DELAWARE RIVER JOINT
TOLL BRIDGE COMMISSION

FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION

DECEMBER 31, 2020

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

DECEMBER 31, 2020

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

ROSTER OF OFFICIALS
DECEMBER 31, 2020

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**
Pamela Janvey	Vice Chairwoman
Daniel Grace	Secretary
Ismail A. Shahid	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

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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 activities of Delaware River Joint Toll Bridge Commission ("Commission") as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which 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 audits. We conducted our audits 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 proprietary and fiduciary activities of the Commission as of December 31, 2020 and 2019, and the respective changes in financial position and its cash flows thereof for the years 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

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 23, 2021, 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 the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Mercadien, P.C.
Certified Public Accountants

June 23, 2021

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, 2020 and 2019. We encourage readers to consider the information presented here in conjunction with the audited financial statements and supplementary information as a whole.

COVID-19 Pandemic Impact on 2020 Operations

On March 10, 2020, the World Health Organization declared the coronavirus (“COVID-19”) outbreak a global pandemic. Actions taken in attempts to mitigate the spread of the virus included restrictions on travel and quarantines in certain areas, and forced closures for certain types of public places and businesses. Such actions had an adverse impact on Commission toll traffic and revenue in 2020.

Around the time of the pandemic declaration, the Commission’s toll bridge traffic and toll revenue began to decline as work conditions and travel habits changed. 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.

During this time, the Commission enacted a variety of sanitization and use of personal protection equipment policies among its staff, particularly those in the cash toll collection and bridge monitoring capacities, and Commission facilities were closed to public entry. Public meetings of the Commission members were converted to virtual meetings via electronic media. On March 24, 2020, the Commission halted collection of cash tolls and placed its full time toll collectors on paid administrative leave. In place of cash tolls, the Commission implemented “Cashless Toll Collection” at all of its toll facilities. Cash collection resumed on a limited basis beginning May 13, 2020, and on a full basis on July 12, 2020.

Traffic and toll revenue continued to drop into April and May 2020, but began a gradual improvement thereafter. In response to the revenue reduction, the Commission halted new hires for the remainder of 2020 and deferred the start of new capital projects. In the final analysis for 2020, as reflected within the financial statements, the Commission experienced a loss of $14.5 million in Net Toll Revenue as compared to projections contained in the 2019 Traffic Engineering Report submitted by Pennoni, the Commission’s traffic engineer.

Subsequent to the close of the fiscal year, to offset the accumulated loss and reduced levels of traffic and revenue anticipated for 2021, following a series of virtual public hearings and a four-week public comment period in the month of February 2021, the Commissioners approved the first system-wide toll adjustment since 2011. The toll adjustment was implemented beginning April 11, 2021, with a subsequent passenger vehicle toll adjustment scheduled to be implemented in January 2024.

Management believes that the toll adjustments will help to guard the Commission against any subsequent adverse events and secure the financial resiliency of the Commission in future years. Additional details of the approved toll adjustments can be found in the “Subsequent Events” footnote to the financial statements.

Financial Highlights

Operating revenues for the Commission totaled $146,023,391 for the year ended December 31, 2020, which represents an increase of 0.71% over the previous year. In 2020, gross toll revenue decreased $2,251,905 or 1.57%, and net violation income increased $2,973,216. The toll traffic and revenue declined at the Commission's seven non-AET toll bridges largely as a result of COVID-19 pandemic. However, because the Scudder Falls Toll Bridge (AET) began toll collection on July 14, 2019, the year-over-year comparisons for this bridge will be for unequal time periods. As a result, in 2020 the Scudder Falls Toll Bridge generated an increase of $5,253,453 net toll revenue over 2019. Also as a result of the COVID-19 pandemic, the Commission implemented "Cashless Toll Collection" from March 24 to May 13, 2020 on all of its non-AET toll bridges. All unpaid toll-by-mail invoices were escalated to violation notices. Therefore, the net violation fee income increased by $2,973,216 or 361.47% as compared to 2019.

In 2020, net operating income totaled $40,557,517 and change in net position totaled $21,712,020 as compared to $43,020,681 and $26,041,209, respectively, for 2019. Total operating expense increased $3,491,339, which comprised primarily of a $929,180 salaries and wages increase, $305,615 fringe benefit increase, and $1,719,358 other operating expenses increase. The increases are primarily due to the full phase in of the Scudder Falls Bridge toll operation and $607,382 of COVID-19 related expenses, which included the purchases of personal protective equipment for our workers, installation of glass panels at the administration building, laptops and software for employees to work from home, toll-by-mail invoice processing costs, and cleaning supplies.

The other post-employment and pension expenses declined by $5,051,269, largely attributable to a decrease in the net OPEB liability. Depreciation expense increased $5,588,455 since more capital projects were substantially completed or closed during 2020. An increase of $1,866,025 or 10.99% in net non-operating expenses was driven primarily by the combination of $6,079,537 or 50.30% decrease in Investment Income, offset by a $4,233,767 or 14.56% reduction in bond issuance and interest expenses.

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 supplementary information. The supplementary information includes schedules of operations, expenses, cash and 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 businesses.

The statements of net position present information on the Commission's assets, deferred outflows of resources, and liabilities at December 31, 2020 and 2019, with the difference between them reported as net position. At December 31, 2020, the Commission's net position equaled $473,064,592 as

Basic Financial Statements (Continued)

compared to $451,352,572 in 2019, an increase of 4.81%. This increase in net position is primarily the result of the $24.5 million decrease in Net OPEB Liability.

The statements of revenues, expenses and changes in net position present information showing how net 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 $1,348,476,494 (a decrease of $13,521,679 or 1.0%). Unrestricted current assets, totaling $157,737,022 (an increase of $26,354,352 or 20.06%), represents cash in the operating accounts, cash equivalent investments, short-term investments in the general reserve fund/operating fund, E-ZPass/Pay-By-Plate/Violation receivables, and fiduciary fund receivable. 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 noncurrent unrestricted assets totaling $52,278,517 (a decrease of $17,582,375 or 25.17%) representing long-term investments in the general reserve fund and operating fund.

Restricted assets, which are restricted under the Trust Indenture and are mainly investments designated for the Commission’s bond requirements and which total $158,083,524, consist of current and non-current assets. Restricted current assets totaled $142,519,120, which decreased $86,270,369 or 37.71% from the previous year end, and restricted non-current assets, comprised of investments of bond proceeds and prepaid bond insurance totaled $15,564,404, which represents a decrease of $17,920,592 or 53.52% from the 2019 year-end balance. The decrease in restricted assets is the result of $96,760,409 bonded construction payments made for the Scudders Falls Bridge and other bonded capital projects in year 2020. Net capital assets totaling $980,377,431, a 9.12% increase over 2019, consist of land, building, infrastructure and equipment with an original value of $1,484,162,855 less accumulated depreciation of $503,785,424. 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.

Financial Analysis (Continued)

At December 31, 2020, the Commission had current and non-current liabilities of $882,310,667, with the majority related to its series 2012A, 2015, 2017, 2019A and 2019B bond issues, which represents a decrease of $64,797,926 or 6.84% from 2019. The current liabilities decreased by $11,199,628 as a result of a $10,782,936 decrease in accounts payable and accrued expenses. Noncurrent liabilities went down $53,598,298 mainly due to decreases in the outstanding bonds, net OPEB liability, and net pension liability of $24,336,901, $24,501,597 and $5,347,813, respectively.

The following table contains condensed financial information derived from the December 31, 2020, 2019, and 2018 financial statements of the Commission:

	2020	2019	2018	Change 2020-2019	Percentage Change 2020-2019
Assets:					
Current and Other Assets	$ 368,099,063	$ 463,518,047	$ 533,682,731	$ (95,418,984)	-21%
Capital Assets	980,377,431	898,480,126	763,761,337	81,897,305	9%
Total Assets	1,348,476,494	1,361,998,173	1,297,444,068	(13,521,679)	-1%
Deferred Outflows of Resources:					
Accumulated Decrease in Fair Value of Hedging Derivatives	-	-	16,015,297	-	0%
Deferred Loss on Refunding	20,175,104	23,233,776	8,071,787	(3,058,672)	-13%
Deferred Outflows – OPEB	8,066,214	11,783,277	2,143,324	(3,717,063)	-32%
Deferred Outflows – Pensions	16,921,814	20,966,317	13,180,882	(4,044,503)	-19%
Total Deferred Outflows	45,163,132	55,983,370	39,411,290	(10,820,238)	-19%
Liabilities:					
Bond Indebtedness	758,864,071	782,885,972	745,767,628	(24,021,901)	-3%
Other Liabilities	123,446,596	164,222,621	142,039,526	(40,776,025)	-25%
Total Liabilities	882,310,667	947,108,593	887,807,154	(64,797,926)	-7%
Deferred Inflows of Resources:					
Deferred Inflows – OPEB	31,954,651	17,633,561	19,364,779	14,321,090	81%
Deferred Inflows – Pensions	6,309,716	1,886,817	4,372,062	4,422,899	234%
Total Deferred Inflows	38,264,367	19,520,378	23,736,841	18,743,989	96%
Net Position:					
Net Invested in Capital Assets	322,668,949	323,663,661	224,324,244	(994,712)	0%
Restricted	76,331,011	76,124,091	34,990,737	206,920	0%
Unrestricted	74,064,632	51,564,820	165,996,382	22,499,812	44%
Total Net Position	$ 473,064,592	$ 451,352,572	$ 425,311,363	$ 21,712,020	5%

Changes in Net Position	2020	2019	2018	Change 2020-2019	Percentage Change 2020-2019
Operating Revenues	$ 146,023,391	$ 144,995,216	$ 131,515,428	$ 1,028,175	1%
Operating Expenses	(68,437,061)	(65,482,908)	(60,190,620)	(2,954,153)	-5%
Other Post Employment Benefits & GASB 68 Expense	(1,182,313)	(6,233,582)	(4,074,752)	5,051,269	81%
Depreciation	(35,846,500)	(30,258,045)	(29,019,943)	(5,588,455)	-18%
Total Operating Expenses	(105,465,874)	(101,974,535)	(93,285,315)	(3,491,339)	-3%
Net Operating Income	40,557,517	43,020,681	38,230,113	(2,463,164)	-6%
Nonoperating Revenue	6,005,874	12,085,411	10,879,074	(6,079,537)	-50%
Nonoperating Expenses	(24,851,371)	(29,064,883)	(25,602,279)	4,213,512	14%
Change in Net Position	21,712,020	26,041,209	23,506,908	(4,329,189)	-17%
Net Position - January 1	451,352,572	425,311,363	445,007,128	26,041,209	6%
Restatement - GASB 75	-	-	(43,202,673)	-	
Net Position as Restated	-	-	401,804,455	-	
Net Position - December 31	$ 473,064,592	$ 451,352,572	$ 425,311,363	$ 21,712,020	5%

Financial Analysis (Continued)

The following table contains condensed financial information of cash flows derived from the December 31, 2020, 2019, and 2018 financial statements of the Commission:

Summary of Cash Flows	2020	2019	2018
Cash Flows from Operating Activities	$ 71,276,066	$ 76,036,564	$ 83,311,491
Cash Flows from Capital and Related Financing Activities	(174,199,202)	(154,497,568)	(217,248,762)
Cash Flows from Investing Activities	106,765,559	78,690,607	98,007,606
Net Increase (Decrease) in Cash and Cash Equivalents	3,842,423	229,603	(35,929,665)
Cash and Cash Equivalents - January 1	54,260,325	54,030,722	89,960,387
Cash and Cash Equivalents - December 31	$ 58,102,748	$ 54,260,325	$ 54,030,722

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 has been the Scudder Falls Bridge Replacement Project. Construction began 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 former 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 Replacement Project was undertaken to address safety deficiencies and traffic congestion at the bridge, its nearby interchanges, and its approach roadways in New Jersey and Pennsylvania.

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. The Scudder Falls Toll Bridge utilizes All Electronic Tolling, allowing only EZ-Pass and Toll-by-Plate toll collection transactions. Construction of the second bridge structure was begun in 2020 and is expected to become operational in 2021. Upon completion of the second replacement bridge structure, traffic will proceed in one direction only on each structure. Final completion of the full project is projected to occur by May 2022.

A significant portion of cost of the Scudder Falls Bridge Replacement Project was financed through the issuance of bonds, with the balance of funding to come from the Commission's General Reserve Fund. The bond proceeds for this project were fully expended by the end of 2020.

Capital Assets and Debt Administration (Continued)

Capital Program (Continued)

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 currently under development in Morrisville and Langhorne, Pennsylvania. A significant portion of the anticipated costs of these projects was financed through the issuance of bonds in July 2019.

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. 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 of December 31, 2020, the Commission had total bonded debt outstanding in the principal amount of $692,940,000. This represents a net decrease of $16,305,000 from the prior year end. The decrease is attributable to the regular amortization of the bonds on July 1, 2020.

Significant Events

As discussed above, and as reflected in the Commission's results of operations, the COVID-19 pandemic and governmental responses thereto had a significant impact on traffic and toll revenue of the Commission during 2020. As described in the "Subsequent Events" footnote to the financial statements, in March 2021 the Commission approved a system-wide toll adjustment, which was implemented in April 2021. Management believes this action will provide the Commission with the financial resiliency it needs to offset the 2020 impacts of the pandemic and provide a better financial foundation upon which to achieve its core mission to provide safe and efficient river crossings to the travelling public within its jurisdiction.

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, 2020 and 2019

ASSETS	2020	2019*
Current Assets		
Unrestricted Assets		
Cash and cash equivalents	$ 35,129,379	$ 16,449,375
Investments	109,463,429	103,294,672
Accounts receivable		
E-Zpass, Pay by Plate and violations (net of allowance for uncollectible of $48,382,732 for 2020 and $28,068,583 for 2019)	11,732,666	9,925,233
Other	232,010	326,802
Interfund accounts receivable		
Fiduciary Fund	905,308	1,134,633
Prepaid expenses	274,230	251,955
Total unrestricted assets	157,737,022	131,382,670
Restricted assets		
Cash and cash equivalents	22,973,369	37,810,950
Investments	118,851,934	189,749,602
Accrued interest receivable	693,817	1,228,937
Total restricted assets	142,519,120	228,789,489
Total current assets	300,256,142	360,172,159
Noncurrent assets		
Unrestricted assets		
Investments	52,278,517	69,860,892
Total unrestricted assets	52,278,517	69,860,892
Restricted assets		
Investments	15,486,192	33,399,271
Prepaid bond insurance	78,212	85,725
Total restricted assets	15,564,404	33,484,996
Capital assets		
Capital assets not being depreciated	349,437,947	259,748,822
Capital assets being depreciated (net of accumulated depreciation)	630,939,484	638,731,304
Total capital assets	980,377,431	898,480,126
Total noncurrent assets	1,048,220,352	1,001,826,014
Total assets	$ 1,348,476,494	$ 1,361,998,173

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

STATEMENTS OF NET POSITION (CONTINUED)
December 31, 2020 and 2019

	2020	2019
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding of debt	$ 20,175,104	$ 23,233,776
Deferred outflows - OPEB	8,066,214	11,783,277
Deferred outflows - pensions	16,921,814	20,966,317
Total deferred outflows of resources	$ 45,163,132	$ 55,983,370
LIABILITIES		
Current liabilities payable from unrestricted assets		
Accounts payable and accrued expenses	$ 15,567,486	$ 26,350,422
Compensated absences payable	155,708	109,475
Retainage payable	21,592,122	22,651,848
Total current liabilities payable from unrestricted assets	37,315,316	49,111,745
Current liabilities payable from restricted assets		
Accrued interest payable on bonds	16,302,112	16,020,311
Bridge system revenue bonds payable	16,620,000	16,305,000
Total current liabilities payable from restricted assets	32,922,112	32,325,311
Noncurrent liabilities		
Compensated absences payable	2,958,453	2,370,440
Bridge system revenue bonds payable	742,244,071	766,580,972
Net OPEB liability	532,055	25,033,652
Net pension liability	66,338,660	71,686,473
Total noncurrent liabilities	812,073,239	865,671,537
Total liabilities	$ 882,310,667	$ 947,108,593
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - OPEB	$ 31,954,651	$ 17,633,561
Deferred inflows - pensions	6,309,716	1,886,817
Total deferred inflows of resources	$ 38,264,367	$ 19,520,378
NET POSITION		
Net investment in capital assets	$ 322,668,949	$ 323,663,661
Restricted	76,331,011	76,124,091
Unrestricted	74,064,632	51,564,820
Total net position	$ 473,064,592	$ 451,352,572

See notes to financial statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended December 31, 2020 and 2019

OPERATING REVENUES	2020	2019
Cash tolls, net	$ 13,299,832	$ 19,210,820
E-Zpass and Pay by Plate tolls, net	130,430,781	123,798,483
Miscellaneous	2,292,778	1,985,913
Total operating revenues	146,023,391	144,995,216
OPERATING EXPENSES		
Administration		
Salaries and wages	4,777,076	4,749,403
Fringe benefits	4,030,760	3,510,652
Other	2,675,622	3,156,983
Toll bridges		
Salaries and wages	15,257,333	14,202,848
Fringe benefits	10,739,483	10,599,807
Other	19,898,391	17,089,347
Toll supported bridges		
Salaries and wages	4,686,211	4,839,189
Fringe benefits	3,688,014	4,042,183
Other	2,684,171	3,292,496
Other post-employment benefits and pension expense	1,182,313	6,233,582
Depreciation	35,846,500	30,258,045
Total operating expenses	105,465,874	101,974,535
Operating income	40,557,517	43,020,681
NONOPERATING REVENUES (EXPENSES)		
Investment income	6,005,874	12,085,411
Gain on disposal of capital assets	-	20,255
Bond issuance expense	-	(1,587,438)
Interest expense		
Interest on bonds	(29,502,087)	(26,725,656)
Amortization of deferred loss on refunding of debt	(3,058,672)	(5,767,382)
Amortization of net premium on bonds	7,716,902	5,469,966
Amortization of prepaid bond insurance	(7,514)	(474,628)
Total net nonoperating expense	(18,845,497)	(16,979,472)
Changes in net position	21,712,020	26,041,209
Net position, January 1,	451,352,572	425,311,363
Net position, December 31,	$ 473,064,592	$ 451,352,572

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

CASH FLOWS FROM OPERATING ACTIVITIES	2020	2019
Receipts from customers and users		
Cash tolls	$ 13,299,832	$ 19,210,820
E-Zpass and Pay by Plate tolls	128,623,348	120,463,453
Payments for other goods or services	(25,284,420)	(21,386,904)
Payments for employee services	(43,453,421)	(40,887,512)
Payments of interfund services provided	229,325	(69,317)
Contributions to Retiree Health Benefits Plan	(4,526,168)	(3,304,940)
Other Receipts	2,387,570	2,010,964
Net cash provided by operating activities	71,276,066	76,036,564
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(125,186,324)	(148,756,386)
Proceeds from sales of capital assets	-	20,255
Proceeds from issuance of new debt	-	187,912,109
Principal paid on capital debt	(16,305,000)	(13,840,000)
Defeasance of capital debt	-	(149,135,000)
Payment of capitalized interest paid on debt	(3,487,592)	(5,613,682)
Interest paid on capital debt	(29,220,286)	(25,084,864)
Net cash used in capital and related financing activities	(174,199,202)	(154,497,568)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	4,336,900	4,940,932
Proceeds from sale of investments	514,782,476	673,188,563
Payments for investments	(412,353,817)	(599,438,888)
Net cash provided by investing activities	106,765,559	78,690,607
Net increase in cash and cash equivalents	3,842,423	229,603
Cash and cash equivalents, January 1, (including $37,810,950 and $27,987,810 reported as restricted)	54,260,325	54,030,722
Cash and cash equivalents, December 31, (including $22,973,369 and $37,810,950 reported as restricted)	$ 58,102,748	$ 54,260,325

See notes to financial statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended December 31, 2020 and 2019

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	2020	2019
Operating income	$ 40,557,517	$ 43,020,681
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	35,846,500	30,258,045
Other post-employment benefits and pension expense, less cash contribution to Retiree Health Benefits Plan	(3,343,855)	2,928,642
Change in assets and liabilities		
(Increase) decrease in accounts receivable		
E-Zpass and violations	(1,807,433)	(3,234,666)
Other	94,792	25,051
Decrease (increase) in interfund accounts receivable	229,325	(69,317)
(Increase) decrease in prepaid expenses	(22,275)	1,211,102
Increase in operating accounts payable and accrued expenses	(912,751)	1,838,788
(Decrease) in E-ZPass customer deposits	-	(100,364)
Increase in compensated absences payable	634,246	158,602
Net cash provided by operating activities	$ 71,276,066	$ 76,036,564
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Decrease in accumulated change in fair value of hedging derivatives resulting from change in fair value	$ -	$ (16,015,297)

See notes to financial statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
RETIREE HEALTH BENEFITS PLAN

STATEMENTS OF FIDUCIARY NET POSITION
December 31, 2020 and 2019

ASSETS	2020	2019
Current assets		
Cash and cash equivalents	$ 2,483,351	$ 459,663
Investments	105,224,912	96,342,298
Total assets	107,708,263	96,801,961
LIABILITIES		
Current liabilities		
Interfund accounts payable	905,308	1,134,633
Total liabilities	905,308	1,134,633
Net Position Restricted for Other Post-Employment Benefits	$ 106,802,955	$ 95,667,328

See notes to financial statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
RETIREE HEALTH BENEFITS PLAN

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
Years Ended December 31, 2020 and 2019

ADDITIONS	2020	2019
Contributions		
Employer	$ 4,526,168	$ 3,304,940
Investment income		
Net appreciation/(depreciation) in fair value of investments	6,021,109	9,697,389
Interest	4,577,003	3,077,655
	10,598,112	12,775,044
Less		
Investment expense	158,774	125,825
Net investment income (expense)	10,439,338	12,649,219
Total additions	14,965,506	15,954,159
DEDUCTIONS		
Benefits	3,807,740	4,144,493
Administrative expenses	22,139	20,653
Total deductions	3,829,879	4,165,146
Net increase/(decrease)	11,135,627	11,789,013
Net position restricted for other post-employment benefits		
January 1	95,667,328	83,878,315
December 31	$ 106,802,955	$ 95,667,328

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 the 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 2020 and 2019 amounted to $3,487,592 and $5,613,682, 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.

Income Taxes

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

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

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.

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of Governmental Accounting Standards Board (GASB) Statements

The GASB has issued 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 GASB has issued 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 GASB has issued 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.

The GASB has issued Statement No. 84, *"Fiduciary Activities."* This Statement is required to be adopted by the Commission for the year ending December 31, 2020. The adoption of this Statement had no effect on previously reported amounts.

The GASB has issued Statement No. 97, *"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans".* Certain requirements in this Statement are required to be adopted by the Commission for the year ending December 31, 2020. The adoption of this Statement had no effect on previously reported amounts.

Pending Governmental Accounting Standards Board (GASB) Statements

The GASB has issued 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 GASB 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 GASB 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 GASB has issued 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 ending December 31, 2022. The Commission has not determined the effect of GASB's Statement No. 92 on the financial statements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The GASB has issued 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 GASB has issued 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 GASB has issued 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.

The GASB has issued GASB's Statement No. 96, *"Subscription-Based Information Technology 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. 96 on the financial statements.

The GASB has issued GASB's Statement No. 97, *"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans".* 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. 97 on the financial statements

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, 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

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Trust Indenture (Continued)

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, 2020 and 2019, 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, 2020 and 2019, the balance in the Debt Service 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.

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Trust Indenture (Continued)

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 IRC, 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.

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, 2020 and 2019.

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

	December 31, 2020		December 31, 2019	
Operating income		$ 40,557,517		$ 43,020,681
Adjustments				
Net investment income *	$ 2,637,690		$ 4,054,260	
Gain on disposal of capital assets	-		20,255	
Depreciation expense	35,846,500		30,258,045	
Other post-employment benefits and pension expense	1,182,313		6,233,582	
		39,666,503		40,566,142
Net revenues available for debt service coverage		$ 80,224,020		$ 83,586,823
Total debt services (principal and interest) **		$ 49,021,876		$ 38,329,271
Debt service coverage		164%		218%

* excludes all unrealized market value adjustments and construction fund interest income.
** includes capitalized interest of $3,487,592.

B. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Annual Budget – 2020 and 2019

Description	2020 Budget (Unaudited)	2020 Actual	Variance
Budgetary expenses			
Salaries and wages	$ 25,264,264	$ 24,720,620	$ 543,644
Employee benefits	22,868,622	18,458,257	4,410,365
Heat, light and power	951,789	689,966	261,823
Office expense	290,973	171,367	119,606
Information technology and communications	2,284,455	2,153,753	130,702
Travel, meetings and education expense	496,468	196,831	299,637
E-ZPass and traffic count operating and maintenance	7,953,364	8,494,848	(541,484)
State Police Bridge Security	6,134,013	6,195,971	(61,958)
Operating and maintenance expenses	3,755,250	2,666,094	1,089,156
Insurance	3,623,007	3,209,148	413,859
Professional service fee	1,582,480	1,462,702	119,778
Advertising and marketing	58,919	17,504	41,415
General contingency	247,000	-	247,000
Total budgetary expenses	$ 75,510,604	$ 68,437,061	$ 7,073,543

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

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, 2020 and 2019, the Commission held in the enterprise fund and fiduciary fund a total book balance of $60,586,099 and $54,719,988, respectively, in cash and cash equivalents in financial institutions.

As of December 31, 2020 and 2019, the Commission's bank balance of $62,999,313 and $57,068,421, respectively, was exposed to custodial credit risk as follows:

	December 31, 2020		
	Enterprise Fund	Fiduciary Fund	Total
Insured	$ 500,000	$ 250,000	$ 750,000
Uninsured and collateralized with Securities held by pledging financial institutions	9,197,188	-	9,197,188
Uninsured and uncollateralized	50,818,774	2,233,351	53,052,125
	$ 60,515,962	$ 2,483,351	$ 62,999,313

	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

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, 2020 and 2019, of the enterprise fund's $296,080,072 and $396,304,437 investments in U.S. federal agency notes and bonds, U.S. government treasuries, corporate bonds, commercial paper, certificates of deposit, 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) $105,244,912 and $96,342,298 investments in mutual funds – equity, mutual funds - fixed income, and partnerships/joint ventures as of December 31, 2020 and 2019, 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, 2020 and 2019, the Commission's enterprise fund had the following investments and maturities:

	December 31, 2020		
	Total	Investment Maturities (in Years)	
Investment Type	Fair Value	Less Than 1	1-5
Municipal and State Obligations and Funds	$ 6,847,210	$ 1,500,000	$ 5,347,210
Commercial Paper	111,490,368	111,490,368	-
Corporate Bond	68,783,873	28,635,528	40,148,346
U.S. Federal Agency Notes and Bonds	22,596,950	1,351,347	21,245,604
U.S. Government Treasuries	86,361,671	85,338,121	1,023,550
Total	$ 296,080,072	$ 228,315,363	$ 67,764,709

	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

As of December 31, 2020 and 2019, the Commission's fiduciary fund had the following investments and maturities:

	December 31, 2020		
	Total	Investment Maturities (in Years)	
Investment Type	Fair Value	Less Than 1	1-5
Mutual Funds - Equity	$ 39,761,601	$ 39,761,601	$ -
Mutual Funds - Fixed Income	61,914,105	61,914,105	-
Partnerships/Joint Ventures	3,549,206	3,549,206	-
Total	$ 105,224,912	$ 105,224,912	$ -

	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	$ -

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 A.

Presented are summaries of the Commission's investments by type and credit rating as of December 31, 2020 and 2019:

Enterprise Fund Investments -

Investment Type	December 31, 2020 Rating *	 % of Total Investments
Municipal and State Obligations and Funds	AA - AAA	2.31%
Commercial Paper	A-1	37.66%
Corporate Bond	A+ to AAA	23.23%
U.S. Federal Agency Notes and Bonds	A-1 / AAA	7.63%
U.S. Government Treasuries	A-1 / AAA	29.17%

Investment Type	December 31, 2019 Rating *	 % of Total Investments
Certificates of deposit	A-1	2.28%
Commercial Paper	A-1	37.90%
Corporate Bond	AA- to AAA	23.21%
U.S. Federal Agency Notes and Bonds	A-1 / AAA	7.60%
U.S. Government Treasuries	A-1 / AAA	29.01%

* 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, 2020 Rating *	 % of Total Investments
Mutual Funds - Equity	2 Stars	9.48%
Mutual Funds - Equity	3 Stars	6.38%
Mutual Funds - Equity	4 Stars	17.10%
Mutual Funds - Equity	5 Stars	4.83%
Mutual Funds - Fixed Income	3 Stars	43.25%
Mutual Funds - Fixed Income	4 Stars	15.59%
Partnerships/Joint Ventures	N/A	3.37%

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%

* 5 Stars represents the highest quality rating by Morningstar.

C. DETAIL NOTES – ASSETS (CONTINUED)

Investments (Continued)

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 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's investments are measured using the valuation inputs as follows:

	December 31, 2020		
Valuation Input	Enterprise Fund	Fiduciary Fund	Total
Level 1	$ 109,234,202	$ 101,675,706	$ 210,909,908
Level 2	186,845,870	-	186,845,870
Level 3	-	3,549,206	3,549,206
	$ 296,080,072	$ 105,224,912	$ 401,304,984

	December 31, 2019		
Valuation Input	Enterprise Fund	Fiduciary Fund	Total
Level 1	$ 170,231,348	$ 92,764,704	$ 262,996,052
Level 2	226,073,089	-	226,073,089
Level 3	-	3,577,594	3,577,594
	$ 396,304,437	$ 96,342,298	$ 492,646,735

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.

C. DETAIL NOTES – ASSETS (CONTINUED)

Capital Assets

The following schedules detail changes in capital assets, by major class, that occurred during the years ended December 31, 2020 and 2019:

	Balance January 1, 2020	Additions	Cap Int	Deletions	Transfers	Balance December 31, 2020
Capital assets not being depreciated						
Land	$ 134,724,357	$ -	$ -	$ -	$ -	$ 134,724,357
Improvements in progress	125,024,464	112,692,407	3,487,592	-	(26,490,873)	214,713,590
Total capital assets not being depreciated	259,748,821	112,692,407	3,487,592	-	(26,490,873)	349,437,947
Capital assets being depreciated						
Buildings	69,389,662	-	-	-	1,880,006	71,269,668
Infrastructure	1,003,888,349	-	-	-	24,558,850	1,028,447,199
Equipment	33,392,217	1,563,807	-	-	52,017	35,008,041
Total capital assets being depreciated	1,106,670,228	1,563,807	-	-	26,490,873	1,134,724,908
Less accumulated depreciation for						
Buildings	(20,760,387)	(2,135,768)	-	-	-	(22,896,155)
Infrastructure	(428,481,524)	(30,937,030)	-	-	-	(459,418,554)
Equipment	(18,697,012)	(2,773,703)	-	-	-	(21,470,715)
Total accumulated depreciation	(467,938,923)	(35,846,501)	-	-	-	(503,785,424)
Total capital assets being depreciated, net	638,731,305	(34,282,694)	-	-	26,490,873	630,939,484
Total capital assets, net	$ 898,480,126	$ 78,409,713	$ 3,487,592	$ -	$ -	$ 980,377,431

	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

C. DETAIL NOTES – ASSETS (CONTINUED)

Toll Revenue

	For the Years Ended			
	December 31, 2020		December 31, 2019	
Toll Class	Vehicles	Revenue	Vehicles	Revenue
1	31,549,334	$ 33,419,471	38,516,935	$ 40,058,339
2	1,195,719	7,819,033	1,069,545	6,948,346
3	408,342	4,880,972	442,459	5,255,398
4	527,083	8,336,722	529,806	8,361,503
5	4,234,935	83,365,727	4,059,082	79,660,088
6	134,403	3,123,996	126,854	2,949,187
7	2,807	79,339	3,531	98,841
11	266,885	548,800	241,944	492,144
Extra axles *	1,462	5,881	1,996	7,999
	38,319,508	141,579,940	44,990,156	143,831,845
Discounts, violations, allowances and other adjustments		2,150,674		(822,542)
		$ 143,730,613		$ 143,009,303

* 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, 2020 and 2019, was $141,579,940 and $143,831,845, respectively, while the adjustments for uncollectible tolls, violations and discounts were $2,150,674 and ($822,542), respectively.

Accounts Receivable

Accounts receivable are reported net of allowance for uncollectible. The allowance for uncollectible is based on management's evaluation of potential uncollectible receivables. Accounts receivable deemed uncollectible are charged to the allowance in the year they are deemed uncollectible.

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, 2020 and 2019, is estimated at $2,192,617 and $1,980,930, 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, 2020 and 2019, is estimated at $921,544 and $498,985, 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 $7,614,406 and $7,056,141 for the years ended December 31, 2020 and 2019, respectively. The Commission's retirement contribution, as a percentage of covered payroll, was 30.02% and 29.93% for the years ended December 31, 2020 and 2019, 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, 2020 and 2019, the Commission reported a liability of $64,518,812 and $69,793,626 for its proportionate share of the net pension liability, respectively. The net pension liability was measured as of December 31, 2019 and 2018, 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, 2019, the Commission's proportion was 0.35492810%, which was an increase of 0.01988151% from its proportion measured as of December 31, 2018. At December 31, 2018, the Commission's proportion was 0.35504659%, which was an increase of 0.01561662% from its proportion measured as of December 31, 2017.

For the years ended December 31, 2020 and 2019, the Commission recognized pension expense of $10,678,279 and $10,797,997, respectively. The Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 804,454	$ 436,997	$ 1,047,363	$ 756,283
Net difference between projected and actual investment earnings on pension plan investments	-	4,601,407	6,790,506	-
Changes in assumptions	2,486,225	-	1,859,473	-
Differences between employer contributions and proportionate share of contributions	-	457,838	-	316,565
Changes in proportion	5,450,971	-	3,561,108	59,642
Commission contributions subsequent to the measurement date	7,614,406	-	7,056,141	-
	$ 16,356,056	$ 5,496,242	$ 20,314,591	$ 1,132,490

The $7,614,406 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, 2021. 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:	
2021	$ 1,489,059
2022	668,128
2023	1,875,426
2024	(1,099,340)
2025	312,135
Total	$ 3,245,408

Actuarial assumptions

The following methods and assumptions were used in the December 31, 2020 and 2019, actuarial valuations. These methods and assumptions were applied to all periods included in the measurement:

Actuarial cost method	entry age
Investment rate of return	7.125% 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, 2019 and 2018, are summarized in the following tables:

	2019		2018	
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%	7.25%
Global public equity	48.00%	5.15%	48.00%	5.15%
Real assets	12.00%	5.26%	12.00%	5.26%
Multi-strategy	10.00%	4.44%	10.00%	4.44%
Legacy hedge funds	0.00%	0.00%	0.00%	0.00%
Fixed income	11.00%	1.26%	11.00%	1.26%
Cash	3.00%	0.00%	3.00%	0.00%
Total	100.00%		100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.125% for the years ended December 2019 and 2018. 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 2019 and 2018 net pension liability calculated using the discount rate of 7.125%. 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 6.125%	Current Discount Rate 7.125%	1% Increase 8.125%
Commission's share of the net pension liability as of December 31, 2019 measurement date	$ 81,981,896	$ 64,518,812	$ 49,568,613
Commission's share of the net pension liability as of December 31, 2018 measurement date	$ 85,700,876	$ 69,793,626	$ 56,161,984

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-pers21.pdf.

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

At December 31, 2020 and 2019, the Commission reported a liability of $1,819,848 and $1,892,847, respectively, for its proportionate share of the net pension liability. The net liability was measured as of June 30, 2020 and 2019, 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, 2020 and 2019, respectively, the Commission's proportionate share of the collective pension liability was 0.0111596553% and 0.0105050302%, which was an increase of 0.0006546251%. For the years ended December 31, 2020 and 2019, the Commission recognized pension expense of $204,144 and $229,995, 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:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 33,136	$ 6,436	$ 33,974	$ 8,362
Net difference between projected and actual investment earnings on pension plan investments	62,204		-	29,879
Changes in assumptions	59,038	761,988	189,008	657,001
Changes in proportion	350,341	45,050	377,653	59,085
Commission contributions subsequent to the measurement date	61,041	-	51,092	-
	$ 565,760	$ 813,474	$ 651,727	$ 754,327

The $61,041 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 subsequent fiscal year. 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:	
2021	$ 248,659
2022	(245,751)
2023	(214,640)
2024	(83,601)
2025	(13,422)
Total	$ (308,755)

Actuarial Assumptions

The total pension liability for the June 30, 2020 and 2019, measurement date, respectively, was determined by an actuarial valuation as of July 1, 2019 and 2018, respectively, which was rolled forward to June 30, 2020 and 2019, respectively, using the following actuarial assumptions:

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

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

	2020
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%

	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%

The actuarial assumptions used in the July 1, 2020 and 2019, valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. 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-2020.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Pension Plans (Continued)

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

Long-Term Rate of Return

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, 2020 and 2019, are summarized below:

	2020	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equity	27.00%	7.71%
Non-U.S. developed markets equity	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private equity	13.00%	11.42%
Real assets	3.00%	9.73%
Real estate	8.00%	9.56%
High yield	2.00%	5.95%
Private credit	8.00%	7.59%
Investment grade credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk mitigation strategies	3.00%	3.40%
	100.00%	

	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%	

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 7.00% and 6.28% as of June 30, 2020 and 2019, respectively. 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 and the nonemployer contributing entity will be based on 78% 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine 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, 2020 and 2019, 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, 2020		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (7.00%)
Commission's proportionate share	$ 2,308,899	$ 1,819,848	$ 1,431,327

	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

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 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 through AmWINS Group, Inc. 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)

National Blue Cross Network	In-Network	Non-Network
MEDICAL		
Deductible (Individual)	$ -	$ 5,000
OOP Max on Coinsurance (Individual)	$ 5,600	$ 10,000
OV-PCP	$10 copay	50% After Deductible
OV-Specialist	$25 copay	50% After Deductible
ER	$175 copay	50% After Deductible
Urgent Care Center	$25 copay	50% After Deductible
Coinsurance	100%	50% After Deductible
Prescription Drugs		
Retail (Generic/Brand/N-P Brand)	$5/$20/$35	$5/$20/$35
Mail Order (Generic/Brand/N-P Brand)	$10/$40/$50	$10/$40/$50

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:

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 2020 and 2019

None.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

Net OPEB Liability

The net OPEB liability of the plan recognized at December 31, 2020, for measurement date December 31, 2019, was as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance recognized at 12/31/2019 (Based on 12/31/18 measurement date)	$ 108,911,967	$ 83,878,315	$ 25,033,652
Changes recognized for the fiscal year:			
Service cost	3,928,031	N/A	3,928,031
Interest of the total OPEB liability	6,160,245	N/A	6,160,245
Changes in benefit terms	-	N/A	-
Differences between expected and actual experience	(12,724,871)	N/A	(12,724,871)
Changes of assumptions	(5,931,498)	N/A	(5,931,498)
Benefit payments	(4,144,492)	(4,144,492)	-
Contributions from the employer	N/A	3,304,940	(3,304,940)
Contributions from the employee	N/A	-	-
Net investment income	N/A	12,649,219	(12,649,219)
Administrative expense	N/A	(20,655)	20,655
Net Changes	(12,712,585)	11,789,012	(24,501,597)
Balance recognized at 12/31/2020 (Based on 12/31/19 measurement date)	$ 96,199,382	$ 95,667,327	$ 532,055

The net OPEB liability of the plan recognized at December 31, 2019, 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)

<u>Employer Contributions</u>
The Commission had no contractually required contribution rate for fiscal years ended December 31, 2020 and 2019. The Commission made contributions of $4,526,168 and $3,304,940 to the OPEB plan for the years ended December 31, 2020 and 2019, respectively.

<u>OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB</u>

At December 31, 2020 and 2019, the Commission reported a net OPEB liability of $532,055 and $25,033,652, respectively. The net OPEB liability was measured as of January 1, 2019 and 2018, 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, 2019 to December 31, 2019 and January 1, 2018 to December 31, 2018, respectively.

For the years ended December 31, 2020 and 2019, the Commission recognized OPEB expense of $(1,937,276) and $2,227,914, respectively. At December 31, 2020 and 2019, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,540,046	$ 10,515,692	$ 4,560,174	$ -
Net difference between projected and actual investment earnings on OPEB plan investments	-	2,958,194	3,918,163	-
Changes in assumptions	-	18,480,765	-	17,633,561
Commission's contributions subsequent to measurement date	4,526,168	-	3,304,940	-
	$ 8,066,214	$ 31,954,651	$ 11,783,277	$ 17,633,561

The $4,526,168 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, 2021. 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:	
2021	$ (7,038,938)
2022	(7,038,938)
2023	(6,171,963)
2024	(5,703,162)
2025	(2,461,604)
Total	$ (28,414,605)

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 – 6.00% and 5.56% as of December 31, 2019 and 2018, respectively
- 20 Yr. Municipal Bond Rate – 2.74% and 4.10% as of December 31, 2019 and 2018, respectively
- Municipal Bond Rate Basis – Bond Buyer GO 20-Bond Municipal Bond Index (this scale does not include the assumed 2.9% general salary increase)

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 Salary Increase – 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-2019 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, 2019 and December 31, 2018.

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, 2020 and 2019:

	At June 30, 2020	
1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
$ 13,454,324	$ 532,055	$ (10,189,590)

	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

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, 2020 and 2019:

	At June 30, 2020	
1% Decrease	Healthcare Cost Trend Rate	1% Increase
$ (11,464,674)	$ 532,055	$ 15,415,106

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

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Other Post-employment Benefits (OPEB) (Continued)

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 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, 2020 and 2019, are summarized in the following table:

	2020		
Asset Class	Expected Nominal Rate of Return	Expected Real Rate of Return	Allocation
Broad U.S. Equity	8.45%	5.39%	22.00%
International Equity (Developed & Emerging)	8.76%	5.69%	14.00%
Core Fixed Income	3.00%	0.10%	60.00%
Core Real Estate	6.93%	3.92%	4.00%
Total Portfolio	5.65%	2.67%	100.00%

	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%

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, 2020 and 2019, the Commission had $692,940,000 and $709,245,000, respectively, in Bridge System Revenue and Revenue Refunding Bonds outstanding.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

Descriptions of bond series outstanding during 2020 and 2019 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).

The Series 2005A bonds fully matured 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.

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

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

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.

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).

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

At December 31, 2020, $26,165,000 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, 2020, $70,620,000 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, 2020, $429,305,000 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.

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, 2020, $73,135,000 of the Series 2019A bonds and $93,715,000 of the Series 2019B bonds remain outstanding.

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

Annual debt service requirements to maturity for total bonds outstanding as of December 31, 2020, are as follows:

Principal Amount	Interest	Total Debt Service
$ 16,620,000	$ 32,604,226	$ 49,224,226
18,310,000	31,802,757	50,112,757
19,150,000	30,966,382	50,116,382
19,750,000	30,036,832	49,786,832
19,450,000	29,289,782	48,739,782
105,970,000	132,128,578	238,098,578
135,350,000	103,888,138	239,238,138
129,860,000	71,634,600	201,494,600
153,660,000	38,408,800	192,068,800
74,820,000	5,169,250	79,989,250
$ 692,940,000	$ 505,929,345	$ 1,198,869,345

The following schedules represent the annual debt service requirements for the outstanding bonds as of December 31, 2020:

	Year	Principal Amount	Interest	Total Debt Service
Series 2012A	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		$ 26,165,000	$ 3,247,348	$ 29,412,348

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

	Year	Principal Amount	Interest	Total Debt Service
Series 2015	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		$ 70,620,000	$ 30,515,978	$ 101,135,978

	Year	Principal Amount	Interest	Total Debt Service
Series 2017	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		$ 429,305,000	$ 404,176,369	$ 833,481,369

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Bonded Indebtedness (Continued)

	Year	Principal Amount	Interest	Total Debt Service
Series 2019A	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		$ 73,135,000	$ 34,927,900	$ 108,062,900

	Year	Principal Amount	Interest	Total Debt Service
Series 2019B	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		$ 93,715,000	$ 33,061,750	$ 126,776,750

D. DETAIL NOTES – LIABILITIES (CONTINUED)

Summary of Long-Term Liabilities

	Outstanding January 1, 2020	Additions	Reductions	Outstanding December 31, 2020	Due Within One Year
Revenue bonds					
Principal	$ 709,245,000	$ -	$ 16,305,000	$ 692,940,000	$ 16,620,000
Unamortized premiums	73,640,972	-	7,716,901	65,924,071	-
Total revenue bonds	782,885,972	-	24,021,901	758,864,071	16,620,000
Other liabilities					
Compensated absences	2,479,915	759,079	124,833	3,114,161	155,708
Net OPEB Liability	25,033,652	-	24,501,597	532,055	-
Net Pension Liability	71,686,473	-	5,347,813	66,338,660	-
Total other liabilities	99,200,040	759,079	29,974,243	69,984,876	155,708
Total long-term liabilities	$ 882,086,012	$ 759,079	$ 53,996,144	$ 828,848,947	$ 16,775,708

	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	9,011,233	73,640,972	-
Total revenue bonds	745,767,628	209,104,567	171,986,233	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	$ 188,525,377	$ 882,086,012	$ 16,414,475

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 $39,000,000 of Series 2012A bonds and $10,935,000 of Series 2015 bonds. Remaining outstanding principal as of December 31, 2020, for the Series 2012A and Series 2015 bonds is $26,165,000 and $ 70,620,000, 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.

E. DEFEASED BONDS (CONTINUED)

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, 2020 and 2019, interfund balances in the amounts of $905,308 and $1,134,633, 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 IRC 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, unforeseeable emergency or as authorized by law.

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, 2020. These projects are evidenced by contractual commitments with contractors and include:

Project	Awarded	Commitment Remaining
Scudder Falls Bridge Replacement, Main Const.	$ 424,129,137	$ 79,011,791
Commission Adm. Building at Scudder Falls	21,468,986	50,000
Electronic Toll Collection System Replacement	12,462,964	1,116,515
Electronic Surveillance/Detection	5,217,521	4,034,895
JOCS Bridge Highway Civil North	3,500,000	2,499,217
JOCS Bridge Highway Civil South	2,500,000	2,017,306
JOCS Building and Facility North	3,000,000	2,933,176
JOCS Building and Facility South	3,500,000	2,420,994
Total	$ 475,778,608	$ 94,083,894

J. IMPACTS OF THE CORONAVIRUS PANDEMIC

On March 10, 2020, the World Health Organization (WHO) declared a global health emergency related to the Novel Coronavirus (COVID-19). National and various state emergency declarations followed. Actions taken in attempts to mitigate the spread of the virus included restrictions on travel and quarantines in certain areas, and forced closures for certain types of public places and businesses.

Around the time of the WHO's pandemic declaration, the Commission's toll bridge traffic and toll revenue began to decline as work conditions and travel habits were altered. 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. As a result of the ongoing COVID-19 pandemic and associated Executive Orders, traffic and toll revenue continued to decline into April and May 2020, with gradual improvement through the remainder of the year.

Additionally, on March 24, 2020 the Commission halted collection of cash tolls and placed its full time toll collectors on paid administrative leave. In place of cash tolls, the Commission implemented "Cashless Toll Collection" at all of its toll facilities. Cash collection resumed on a limited basis beginning May 13, 2020 and on a full basis on July 12, 2020.

The Commission has taken prudent measures to maintain a sound financial position in these unprecedented circumstances. Specifically, to offset the accumulated loss of anticipated revenue in 2020 and meet the Commission's financial resiliency policy goals, the Commission implemented a system-wide toll adjustment in April 2021. Details of the toll adjustment can be found in Note K.

K. SUBSEQUENT EVENTS

Management has evaluated events subsequent to December 31, 2020, through June 23, 2021, noting no significant subsequent events requiring disclosure other than the following:

To offset the accumulated COVID-19 related losses of expected revenue in 2020 and meet the Commission's financial resiliency policy goals, on March 29, 2021, following a series of public hearings and month-long public comment period during February 2021, the Commission approved its first system-wide toll adjustment since 2011. The approved toll structure was implemented beginning April 11, 2021. The primary toll adjustments are described as follows:

<u>Passenger vehicles:</u> E-ZPass tolls adjusted to $1.25 from $1.00 (Scudder Falls Toll Bridge "SFB" remained at $1.25); Cash tolls adjusted to $3.00 from $1.00; Toll-by-Plate customers (SFB only) adjusted to $3.00 from $2.60. Discount for commuters (16 or more toll crossings per calendar month) adjusted to 20% from 40%.

<u>Commercial Vehicles:</u> E-ZPass tolls adjusted to $4.50 per axle from $4.00 per axle (SFB from $4.25 per axle); Cash tolls adjusted to $5.00 per axle from $4.00 per axle; Toll-by-Plate customers (SFB only) adjusted to $5.00 per axle from $4.75 per axle. 10% Discount for off-peak toll crossings (9:00pm to 6:00am) eliminated.

REQUIRED SUPPLEMENTARY INFORMATION

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF CHANGES IN PLAN'S NET OPEB LIABILITY (UNAUDITED)
December 31, 2020

	December 31, 2020 (Measurement Date of 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	$ 3,928,031	$ 3,388,535	$ 4,161,867
Interest cost	6,160,245	6,388,854	6,592,495
Changes of benefit terms	-	-	(45,529)
Differences between expected and actual experiences	(12,724,871)	3,436,978	2,550,800
Changes of assumptions	(5,931,498)	(5,791,220)	(18,919,078)
Benefit payments	(4,144,492)	(3,161,037)	(3,144,352)
Net change in total OPEB liability	(12,712,585)	4,262,110	(8,803,797)
Total OPEB liability (beginning)	108,911,967	104,649,857	113,453,654
Total OPEB liability (ending)	$ 96,199,382	$ 108,911,967	$ 104,649,857
Plan fiduciary net position			
Contributions - employer	$ 3,304,940	$ -	$ 7,500,000
Contributions - member	-	-	-
Net investment income	12,649,219	(2,848,376)	9,056,129
Benefit payments	(4,144,492)	(3,161,037)	(3,144,352)
Administrative expense	(20,655)	(22,622)	(21,604)
Other	-	-	-
Net change in plan fiduciary net position	11,789,012	(6,032,035)	13,390,173
Plan fiduciary net position (beginning)	83,878,315	89,910,350	76,520,177
Plan fiduciary net position (ending)	$ 95,667,327	$ 83,878,315	$ 89,910,350
Net OPEB liability (ending)	$ 532,055	$ 25,033,652	$ 14,739,507
Net position as a percentage of total OPEB liability	99.45%	77.01%	85.92%
Covered-employee payroll	$ 26,570,518	$ 24,588,730	$ 22,381,050
Net OPEB liability as a percentage of payroll	2.00%	101.81%	65.86%

* 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 OPEB CONTRIBUTIONS – LAST 10 FISCAL YEARS (UNAUDITED)
December 31, 2020

	2020	2019	2018	2017
Actuarially determined contribution	N/A	N/A	N/A	N/A
Contributions made in relation to the actuarially determined contribution	$ 4,526,168	$ 3,304,940	$ -	$ 7,500,000
Contributions deficiency (excess)				
Covered payroll	$ 26,570,518	$ 24,588,730	$ 22,381,020	$ 19,416,733
Contributions as a percentage of payroll	17.03%	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 four years are presented in the above schedule.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

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

	Commonwealth of Pennsylvania State Employee Retirement System - 2020	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	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Commission's proportion of the net pension liability	0.3549281000%	0.3350465900%	0.3194299700%	0.3125523200%	0.3021920300%	0.3019247500%
Commission's proportionate share of the net pension liability	$ 64,518,812	$ 69,793,626	$ 55,234,900	$ 60,198,594	$ 54,950,087	$ 44,858,192
Commission's covered-employee payroll	23,574,873	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	261.38%	310.55%	271.09%	296.51%	285.30%	242.53%
Total pension liability	$ 174,888,386	$ 160,045,093	$ 149,163,417	$ 142,674,552	$ 133,685,889	$ 127,397,710
Plan fiduciary net position	110,369,574	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	63.10%	56.40%	63.00%	57.80%	58.90%	64.80%

	State of New Jersey Public Employees Retirement System - 2020	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	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Commission's proportion of the net pension liability	0.0111596553%	0.0105050302%	0.0108278375%	0.0100866457%	0.0074878511%	0.0074676777%
Commission's proportionate share of the net pension liability	$ 1,819,848	$ 1,892,847	$ 2,131,947	$ 2,348,010	$ 2,217,687	$ 1,676,344
Commission's covered-employee payroll	805,391	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	225.96%	240.12%	278.49%	441.58%	405.67%	325.43%
Total pension liability	$ 4,400,564	$ 4,358,691	$ 4,594,422	$ 4,524,099	$ 3,704,592	$ 3,219,284
Plan fiduciary net position	2,580,716	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	58.65%	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 six 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

	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 7,614,406	$ 7,056,141	$ 6,549,178	$ 5,872,463	$ 5,057,845	$ 2,981,231
Contributions in relation to the contractually required contribution	7,614,406	7,056,141	6,549,178	5,872,463	5,057,845	2,981,231
Covered-employee payroll	25,363,612	23,574,873	22,474,327	20,374,853	20,302,482	19,260,226
Contributions as a % of covered-employee payroll	30.02%	29.93%	29.14%	28.82%	24.91%	15.48%

NJ PERS - Last 10 Fiscal Years

	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 122,081	$ 102,184	$ 107,702	$ 93,442	$ 66,521	$ 64,202
Contributions in relation to the contractually required contribution	122,081	102,184	107,702	93,442	66,521	64,202
Covered-employee payroll	835,392	805,391	788,296	765,534	531,733	546,677
Contributions as a % of covered-employee payroll	14.61%	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 six 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, 2020

			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	1,794,520	$ 1,794,520	147,856	$ 147,856	1,503,883	$ 1,503,883	999,878	$ 999,878
11	Auto with trailer	2.00	10,651	21,302	3,303	6,606	20,752	41,504	10,089	20,178
	Automobile subtotal		1,805,171	1,815,822	151,159	154,462	1,524,635	1,545,387	1,009,967	1,020,056
2	Commercial 2-axle peak	6.50	24,926	162,019	6,031	39,202	31,745	206,343	16,146	104,949
2	Commercial 2-axle off peak	5.85	-	-	-	-	-	-	-	-
3	Commercial 3-axle peak	12.00	3,849	46,188	1,431	17,172	7,373	88,476	3,118	37,416
3	Commercial 3-axle off peak	10.80	-	-	-	-	-	-	-	-
4	Commercial 4-axle peak	16.00	2,392	38,272	750	12,000	9,979	159,664	2,617	41,872
4	Commercial 4-axle off peak	14.40	-	-	-	-	-	-	-	-
5	Commercial 5-axle peak	20.00	26,249	524,980	1,949	38,980	142,749	2,854,980	14,679	293,580
5	Commercial 5-axle off peak	18.00	-	-	-	-	-	-	-	-
6	Commercial 6-axle peak	24.00	153	3,672	15	360	694	16,656	39	936
6	Commercial 6-axle off peak	21.60	-	-	-	-	-	-	-	-
7	Commercial 7-axle peak	28.00	10	280	2	56	109	3,052	3	84
7	Commercial 7-axle off peak	25.20	-	-	-	-	-	-	-	-
	Commercial subtotal		57,579	775,411	10,178	107,770	192,649	3,329,171	36,602	478,837
	Extra axles subtotal *		-	-	-	-	57	226	1	4
	Non-revenue *		859		681		2,224		5,290	
	Gross cash tolls		1,862,750	2,591,233	161,337	262,232	1,717,284	4,874,784	1,046,569	1,498,897
Discounts, allowances and other adjustments				1,372		124		(2,527)		339
Net cash revenue				$ 2,592,605		$ 262,356		$ 4,872,257		$ 1,499,236

* 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, 2020

			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	317,132	$ 317,132	1,617,780	$ 1,617,780	315,261	$ 315,261	6,696,310	$ 6,696,310
11	Auto with trailer	2.00	4,482	8,964	14,738	29,476	5,099	10,198	69,114	138,228
	Automobile subtotal		321,614	326,096	1,632,518	1,647,256	320,360	325,459	6,765,424	6,834,538
2	Commercial 2-axle peak	6.50	3,217	20,911	25,685	166,953	3,122	20,293	110,872	720,668
2	Commercial 2-axle off peak	5.85	-	-	-	-	-	-	-	-
3	Commercial 3-axle peak	12.00	820	9,840	2,984	35,808	463	5,556	20,038	240,456
3	Commercial 3-axle off peak	10.80	-	-	-	-	-	-	-	-
4	Commercial 4-axle peak	16.00	879	14,064	4,337	69,392	375	6,000	21,329	341,264
4	Commercial 4-axle off peak	14.40	-	-	-	-	-	-	-	-
5	Commercial 5-axle peak	20.00	2,816	56,320	66,312	1,326,240	1,256	25,120	256,010	5,120,200
5	Commercial 5-axle off peak	18.00	-	-	-	-	-	-	-	-
6	Commercial 6-axle peak	24.00	13	312	625	15,000	12	288	1,551	37,224
6	Commercial 6-axle off peak	21.60	-	-	-	-	-	-	-	-
7	Commercial 7-axle peak	28.00	-	-	61	1,708	3	84	188	5,264
7	Commercial 7-axle off peak	25.20	-	-	-	-	-	-	-	-
	Commercial subtotal		7,745	101,447	100,004	1,615,101	5,231	57,341	409,988	6,465,076
	Extra axles subtotal *		-	-	45	181	-	-	103	411
	Non-revenue *		1,180		2,988		1,552		14,774	
	Gross cash tolls		329,359	427,543	1,732,522	3,262,538	325,591	382,800	7,175,412	13,300,025
Discounts, allowances and other adjustments				(57)		969		(413)		(193)
Net cash revenue				$ 427,486		$ 3,263,507		$ 382,387		$ 13,299,832

* 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, 2020

			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	4,724,295	$ 4,724,295	4,876,027	$ 6,746,164	1,030,398	$ 1,030,398	4,749,644	$ 4,749,644
11	Auto with trailer	2.00	26,284	52,568	26,734	68,498	9,498	18,996	54,090	108,180
	Automobile subtotal		4,750,579	4,776,863	4,902,761	6,814,661	1,039,896	1,049,394	4,803,734	4,857,824
2	Commercial 2-axle peak	6.50	277,507	1,803,796	157,547	1,128,759	38,934	253,071	237,004	1,540,526
2	Commercial 2-axle off peak	5.85	24,381	142,629	11,795	74,312	3,193	18,679	27,982	163,695
3	Commercial 3-axle peak	12.00	93,946	1,127,352	38,597	499,928	11,793	141,516	105,528	1,266,336
3	Commercial 3-axle off peak	10.80	7,608	82,166	4,100	47,072	884	9,547	22,705	245,214
4	Commercial 4-axle peak	16.00	83,020	1,328,320	24,135	419,248	8,936	142,976	198,417	3,174,672
4	Commercial 4-axle off peak	14.40	8,570	123,408	3,479	53,229	2,185	31,464	47,708	686,995
5	Commercial 5-axle peak	20.00	232,509	4,650,180	151,234	3,294,210	29,641	592,820	1,790,304	35,806,080
5	Commercial 5-axle off peak	18.00	51,426	925,668	32,423	620,273	5,647	101,646	493,510	8,883,180
6	Commercial 6-axle peak	24.00	2,134	51,216	2,054	53,853	966	23,184	60,026	1,440,624
6	Commercial 6-axle off peak	21.60	414	8,942	413	9,478	941	20,326	31,310	676,296
7	Commercial 7-axle peak	28.00	170	4,760	453	13,869	29	812	1,102	30,856
7	Commercial 7-axle off peak	25.20	10	252	9	241	4	101	86	2,167
	Commercial subtotal		781,695	10,248,689	426,239	6,214,472	103,153	1,336,142	3,015,682	53,916,641
	Extra axles subtotal *		49	196	46	219	8	32	682	2,728
	Gross ETC / PBP tolls		5,532,274	15,025,748	5,329,000	13,029,353	1,143,049	2,385,568	7,819,416	58,777,193
Commuter discounts				(226,796)		(311,558)		(56,233)		(226,019)
Violations, allowances and other adjustments				(3,397,183)		(4,961,912)		(431,019)		(7,471,445)
Penalties on violations				4,115,686		6,097,702		526,581		7,712,705
Commission vehicles				(9,902)		(10,086)		(10,579)		(4,691)
Net ETC revenue				$ 15,507,553		$ 13,843,500		$ 2,414,318		$ 58,787,743

* 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, 2020

			Easton-Phillipsburg		Portland-Columbia		Delaware Water Gap		Milford Montage		Totals	
			ETC	ETC	ETC	ETC	ETC	ETC	ETC	ETC	ETC	ETC
Class	Description	Rate	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue
1	Automobile subtotal	1.00	2,937,978	$ 2,937,978	699,212	$ 699,212	5,044,249	$ 5,044,249	791,221	$ 791,221	24,853,024	$ 26,723,161
11	Auto with trailer	2.00	18,103	36,206	7,978	15,956	45,478	90,956	9,606	19,212	197,771	410,572
	Automobile subtotal		2,956,081	2,974,184	707,190	715,168	5,089,727	5,135,205	800,827	810,433	25,050,795	27,133,732
2	Commercial 2-axle peak	6.50	92,438	600,847	19,220	124,930	148,490	965,185	16,545	107,543	987,685	6,524,656
2	Commercial 2-axle off peak	5.85	7,081	41,424	923	5,400	19,596	114,637	2,211	12,934	97,162	573,709
3	Commercial 3-axle peak	12.00	29,652	355,824	7,166	85,992	49,258	591,096	3,457	41,484	339,397	4,109,528
3	Commercial 3-axle off peak	10.80	2,813	30,380	421	4,547	10,260	110,808	116	1,253	48,907	530,987
4	Commercial 4-axle peak	16.00	24,839	397,424	23,770	380,320	56,688	907,008	2,933	46,928	422,738	6,796,896
4	Commercial 4-axle off peak	14.40	3,886	55,958	850	12,240	15,815	227,736	523	7,531	83,016	1,198,562
5	Commercial 5-axle peak	20.00	81,476	1,629,520	29,946	598,920	835,974	16,719,480	8,260	165,200	3,159,344	63,456,410
5	Commercial 5-axle off peak	18.00	19,283	347,094	4,570	82,260	211,546	3,807,828	1,176	21,168	819,581	14,789,117
6	Commercial 6-axle peak	24.00	763	18,312	175	4,200	22,137	531,288	101	2,424	88,356	2,125,101
6	Commercial 6-axle off peak	21.60	168	3,629	8	173	11,238	242,741	4	86	44,496	961,671
7	Commercial 7-axle peak	28.00	43	1,204	7	196	647	18,116	5	140	2,456	69,953
7	Commercial 7-axle off peak	25.20	3	76	-	-	51	1,285	-	-	163	4,122
	Commercial subtotal		262,445	3,481,692	87,056	1,299,177	1,381,700	24,237,208	35,331	406,691	6,093,301	101,140,712
	Extra axles subtotal *		4	16	1	4	566	2,264	3	11	1,359	5,470
	Gross ETC / PBP tolls		3,218,526	6,455,892	794,246	2,014,349	6,471,427	29,374,677	836,158	1,217,135	31,144,096	128,279,915
Commuter discounts				(129,218)		(28,744)		(207,565)		(29,754)		(1,215,887)
Violations, allowances and other adjustments				(1,622,360)		(401,996)		(5,141,219)		(390,136)		(23,817,270)
Penalties on violations				2,059,364		499,719		5,768,274		476,764		27,256,795
Commission vehicles				(11,181)		(9,185)		(10,086)		(7,063)		(72,773)
Net ETC revenue				$ 6,752,497		$ 2,074,142		$ 29,784,081		$ 1,266,946		$ 130,430,781

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

SCHEDULE OF OPERATING EXPENSES
Year Ended December 31, 2020

Description	Total Year Ended December 31, 2019	Total Year Ended December 31, 2020	Trenton-Morrisville	Scudder Falls	New Hope - Lambertville	I-78
Salaries and wages	$ 23,791,440	$ 24,720,620	$ 2,349,221	$ 1,106,941	$ 1,559,529	$ 2,867,393
Employee benefits	18,152,643	18,458,257	1,618,425	666,493	1,060,287	2,220,706
GASB 68	4,005,668	3,119,589	282,744	82,526	162,369	367,769
Other post-employment benefits	2,227,914	(1,937,276)	(151,202)	(75,601)	(108,676)	(226,803)
	48,177,665	44,361,190	4,099,188	1,780,359	2,673,509	5,229,065
Allocation of departmental expenses	-	-	134,383	121,533	127,604	138,540
Heat, light and power	658,794	689,966	91,676	71,151	76,537	93,229
Office expense	203,886	171,367	6,109	1,161	2,156	6,011
Information technology and communications	2,046,147	2,153,753	60,089	39,567	68,989	225,662
Travel, meetings and education expense	300,774	196,831	0	0	14	814
E-ZPass and traffic count operating and maintenance	6,226,526	8,494,848	1,160,169	3,029,998	360,703	1,525,712
State Police Bridge Security	5,611,172	6,195,971	1,011,431	769,109	205,138	1,081,795
Operating and maintenance expenses	3,374,347	2,666,094	245,934	55,899	198,104	292,621
Insurance	3,579,931	3,209,148	435,747	231,440	339,158	656,650
Professional service fee	1,501,601	1,462,702	-		-	-
Advertising and marketing	35,648	17,504	-		-	-
Depreciation	30,258,045	35,846,500	6,304,327	6,643,033	2,772,910	5,925,141
	53,796,870	61,104,684	9,449,865	10,962,891	4,151,313	9,946,175
Total operating expenses	$ 101,974,535	$ 105,465,874	$ 13,549,053	$ 12,743,250	$ 6,824,822	$ 15,175,240

SCHEDULE OF OPERATING EXPENSES (CONTINUED)
Year Ended December 31, 2020

Description	Easton - Phillipsburg	Portland - Columbia	Delaware Water Gap	Milford - Montague	Toll Supported Bridges	Administrative Expenses
Salaries and wages	$ 2,164,488	$ 1,093,933	$ 3,023,393	$ 1,092,435	$ 4,686,211	$ 4,777,076
Employee benefits	1,556,884	624,114	2,174,551	818,023	3,688,014	4,030,760
GASB 68	245,870	126,409	362,588	133,114	596,206	759,994
Other post-employment benefits	(137,027)	(66,151)	(217,353)	(80,326)	(387,455)	(486,682)
	3,830,215	1,778,305	5,343,179	1,963,246	8,582,976	9,081,148
Allocation of departmental expenses	131,581	124,906	136,858	125,393	274,918	(1,315,716)
Heat, light and power	81,229	30,822	39,326	49,907	68,817	87,272
Office expense	4,329	3,774	6,190	3,874	434	137,329
Information technology and communications	186,794	59,988	110,875	173,190	236,148	992,451
Travel, meetings and education expense	1,681	406	396	188	-	193,332
E-ZPass and traffic count operating and maintenance	711,286	221,811	1,248,409	212,390	24,370	-
State Police Bridge Security	583,804	127,668	837,282	116,513	1,463,231	-
Operating and maintenance expenses	207,864	112,484	183,661	117,596	133,298	1,118,633
Insurance	262,809	155,399	519,099	143,776	482,955	(17,885)
Professional service fee	-	-	-	-	-	1,462,702
Advertising and marketing	-	-	-	-	-	17,504
Depreciation	2,531,469	765,183	2,115,033	1,707,844	4,968,026	2,113,534
	4,702,846	1,602,441	5,197,129	2,650,671	7,652,197	4,789,156
Total operating expenses	$ 8,533,061	$ 3,380,746	$ 10,540,308	$ 4,613,917	$ 16,235,173	$ 13,870,304

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

ANALYSIS OF E-ZPASS, PAY BY PLATE, AND VIOLATIONS RECEIVABLE
Year Ended December 31, 2020

Analysis of E-Z Pass, Pay by Plate, and violations receivable		
Balance, January 1, 2020		$ 9,925,233
Increased by		
Gross E-ZPass and Pay by Plate tolls	$ 128,279,915	
Delaware River Joint Toll Bridge Commission vehicles	(68,732)	
Commuter discounts	(1,215,887)	
Toll violations, allowances and charge-offs	4,651,164	
		131,646,460
		141,571,693
Decreased by		
Cash received from other agencies	119,422,143	
Toll bill payments	1,328,833	
Cash received from violations	9,088,051	
		129,839,027
Balance, December 31, 2020		$ 11,732,666
Analysis of balance		
E-ZPass - due from other agencies		$ 4,244,439
Toll bill receivable, suspense		698,365
Toll violations receivable		55,172,595
Allowance for uncollectibles		(48,382,732)
		$ 11,732,666

ANALYSIS OF IMPROVEMENTS IN PROGRESS
Year Ended December 31, 2020

Analysis of improvements in progress		
Balance, January 1, 2020		$ 125,024,464
Increased by		
Purchases	$ 112,692,407	
Capitalized interest on bonds	3,487,592	
		116,179,999
		241,204,463
Decreased by		
Transferred to capital assets - completed		26,490,873
Balance, December 31, 2020		$ 214,713,590

ANALYSIS OF CAPITAL ASSETS – COMPLETED
Year Ended December 31, 2020

	January 1, 2020	Additions	Deletions	December 31, 2020
Land	$ 134,724,357	$ -	$ -	$ 134,724,357
Buildings	69,389,662	1,880,006	-	71,269,668
Infrastructure	1,003,888,349	24,558,850	-	1,028,447,199
Equipment	33,392,217	1,615,824	-	35,008,041
	1,241,394,585	28,054,680	-	1,269,449,265
Less: accumulated depreciation	(467,938,923)	(35,846,501)	-	(503,785,424)
	$ 773,455,662	$ (7,791,821)	$ -	$ 765,663,841

Transferred from improvements in progress	$ 26,490,873
Purchases	1,563,807
	$ 28,054,680

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

PROPRIETARY FUND – SCHEDULE OF INVESTMENTS
December 31, 2020

	Face	Descriptions	Coupon Rate	Date of Maturity	Market Value	Fair Value Cost	S&P Rating
US Fed. Agency Notes and Bonds	8,000,000	Federal National Mortgage Association	0.300%	10/27/2023	$ 8,007,774.64	$ 8,000,000.00	AAA
US Fed. Agency Notes and Bonds	2,500,000	Federal National Mortgage Association	0.600%	7/29/2025	$ 2,507,306.48	$ 2,500,000.01	AAA
US Fed. Agency Notes and Bonds	3,510,000	Federal Home Loan Mortgage Corp	0.400%	7/14/2023	$ 3,515,118.67	$ 3,510,000.00	AAA
US Fed. Agency Notes and Bonds	1,330,000	Federal Home Loan Banks	1.875%	11/29/2021	$ 1,351,346.55	$ 1,355,017.30	AAA
US Fed. Agency Notes and Bonds	7,200,000	Federal Home Loan Banks	1.600%	8/24/2022	$ 7,215,404.04	$ 7,200,000.00	AAA
Total US Federal Agency Notes and Bonds					$ 22,596,950		
US Treasury Note	62,268,000	United States Treasury	0.000%	1/28/2021	$ 62,265,918.99	$ 62,238,135.02	A-1
US Treasury Note	4,066,000	United States Treasury	0.000%	3/18/2021	$ 4,064,861.52	$ 4,064,814.08	A-1
US Treasury Note	7,800,000	United States Treasury	2.625%	7/15/2021	$ 7,905,117.17	$ 7,931,625.00	A-1
US Treasury Note	2,000,000	United States Treasury	0.000%	9/9/2021	$ 1,998,863.72	$ 1,998,060.18	A-1
US Treasury Note	9,000,000	United States Treasury	1.500%	10/31/2021	$ 9,103,359.42	$ 9,123,750.00	A-1
US Treasury Note	1,000,000	United States Treasury	1.500%	9/15/2022	$ 1,023,550.00	$ 1,025,390.62	A-1
Total US Government Treasuries					$ 86,361,671		
Corporate Bond	2,500,000	Apple Inc	2.850%	5/6/2021	$ 2,522,424.43	$ 2,540,225.00	AA+
Corporate Bond	2,500,000	Chevron Corp	3.191%	6/24/2023	$ 2,662,333.85	$ 2,662,425.00	AA
Corporate Bond	5,000,000	Commonwealth Bank Of Australia (New York Branch)	2.550%	3/15/2021	$ 5,022,796.85	$ 5,035,950.00	AA-
Corporate Bond	5,000,000	Massmutual Global Funding Ii	2.500%	4/13/2022	$ 5,143,547.25	$ 4,985,500.00	AA-
Corporate Bond	2,260,000	Massmutual Global Funding Ii	2.500%	10/17/2022	$ 2,349,282.34	$ 2,305,087.00	AA-
Corporate Bond	6,000,000	Metropolitan Life Global Funding I	2.400%	1/8/2021	$ 6,001,092.54	$ 5,947,440.00	AA-
Corporate Bond	1,000,000	Metropolitan Life Global Funding I	3.000%	1/10/2023	$ 1,053,770.03	$ 1,034,690.00	AA-
Corporate Bond	3,200,000	National Australia Bank Ltd (New York Branch)	2.800%	1/10/2022	$ 3,283,264.67	$ 3,174,368.00	AA-
Corporate Bond	2,000,000	New York Life Global Funding	3.250%	8/6/2021	$ 2,035,560.94	$ 2,045,760.00	AAA
Corporate Bond	1,000,000	New York Life Global Funding	2.300%	6/10/2022	$ 1,029,457.57	$ 1,012,850.00	AAA
Corporate Bond	3,000,000	Roche Holdings Inc	1.750%	1/28/2022	$ 3,044,247.69	$ 2,978,430.00	AA-
Corporate Bond	6,500,000	Royal Bank Of Canada	2.750%	2/1/2022	$ 6,676,177.69	$ 6,531,965.00	AA
Corporate Bond	3,000,000	Svenska Handelsbanken Ab	2.450%	3/30/2021	$ 3,015,991.77	$ 3,017,580.00	AA
Corporate Bond	6,191,000	Svenska Handelsbanken Ab	1.875%	9/7/2021	$ 6,260,637.05	$ 6,046,749.70	AA
Corporate Bond	1,400,000	Toyota Motor Credit Corp	3.400%	9/15/2021	$ 1,430,161.42	$ 1,424,290.00	A+
Corporate Bond	2,330,000	Usaa Capital Corp	2.000%	6/1/2021	$ 2,346,862.61	$ 2,329,231.10	AA+
Corporate Bond	14,416,000	Westpac Banking Corp	2.500%	6/28/2022	$ 14,906,264.52	$ 14,634,616.02	AA-
Total Corporate Bonds					$ 68,783,873		
Commercial Paper	3,000,000	Alberta (Province of)	0.000%	6/7/2021	$ 2,997,060.00	$ 2,995,251.66	A-1
Commercial Paper	12,000,000	Banco Santander, S.A.	0.000%	4/5/2021	$ 11,992,680.00	$ 11,971,883.28	A-1
Commercial Paper	16,000,000	Barclays Bank PLC	0.000%	8/30/2021	$ 15,968,462.81	$ 15,962,168.80	A-1
Commercial Paper	10,000,000	Chesham Finance Limited	0.000%	5/7/2021	$ 9,989,990.00	$ 9,975,616.67	A-1
Commercial Paper	10,000,000	Credit Suisse AG, New York Branch	0.000%	8/9/2021	$ 9,985,270.00	$ 9,979,825.00	A-1
Commercial Paper	10,000,000	Halkin Finance LLC	0.000%	5/14/2021	$ 9,989,400.00	$ 9,977,750.00	A-1
Commercial Paper	7,000,000	Lloyds Bank Corporate Markets plc	0.000%	3/11/2021	$ 6,996,472.00	$ 6,984,143.06	A-1
Commercial Paper	6,000,000	Lloyds Bank Corporate Markets plc	0.000%	7/2/2021	$ 5,991,444.00	$ 5,988,480.00	A-1
Commercial Paper	10,000,000	Macquarie Bank Limited	0.000%	4/16/2021	$ 9,992,220.00	$ 9,990,763.80	A-1
Commercial Paper	5,000,000	MUFG Bank Ltd. (New York Branch)	0.000%	5/24/2021	$ 4,995,795.00	$ 4,994,201.40	A-1
Commercial Paper	10,000,000	Santander UK plc	0.000%	3/3/2021	$ 9,997,380.00	$ 9,989,202.80	A-1
Commercial Paper	7,000,000	Société Générale Société anonyme	0.000%	2/22/2021	$ 6,998,523.00	$ 6,976,207.77	A-1
Commercial Paper	5,600,000	Standard Chartered Bank	0.000%	4/22/2021	$ 5,595,671.20	$ 5,592,645.30	A-1
Total Commercial Paper					$ 111,490,368		
Municipal and State Obligations and Funds	1,475,000	ALABAMA ST-B-TXBL	3.200%	11/1/2023	$ 1,580,449.80	$ 1,550,623.25	AA+
Municipal and State Obligations and Funds	2,170,000	OKLAHOMA CITY OK-TXBL	3.000%	3/1/2022	$ 2,228,118.91	$ 2,243,541.30	AAA
Municipal and State Obligations and Funds	1,500,000	HAWAII ST	3.250%	1/1/2021	$ 1,500,000.00	$ 1,521,135.00	AA
Municipal and State Obligations and Funds	1,500,000	HAWAII ST	2.770%	1/1/2022	$ 1,538,640.86	$ 1,526,700.00	AA
Total Municipal and State Obligations and Funds					$ 6,847,210		
Total Investments					$ 296,080,072		
Recapitulation of balance:							
Unrestricted investments					$ 161,741,946		
Restricted investments					134,338,126		
Balance, December 31, 2020					$ 296,080,072		

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF REVENUE BONDS
Year Ended December 31, 2020

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance January 1, 2020	Issued	Decreased	Balance December 31, 2020
2005A	3/10/2005	$ 72,645,000	-	-	5.500%	$ 5,105,000	$ -	$ 5,105,000	$ -
2012A	10/24/2012	77,145,000	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%	27,360,000	-	1,195,000	26,165,000
2015	4/29/2015	86,505,000	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%	73,160,000	-	2,540,000	70,620,000
2017	2/14/2017	430,250,000	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, 2020

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance January 1, 2020	Issued	Decreased	Balance December 31, 2020
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	-	945,000	429,305,000
2019A	7/31/2019	73,640,000	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, 2020

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance January 1, 2020	Issued	Decreased	Balance December 31, 2020
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	-	505,000	73,135,000
2019B	7/31/2019	99,730,000	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	-	6,015,000	93,715,000
Total principal						709,245,000	-	16,305,000	692,940,000
Unamortized premiums						73,640,972	-	7,716,901	65,924,071
Total revenue bonds						$ 782,885,972	$ -	$ 24,021,901	$ 758,864,071

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, 2020, and the related notes to financial statements, which comprise the basic financial statements, and have issued our report thereon dated June 23, 2021.

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) as a basis for designing 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 other matters, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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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 23, 2021

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS
Year Ended December 31, 2020

None reported.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended December 31, 2020

None reported.