DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

REPORT OF AUDIT

WITH SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

75 YEARS OF SERVICE
1939-2014

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

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DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Roster of Officials
As of December 31, 2013

New Jersey Commissioners	Position
David R. DeGerolamo	Chairman
William J. Hodas	Member
Yuki Moore Laurenti	Secretary - Treasurer
Edward J. Smith	Member
Geoffrey S. Stanley	Member

Pennsylvania Commissioners	Position
Gaetan J. Alfano, Esquire	Vice Chairman
Daniel H. Grace	Member
Jack Muehlhan	Member
Joseph M. Uliana	Member
Vacant	Member

Other Officials	Position
Joseph J. Resta	Executive Director
Arnold J. Conoline, Jr.	Chief Administrative Officer
Sean P. McNeeley	Chief Financial Officer
Sean M. Hill	Deputy Executive Director Operations
Joseph F. Donnelly	Deputy Executive Director Communications
Roy W. Little	Chief Engineer
Stephen Cathcart	Comptroller

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

PART I

FINANCIAL SECTION

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Delaware River Joint Toll Bridge Commission
New Hope, Pennsylvania 18938

Report on the Financial Statements

We have audited the accompanying statements of net position of the Delaware River Joint Toll Bridge Commission as of December 31, 2013 and 2012, and the related statements of revenues, expenses, and changes in net position and cash flows, together with the financial statements of the fiduciary fund for the years then ended, and the related notes to the financial statements, which collectively comprise the Delaware River Joint Toll Bridge 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.

Auditor's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the Delaware River Joint Toll Bridge 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 Delaware River Joint Toll Bridge Commission's internal control. Accordingly, we express no such opinion. An audit 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 financial position of the Delaware River Joint Toll Bridge Commission as of December 31, 2013 and 2012, and its 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.

601 White Horse Road | Voorhees, NJ 08043 | P 856.435.6200 | F 856.435.0440 | www.bowmanllp.com

Emphasis of Matter Regarding Restatement of Prior Period

As discussed in note 11 to the financial statements, it was noted that the Commission contributions to the fiduciary fund, which represents the pre-funding of the Commission's unfunded actuarial accrued liability related to postemployment benefits, were recorded as an expense on the statement of revenues, expenses and changes in net position, as opposed to limiting the expense to the annual other postemployment benefits cost. As a result, the financial statements for the year ended December 31, 2012 have been restated to reflect the actual expense for the other postemployment benefits cost. Our opinion is not modified with respect to these matters.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress for the retiree health benefits plan, 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 of 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 Delaware River Joint Toll Bridge Commission's basic financial statements. The accompanying 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 schedules previously referred to 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
June 25, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2013 2012, and 2011. We encourage readers to consider the information presented here in conjunction with the audited financial statements and supplementary information as a whole.

Financial Highlights

Operating revenues for the Commission totaled $120,128,146 for the year ended December 31, 2013, which represents an increase of 2.4% over the previous year. The increase in 2013 is primarily the result of a 4.14% increase in commercial traffic. All toll class rates were increased on July 1, 2011. Passenger vehicle tolls increased 33% while commercial class tolls increased between 23% and 30%. Passenger vehicles increased from $.75 to $1.00. Large commercial vehicles increased 23% from $3.25 to $4.00 per axle. Two axle commercial vehicles increased 30.0% from $2.50 to $3.25 per axle.

In 2013, net operating income totaled $38,953,086 and change in net position totaled $16,983,646 as compared to $40,902,254 and $13,834,076 respectively, for 2012. Depreciation expense increased $1.85 million from 2012. All other operating expenses increased by $2.9 million, or 5.6%, from 2012 to 2013 due primarily to increases in pension expense, employee healthcare expense, electronic security cost and business insurance expense.

Overview of the Financial Statements

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

Basic Financial Statements

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

The Statements of Net Position present information on the Commission's assets, deferred outflows of resources, and liabilities at December 31, 2013 and 2012, with the difference between the two reported as net position. At December 31, 2013, the Commission's net position equaled $407,082,345 as compared to $390,098,699 in 2012, an increase of 4.4%. This increase in net assets is largely the result of decrease in Bridge System Revenue Bonds of $51.0 million and a decrease of $14.0 million in the fair value of the liability associated with derivative instruments, offset somewhat by decreases of $49.5 million in cash and investments.

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 $777,862,087. Unrestricted current assets, totaling $39,861,375 (a decrease of $10,277,931 or 20.5%), represents cash in the operating accounts, cash equivalent investments, and E-ZPass toll receivables. These unrestricted current assets will be used to pay current expenses, to pay current debt service, or to be transferred to the General Reserve Fund. Additionally, the Commission has non-current unrestricted assets totaling $146,542,592 (an increase of $32,483,139 or 28.5%) representing investments in the General Reserve Fund.

Restricted assets, which are restricted under the Trust Indenture and are mainly investments designated for the Commission's Capital Program totaling $51,941,280, are broken into two categories. Restricted current assets of $8,208,188 decreased 79.4% from the previous year end as a result of changes in investment security maturity terms. Total non-current restricted assets, comprised of investments of bond proceeds and prepaid bond insurance totaled $43,733,092, which represents a decrease of $38,048499, or 46.5%, from the 2012 year-end balance. These changes in restricted assets are the result of payments from the bond funds to fund the purchase of capital assets and partial defeasance of the Series 2007A bond series. Capital assets totaling $527,566,046, a 2.85% increase over 2012, consist of land, infrastructure, and equipment with an original value of $839,858,796 less accumulated depreciation of $312,292,750. The land and infrastructure consist of twenty bridge crossings and related access roads spread over a 140-mile-long stretch of the Delaware River extending from Trenton, New Jersey north to Milford, Pennsylvania/Montague, New Jersey.

At December 31, 2013, the Commission had current and non-current liabilities of $394,246,798, with the majority related to its series 2005A, and 2007A, 2007B and 2012A and 2012B bond issues, which represents a decrease of $65,550,515 from 2012. The decrease in liabilities from 2012 to 2013 is attributable to the decreased liability associated with the interest rate swaps outstanding, based on the market valuation as of December 31st, as well as a reduction in bridge system revenue bonds outstanding as bond principal was retired and defeased.

The purpose of the 2005A issue, which was partially refunded by the 2012A and B issue, was for the refunding of $32,165,000 of the 2003 series bonds issued to finance the first portion of the Commission's ten-year capital program, and the financing of the Commission's $40 million CAI program.

The purpose of the 2007A, bond issue, which was partially defeased in 2013 with residual bond funds, and the 2007B issue were to provide funds to pay for the cost of capital improvements related to the system, to make deposits into the debt service reserve fund and to fund capitalized interest, to pay insurance and cost of issuance associated with the series.

Financial Analysis (Cont'd)

The purpose of the 2012A series was to provide funds to refund $57,300,000 principal amount of the outstanding 2003 issue and $30,795,000 principal amount of the 2005A issue, and to pay the cost of issuance associated with the Series 2012A bonds. The purpose of the 2012B bonds was to provide funds to refund $19,475,000 principal amount of Commission outstanding 2003 bonds and to pay the cost of issue associated with the Series 2012B bonds. The 2012B bonds were issued as taxable bonds in order to capture savings from low market rates by refunding portions of the 2003 bonds that had refunded Series 1992 bonds and therefore could not be refunded again as tax-exempt bonds. The 2005A, 2012A and 2012B bonds collectively completely refunded the Series 2003 bonds.

The following table contains condensed financial information of derived from the December 31, 2013, 2012, and 2011 financial statements of the Commission**:**

Net Position	**2013**	**2012**	**2011**
Assets:			
Current and Other Assets	$ 250,296,041	$ 297,734,104	$ 299,499,581
Capital Assets	527,566,046	512,929,004	521,543,345
Total Assets	777,862,087	810,663,108	821,042,926
Deferred Outflows of Resources:			
Accumulated Decrease in Fair Value of Hedging Derivatives	17,689,194	32,679,040	40,388,293
Deferred Loss on Refunding	5,777,862	6,553,864	552,485
Total Deferred Outflows	23,467,056	39,232,904	40,940,778
Liabilities:			
Bond Indebtedness	354,840,327	405,809,155	420,604,334
Other Liabilities	39,406,471	53,988,158	65,114,747
Total Liabilities	394,246,798	459,797,313	485,719,081
Net Position:			
Net Invested in Capital Assets	233,955,581	239,266,017	218,631,240
Restricted	17,576,072	27,383,000	26,723,721
Unrestricted	155,550,692	123,449,682	130,909,662
Total Net Position	$ 407,082,345	$ 390,098,699	$ 376,264,623
Change in Net Position			
Operating Revenues	$ 120,128,146	$ 117,352,596	$ 104,195,106
Operating Expenses			
Administration	10,490,155	9,483,971	9,559,378
Cost of Providing Services	37,526,264	35,699,671	35,098,830
Other Post Employment Benefits	6,701,565	6,659,905	7,495,574
Depreciation	26,457,076	24,606,795	26,813,322
Total Operating Expenses	81,175,060	76,450,342	78,967,104
Net Operating Income	38,953,086	40,902,254	25,228,002
Nonoperating Revenue	657,907	1,336,764	2,069,713
Nonoperating Expenses	(22,627,347)	(28,404,942)	(24,856,179)
Change in Net Position	16,983,646	13,834,076	2,441,536
Net Position - January 1	390,098,699	376,264,623	373,823,087
Net Position - December 31	$ 407,082,345	$ 390,098,699	$ 376,264,623

Financial Analysis (Cont'd)

The following table contains condensed financial information of cash flows derived from the December 31, 2013, 2012, and 2011 financial statements of the Commission**:**

Summary of Cash Flows	2013	2012	2011
Cash Flows from Operating Activities	$ 61,363,544	$ 66,997,812	$ 57,242,708
Cash Flows from Noncapital Financing Activities	(2,676,076)	(8,799,468)	(5,643,227)
Cash Flows from Capital and Related Financing Activities	(103,999,782)	(65,774,413)	(87,013,887)
Cash Flows from Investing Activities	966,349	43,406,360	25,181,431
Net Increase (Decrease) in Cash and Cash Equivalents	(44,345,965)	35,830,291	(10,232,975)
Cash and Cash Equivalents - January 1	79,769,998	43,939,707	54,172,682
Cash and Cash Equivalents - December 31	$ 35,424,033	$ 79,769,998	$ 43,939,707

Significant Events

In December 2001, the Commission approved a long-term Capital Improvement Program that provides major bridge rehabilitation, bridge enhancement, and installation of traffic management systems, as well as state-of-the-art bridge security and surveillance.

A toll rate structure with phased increases and discount adjustments was approved by the Commission to fund its Capital Improvement Program for system protection, preservation, management and enhancement of the Commission's infrastructure including twenty bridges, seven toll plazas, and administration and maintenance facilities that it owns, operates and maintains, as well as operating expenses for the Commission.

On July 1, 2011, the Commission increased toll rates on all vehicle classes. Passenger vehicles increased 33% from $.75 to $1.00. Large commercial vehicles increased 23% from $3.25 to $4.00 per axle. Two axle commercial vehicles increased 30.0 % from $2.50 to $3.25 per axle.

The Capital Improvement Program continues to evolve as the need for additional projects are identified, program costs are re-evaluated, and the Commission undertakes new initiatives to fund transportation infrastructure programs in bridge host communities.

During 2010, the Commission had four major capital projects become substantially complete; including Washington Crossing Toll Supported Bridge Phase I Rehabilitation, Reiglesville Toll Supported Bridge Rehabilitation, Calhoun Street Toll Supported Bridge Rehabilitation, and Locust Street Bridge Rehabilitation Program along with a number of other smaller projects.

During 2011, the Commission had three major capital projects become substantially complete; including Milford Upper Black Eddy Toll Supported Bridge Rehabilitation, Interstate 78 Open Road Tolling Installation, and Delaware River Water Gap Bearing Remediation Deck Survey along with a number of other smaller projects.

Significant Events (Cont'd)

During 2012 the Commission had four major projects become substantially complete including the construction of an Open-Road Toll lane at the Delaware Water Gap Toll Plaza, the rehabilitation and repainting of the Delaware Water Gap Toll Bridge, the rehabilitation and overlay of the Riverton-Belvidere Toll-Supported Bridge Approach roadway carrying Water Street in New Jersey, and the Phase 2 Substructure and Scour Protection improvements at eight bridges along with completion of a number of other smaller projects.

On September 20, 2007, the Commission issued three series of bonds: Series 2007A, 2007B1, and 2007B2. The 2007A issue was a fixed rate bonds totaling $134,170,000. The two Series 2007B issues were auction rate securities totaling $75,000,000 each and were hedged by an interest rate swap issued by two counterparties. In September 2008, the two Series 2007B issues were converted into variable rate securities and are hedged by an interest rate swap issued by two counterparties, and subsequently in May 2011 were converted to a SIFMA Index-Based Mode under direct bond purchase agreements.

On October 11, 2012, the Commission issued two series of bonds: Series 2012A and 2012B. The 2012A issue was a fixed rate, tax exempt bonds issue totaling $77,145,000. The Series 2012B issue was a fixed rate, taxable bond totaling $20,665,000.

The Commission redeemed $31,905,000 of 2007A bonds on October 28th, 2013. The 2007A bonds maturing in 2035 with a 5.0% coupon were redeemed using unspent 2007A bond proceeds, and in addition funds were deposited to make the interest payments due on the bonds from 2014 through 2017, when the bonds will be defeased on their call date.

Currently, the Commission has six different bond issues; (2003 fully refunded), 2005A, 2007A, 2007B1, 2007B2, 2012A and 2012B. At December 31, 2013, the total outstanding balance was $343,505,000. The series 2005A and 2007A are insured by MBIA. All issues carry a rating of A2 by Moody's and A by Standard & Poor's. On October 9, 2012 Moody's affirmed the A2 rating but improved the Outlook from Stable to Positive on October 12, 2012 Standard & Poor's affirmed an A- rating and also improved the Outlook from Stable to Positive. On May 2, 2014 Standard & Poor's raised the rating to A with a Stable outlook, citing "the system's consistently strong financial profile".

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 (215) 862-5284, by website at: www.drjtbc.org, or by mail at:

Delaware River Joint Toll Bridge Commission
Executive Offices
2492 River Road
New Hope, Pennsylvania 18938-8266

BASIC FINANCIAL STATEMENTS

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Statements of Net Position
As of December 31, 2013 and 2012

	2013	(Restated) 2012
ASSETS		
CURRENT ASSETS:		
Unrestricted assets:		
Cash and cash equivalents	$ 27,490,172	$ 40,562,982
Accounts receivable:		
E-ZPass and violations (net of allowance for uncollectible of $5,469,300 for 2013 and $4,067,732 for 2012)	9,967,113	8,807,875
Other	333,183	109,882
Interfund accounts receivable:		
Fiduciary fund	1,437,108	108,838
Prepaid expenses	633,799	549,729
Total unrestricted assets	39,861,375	50,139,306
Restricted assets:		
Cash and cash equivalents	7,933,861	39,207,016
Accrued interest receivable	274,327	554,379
Total restricted assets	8,208,188	39,761,395
Total current assets	48,069,563	89,900,701
NONCURRENT ASSETS:		
Unrestricted assets:		
Investments	146,542,592	114,059,453
Total unrestricted assets	146,542,592	114,059,453
Restricted assets:		
Investments	42,467,436	80,130,139
Prepaid bond insurance	1,265,656	1,651,452
Total restricted assets	43,733,092	81,781,591
Net other postemployment benefits	11,950,794	11,992,359
Capital assets:		
Completed (net of accumulated depreciation)	489,286,581	486,404,544
Improvements in progress	38,279,465	26,524,460
Total capital assets	527,566,046	512,929,004
Total noncurrent assets	729,792,524	720,762,407
Total assets	777,862,087	810,663,108

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Statements of Net Position
As of December 31, 2013 and 2012

	2013	(Restated) 2012
DEFERRED OUTFLOWS OF RESOURCES		
Accumulated decrease in fair value of hedging derivatives	$ 17,689,194	$ 32,679,040
Deferred loss on refunding of debt	5,777,862	6,553,864
Total deferred outflows of resources	23,467,056	39,232,904
LIABILITIES		
CURRENT LIABILITIES PAYABLE FROM UNRESTRICTED ASSETS:		
Accounts payable and accrued expenses	7,799,516	9,549,367
E-ZPass customer deposits	4,271,130	4,084,049
Compensated absences payable	122,396	110,160
Retainage payable	2,217,875	230,502
Total current liabilities payable from unrestricted assets	14,410,917	13,974,078
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS:		
Accrued interest payable on bonds	4,932,933	4,798,551
Bridge system revenue bonds payable	14,160,000	14,935,000
Premium payment payable - derivative companion instrument	34,496	34,496
Total current liabilities payable from restricted assets	19,127,429	19,768,047
NONCURRENT LIABILITIES:		
Compensated absences payable	1,917,542	2,046,108
Bridge system revenue bonds payable	340,680,327	390,874,155
Premium payment payable - derivative companion instrument	421,389	455,885
Derivative instrument - interest rate swaps	17,689,194	32,679,040
Total noncurrent liabilities	360,708,452	426,055,188
Total liabilities	394,246,798	459,797,313
NET POSITION		
Net investment in capital assets	233,955,581	239,266,017
Restricted	17,576,072	27,383,000
Unrestricted	155,550,692	123,449,682
Total net position	$ 407,082,345	$ 390,098,699

The notes to the financial statements are an integral part of these statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2013 and 2012

	2013	(Restated) 2012
OPERATING REVENUES		
Cash tolls, net	$ 28,286,703	$ 29,876,289
E-ZPass tolls, net	90,577,913	86,392,724
Miscellaneous	1,263,530	1,083,583
Total operating revenues	120,128,146	117,352,596
OPERATING EXPENSES		
Administration:		
Salaries and wages	4,047,286	4,173,446
Fringe benefits	2,444,330	2,149,539
Other	3,998,539	3,160,986
Cost of providing services:		
Toll bridges:		
Salaries and wages	10,585,198	10,686,610
Fringe benefits	6,852,343	5,971,636
Other	11,448,673	11,051,915
Toll supported bridges:		
Salaries and wages	3,376,058	3,329,747
Fringe benefits	2,378,426	2,012,859
Other	2,885,566	2,646,904
Other postemployment benefits	6,701,565	6,659,905
Depreciation	26,457,076	24,606,795
Total operating expenses	81,175,060	76,450,342
OPERATING INCOME	38,953,086	40,902,254
NONOPERATING REVENUES (EXPENSES)		
Investment income	644,363	1,192,017
Gain on disposal of capital assets	13,544	144,747
Interest expense:		
Interest on bonds	(16,990,963)	(19,569,392)
Amortization of deferred loss on refunding of debt	(4,513,349)	(187,255)
Amortization of net premium on bonds	1,653,920	1,071,666
Amortization of prepaid bond insurance	(100,879)	(326,621)
Debt issuance costs		(593,872)
Compact authorized investment program	(2,676,076)	(8,799,468)
Total nonoperating revenues (expenses)	(21,969,440)	(27,068,178)
CHANGE IN NET POSITION	16,983,646	13,834,076
NET POSITION, JANUARY 1	390,098,699	376,264,623
NET POSITION, DECEMBER 31	$ 407,082,345	$ 390,098,699

The notes to the financial statements are an integral part of these statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Statements of Cash Flows
For the Years Ended December 31, 2013 and 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users:		
Cash tolls	$ 28,286,703	$ 29,876,289
E-ZPass tolls	89,418,675	85,950,008
Payments for other goods or services	(19,780,903)	(11,266,566)
Payments for employees services	(36,459,971)	(38,487,505)
Payments for interfund services provided	(1,328,270)	(25,073)
Other receipts	1,227,310	950,659
Net cash provided by operating activities	61,363,544	66,997,812
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments for compact authorized investment program	(2,676,076)	(8,799,468)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(38,299,054)	(21,438,833)
Proceeds from sales of capital assets	31,689	146,745
Payment of debt issuance costs		(593,872)
Proceeds from capital debt		97,810,000
Premium on bonds issued		9,476,967
Payment on capital debt refunding and extinguishment	(33,115,000)	(115,651,751)
Principal paid on capital debt	(14,935,000)	(13,015,000)
Payment of capitalized interest paid on debt	(825,836)	(648,191)
Interest paid on capital debt	(16,856,581)	(21,860,478)
Net cash used in capital and related financing activities	(103,999,782)	(65,774,413)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	2,567,849	3,462,263
Proceeds from sale of investments	115,840,532	125,347,903
Payments for investments	(117,442,032)	(85,403,806)
Net cash provided by investing activities	966,349	43,406,360
Net increase (decrease) in cash and cash equivalents	(44,345,965)	35,830,291
CASH AND CASH EQUIVALENTS, JANUARY 1 (including $39,207,016 and $25,716,833 reported as restricted)	79,769,998	43,939,707
CASH AND CASH EQUIVALENTS, DECEMBER 31 (including $7,933,861 and $39,207,016 reported as restricted)	$ 35,424,033	$ 79,769,998

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Statements of Cash Flows
For the Years Ended December 31, 2013 and 2012

	2013	2012
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 38,953,086	$ 40,902,254
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	26,457,076	24,606,795
Change in assets and liabilities:		
(Increase) decrease in accounts receivable:		
E-ZPass and violations	(1,159,238)	(442,716)
Other	(223,301)	(6,388)
(Increase) decrease in interfund accounts receivable	(1,328,270)	(25,073)
(Increase) decrease in prepaid expenses	(84,070)	302,155
(Increase) decrease in prepaid bond insurance	385,796	
(Increase) decrease net other postemployment benefits	41,565	(3,340,095)
Increase (decrease) in accounts payable and accrued expenses	(1,749,851)	5,291,084
Increase (decrease) in E-ZPass customer deposits	187,081	(126,536)
Increase (decrease) in compensated absences payable	(116,330)	(163,668)
Net cash provided by operating activities	$ 61,363,544	$ 66,997,812
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Decrease in accumulated change in fair value of hedging derivatives resulting from change in fair value	$ 14,989,846	$ 7,709,253

The notes to the financial statements are an integral part of these statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
RETIREE HEALTH BENEFITS PLAN
Statements of Fiduciary Net Position
As of December 31, 2013 and 2012

	2013	2012
ASSETS		
Cash and cash equivalents	$ 165,149	$ 151,260
Investments	61,391,101	50,805,476
Total assets	61,556,250	50,956,736
LIABILITIES		
CURRENT LIABILITIES:		
Interfund accounts payable:		
Enterprise fund	1,437,108	108,838
Total liabilities	1,437,108	108,838
NET POSITION RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS	$ 60,119,142	$ 50,847,898

The notes to the financial statements are an integral part of these statements.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
RETIREE HEALTH BENEFITS PLAN
Statements of Changes in Fiduciary Net Position
For the Years Ended December 31, 2013 and 2012

	2013	2012
ADDITIONS		
Contributions:		
Employer	$ 6,660,000	$ 10,000,000
Investment income:		
Net appreciation in fair value of investments	2,459,198	3,139,983
Interest	2,875,185	2,213,206
	5,334,383	5,353,189
Less:		
Investment expense	136,488	108,016
Net investment income (expense)	5,197,895	5,245,173
Total additions	11,857,895	15,245,173
DEDUCTIONS		
Benefits	2,569,913	2,154,922
Administrative expense	16,738	13,958
Total Deductions	2,586,651	2,168,880
NET INCREASE (DECREASE)	9,271,244	13,076,293
NET POSITION RESTRICTED FOR OTHER POSTEMPLOYMENT BENEFITS		
January 1	50,847,898	37,771,605
December 31	$ 60,119,142	$ 50,847,898

The notes to the financial statements are an integral part of these statements.

Note 1: 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 (pension and 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.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Accounting (Cont'd)

The fiduciary fund is maintained on the accrual basis of accounting, except for recognition of certain liabilities of postemployment healthcare plans. The fiduciary fund accounts for the recording and accumulation of other postemployment 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 / Expenditures - 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 31st 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 the Section 702.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash, Cash Equivalents, and Investments (Cont'd)

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.

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 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash, Cash Equivalents, and Investments (Cont'd)

Suitable and Authorized Investments - The following investments are allowed under the Trust Indenture (cont'd):

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.

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 deicer for the Commission. The Commission has determined that the inventories are immaterial and, thus, are not recorded on the financial statements.

Prepaid Expenses

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

Capital Assets

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

Costs incurred for projects under construction are recorded as improvements in progress. In the year that the project is completed, 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 2013 and 2012 amounted to $825,836 and $648,191, respectively.

Expenditures are capitalized when they meet the following requirements:

- Cost of $5,000 or more.
- Useful life of five years or more.
- Increases value of an asset.

The related costs and accumulated depreciation of assets disposed are removed from capital assets, and any gain or loss on disposition is credited or charged to non-operating revenues or expenses.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

Deferred Loss on Refunding of Debt

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

Compensated Absences

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

Derivative Instruments and Related Companion Instruments

The Commission has entered into interest rate swap agreements for the purpose of hedging interest rates on its outstanding long-term debt. Such activity is further detailed in note 4.

Income Taxes

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

Operating and Non-Operating Revenues and Expenses

Operating revenues consist primarily of cash tolls and E-ZPass revenues. Cash toll revenues are recognized as received. E-ZPass revenues are recognized when vehicles with E-ZPass utilize the Commission's toll bridges. Prepayments received from the Commission's E-ZPass customers are initially recorded as a liability and recognized as revenue as utilized at the Commission's toll bridges. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities. Investment income is 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 and the compact authorized investment program.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

New Accounting Standards Adopted

During the year ended December 31, 2013, the Commission adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB). The Commission considered the retroactive effect on the financial statements for the year ended December 31, 2012.

Statement No. 61, The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34

Issued in November 2010, the objective of this Statement is to improve financial reporting for a governmental financial reporting entity. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria for inclusion as component units but that, nevertheless, should be included because the primary government's management determines that it would be misleading to exclude them, this Statement clarifies the manner in which that determination should be made and the types of relationships that generally should be considered in making the determination.

This Statement had no impact on the financial statements of the Commission for the years ended December 31, 2013 and 2012.

Statement No. 66, Technical Correction - 2012 - an amendment of GASB Statements No. 10 and No. 62

Issued in March 2012, the objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards Adopted (Cont'd)

Statement No. 66, Technical Correction - 2012 - an amendment of GASB Statements No. 10 and No. 62 (Cont'd)

This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34*, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively.

This Statement had no impact on the financial statements of the Commission for the years ended December 31, 2013 and 2012.

New Accounting Standard Pronouncements to be Implemented in Future Periods

The Commission plans to implement the following accounting pronouncements issued by the Governmental Accounting Standards Board by the required implementation dates, or earlier, when deemed feasible:

Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27

Issued in June 2012, the primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

Statement No. 67, *Financial Reporting for Pension Plans*, revises existing standards of financial reporting for most pension plans. This Statement and Statement 67 establish a definition of a pension plan that reflects the primary activities associated with the pension arrangement, determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards Pronouncements to be Implemented in Future Periods (Cont'd)

Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27 (Cont'd)

The scope of this Statement addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit pension plan, plan assets also are legally protected from creditors of the plan members.

This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

Note disclosure and required supplementary information requirements about pensions also are addressed. Distinctions are made regarding the particular requirements for employers based on the number of employers whose employees are provided with pensions through the pension plan and whether pension obligations and pension plan assets are shared. Employers are classified in one of the following categories for purposes of this Statement:

- Single employers are those whose employees are provided with defined benefit pensions through single-employer pension plans, pension plans in which pensions are provided to the employees of only one employer (as defined in this Statement).
- Agent employers are those whose employees are provided with defined benefit pensions through agent multiple-employer pension plans, pension plans in which plan assets are pooled for investment purposes but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees.
- Cost-sharing employers are those whose employees are provided with defined benefit pensions through cost-sharing multiple-employer pension plans, pension plans in which the pension obligations to the employees of more than one employer are pooled and plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

In addition, this Statement details the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. This Statement also addresses circumstances in which a nonemployer entity has a legal requirement to make contributions directly to a pension plan.

This Statement is effective for fiscal years beginning after June 15, 2014 and is expected to have a material impact on the Commission's financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards Pronouncements to be Implemented in Future Periods (Cont'd)

Statement No. 69, Government Combinations and Disposals of Government Operations

Issued in January 2013, this Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations include a variety of transactions referred to as mergers, acquisitions, and transfers of operations.

The distinction between a government merger and a government acquisition is based upon whether an exchange of significant consideration is present within the combination transaction. Government mergers include combinations of legally separate entities without the exchange of significant consideration. This Statement requires the use of carrying values to measure the assets and liabilities in a government merger. Conversely, government acquisitions are transactions in which a government acquires another entity, or its operations, in exchange for significant consideration. This Statement requires measurements of assets acquired and liabilities assumed generally to be based upon their acquisition values. This Statement also provides guidance for transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. This Statement defines the term operations for purposes of determining the applicability of this Statement and requires the use of carrying values to measure the assets and liabilities in a transfer of operations.

A disposal of a government's operations results in the removal of specific activities of a government. This Statement provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold.

This Statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions.

The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis.

Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees

Issued in April 2013, the objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees.

This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range.

This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards Pronouncements to be Implemented in Future Periods (Cont'd)

Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees (Cont'd)

This Statement specifies the information required to be disclosed by governments that extend nonexchange financial guarantees. In addition, this Statement requires new information to be disclosed by governments that receive nonexchange financial guarantees.

The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for disclosures related to cumulative amounts paid or received in relation to a nonexchange financial guarantee, the provisions of this Statement are required to be applied retroactively. Disclosures related to cumulative amounts paid or received in relation to a nonexchange financial guarantee may be applied prospectively.

Statement No. 71, Pension Transition for Contributions made Subsequent to the Measurement Date - and amendment of GASB Statement No. 68

Issued in November 2013, he objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources. In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported.

Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine *all* such amounts.

The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

Note 2: 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 2007A, Series 2007B, Series 2012A, and Series 2012B. The following is a summary of the activities of each account created by the Indenture:

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

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

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

Debt Service Fund - Transfers are made from the Revenue Fund on or before the last business day preceding each interest, principal or sinking fund redemption payment date to the Debt Service Fund to provide for the debt service on all series of bonds. Payments are made from the Debt Service Fund for interest on the bonds, for principal installments on the bonds, and for the redemption price for any bonds to be redeemed. At December 31, 2013 and 2012, 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, 2013 and 2012, 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.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

Trust Indenture (Cont'd)

The following is a summary of the activities of each account created by the Indenture (cont'd):

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

(a) to purchase or redeem bonds

(b) to secure and pay the principal or redemption price of and any interest on any subordinated indebtedness

(c) to make payments into the Construction Fund

(d) to fund improvements, extensions and replacements of the Bridge System

(e) as a self-insurance reserve

(f) to further any corporate purpose

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

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

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, 2013 and 2012.

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

	December 31, 2013		December 31, 2012	
Operating income (Exhibit B)		$ 38,953,086		$ 40,902,254
Adjustments:				
Net investment income *	$ 1,667,335		$ 1,905,002	
Gain on disposal of capital assets	13,544		144,747	
Depreciation expense	26,457,076		24,606,795	
Other postemployment benefits expense	6,701,565		6,659,905	
		34,839,520		33,316,449
Net revenues available for debt service coverage		$ 73,792,606		$ 74,218,703
Total debt service (principal and interest) **		$ 32,751,799		$ 33,238,877
Debt service coverage		225%		223%

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

*** excludes all remarketing fees and includes capitalized interest.*

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

Annual Budget - 2013 and 2012

Description	2013 Budget	2013 Actual	Variance
Budgetary expenses:			
Salaries and wages	$ 18,327,703	$ 18,008,542	$ 319,161
Employee benefits	11,747,249	11,675,099	72,150
Utilities	923,841	775,839	148,002
Office	257,621	137,779	119,842
Telecommunications and information technology	1,069,770	894,294	175,476
Professional development, meetings & memberships	156,690	101,664	55,026
E-ZPass operating and maintenance	4,861,557	4,846,585	14,972
State police bridge security	4,525,601	4,482,337	43,264
Operating and maintenance	2,860,753	2,746,068	114,685
Business insurance	2,885,859	2,879,048	6,811
Professional services	1,183,950	1,251,015	(67,065)
Advertising, design and marketing	51,500	28,808	22,692
General contingency	300,000	189,341	110,659
Total budgetary expenses	$ 49,152,094	$ 48,016,419	$ 1,135,675

Description	2012 Budget	2012 Actual	Variance
Budgetary expenses:			
Salaries and wages	$ 18,317,698	$ 18,189,803	$ 127,895
Employee benefits	10,383,965	10,134,034	249,931
Utilities	919,041	736,574	182,467
Office	255,375	124,425	130,950
Telecommunications and information technology	1,044,570	770,492	274,078
Professional development, meetings & memberships	156,766	127,710	29,056
E-ZPass operating and maintenance	4,836,785	4,901,416	(64,631)
State police bridge security	4,293,084	4,223,512	69,572
Operating and maintenance	2,886,064	2,422,018	464,046
Business insurance	2,775,215	2,438,954	336,261
Professional services	1,153,950	1,070,383	83,567
Advertising, design and marketing	51,500	44,321	7,179
General contingency	300,000		300,000
Total budgetary expenses	$ 47,374,013	$ 45,183,642	$ 2,190,371

Note 3: 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, 2013 and 2012, the Commission held $35,597,565 and $76,189,154, respectively, in cash and cash equivalents in financial institutions, which include cash and cash equivalents, held in the Retiree Health Benefits Plan (fiduciary fund).

As of December 31, 2013 and 2012, the Commission's bank balance of $35,597,565 and $76,189,154, respectively, was exposed to custodial credit risk as follows:

	December 31, 2013		
	Enterprise Fund	Fiduciary Fund	Total
Insured	$ 250,000		$ 250,000
Uninsured and collateralized with securities held by pledging financial institutions	6,235,280		6,235,280
Uninsured and uncollateralized	28,947,136	$ 165,149	29,112,285
	$ 35,432,416	$ 165,149	$ 35,597,565

	December 31, 2012		
	Enterprise Fund	Fiduciary Fund	Total
Insured	$ 250,000		$ 250,000
Uninsured and collateralized with securities held by pledging financial institutions	3,279,372		3,279,372
Uninsured and uncollateralized	72,508,523	$ 151,259	72,659,782
	$ 76,037,895	$ 151,259	$ 76,189,154

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, but not in the Commission's name. At December 31, 2013 and 2012, of the Commission's $189,010,028 and $194,189,592 investments in U.S. federal agency notes and bonds, U.S. government treasuries, commercial paper, and municipal and state obligations and funds, all $189,010,028 and $194,189,592 of investments are registered in the name of the Commission and held by the counterparty. Of the Retiree Health Benefits Plan's (fiduciary fund) $61,391,101 and $50,805,476 investments in mutual funds - equity and mutual funds - fixed income as of December 31, 2013 and 2012, all $61,391,101 and $50,805,476 of investments are registered in the name of the Commission and held by the counterparty.

Note 3: DETAIL NOTES - ASSETS (CONT'D)

Investments (Cont'd)

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 1.

As of December 31, 2013 and 2012, the Commission's enterprise fund had the following investments and maturities:

	December 31, 2013		
	Total	Investment Maturities (in Years)	
Investment Type	**Fair Value**	**Less Than 1**	**1-5**
Municipal and state obligations and funds	$ 5,075,470	$ 5,075,470	
Commercial paper	23,970,223	23,970,223	
U.S. federal agency notes and bonds	97,432,832	43,055,009	$ 54,377,823
U.S. government treasuries	62,531,504	37,123,072	25,408,432
Total	$ 189,010,028	$ 109,223,773	$ 79,786,255

	December 31, 2012		
	Total	Investment Maturities (in Years)	
Investment Type	**Fair Value**	**Less Than 1**	**1-5**
Municipal and state obligations and funds	$ 5,072,812	$ 5,072,812	
Commercial paper	15,774,170	15,774,170	
U.S. federal agency notes and bonds	99,869,038	64,646,358	$ 35,222,680
U.S. government treasuries	73,473,573	37,319,675	36,153,898
Total	$ 194,189,592	$ 122,813,014	$ 71,376,578

As of December 31, 2013 and 2012, the Commission's fiduciary fund had the following investments and maturities:

	December 31, 2013		
	Total	Investment Maturities (in Years)	
Investment Type	**Fair Value**	**Less Then 1**	**1-5**
Mutual funds - equity	$ 28,116,884	$ 28,116,884	
Mutual funds - fixed income	33,274,217	33,274,217	
Total	$ 61,391,101	$ 61,391,101	-

	December 31, 2012		
	Total	Investment Maturities (in Years)	
Investment Type	**Fair Value**	**Less Then 1**	**1-5**
Mutual funds - equity	$ 19,896,172	$ 19,896,172	
Mutual funds - fixed income	30,909,304	30,909,304	
Total	$ 50,805,476	$ 50,805,476	-

Note 3: DETAIL NOTES - ASSETS (CONT'D)

Investments (Cont'd)

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

Presented are summaries of the Commission's investments by type and credit rating as of December 31, 2013 and 2012:

Enterprise Fund Investments -

	December 31, 2013	
Investment Type	Rating *	% of Total Investments
Municipal and state obligations and funds	AAAm	2.69%
Commercial paper	A-1 to AA+	12.68%
U.S. federal agency notes and bonds	AA+	51.55%
U.S. government treasuries	AA+	33.08%

	December 31, 2012	
Investment Type	Rating *	% of Total Investments
Municipal and state obligations and funds	AAAm	2.61%
Commercial paper	A-1 to A-1+	8.12%
U.S. federal agency notes and bonds	AA+	51.43%
U.S. government treasuries	AA+	37.84%

** AAA represents the highest quality rating by Standard & Poor's*

Fiduciary Fund Investments -

	December 31, 2013	
Investment Type	Rating *	% of Total Investments
Mutual funds - equity	Not Rated	16.05%
Mutual funds - equity	4 Stars	29.75%
Mutual funds - fixed income	Not Rated	5.32%
Mutual funds - fixed income	3 Stars	3.65%
Mutual funds - fixed income	4 Stars	20.10%
Mutual funds - fixed income	5 Stars	25.13%

	December 31, 2012	
Investment Type	Rating *	% of Total Investments
Mutual funds - equity	3 Stars	2.02%
Mutual funds - equity	4 Stars	26.42%
Mutual funds - equity	5 Stars	10.72%
Mutual funds - fixed income	4 Stars	6.95%
Mutual funds - fixed income	5 Stars	53.89%

** 5 Stars represents the highest quality rating by Morningstar*

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

Note 3: DETAIL NOTES - ASSETS (CONT'D)

Capital Assets

The following schedules details changes in capital assets, by major class, that occurred during the years ended December 31, 2013 and 2012:

	Balance Jan. 1, 2013	Additions	Deletions	Transfers	Balance Dec. 31, 2013
Capital assets not being depreciated:					
Land	$ 129,888,166				$ 129,888,166
Improvements in progress	26,524,460	$ 40,157,761		$ (28,402,756)	38,279,465
Total capital assets not being depreciated	156,412,626	40,157,761	-	(28,402,756)	168,167,631
Capital assets being depreciated:					
Buildings	25,384,008	144,620			25,528,628
Infrastructure	584,339,166		$ (4,096)	28,402,756	612,737,826
Equipment	32,643,895	809,882	(29,066)		33,424,711
Total capital assets being depreciated	642,367,069	954,502	(33,162)	28,402,756	671,691,165
Less accumulated depreciation for:					
Buildings	(12,430,015)	(946,733)			(13,376,748)
Infrastructure	(245,132,441)	(24,196,168)			(269,328,609)
Equipment	(28,288,235)	(1,314,175)	15,017		(29,587,393)
Total accumulated depreciation	(285,850,691)	(26,457,076)	15,017	-	(312,292,750)
Total capital assets being depreciated, net	356,516,378	(25,502,574)	(18,145)	28,402,756	359,398,415
Total capital assets, net	$ 512,929,004	$ 14,655,187	$ (18,145)	-	$ 527,566,046

	Balance Jan. 1, 2012	Additions	Deletions	Transfers	Balance Dec. 31, 2012
Capital assets not being depreciated:					
Land	$ 129,888,166				$ 129,888,166
Improvements in progress	36,001,104	$ 15,499,598		$ (24,976,242)	26,524,460
Total capital assets not being depreciated	165,889,270	15,499,598	-	(24,976,242)	156,412,626
Capital assets being depreciated:					
Buildings	25,304,407	5,072		74,529	25,384,008
Infrastructure	559,586,013	4,097		24,749,056	584,339,166
Equipment	32,481,121	485,685	$ (475,568)	152,657	32,643,895
Total capital assets being depreciated	617,371,541	494,854	(475,568)	24,976,242	642,367,069
Less accumulated depreciation for:					
Buildings	(11,498,859)	(931,156)			(12,430,015)
Infrastructure	(222,801,948)	(22,330,493)			(245,132,441)
Equipment	(27,416,659)	(1,345,146)	473,570		(28,288,235)
Total accumulated depreciation	(261,717,466)	(24,606,795)	473,570	-	(285,850,691)
Total capital assets being depreciated, net	355,654,075	(24,111,941)	(1,998)	24,976,242	356,516,378
Total capital assets, net	$ 521,543,345	$ (8,612,343)	$ (1,998)	-	$ 512,929,004

Note 3: DETAIL NOTES - ASSETS (CONT'D)

Toll Revenue

	For the Years Ended			
	December 31, 2013		December 31, 2012	
Toll Class	Vehicles	Revenue	Vehicles	Revenue
1	31,722,098	$ 31,722,098	31,995,854	$ 31,995,854
2	836,309	5,393,936	808,939	5,219,331
3	373,597	4,421,356	351,632	4,162,715
4	348,598	5,443,189	306,028	4,769,365
5	3,362,844	65,917,824	3,291,863	64,562,160
6	100,564	2,339,306	87,971	2,043,647
7	10,016	273,893	7,610	207,816
8	27	1,460	21	944
11	81,807	163,614	82,596	165,192
12	101,150	202,300	97,821	195,642
13	3,624	7,248	3,269	6,538
15	51	51	52	52
Extra axles *	1,500	5,287	1,032	3,995
Violations	891,786	4,810,577	665,087	4,231,218
	37,832,471	120,702,138	37,698,743	117,564,469
Discounts, violations, allowances and other adjustments		(1,837,522)		(1,295,456)
		$ 118,864,616		$ 116,269,013

* extra axles are not included in total volume.

In December 2002, the Commission initiated electronic toll collection and E-ZPass at the bridges. The Commission records toll revenue net of uncollectible tolls, discounts, and service fees. Gross toll revenue for December 31, 2013 and 2012 was $120,702,138 and $117,564,469, respectively, while the adjustments for uncollectible tolls, violations, and discounts were $1,837,522 and $1,295,456, respectively.

Note 4: 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 then 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, 2013 and 2012 is estimated at $1,838,424 and $1,940,073, 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, 2013 and 2012 is estimated at $201,514 and $216,195, respectively.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Pension Plans

Pennsylvania State Employees' Retirement System

Plan Description - Permanent full-time and part-time employees are eligible and required to participate in this cost-sharing multiple-employer defined benefit plan that provides pension, death and disability benefits. A member may retire after completing three years of service and after reaching normal retirement age (the age of 60, except police officers at age 50, or the age at which 35 years of service has been completed, whichever occurs first). Benefits vest after five years of service. If an employee terminates his or her employment after at least five years of service but before the normal retirement age, he or she may receive pension benefits immediately or defer pension benefits until reaching retirement age. Employees who retire after reaching the normal retirement age with at least three years of credited service are entitled to receive pension benefits equal to 2.50% of their final average compensation (average of the three highest years in earnings) times the number of years for which they were a participant in the plan. The pension benefits received by an employee who retires after five years of credited service but before normal retirement age are reduced for the number of years that person is under normal retirement age.

Pension provisions include death benefits, under which the surviving beneficiary may be entitled to receive the employee's accumulated contributions less the amount of pension payments that the employee received, the present value of the employee's account at retirement less the amount of pension benefits received by the employee, the same pension benefits formerly received by the employee, or one-half of the monthly pension payment formerly received by the employee. The maximum pension benefit to the employee previously described may be reduced depending on the benefits elected for the surviving beneficiary. The Pennsylvania State Employees' Retirement System issues a publicly available annual financial report, including financial statements, which may be obtained by writing to:

Pennsylvania State Employees' Retirement System
30 North Third Street
Harrisburg, Pennsylvania, 17108-1147

Funding Policy - The contribution requirements of plan members and the Commission are established and amended by the Pennsylvania State Employees' Retirement System Board. As of January 1, 2002, employees are required to contribute 6.25% of their gross earnings to the plan. The Commission was required to, and did, contribute an actuarially determined amount to the plan, which averaged 15.12%, 10.53%, and 5.55% of covered payroll in 2013, 2012, and 2011, respectively. For the years ended December 31, 2013, 2012, and 2011, the Commission contributed $2,198,400, $1,592,833, and $1,047,306, respectively, to the plan, which represented 100% of the required contribution for the aforementioned years.

New Jersey Public Employees' Retirement System

Plan Description - The Commission contributes to a cost-sharing multiple-employer defined benefit pension plan, the Public Employees' Retirement System (PERS), which is administered by the New Jersey Division of Pensions and Benefits. The plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Pension Plans (Cont'd)

New Jersey Public Employees' Retirement System (Cont'd)

Funding Policy - The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5.0% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase was effective with the payroll period that began immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase was phased-in over seven years, beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Commission is billed annually for its normal contribution plus any accrued liability. These contributions, equal to 100% of the required contributions for the years ended December 31, 2013, 2012, and 2011, were $58,196, $53,714, and $48,908, respectively.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Commission.

Other Postemployment Benefits (OPEB)

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

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

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

Employees hired after December 31, 1994, attainment of 55 with 25 years of service or 60 with 20 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 with the Commission. Also, if an employee retires prior to 55 with 25 or more years of service, he may elect COBRA until age 55 at which time he would be eligible for the retiree health benefit plan in effect at that time.

Funding Policy - The contribution requirement of the Commission is established by the Commission's Board of Commissioners and may be amended by the same. Prior to 2009, the Commission was on a pay-as-you-go basis.

Retirees - The Commission's contributions to the plan for the years ended December 31, 2013 and 2012 were $6,660,000 and $10,000,000, respectively. The Commission did not contribute during 2011. Retirees, if hired before April 1, 1995, pay the current active co-pay of $260 per year, and if hired on or after April 1, 1995, the retiree pays half of the dental premium and a percentage of their final year earnings toward medical, as follows: single 1.00%, husband / wife or parent / child 1.25%, or family or parent / children 1.50%.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Postemployment Benefits (Cont'd)

Funding Policy (Cont'd) -

Future Retirees - In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the Commission is required to expense the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be $6,550,462 at an unfunded discount rate of 6%.

Since the establishment of an irrevocable trust fund in 2009 for postemployment benefits, the Commission has provided funding in the amount of $57,660,000 as of December 31, 2013.

Annual OPEB Cost and Net OPEB Obligation (Asset) - For 2013, the Commission's annual OPEB cost (expense) of $6,701,565 for the plan was equal to the ARC minus the interest on the beginning net OPEB asset plus the adjustment to the ARC.

The Commission's annual required contribution (ARC), the interest on the net OPEB obligation (asset), the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation (asset), and the percentage of annual OPEB cost contributed to the plan for 2013, 2012, and 2011 are as follows:

	2013	2012	2011
Annual required contribution (arc)	$ 6,550,462	$ 6,550,462	$ 7,290,910
Interest on the net OPEB obligation	(719,542)	(519,135)	(968,871)
Adjustment to the arc	870,645	628,578	1,173,535
Annual OPEB cost	6,701,565	6,659,905	7,495,574
Contributions	(6,660,000)	(10,000,000)	
Increase (decrease) in the net OPEB obligation	41,565	(3,340,095)	7,495,574
Net OPEB obligation (asset), January 1	(11,992,359)	(8,652,264)	(16,147,838)
Net OPEB obligation (asset), December 31	$ (11,950,794)	$ (11,992,359)	$ (8,652,264)
Percentage of annual OPEB cost contributed	99%	150%	0%

Funded Status and Funding Progress - As of January 1, 2012, the most recent actuarial valuation date, the Retiree Health Benefit Plan was 44% funded. The actuarial accrued liability for benefits was $86,706,576 and the actuarial value of assets was $37,771,605, resulting in an unfunded actuarial accrued liability (UAAL) of $48,934,971. The covered payroll (annual payroll of active employees covered by the plan) was $19,046,487, and the ratio of the UAAL to the covered payroll was 257%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Postemployment Benefits (Cont'd)

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2012 actuarial valuation, the entry age normal actuarial cost method was used. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at the valuation date by the actuarial present value of future normal costs is called the actuarial accrued liability. Under this method, the actuarial gains (losses), as they occur, reduce (increase) the unfunded actuarial accrued liability. The unfunded accrued actuarial liability (UAAL) is being amortized using a closed, level dollar amount over thirty (30) years on a closed basis. The remaining amortization period at December 31, 2013 was twenty-four (24) years.

The actuarial assumptions included the following:

- *Mortality*. The mortality table employed in the valuation was the RP 2000 Table for Males and Females projected to 2012.
- *Demographics*. Demographic assumptions used to project the data are the same as those used in the Pennsylvania State Retirement System. There is no assumption for future new hires.
- *Discount rate*. Future costs have been discounted at the rate of 6.0% compounded annually for GASB 45 purposes.
- *Withdrawal rates*. The following table shows sample annual rates of withdrawal:

Annual Rate of Withdrawal Prior to Retirement

	Male Years of Service				Female Years of Service			
Age		**5**	**9**	**14**		**5**	**9**	**14**
20	11.9%	N/A	N/A	N/A	11.2%	N/A	N/A	N/A
25	11.6%	2.0%	2.0%	N/A	10.2%	2.7%	2.1%	N/A
30	11.1%	2.0%	1.5%	1.5%	10.2%	2.7%	1.9%	2.0%
35	10.9%	1.8%	1.0%	1.1%	10.2%	2.2%	1.4%	1.6%
40	10.9%	1.3%	1.0%	1.1%	10.0%	2.2%	0.9%	0.6%
45	10.5%	1.3%	0.5%	0.6%	9.8%	2.0%	0.9%	0.6%
50	10.2%	1.1%	0.5%	0.6%	9.8%	2.0%	0.5%	0.6%
55	10.2%	1.5%	1.5%	1.5%	9.8%	1.7%	1.4%	1.6%

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Postemployment Benefits (Cont'd)

Actuarial Methods and Assumptions (Cont'd)

- *Retirement rates*. The following table shows sample annual rates of retirement at selected ages. Retirement rates vary by age, service, and Pennsylvania State Retirement Plan:

Rates of Retirement

Age	Male	Female
45-59	30.0%	30.0%
60-61	25.0%	25.0%
62	33.0%	33.0%
63-64	22.0%	22.0%
65	33.0%	33.0%
66-79	22.0%	22.0%
80	100.0%	100.0%

- *Salary scale*. The following table represents the assumed salary scale utilized in the projection:

Assumed Salary Scale

Completed Years of Service	Annual Increase	Completed Years of Service	Annual Increase
1	16.90%	14	2.08%
2	8.30%	15	2.70%
3	5.90%	16	2.60%
4	4.60%	17	2.50%
5	4.20%	18	2.40%
6	3.80%	19	2.30%
7	3.50%	20	2.20%
8	3.20%	21	2.10%
9	3.20%	22	2.00%
10	3.10%	23	1.90%
11	3.00%	24	1.80%
12	2.90%	25	1.70%
13	2.80%	26+	1.60%

- *Healthcare claims*. A blended premium is computed for all employees and retirees not yet eligible for Medicare benefits. Under GASB Statement 45, the non-blended (or age adjusted) premium is used for computing plan costs.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Postemployment Benefits (Cont'd)

Actuarial Methods and Assumptions (Cont'd)

- *Healthcare claims (cont'd)*. The following represents the premium costs:

	Claim Cost at Selected Ages				
Age	Medical	Admin	Rx	Medicare Part B	Dental
50	$ 6,304	$ 1,420	$ 2,185	-	$ 478
55	7,415	1,420	2,569	-	478
60	8,851	1,420	3,067	-	478
64	10,435	1,420	3,616	-	478
65	2,017	-	3,120	$ 1,199	478
70	2,338	-	2,616	1,199	478
75	2,645	-	4,091	1,199	478
80	2,290	-	4,512	1,199	478
Under 65 blended rate	9,610	1,420	3,330	-	478
Over 65 blended rate	2,140	-	3,310	1,199	478

- *Healthcare cost trend*. Healthcare costs are assumed to increase at the following rates: 9.00% grading down to 5.00% in year 2020 and thereafter.
- *Spouse age difference / percent married*. Males are assumed to be two (2) years older than females. Active employees are assumed to 85% married and choose family coverage at retirement.
- *Coverage assumptions*. It is assumed that 100% of current and future contingent eligible participants will elect healthcare benefits at their full eligibility age, or current age if later.

In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the Commission will engage an actuarial consultant during 2013 to update its present analysis.

Bonded Indebtedness

At December 31, 2013 and 2012, the Commission had $354,840,327 and $405,809,155, respectively, in revenue and refunding revenue bonds outstanding. The bonds were issued in 2005, 2007, 2011, and 2012. These bonds were issued pursuant to the Trust Indenture dated January 1, 2003, as supplemented, between the Commission and the TD Bank / Pennsylvania, National Association as Trustee.

Series 2005A Bonds - In March 2005, the Commission issued $72,645,000 Bridge System Revenue Bonds. The bonds were issued at a premium of $6,544,528 and yielded total cash of $79,544,528. Of the proceeds, $34,770,228 of the bonds were used to advance refund $32,165,000 of the Commission's Bridge System Revenue Bonds, Series 2003, $2,918,863 was deposited into a debt service reserve fund, $1,500,436 was used to pay cost of issuance, and the remaining $40,000,000 was deposited into the 2005 construction fund.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Bonded Indebtedness (Cont'd)

Series 2005A Bonds (Cont'd) - The $40,000,000 of new monies was used to establish the Compact Investment Program. This program was created to provide funding for transportation infrastructure related projects in New Jersey and Pennsylvania communities that host its bridges. As of December 31, 2013, the Commission had committed all $40,000,000 and all of the subsequent interest earned on the $40,000,000 for grants to municipalities participating in the Compact Authorized Investment (CAI) program, of which $340,774 and $7,391,906 was undistributed at December 31, 2013 and 2012, respectively. Funded projects include 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.

During October 2012, the Commission partially refunded $30,795,000 of the Series 2005A outstanding bonds.

Series 2007A Bonds - In July 2007, the Commission issued $134,170,000 in Bridge System Revenue Bonds. These Bonds were issued to provide funds to pay for the cost of capital improvements related to the system, to make deposits into the debt service reserve fund, fund capitalized interest and pay insurance and cost of issuance associated with the series.

In October 2013, the Commission partially refunded $31,905,000 of the Series 2007A outstanding bonds (see note 5).

Series 2007B (SWAP) Bonds - In July 2007, the Commission issued two series of Bridge System Revenue Bonds (2007B-1 and 2007B-2) for $75,000,000 each and are hedged by an interest rate swap issued by two counterparties. These bonds were issued to provide funds to pay for the cost of capital improvements related to the system, to fund capitalized interest, and to pay insurance and cost of issuance associated with the series.

In September 2008, the bonds were converted into variable rate securities and were secured by a letter of credit issued by Dexia Credit Local for a three-year term with an expiration date of August 2011. The letter of credit required the Commission to maintain a debt service reserve account for the 2007B Bonds. As part of the letter of credit, the Commission was required to make an initial $5,200,000 deposit into a collateral account (not containing any tax-exempt debt proceeds).

In May 2011, the entire amount of outstanding bonds of $69,825,000 for 2007B-1 and $69,825,000 for 2007B-2 bonds were refunded and are no longer required to be secured by a letter of credit. The refunding was done in order to peg the variable interest rates of the bonds to the Securities Industry and Financial Markets Association (SIMFA) Municipal Swap Index. The 2007B-1 Bond interest rate is SIMFA Municipal Swap Index Rate +85 basis points and the 2007B-2 Bond interest rate is SIMFA Municipal Swap Index Rate +95 basis points.

Series 2012A Bonds - In October 2012, the Commission issued $77,145,000 in Bridge System Revenue Bonds. The bonds were issued at a premium of $9,476,967, included transferred proceeds of $12,205,970, and yielded total cash of $98,827,937. Of the proceeds, $95,174,922 of the bonds were used to advance refund $30,795,000 of the Series 2005A outstanding bonds (see note 6) and $57,300,000 of the Series 2003 outstanding bonds, $2,875,978 was deposited into a debt service reserve fund, $773,543 was used to pay cost of issuance, and the remaining $3,494 were additional proceeds.

In July 2013, the Commission extinguished $1,210,000 of the Series 2012A outstanding bonds (see note 5).

Series 2012B Bonds - In October 2012, the Commission issued $20,665,000 in Bridge System Revenue Bonds (Taxable). Of the proceeds, $20,476,829 of the bonds were used to advance refund $19,475,000 of the Series 2003 outstanding bonds, $185,895 was used to pay cost of issuance, and the remaining $2,276 were additional proceeds.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Bonded Indebtedness (Cont'd)

The following schedules represent the debt service requirements for the outstanding bonds:

	Year	Principal Amount	Interest	Total Debt Service
Series 2005A	2014	$ 5,000,000	$ 1,689,875	$ 6,689,875
	2015	5,220,000	1,408,825	6,628,825
	2016	4,125,000	1,151,838	5,276,838
	2017	4,350,000	918,775	5,268,775
	2018	4,590,000	672,925	5,262,925
	2019	4,835,000	413,738	5,248,738
	2020	5,105,000	140,388	5,245,388
Total Series 2005A		$ 33,225,000	$ 6,396,363	$ 39,621,363

	Year	Principal Amount	Interest	Total Debt Service
Series 2007A	2014	$ 1,450,000	$ 4,492,800	$ 5,942,800
	2015	1,920,000	4,408,550	6,328,550
	2016	1,760,000	4,316,550	6,076,550
	2017	2,000,000	4,222,550	6,222,550
	2018	2,010,000	4,122,300	6,132,300
	2019	2,135,000	4,018,675	6,153,675
	2020	2,275,000	3,908,425	6,183,425
	2021	2,260,000	3,795,050	6,055,050
	2022	2,400,000	3,678,550	6,078,550
	2023	2,490,000	3,556,300	6,046,300
	2024	2,640,000	3,428,050	6,068,050
	2025	2,710,000	3,294,300	6,004,300
	2026	2,855,000	3,155,175	6,010,175
	2027	2,925,000	3,010,675	5,935,675
	2028	3,050,000	2,861,300	5,911,300
	2029	3,200,000	2,705,050	5,905,050
	2030	3,375,000	2,540,675	5,915,675
	2031	3,475,000	2,369,425	5,844,425
	2032	-	2,282,550	2,282,550
	2033	-	2,282,550	2,282,550
	2034	390,000	2,272,800	2,662,800
	2035	15,435,000	1,877,175	17,312,175
	2036	16,205,000	1,126,688	17,331,688
	2037	16,935,000	381,038	17,316,038
Total Series 2007A		$ 93,895,000	$ 74,107,201	$ 168,002,201

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Bonded Indebtedness (Cont'd)

	Year	Principal Amount	Interest [1]	Total Debt Service
Series 2007B	2014	$ 4,350,000	$ 5,400,872	$ 9,750,872
	2015	4,450,000	5,216,823	9,666,823
	2016	4,800,000	5,028,544	9,828,544
	2017	4,950,000	4,825,456	9,775,456
	2018	5,250,000	4,616,021	9,866,021
	2019	5,450,000	4,393,894	9,843,894
	2020	5,650,000	4,163,304	9,813,304
	2021	5,950,000	3,924,253	9,874,253
	2022	6,250,000	3,672,508	9,922,508
	2023	6,550,000	3,408,071	9,958,071
	2024	6,800,000	3,130,940	9,930,940
	2025	7,150,000	2,843,232	9,993,232
	2026	7,450,000	2,540,716	9,990,716
	2027	7,800,000	2,225,506	10,025,506
	2028	8,200,000	1,895,488	10,095,488
	2029	8,550,000	1,548,546	10,098,546
	2030	8,900,000	1,186,796	10,086,796
	2031	9,350,000	810,237	10,160,237
	2032	9,800,000	414,638	10,214,638
Total Series 2007B		$ 127,650,000	$ 61,245,841	$ 188,895,841

[1] Series 2007B are variable rate revenue bonds. The interest rate is adjusted daily as determined by the remarketing agent. The assumed interest rate at December 31, 2013 is 4.231%.

	Year	Principal Amount	Interest	Total Debt Service
Series 2012A	2014		$ 3,033,438	$ 3,033,438
	2015		3,033,438	3,033,438
	2016	$ 1,030,000	3,012,838	4,042,838
	2017	1,065,000	2,976,263	4,041,263
	2018	1,100,000	2,938,288	4,038,288
	2019	1,145,000	2,893,388	4,038,388
	2020	1,195,000	2,858,538	4,053,538
	2021	6,825,000	2,675,963	9,500,963
	2022	7,165,000	2,365,775	9,530,775
	2023	7,445,000	2,040,088	9,485,088
	2024	7,815,000	1,658,588	9,473,588
	2025	8,205,000	1,258,088	9,463,088
	2026	8,620,000	855,563	9,475,563
	2027	7,805,000	512,063	8,317,063
	2028	9,355,000	225,638	9,580,638
	2029	1,345,000	64,297	1,409,297
	2030	1,385,000	21,641	1,406,641
Total Series 2012A		$ 71,500,000	$ 32,423,895	$ 103,923,895

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Bonded Indebtedness (Cont'd)

	Year	Principal Amount	Interest	Total Debt Service
Series 2012B	2014	$ 3,360,000	$ 258,327	$ 3,618,327
	2015	3,385,000	219,441	3,604,441
	2016	3,440,000	169,763	3,609,763
	2017	3,490,000	109,893	3,599,893
	2018	3,560,000	38,875	3,598,875
Total Series 2012B		$ 17,235,000	$ 796,299	$ 18,031,299

Several of the Commission's aforementioned outstanding bonds may be redeemed in whole, or in part, prior to their respective maturities, subject to certain requirements, including the payment of redemption premiums.

Derivative Instruments

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

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2013 and 2012, classified by type, and the changes in fair value of such derivative instruments for the years then ended are as follows (debit (credit)):

	Changes in Fair Value		Fair Value at December 31, 2013		
	Classification	Amount	Classification	Amount	Notional
Cash Flow Hedges:					
Pay-fixed interest rate swap	Deferred Outflow of Resources	$ 7,494,923	Debt	$ (8,844,597)	$ 63,825,000
Pay-fixed interest rate swap	Deferred Outflow of Resources	7,494,923	Debt	(8,844,597)	63,825,000

	Changes in Fair Value		Fair Value at December 31, 2012		
	Classification	Amount	Classification	Amount	Notional
Cash Flow Hedges:					
Pay-fixed interest rate swap	Deferred Outflow of Resources	$ 3,854,627	Debt	$ (16,339,520)	$ 65,925,000
Pay-fixed interest rate swap	Deferred Outflow of Resources	3,854,626	Debt	(16,339,520)	65,925,000

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

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Derivative Instruments (Cont'd)

Objective and Terms of Hedging Derivative Instruments - The objective of the swaps was to hedge against future interest rates by taking advantage of the current historically low interest rate environment in advance of the issuance of bonds by the Commission's 2007B bonds. The following table displays the objective and terms of the Commission's hedging derivative instruments outstanding at December 31, 2013 and 2012, along with the credit rating of the associated counterparty.

Year Ended December 31, 2013

Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
Pay fixed interest rate swap	Hedge of changes in cash flows on the 2007 B-1 Series Bonds	$63,825,000	10/01/07	07/01/32	Pay fixed 4.231%; Receive SIFMA swap index	Baa2 / A-
Pay fixed interest rate swap	Hedge of changes in cash flows on the 2007 B-2 Series Bonds	63,825,000	10/01/07	07/01/32	Pay fixed 4.231%; Receive SIFMA swap index	Baa2 / A-

Year Ended December 31, 2012

Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
Pay fixed interest rate swap	Hedge of changes in cash flows on the 2007 B-1 Series Bonds	$65,925,000	10/01/07	07/01/32	Pay fixed 4.231%; Receive SIFMA swap index	Baa2 / A-
Pay fixed interest rate swap	Hedge of changes in cash flows on the 2007 B-2 Series Bonds	65,925,000	10/01/07	07/01/32	Pay fixed 4.231%; Receive SIFMA swap index	Baa1 / A-

Risks Related to Derivative Instruments

Credit risk - As of December 31, 2013 and 2012, the Commission was not exposed to credit risk on its hedging derivative instruments as all such derivative instruments are in a liability position based on their fair values. Should interest rates change and the fair value of the swaps become positive, the Commission would be exposed to credit risk in the amount of the swaps' fair value. Agreed upon collateral threshold levels per the Credit Support Annex (CSA) require collateral to be posted based on counterparty ratings as set forth in the CSA.

The Commission has executed hedging derivative instruments with two counterparties, each comprising fifty percent (50%) of the net exposure to credit risk. Merrill Lynch & Co is rated Baa2 by Moody's and A- by S&P. Morgan Stanley is rated Baa1 by Moody's and A- by S&P.

Interest rate risk - The Commission is exposed to interest rate risk on its interest rate swaps. On both its pay-fixed, receive-variable interest rate swap, as the SIFMA swap index increases, the Commission's net payment on the swap increases.

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Derivative Instruments (Cont'd)

Risks Related to Derivative Instruments (Cont'd)

Basis risk - The Commission is exposed to basis risk on its pay-fixed interest rate swap hedging derivative instruments because the variable-rate payments received by the Commission on these hedging derivative instruments are based on a rate or index other than interest rates the Commission pays on its hedged variable-rate debt, which is remarketed weekly. At December 31, 2013, the average interest rate on the Commission's hedged variable rate debt is .96% percent, while the SIFMA basis swap index rate is .06%.

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

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

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

Summary of Long-Term Liabilities

	Principal Outstanding Jan. 1, 2013	Additions	Reductions	Principal Outstanding Dec. 31, 2013	Due Within One Year
Revenue bonds:					
Principal	$ 391,555,000		$ (48,050,000)	$ 343,505,000	$ 14,160,000
Unamortized premiums	14,254,155		(2,918,828)	11,335,327	
Total revenue bonds	405,809,155	-	(50,968,828)	354,840,327	14,160,000
Other liabilities:					
Premium payment payable - derivative companion instrument	490,381		(34,496)	455,885	34,496
Derivative instrument - interest rate swaps	32,679,040		(14,989,846)	17,689,194	
Compensated absences	2,156,268		(116,330)	2,039,938	122,396
Total other liabilities	35,325,689	-	(15,140,672)	20,185,017	156,892
Total long-term liabilities	$ 441,134,844	-	$ (66,109,500)	$ 375,025,344	$ 14,316,892

Note 4: DETAIL NOTES - LIABILITIES (CONT'D)

Summary of Long-Term Liabilities (Cont'd)

	Principal Outstanding Jan. 1, 2012	Additions	Reductions	Principal Outstanding Dec. 31, 2012	Due Within One Year
Revenue bonds:					
Principal	$ 414,330,000	$ 97,810,000	$ (120,585,000)	$ 391,555,000	$ 14,935,000
Unamortized premiums	6,274,334	9,308,688	(1,328,867)	14,254,155	
Total revenue bonds	420,604,334	107,118,688	(121,913,867)	405,809,155	14,935,000
Other liabilities:					
Premium payment payable - derivative companion instrument	524,939		(34,558)	490,381	34,496
Derivative instrument - interest rate swaps	40,388,293		(7,709,253)	32,679,040	
Compensated absences	2,319,936		(163,668)	2,156,268	110,160
Total other liabilities	43,233,168	-	(7,907,479)	35,325,689	144,656
Total long-term liabilities	$ 463,837,502	$ 107,118,688	$ (129,821,346)	$ 441,134,844	$ 15,079,656

Note 5: DEFEASED AND EXTINGUISHED DEBT

Series 2007A Bonds

On October 28, 2013, the Commission advance refunded a portion of its Series 2007A Bonds with a par value of $31,905,000 and an interest rate of 5.0% per annum. In order to finance the refunding, the Commission deposited, in an irrevocable trust, $37,174,104 of monies remaining in the 2007 Account of the Construction Fund not otherwise allocated to or required for other capital projects. These monies were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the Series 2007A Bonds are called on July 1, 2017. The advance refunding met the requirements of an in-substance debt defeasance and the aforementioned portion of the Series 2007A Bonds liability was removed from the Commission's financial statements.

As a result of the advanced refunding, the Commission reduced its total debt service on the Series 2007A Bonds by $48,880,374.

Series 2012A Bonds

On July 16, 2013, the Commission extinguished a portion of its Series 2012A Bonds with a par value of $1,210,000 and an interest rate of 4.0% per annum. In order to fund the extinguishment, the Commission utilized $1,210,000 of monies remaining in the 2005A Account of the Construction Fund not otherwise allocated to or required for other capital projects. Being that the Commission reacquired the aforementioned $1,210,000 of its outstanding Series 2012A Bonds, and is relieved of all of its obligations with respect to the aforementioned debt, a portion of the Series 2012A Bonds liability was removed from the Commission's financial statements.

Note 6: PRIOR YEARS' DEBT DEFEASANCE

Series 2005A Bonds

On October 24, 2012, the Commission defeased $30,795,000 of the Series 2005A Bonds, with a call date of July 1, 2015, by creating a separate irrevocable trust fund. New debt (Series 2012A Bonds) was issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust fund. The investment and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, this debt has been considered defeased and therefore removed as a liability from the Commission's financial statements. As of December 31, 2013 and 2012, the amount of defeased Series 2005A Bonds outstanding amounted to $30,795,000.

Note 7: INTERFUND BALANCES

At December 31, 2013 and 2012, interfund balances in the amounts of $1,437,108 and $108,838, 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 (postemployment benefits). The interfund balance is expected to be liquidated during the year ending December 31, 2014.

Note 8: 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.

Note 9: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 10: COMMITMENTS AND CONTINGENCIES

Commitments - The Commission had several outstanding or planned construction projects as of December 31, 2013. These projects are evidenced by contractual commitments with contractors and include:

Project	Awarded	Commitment Remaining
Easton-Phillipsburg toll bridge rehabilitation	$ 24,412,322	$ 15,635,156
DWG maintenance garage improvements	2,660,000	185,186
I-78 toll bridge Pennsylvania approach paving	14,634,441	1,622,094
NH-L TB Pennsylvania & New Jersey approach roadways repaving & New Jersey route 29 overpass bearing seat & ridge	6,683,640	1,433,103
DWG TB River Road improvements	874,601	121,914
Total		$ 18,997,453

Note 10: COMMITMENTS AND CONTINGENCIES (CONT'D)

Litigation - The Commission is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Commission, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 11: RESTATEMENT OF PRIOR PERIOD

During 2013, it was noted that the Commission contributions to the fiduciary fund, which represent the pre-funding of the Commission's unfunded actuarial accrued liability related to postemployment benefits, were recorded as an expense on the statement of revenues, expenses and changes in net position, as opposed to limiting the expense to the annual other postemployment benefits cost (defined in note 4). As a result of the Commission's aforementioned pre-funding, a "net other postemployment benefits asset", in the amount of $8,652,264, existed at December 31, 2011 (refer to note 4 for details). This asset, which was previously identified as a component of Commission's net position of the fiduciary fund, has been recorded on the 2012 statement of net position of the enterprise fund.

The following represents the cumulative effects of the restatement on the respective financial statement balances of the Commission:

Statement of Net Position - December 31, 2012

	Previously Reported	Restated Balance	Cumulative Effect - Increase / (Decrease)
ASSETS			
NONCURRENT ASSETS:			
Net other postemployment benefits	-	$ 11,992,359	$ 11,992,359
Total noncurrent assets	$ 708,770,048	720,762,407	11,992,359
Total assets	798,670,749	810,663,108	11,992,359
NET POSITION			
Unrestricted	$ 111,457,323	$ 123,449,682	$ 11,992,359

Statement of Revenues, Expenses and Changes in Net Position - December 31, 2012

	Previously Reported	Restated Balance	Cumulative Effect - Increase / (Decrease)
OPERATING EXPENSES			
Other postemployment benefits	$ 10,000,000	$ 6,659,905	$ (3,340,095)
Total operating expenses	79,790,437	76,450,342	(3,340,095)
OPERATING INCOME	37,562,159	40,902,254	3,340,095
CHANGE IN NET POSITION	10,493,981	13,834,076	3,340,095
NET POSITION, JANUARY 1	367,612,359	376,264,623	8,652,264
NET POSITION, DECEMBER 31	$ 378,106,340	$ 390,098,699	$ 11,992,359

REQUIRED SUPPLEMENTARY INFORMATION

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Required Supplementary Information
Schedule of Funding Progress for the Retiree Health Benefits Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
01/01/12	$ 37,771,605	$86,706,576	$48,934,971	44%	$19,046,487	257%
01/01/10	20,000,000	81,199,363	61,199,363	25%	17,328,360	353%
01/01/08	-	110,300,000	110,300,000	0%	18,000,000	613%

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Notes to Required Supplementary Information
For the Year Ended December 31, 2013

Other Postemployment Benefits

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	January 1, 2012
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Closed, Level Dollar Method
Remaining Amortization Period	24 years
Asset Valuation Method	Fair Market Value Method
Actuarial Assumptions:	
Investment Rate of Return	6.0%
Rate of Medical Inflation for Retirees under Age 65	9.0% grading to 5.0% over 8 years
Rate of Medical Inflation for Retirees over Age 65	7.5% grading to 5.0% over 8 years

For determining the annual required contribution (ARC), the rate of employer contributions to plan is composed of the normal cost plus amortization of the unfunded actuarial liability. The normal cost is a portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. The actuarial liability is that portion of the present value of projected benefits that will not be paid by future employer normal costs or active employee contributions. The difference between this liability and the funds accumulated as of the same date is the unfunded actuarial liability.

SUPPLEMENTARY SCHEDULES

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Toll Revenue - Cash
For the Year Ended December 31, 2013

			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
01	Automobile	$ 1.00	2,880,988	$ 2,880,988	439,735	$ 439,735	2,914,137	$ 2,914,137	1,617,915	$ 1,617,915
11	Auto with 1-Axle Trailer	2.00	3,450	6,900	1,417	2,834	13,476	26,952	4,317	8,634
12	Auto with 2-Axle Trailer	2.00	5,388	10,776	3,341	6,682	25,787	51,574	5,809	11,618
13	Auto with 3-Axle Trailer	2.00	342	684	86	172	1,418	2,836	242	484
	Automobile subtotal		2,890,168	2,899,348	444,579	449,423	2,954,818	2,995,499	1,628,283	1,638,651
02	Comm'l 2-Axle Peak	6.50	38,443	249,880	13,752	89,388	57,409	373,159	28,043	182,280
02	Comm'l 2-Axle Off-Peak	5.85	-	-	-	-	-	-	-	-
03	Comm'l 3-Axle Peak	12.00	7,983	95,796	3,387	40,644	14,952	179,424	5,468	65,616
03	Comm'l 3-Axle Off Peak	10.80	-	-	-	-	-	-	-	-
04	Comm'l 4-Axle Peak	16.00	2,506	40,096	951	15,216	11,354	181,664	3,050	48,800
04	Comm'l 4-Axle Off Peak	14.40	-	-	-	-	-	-	-	-
05	Comm'l 5-Axle Peak	20.00	17,182	343,640	5,743	114,860	408,924	8,178,480	30,931	618,620
05	Comm'l 5-Axle Off Peak	18.00	-	-	-	-	-	-	-	-
06	Comm'l 6-Axle Peak	24.00	108	2,592	114	2,736	3,444	82,656	318	7,632
06	Comm'l 6-Axle Off Peak	21.60	-	-	-	-	-	-	-	-
07	Comm'l 7-Axle Peak	28.00	18	504	6	168	436	12,208	6	168
07	Comm'l 7-Axle Off Peak	25.20	-	-	-	-	-	-	-	-
08	Comm'l Permit		-	-	-	-	4	171	-	-
	Commercial subtotal		66,240	732,508	23,953	263,012	496,523	9,007,762	67,816	923,116
	Extra axles subtotal *		1	4	1	4	356	1,404	5	20
	Non-revenue *		600	-	1,913	-	1,886	-	1,830	-
	Gross cash tolls		2,956,408	3,631,860	468,532	712,439	3,451,341	12,004,665	1,696,099	2,561,787
Discounts, allowances and other adjustments				(765)		(1,031)		6,672		1,796
Net cash revenue				$ 3,631,095		$ 711,408		$ 12,011,337		$ 2,563,583

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

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Toll Revenue - Cash
For the Year Ended December 31, 2013

Class	Description	Rate	Portland-Columbia Cash Volume	Portland-Columbia Cash Revenue	Delaware Water Gap Cash Volume	Delaware Water Gap Cash Revenue	Milford-Montage Cash Volume	Milford-Montage Cash Revenue	Totals Cash Volume	Totals Cash Revenue
01	Automobile	$ 1.00	469,850	$ 469,850	3,021,936	$ 3,021,936	500,482	$ 500,482	11,845,043	$ 11,845,043
11	Auto with 1-Axle Trailer	2.00	2,060	4,120	11,257	22,514	2,695	5,390	38,672	77,344
12	Auto with 2-Axle Trailer	2.00	2,377	4,754	14,578	29,156	2,429	4,858	59,709	119,418
13	Auto with 3-Axle Trailer	2.00	42	84	785	1,570	74	148	2,989	5,978
	Automobile subtotal		474,329	478,808	3,048,556	3,075,176	505,680	510,878	11,946,413	12,047,783
02	Comm'l 2-Axle Peak	6.50	6,410	41,665	40,446	262,899	5,394	35,061	189,897	1,234,331
02	Comm'l 2-Axle Off-Peak	5.85	-	-	-	-	-	-	-	-
03	Comm'l 3-Axle Peak	12.00	3,493	41,916	10,205	122,460	1,569	18,828	47,057	564,684
03	Comm'l 3-Axle Off Peak	10.80	-	-	-	-	-	-	-	-
04	Comm'l 4-Axle Peak	16.00	1,952	31,232	7,486	119,776	397	6,352	27,696	443,136
04	Comm'l 4-Axle Off Peak	14.40	-	-	-	-	-	-	-	-
05	Comm'l 5-Axle Peak	20.00	4,468	89,360	221,014	4,420,280	1,533	30,660	689,795	13,795,900
05	Comm'l 5-Axle Off Peak	18.00	-	-	-	-	-	-	-	-
06	Comm'l 6-Axle Peak	24.00	50	1,200	2,733	65,592	17	408	6,784	162,816
06	Comm'l 6-Axle Off Peak	21.60	-	-	-	-	-	-	-	-
07	Comm'l 7-Axle Peak	28.00	-	-	417	11,676	4	112	887	24,836
07	Comm'l 7-Axle Off Peak	25.20	-	-	-	-	-	-	-	-
08	Comm'l Permit		-	-	23	1,288	-	-	27	1,460
	Commercial subtotal		16,373	205,373	282,324	5,003,971	8,914	91,421	962,143	16,227,162
	Extra axles subtotal *		-	-	505	2,012	1	4	869	3,448
	Non-revenue *		639	-	2,036	-	2,637	-	11,541	-
	Gross cash tolls		490,702	684,181	3,330,880	8,081,159	514,594	602,303	12,908,556	28,278,393
Discounts, allowances and other adjustments				948		(8)		698		8,310
Net cash revenue				$ 685,129		$ 8,081,151		$ 603,001		$ 28,286,703

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

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Toll Revenue - Electronic Toll Collection
For the Year Ended December 31, 2013

Class	Description	Rate	Trenton-Morrisville ETC Volume	Trenton-Morrisville ETC Revenue	New Hope-Lambertville ETC Volume	New Hope-Lambertville ETC Revenue	Interstate 78 ETC Volume	Interstate 78 ETC Revenue	Easton-Phillipsburg ETC Volume	Easton-Phillipsburg ETC Revenue
01	Automobile	$ 1.00	4,427,152	$ 4,427,152	1,328,677	$ 1,328,677	5,126,597	$ 5,126,597	3,067,935	$ 3,067,935
11	Auto with 1-Axle Trailer	2.00	5,424	10,848	2,430	4,860	13,095	26,190	4,765	9,530
12	Auto with 2-Axle Trailer	2.00	5,863	11,726	3,874	7,748	13,078	26,156	5,310	10,620
13	Auto with 3-Axle Trailer	2.00	270	540	45	90	105	210	63	126
15	Default		4	4	3	3	6	6	13	13
	Automobile subtotal		4,438,713	4,450,270	1,335,029	1,341,378	5,152,881	5,179,159	3,078,086	3,088,224
02	Comm'l 2-Axle Peak	6.50	158,635	1,031,128	44,666	290,329	165,043	1,072,780	93,790	609,635
02	Comm'l 2-Axle Off-Peak	5.85	12,590	73,652	2,824	16,520	23,449	137,177	9,087	53,159
03	Comm'l 3-Axle Peak	12.00	64,347	772,164	13,987	167,844	96,831	1,161,972	29,491	353,892
03	Comm'l 3-Axle Off Peak	10.80	6,301	68,051	1,255	13,554	24,576	265,421	4,764	51,451
04	Comm'l 4-Axle Peak	16.00	55,144	882,304	4,887	78,192	95,678	1,530,848	29,773	476,368
04	Comm'l 4-Axle Off Peak	14.40	11,197	161,237	2,360	33,984	45,898	660,931	4,367	62,885
05	Comm'l 5-Axle Peak	20.00	128,888	2,577,760	17,796	355,920	1,182,869	23,657,380	70,136	1,402,720
05	Comm'l 5-Axle Off Peak	18.00	36,208	651,744	5,056	91,008	409,803	7,376,456	23,928	430,704
06	Comm'l 6-Axle Peak	24.00	1,276	30,624	380	9,120	40,572	973,728	713	17,112
06	Comm'l 6-Axle Off Peak	21.60	425	9,180	40	864	21,207	458,071	438	9,461
07	Comm'l 7-Axle Peak	28.00	28	784	29	812	5,644	158,032	22	616
07	Comm'l 7-Axle Off Peak	25.20	1	25	5	126	1,907	48,056	5	126
	Commercial subtotal		475,040	6,258,652	93,285	1,058,273	2,113,477	37,500,852	266,514	3,468,129
	Exit violations		150,801	628,384	36,332	98,148	364,941	2,492,174	94,051	309,602
	Extra axles subtotal *		3	12	8	32	220	832	8	15
	Gross ETC tolls		5,064,554	11,337,318	1,464,646	2,497,831	7,631,299	45,173,016	3,438,651	6,865,970
Commuter discounts				(191,649)		(55,136)		(282,976)		(138,463)
Violations, allowances and other adjustments				(597,828)		(110,600)		(1,861,401)		(214,822)
Penalties on violations				526,271		126,773		1,237,894		333,616
Commission vehicles				(13,106)		(13,073)		(14,858)		(11,968)
Net ETC revenue				$ 11,061,006		$ 2,445,795		$ 44,251,675		$ 6,834,333

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

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Toll Revenue - Electronic Toll Collection
For the Year Ended December 31, 2013

			Portland-Columbia		Delaware Water Gap		Milford-Montage		Totals	
Class	Description	Rate	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue	ETC Volume	ETC Revenue
01	Automobile	$ 1.00	626,142	$ 626,142	4,619,679	$ 4,619,679	680,873	$ 680,873	19,877,055	$ 19,877,055
11	Auto with 1-Axle Trailer	2.00	1,983	3,966	12,703	25,406	2,735	5,470	43,135	86,270
12	Auto with 2-Axle Trailer	2.00	1,797	3,594	9,655	19,310	1,864	3,728	41,441	82,882
13	Auto with 3-Axle Trailer	2.00	21	42	110	220	21	42	635	1,270
15	Default		4	4	21	21	-	-	51	51
	Automobile subtotal		629,947	633,748	4,642,168	4,664,636	685,493	690,113	19,962,317	20,047,528
02	Comm'l 2-Axle Peak	6.50	17,456	113,464	87,775	570,538	14,320	93,080	581,685	3,780,953
02	Comm'l 2-Axle Off-Peak	5.85	932	5,452	14,453	84,550	1,392	8,143	64,727	378,653
03	Comm'l 3-Axle Peak	12.00	6,753	81,036	61,385	736,620	2,239	26,868	275,033	3,300,396
03	Comm'l 3-Axle Off Peak	10.80	494	5,335	13,925	150,390	192	2,074	51,507	556,276
04	Comm'l 4-Axle Peak	16.00	8,355	133,680	41,955	671,280	1,123	17,968	236,915	3,790,640
04	Comm'l 4-Axle Off Peak	14.40	177	2,549	19,632	282,701	356	5,126	83,987	1,209,413
05	Comm'l 5-Axle Peak	20.00	18,123	362,460	580,958	11,619,160	4,750	95,000	2,003,520	40,070,400
05	Comm'l 5-Axle Off Peak	18.00	2,273	40,914	191,726	3,451,068	535	9,630	669,529	12,051,524
06	Comm'l 6-Axle Peak	24.00	200	4,800	19,669	472,056	41	984	62,851	1,508,424
06	Comm'l 6-Axle Off Peak	21.60	6	130	8,807	190,231	6	130	30,929	668,066
07	Comm'l 7-Axle Peak	28.00	1	28	1,059	29,652	5	140	6,788	190,064
07	Comm'l 7-Axle Off Peak	25.20	-	-	423	10,660	-	-	2,341	58,993
	Commercial subtotal		54,770	749,848	1,041,767	18,268,905	24,959	259,143	4,069,812	67,563,801
	Exit violations		17,977	81,403	208,626	1,159,928	19,058	40,938	891,786	4,810,577
	Extra axles subtotal *		7	-	382	936	3	12	631	1,839
	Gross ETC tolls		702,694	1,464,999	5,892,561	24,094,405	729,510	990,206	24,923,915	92,423,745
Commuter discounts				(29,556)		(199,297)		(48,293)		(945,370)
Violations, allowances and other adjustments				(31,621)		(1,010,185)		(47,740)		(3,874,197)
Penalties on violations				65,123		718,930		63,778		3,072,385
Commission vehicles				(16,725)		(15,953)		(12,967)		(98,650)
Net ETC revenue				$ 1,452,220		$ 23,587,900		$ 944,984		$ 90,577,913

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Operating Expenses
For the Year Ended December 31, 2013

Description	Total Year Ended December 31, 2012	Total Year Ended December 31, 2013	Trenton-Morrisville	New-Hope-Lambertville	I-78	Easton-Phillipsburg
Salaries and wages	$ 18,189,803	$ 18,008,542	$ 1,637,498	$ 1,064,174	$ 2,235,815	$ 1,691,580
Employee benefits	10,134,034	11,675,099	1,079,479	704,349	1,469,460	1,036,400
Other postemployment benefits	6,659,905	6,701,565	609,366	396,014	832,018	629,491
	34,983,742	36,385,206	3,326,343	2,164,537	4,537,293	3,357,471
Heat, light, and power	736,574	775,839	153,955	146,240	115,519	99,166
Office expense	124,425	137,779	3,417	1,669	4,511	3,742
Information technology and communications	770,492	894,294	59,726	47,894	39,650	58,242
Travel, meetings, and education expense	127,710	101,664	5,467	908	2,761	7,183
E-ZPass operating and maintenance	4,901,416	4,846,585	917,643	331,707	1,352,359	697,993
State police bridge security	4,223,512	4,482,337	619,596	122,139	739,830	411,656
Operating and maintenance expenses	2,422,018	2,935,409	211,153	201,623	308,647	179,271
Insurance	2,438,954	2,879,048	272,250	208,302	481,980	192,036
Professional service fees	1,070,383	1,251,015	-	-	-	-
Advertising and marketing	44,321	28,808	-	-	-	-
Depreciation	24,606,795	26,457,076	5,131,436	1,656,689	7,042,976	614,724
	41,466,600	44,789,854	7,374,643	2,717,171	10,088,233	2,264,013
Total operation expenses	$ 76,450,342	$ 81,175,060	$ 10,700,986	$ 4,881,708	$ 14,625,526	$ 5,621,484

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Operating Expenses
For the Year Ended December 31, 2013

Description	Portland-Columbia	Delaware Water Gap	Milford-Montague	Toll Supported Bridges	Administrative Expenses
Salaries and Wages	$ 732,552	$ 2,357,616	$ 865,963	$ 3,376,058	$ 4,047,286
Employee Benefits	464,906	1,593,607	504,142	2,378,426	2,444,330
Other postemployment benefits	272,607	877,346	322,253	1,256,342	1,506,128
	1,470,065	4,828,569	1,692,358	7,010,826	7,997,744
Heat, light, and power	50,156	59,289	67,000	84,514	-
Office expense	2,895	6,243	2,791	815	111,696
Information technology and communications	32,582	37,751	26,589	14,798	577,062
Travel, meetings, and education expense	899	2,900	881	-	80,665
E-ZPass operating and maintenance	200,511	1,088,414	190,577	-	67,381
State police bridge security	87,512	598,960	72,290	1,830,354	-
Operating and maintenance expenses	104,138	152,294	84,486	124,531	1,569,266
Insurance	123,397	371,564	86,319	830,554	312,646
Professional service fees	-	-	-	-	1,251,015
Advertising and marketing	-	-	-	-	28,808
Depreciation	298,558	1,829,641	1,547,586	5,850,640	2,484,826
	900,648	4,147,056	2,078,519	8,736,206	6,483,365
Total operation expenses	$ 2,370,713	$ 8,975,625	$ 3,770,877	$ 15,747,032	$ 14,481,109

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Analysis of E-ZPass and Violations Receivable
For the Year Ended December 31, 2013

Balance January 1, 2013		$ 8,807,875
Increased by:		
Gross E-ZPass tolls	$ 92,423,745	
Delaware River Joint Toll Bridge Commission vehicles	(98,650)	
Commuter discounts	(945,370)	
Toll violations, allowances and charge-offs	(801,812)	
		90,577,913
		99,385,788
Decreased by:		
Cash received from other agencies	82,335,663	
Cash received from violations	1,607,019	
Transfers from customer deposits	5,475,993	
		89,418,675
Balance December 31, 2013		$ 9,967,113
Analysis of Balance:		
E-ZPass - due from other agencies		$ 7,305,277
Toll violations receivable		8,131,136
Allowance for uncollectibles		(5,469,300)
		$ 9,967,113

Schedule 4

Analysis of E-ZPass Customer Deposits
For the Year Ended December 31, 2013

Balance January 1, 2013		$ 4,084,049
Increased by:		
Receipts		24,193,287
		28,277,336
Decreased by:		
Toll revenue earned	$ 5,475,993	
E-ZPass account fees	68,521	
E-ZPass maintenance fees	800,775	
Transfers to other agencies	17,660,917	
		24,006,206
Balance December 31, 2013		$ 4,271,130

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Analysis of Improvements in Progress
For the Year Ended December 31, 2013

Balance January 1, 2013		$ 26,524,460
Increased by:		
Disbursements	$ 39,331,925	
Capitalized interest on bonds	825,836	
		40,157,761
		66,682,221
Decreased by:		
Transferred to capital assets - completed		28,402,756
Balance December 31, 2013		$ 38,279,465

Schedule 6

Analysis of Capital Assets - Completed
For the Year Ended December 31, 2013

	January 1, 2013	Additions	Deletions	December 31, 2013
Land	$ 129,888,166			$ 129,888,166
Buildings	25,384,008	$ 144,620		25,528,628
Infrastructure	584,339,166	28,402,756	$ 4,096	612,737,826
Equipment	32,643,895	809,882	29,066	33,424,711
	772,255,235	29,357,258	33,162	801,579,331
Less: Accumulated Depreciation	285,850,691	26,457,076	15,017	312,292,750
	$ 486,404,544	$ 2,900,182	$ 18,145	$ 489,286,581

Transferred from improvements in progress	$ 28,402,756
Disbursements	954,502
	$ 29,357,258

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Proprietary Fund
Schedule of Investments
As of December 31, 2013

Face	Description	Coupon Rate	Date of Maturity	Amortized Cost	Fair Market Value	Rating S & P
U.S. Federal Agency Notes and Bonds:						
$ 3,310,000	Federal National Mortgage Association	2.750%	03/13/14	$ 3,479,836	$ 3,327,245	AA+
3,810,000	Federal National Mortgage Association	2.500%	05/15/14	3,988,194	3,843,719	AA+
4,500,000	Federal National Mortgage Association	0.875%	08/28/14	4,555,710	4,521,915	AA+
4,580,000	Federal National Mortgage Association	2.625%	11/20/14	4,845,481	4,681,218	AA+
14,500,000	Federal National Mortgage Association	0.750%	12/19/14	14,626,095	14,581,635	AA+
3,485,000	Federal National Mortgage Association	5.000%	04/15/15	3,983,982	3,697,376	AA+
17,480,000	Federal Home Loan Bank	0.375%	08/28/15	17,488,026	17,498,004	AA+
10,000,000	Federal Home Loan Bank	0.500%	11/20/15	10,017,000	10,017,300	AA+
10,000,000	Federal Home Loan Bank	0.375%	12/30/15	9,993,500	9,988,200	AA+
2,000,000	Federal National Mortgage Association	0.625%	10/30/14	2,010,920	2,007,780	AA+
1,875,000	Federal National Mortgage Association	0.750%	12/19/14	1,888,856	1,885,556	AA+
1,975,000	Federal Home Loan Bank	0.250%	01/16/15	1,973,104	1,977,094	AA+
935,000	Federal National Mortgage Association	0.750%	12/19/14	941,910	940,264	AA+
1,085,000	Federal Home Loan Bank	0.250%	01/16/15	1,083,958	1,086,150	AA+
2,845,000	Federal National Mortgage Association	0.500%	09/28/15	2,855,470	2,851,259	AA+
1,445,000	Federal National Mortgage Association	0.750%	12/19/14	1,452,268	1,453,135	AA+
1,490,000	Federal National Mortgage Association	0.375%	12/21/15	1,486,111	1,488,450	AA+
5,780,000	Federal National Mortgage Association	0.750%	12/19/14	5,809,073	5,812,541	AA+
5,780,000	Federal National Mortgage Association	0.380%	12/21/15	5,764,914	5,773,990	AA+
Total U.S. Federal Agency Notes and Bonds				$ 98,244,408	$ 97,432,832	
U.S. Government Treasuries:						
$ 4,955,000	U.S. Treasury Notes	0.750%	06/15/14	$ 4,996,808	$ 4,969,716	AA+
7,280,000	U.S. Treasury Notes	0.250%	06/30/14	7,283,413	7,286,115	AA+
5,000,000	U.S. Treasury Notes	4.250%	11/15/14	5,250,000	5,177,250	AA+
3,500,000	U.S. Treasury Notes	0.250%	12/15/14	3,499,453	3,503,150	AA+
5,000,000	U.S. Treasury Notes	2.625%	12/31/14	5,163,672	5,122,000	AA+
6,000,000	U.S. Treasury Notes	1.875%	06/30/15	6,261,563	6,146,400	AA+
3,880,000	U.S. Treasury Notes	1.750%	07/31/15	3,971,241	3,970,947	AA+
5,000,000	U.S. Treasury Notes	1.250%	10/31/15	5,090,625	5,083,500	AA+
5,000,000	U.S. Treasury Notes	2.375%	03/31/16	5,234,766	5,216,450	AA+
4,850,000	U.S. Treasury Notes	1.750%	05/31/16	4,991,332	4,991,135	AA+
3,000,000	U.S. Treasury Notes	0.250%	05/31/14	3,002,930	3,001,950	AA+
2,500,000	U.S. Treasury Notes	2.650%	06/30/14	2,564,844	2,531,200	AA+
1,500,000	U.S. Treasury Notes	0.125%	07/31/14	1,499,180	1,500,270	AA+
2,000,000	U.S. Treasury Notes	2.375%	08/31/14	2,053,516	2,029,660	AA+
2,000,000	U.S. Treasury Notes	0.250%	09/30/14	2,001,406	2,001,760	AA+
Total U.S. Government Treasuries				$ 62,864,746	$ 62,531,504	
Municipal & State Obligations and Funds:						
$ 5,075,470	Pennsylvania Treasurer's INVEST Program	0.051%	Demand	$ 5,075,470	$ 5,075,470	AAAm
Total Municipal & State Obligations and Funds				$ 5,075,470	$ 5,075,470	

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Proprietary Fund
Schedule of Investments
As of December 31, 2013

Face	Description	Coupon Rate	Date of Maturity	Amortized Cost	Fair Market Value	Rating S & P
Commercial Paper:						
$ 6,000,000	Bank of Tokyo Mitsubishi	0.250%	06/30/14	$ 5,992,458	$ 5,992,458	A-1
8,000,000	JP Morgan Chase	0.280%	06/30/14	7,988,738	7,988,738	A-1
2,000,000	Toyota Motor Credit Corporation	0.000%	01/21/14	1,998,227	1,998,227	A-1+
2,000,000	Toyota Motor Credit Corporation	0.000%	02/05/14	1,996,933	1,996,933	A-1+
4,000,000	GE Capital Corporation	0.000%	03/20/14	3,995,333	3,995,333	AA+
2,000,000	Bank of Tokyo Mitsubishi	0.000%	04/30/14	1,998,533	1,998,533	A-1
Total Commercial Paper				$ 23,970,223	$ 23,970,223	
Total Investments				$ 190,154,847	$ 189,010,028	

Recapitulation of Balance

Unrestricted investments	$ 146,542,592
Restricted investments	42,467,436
Balance December 31, 2013	$ 189,010,028

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Revenue Bonds
For the Year Ended December 31, 2013

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance Jan. 1, 2013	Issued	Decreased	Balance Dec. 31, 2013
Series 2005A	03/23/05	$ 72,645,000	07/01/14	$ 5,000,000	5.50%				
			07/01/15	5,220,000	5.50%				
			07/01/16	4,125,000	5.50%				
			07/01/17	4,350,000	5.50%				
			07/01/18	4,590,000	5.50%				
			07/01/19	4,835,000	5.50%				
			07/01/20	5,105,000	5.50%	$ 34,435,000	-	$ 1,210,000	$ 33,225,000
Series 2007A	07/19/07	134,170,000	07/01/14	1,450,000	5.00%				
			07/01/15	1,920,000	5.00%				
			07/01/16	1,760,000	5.00%				
			07/01/17	2,000,000	5.00%				
			07/01/18	2,010,000	5.00%				
			07/01/19	2,135,000	5.00%				
			07/01/20	2,275,000	5.00%				
			07/01/21	2,260,000	5.00%				
			07/01/22	2,400,000	5.00%				
			07/01/23	2,490,000	5.00%				
			07/01/24	2,640,000	5.00%				
			07/01/25	2,710,000	5.00%				
			07/01/26	2,855,000	5.00%				
			07/01/27	2,925,000	5.00%				
			07/01/28	3,050,000	5.00%				
			07/01/29	3,200,000	5.00%				
			07/01/30	3,375,000	5.00%				
			07/01/31	3,475,000	5.00%				
			07/01/34	390,000	5.00%				
			07/01/35	15,435,000	5.00%				
			07/01/36	16,205,000	4.50%				
			07/01/37	16,935,000	4.50%	127,460,000	-	33,565,000	93,895,000

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Revenue Bonds
For the Year Ended December 31, 2013

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance Jan. 1, 2013	Issued	Decreased	Balance Dec. 31, 2013
Series 2007B (reissuance)	05/18/11	$ 139,650,000	07/01/14	$ 4,350,000	Variable				
			07/01/15	4,450,000	Variable				
			07/01/16	4,800,000	Variable				
			07/01/17	4,950,000	Variable				
			07/01/18	5,250,000	Variable				
			07/01/19	5,450,000	Variable				
			07/01/20	5,650,000	Variable				
			07/01/21	5,950,000	Variable				
			07/01/22	6,250,000	Variable				
			07/01/23	6,550,000	Variable				
			07/01/24	6,800,000	Variable				
			07/01/25	7,150,000	Variable				
			07/01/26	7,450,000	Variable				
			07/01/27	7,800,000	Variable				
			07/01/28	8,200,000	Variable				
			07/01/29	8,550,000	Variable				
			07/01/30	8,900,000	Variable				
			07/01/31	9,350,000	Variable				
			07/01/32	9,800,000	Variable	$ 131,850,000	-	$ 4,200,000	$ 127,650,000
Series 2012A	10/24/12	77,145,000	07/01/16	1,030,000	4.00%				
			07/01/17	1,065,000	3.00%				
			07/01/18	1,100,000	4.00%				
			07/01/19	1,145,000	4.00%				
			07/01/20	1,195,000	2.00%				
			07/01/21	6,825,000	5.00%				
			07/01/22	4,000,000	5.00%				
			07/01/22	3,165,000	2.50%				
			07/01/23	7,445,000	5.00%				
			07/01/24	7,815,000	5.00%				
			07/01/25	8,205,000	5.00%				
			07/01/26	5,000,000	5.00%				
			07/01/26	3,620,000	4.00%				
			07/01/27	5,805,000	4.00%				
			07/01/27	2,000,000	3.00%				

(Continued)

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION
Schedule of Revenue Bonds
For the Year Ended December 31, 2013

Series	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance Jan. 1, 2013	Issued	Decreased	Balance Dec. 31, 2013
Series 2012A (Cont'd)	10/24/12	$ 77,145,000	07/01/28	$ 9,355,000	3.00%				
			07/01/29	1,345,000	3.125%				
			07/01/30	1,385,000	3.125%	$ 77,145,000	-	$ 5,645,000	$ 71,500,000
Series 2012B	10/24/12	20,665,000	07/01/14	3,360,000	1.008%				
			07/01/15	3,385,000	1.297%				
			07/01/16	3,440,000	1.612%				
			07/01/17	3,490,000	1.842%				
			07/01/18	3,560,000	2.184%	20,665,000	-	3,430,000	17,235,000
						391,555,000	-	$ 48,050,000	343,505,000
Principal payments								$ 14,935,000	
Defeasance of bonds								31,905,000	
Extinguishment of bonds								1,210,000	
Net premium on bonds						14,254,155			11,335,327
						$ 405,809,155	-	$ 48,050,000	$ 354,840,327