2021	$ 1,437,893	$ 1,424,290	AA-
Corporate Bond	2,500,000.00	Apple Inc	2.850%	5/6/2021	$ 2,538,869	$ 2,540,225	AA+
Corporate Bond	2,000,000.00	Australia And New Zealand Banking Group Ltd (New Y	2.700%	11/16/2020	$ 2,014,822	$ 2,015,880	AA-
Corporate Bond	5,000,000.00	Commonwealth Bank Of Australia	2.550%	3/15/2021	$ 5,040,850	$ 5,035,950	AA-
Corporate Bond	5,000,000.00	Massmutual Global Funding Ii	2.500%	4/13/2022	$ 5,070,790	$ 4,985,500	AA-
Corporate Bond	6,000,000.00	Metropolitan Life Global Funding I	2.400%	1/8/2021	$ 6,023,593	$ 5,947,440	AA-
Corporate Bond	5,000,000.00	National Australia Bank Ltd (New York Branch)	2.250%	1/10/2020	$ 5,000,323	$ 4,968,750	AA-
Corporate Bond	3,200,000.00	National Australia Bank Ltd (New York Branch)	2.800%	1/10/2022	$ 3,254,779	$ 3,174,368	AA-
Corporate Bond	2,780,000.00	New York Life Global Funding	1.950%	2/11/2020	$ 2,780,200	$ 2,754,063	AAA
Corporate Bond	5,700,000.00	New York Life Global Funding	1.950%	9/28/2020	$ 5,703,144	$ 5,689,341	AAA
Corporate Bond	2,000,000.00	New York Life Global Funding	3.250%	8/6/2021	$ 2,044,503	$ 2,045,760	AAA
Corporate Bond	3,000,000.00	Roche Holdings Inc	1.750%	1/28/2022	$ 2,997,447	$ 2,978,430	AA-
Corporate Bond	6,500,000.00	Royal Bank Of Canada	2.750%	2/1/2022	$ 6,622,699	$ 6,531,965	AA
Corporate Bond	3,000,000.00	Svenska Handelsbanken Ab	2.450%	3/30/2021	$ 3,021,122	$ 3,017,580	AA
Corporate Bond	6,191,000.00	Svenska Handelsbanken Ab	1.875%	9/7/2021	$ 6,194,557	$ 6,046,750	AA
Corporate Bond	2,330,000.00	Usaa Capital Corp	2.000%	6/1/2021	$ 2,336,279	$ 2,329,231	AA+
Corporate Bond	3,300,000.00	Usaa Capital Corp	3.000%	7/1/2020	$ 3,313,317	$ 3,318,183	AA+
Corporate Bond	4,417,000.00	Visa Inc	2.200%	12/14/2020	$ 4,435,601	$ 4,433,564	AA-
Corporate Bond	14,416,000.00	Westpac Banking Corp	2.500%	6/28/2022	$ 14,595,508	$ 14,634,616	AA-
Total Corporate Bonds					$ 84,426,297		
Commercial Paper	3,500,000.00	American Honda Finance Corporation	0.000%	3/5/2020	$ 3,488,713	$ 3,483,156	A-1
Commercial Paper	8,800,000.00	Australia And New Zealand Banking Group Limited	0.000%	4/20/2020	$ 8,751,662	$ 8,713,159	A-1
Commercial Paper	5,000,000.00	Banco Santander Sa (New York Branch)	0.000%	1/23/2020	$ 4,994,950	$ 4,956,438	A-1
Commercial Paper	5,750,000.00	Barclays Bank Plc	0.000%	5/21/2020	$ 5,705,374	$ 5,693,626	A-1
Commercial Paper	5,000,000.00	Ciesco, Llc	0.000%	6/2/2020	$ 4,958,985	$ 4,955,292	A-1
Commercial Paper	4,000,000.00	The Coca-Cola Company	0.000%	2/28/2020	$ 3,989,512	$ 3,942,833	A-1
Commercial Paper	7,000,000.00	The Walt Disney Company	0.000%	2/25/2020	$ 6,981,569	$ 6,949,822	A-1
Commercial Paper	6,000,000.00	Hsbc Usa Inc.	0.000%	1/9/2020	$ 5,997,564	$ 5,884,330	A-1
Commercial Paper	2,500,000.00	Metlife Short Term Funding Llc	0.000%	4/3/2020	$ 2,488,318	$ 2,474,956	A-1
Commercial Paper	7,000,000.00	Metlife Short Term Funding Llc	0.000%	7/20/2020	$ 6,929,468	$ 6,905,547	A-1
Commercial Paper	6,000,000.00	Pfizer Inc.	0.000%	3/9/2020	$ 5,978,976	$ 5,943,000	A-1
Commercial Paper	10,000,000.00	Royal Bank Of Canada	0.000%	6/12/2020	$ 9,913,620	$ 9,876,517	A-1
Commercial Paper	4,500,000.00	Swedbank Ab (Publ)	0.000%	5/1/2020	$ 4,473,225	$ 4,466,885	A-1
Commercial Paper	4,500,000.00	The Toronto-Dominion Bank	0.000%	1/15/2020	$ 4,496,733	$ 4,468,343	A-1
Commercial Paper	12,100,000.00	Toyota Motor Credit Corporation	0.000%	4/9/2020	$ 12,036,003	$ 11,960,880	A-1
Total Commercial Paper					$ 91,184,671		
Total Investments					$ 396,304,437		
Recapitulation of balance:							
Unrestricted investments					$ 173,155,564		
Restricted investments					223,148,873		
Balance, December 31, 2019					$ 396,304,437		

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF REVENUE BONDS
Year Ended December 31, 2019

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance January 1, 2019	Issued	Defeased	Decreased	Balance December 31, 2019
2005A	3/10/2005	$ 72,645,000	7/1/2020	5,105,000	5.500%	$ 9,940,000	$ -	$ -	$ 4,835,000	$ 5,105,000
2007B (Reissuance)	5/18/2011	139,650,000	-	-	-	103,850,000	-	98,400,000	5,450,000	-
2012A	10/24/2012	77,145,000	7/1/2020	1,195,000	2.000%					
			7/1/2021	6,825,000	5.000%					
			7/1/2022	4,000,000	5.000%					
			7/1/2022	3,165,000	2.500%					
			7/1/2023	7,445,000	5.000%					
			7/1/2027	2,000,000	3.000%					
			7/1/2029	1,345,000	3.125%					
			7/1/2030	1,385,000	3.125%	68,305,000	-	39,800,000	1,145,000	27,360,000
2015	4/29/2015	86,505,000	7/1/2020	2,540,000	5.000%					
			7/1/2021	2,540,000	5.000%					
			7/1/2022	2,695,000	5.000%					
			7/1/2023	2,795,000	4.000%					
			7/1/2024	2,935,000	5.000%					
			7/1/2025	3,015,000	5.000%					
			7/1/2026	3,180,000	5.000%					
			7/1/2027	4,540,000	3.000%					
			7/1/2028	3,380,000	3.125%					
			7/1/2032	545,000	3.375%					
			7/1/2033	10,595,000	4.000%					
			7/1/2034	11,020,000	4.000%					
			7/1/2035	11,460,000	4.000%					
			7/1/2036	11,920,000	3.625%	86,505,000	-	10,935,000	2,410,000	73,160,000
2017	2/14/2017	430,250,000	7/1/2020	945,000	4.000%					
			7/1/2021	875,000	5.000%					
			7/1/2022	1,740,000	5.000%					
			7/1/2023	1,865,000	5.000%					
			7/1/2024	1,970,000	4.000%					
			7/1/2025	1,070,000	5.000%					
			7/1/2026	-	5.000%					
			7/1/2027	20,000	5.000%					
			7/1/2028	35,000	3.000%					
			7/1/2029	8,380,000	3.125%					
			7/1/2030	8,845,000	5.000%					
			7/1/2031	10,765,000	5.000%					
			7/1/2032	14,735,000	5.000%					

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF REVENUE BONDS (CONTINUED)
Year Ended December 31, 2019

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance January 1, 2019	Issued	Defeased	Decreased	Balance December 31, 2019
2017 (Continued)			7/1/2033	15,715,000	3.375%					
			7/1/2034	16,500,000	4.000%					
			7/1/2035	17,325,000	5.000%					
			7/1/2036	18,190,000	5.000%					
			7/1/2037	22,015,000	5.000%					
			7/1/2038	23,115,000	5.000%					
			7/1/2039	24,270,000	5.000%					
			7/1/2040	25,485,000	5.000%					
			7/1/2041	26,760,000	5.000%					
			7/1/2042	28,100,000	5.000%					
			7/1/2043	29,505,000	5.000%					
			7/1/2044	30,845,000	5.000%					
			7/1/2045	32,240,000	5.000%					
			7/1/2046	33,705,000	5.000%					
			7/1/2047	35,235,000	5.000%	430,250,000	-	-	-	430,250,000
2019A	7/31/2019	73,640,000	7/1/2020	505,000	5.000%					
			7/1/2021	435,000	5.000%					
			7/1/2022	455,000	5.000%					
			7/1/2023	480,000	5.000%					
			7/1/2024	8,015,000	2.000%					
			7/1/2025	8,170,000	5.000%					
			7/1/2026	8,585,000	5.000%					
			7/1/2027	5,800,000	5.000%					
			7/1/2028	9,410,000	5.000%					
			7/1/2029	3,725,000	5.000%					
			7/1/2030	3,930,000	5.000%					
			7/1/2031	4,055,000	5.000%					
			7/1/2032	725,000	5.000%					
			7/1/2033	760,000	5.000%					
			7/1/2034	800,000	5.000%					
			7/1/2035	835,000	5.000%					
			7/1/2036	880,000	5.000%					
			7/1/2037	925,000	5.000%					
			7/1/2038	970,000	5.000%					
			7/1/2039	1,020,000	5.000%					
			7/1/2040	1,070,000	5.000%					
			7/1/2041	1,125,000	5.000%					
			7/1/2042	1,180,000	5.000%					
			7/1/2043	1,240,000	5.000%					
			7/1/2044	1,300,000	5.000%					
			7/1/2045	1,365,000	3.000%					

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF REVENUE BONDS (CONTINUED)
Year Ended December 31, 2019

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance January 1, 2019	Issued	Defeased	Decreased	Balance December 31, 2019
2019A (Continued)			7/1/2046	1,405,000	3.000%					
			7/1/2047	1,450,000	3.000%					
			7/1/2048	1,490,000	3.000%					
			7/1/2049	1,535,000	3.000%	-	73,640,000	-	-	73,640,000
2019A	7/31/2019	99,730,000	7/1/2020	6,015,000	5.000%					
			7/1/2021	5,945,000	5.000%					
			7/1/2022	6,255,000	5.000%					
			7/1/2023	6,565,000	5.000%					
			7/1/2024	6,830,000	5.000%					
			7/1/2025	7,195,000	5.000%					
			7/1/2026	7,515,000	5.000%					
			7/1/2027	7,880,000	5.000%					
			7/1/2028	8,300,000	5.000%					
			7/1/2029	8,670,000	5.000%					
			7/1/2030	9,045,000	5.000%					
			7/1/2031	9,520,000	5.000%					
			7/1/2032	9,995,000	5.000%	-	99,730,000	-	-	99,730,000
Total principal						698,850,000	173,370,000	149,135,000	13,840,000	709,245,000
Unamortized premiums						46,917,628	35,734,567	9,011,223	-	73,640,972
Total revenue bonds						$ 745,767,628	$ 209,104,567	$ 158,146,223	$ 13,840,000	$ 782,885,972

INDEPENDENT AUDITORS' 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*

Board of Commissioners
Delaware River Joint Toll Bridge Commission

Report on the Financial Statements

We have audited, in accordance with 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 of the Delaware River Joint Toll Bridge Commission ("the Commission"), as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated June 22, 2020.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission'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 determination of financial statement amounts. 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*.

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INDEPENDENT AUDITORS' 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* (CONTINUED)

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mercadien, P.C.
Certified Public Accountants

June 22, 2020

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS
Year Ended December 31, 2019

None reported.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended December 31, 2019

None reported.