

**DELAWARE RIVER JOINT
TOLL BRIDGE COMMISSION**

**Financial Statements Together with
Reports of Independent Public Accountants
and Supplemental Information**

For the Years Ended December 31, 2025 and 2024

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Financial Statements Together with Reports of Independent Public Accountants and Supplemental Information

DECEMBER 31, 2025 AND 2024

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DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Roster of Officials December 31, 2025

New Jersey Commissioners

| | <u>Position</u> |
|---------------------|-----------------|
| Aladar Komjathy | Chairman |
| Yuki Moore Laurenti | Treasurer |
| Walter Orcutt | Member |
| Michael B. Lavery | Member |
| Lori Ciesla | Member |

Pennsylvania Commissioners

| | <u>Position</u> |
|------------------|-----------------|
| Pamela Janvey | Vice Chairman |
| Daniel Grace | Secretary |
| Ismail A. Shahid | Member |
| Daniella Young | Member |
| John D. Christy | Member |

Other Officials

| | <u>Position</u> |
|------------------------|--|
| Joseph J. Resta | Executive Director |
| Arnold J. Conoline Jr. | Chief Administrative Officer |
| Qiyang Zhao | Chief Financial Officer |
| Mark Murranko | Deputy Executive Director of Operations |
| Joseph F. Donnelly | Deputy Executive Director of Communications |
| Kevin Skeels | Chief Engineer |
| Charmaine Graves | Comptroller |



REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS

Board of Commissioners
Delaware River Joint Toll Bridge Commission

Opinion

We have audited the accompanying financial statements of the proprietary and fiduciary activities of the Delaware River Joint Toll Bridge Commission (the Commission) as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the proprietary and fiduciary activities of the Commission as of December 31, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in plan's net OPEB (assets)/liability, Commission's OPEB contributions, Commission's proportionate share of net pension liability, and Commission's pensions contributions, as listed in table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying other supplementary schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the other supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the roster of officials, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Certified Public
Accountants &
SBC Business Advisors

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2026, on our consideration of the Commission's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal controls over financial reporting and compliance.

Owings Mills, Maryland
May 18, 2026

SBC + Company, LLC

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

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, 2025 and 2024. We encourage readers to consider the information presented here in conjunction with the entirety of the audited financial statements and supplementary information.

On November 27, 2025 the Commission approved adjustments to toll rates across all facilities. Effective January 1, 2026, the E-ZPass rate for passenger vehicles increased from \$1.50 to \$2.00, while the Toll-by-Plate rate rose from \$3.00 to \$5.00. For commercial vehicles, the E-ZPass per-axle rate increased from \$4.50 to \$6.50, and the Toll-by-Plate per-axle rate increased from \$5.00 to \$8.00.

Beginning in January 2024, the Commission implemented the first phase of its All-Electronic Tolling (AET) transition. The first “soft” phase of AET includes providing the Toll-By-Plate functionality at all toll bridges, in addition to the Scudder Falls Bridge. The second phase is the removal of cash collections at seven non-AET toll bridges.

In June 2024, the Commission eliminated cash collection from its three (3) lower vehicular volume toll bridges including, New Hope–Lambertville, Portland–Columbia and the Milford–Montague Toll Bridges. In January 2025, cash collection was removed from the higher vehicular volume bridges including Trenton-Morrisville, I-78, Easton-Phillipsburg and Delaware Water Gap Toll Bridges.

The final phase of the AET transition is the “hard” conversion. This phase includes installation of new overhead toll gantries and the implementation of a new in-lane Electronic Toll Collection (ETC) system, then the demolition of existing conventional toll plazas. The New Hope – Lambertville Toll Bridge is the first facility to transition from a conventional toll plaza to an open-road AET facility with construction commencing in May 2025 and continued through June 2026. Design for the next facility, the Trenton – Morrisville Toll Bridge, began August 2025 and will continue until September 2026. The Commission’s current Capital Program is planned to include the completion of the hard AET conversion at the remaining toll plazas through 2028.

The transition to open-road AET is anticipated to result in several operational and customer-service benefits to both motorists and the tolling authority. By eliminating the need for cash transactions, AET is anticipated to improve traffic flow and reduce congestion at toll plazas, which contributes to shorter travel times and decreased vehicle emissions. Safety enhancements resulting from reduced stopping and merging in former cash lanes, reduces tolling point accidents. From an operational standpoint, AET has the potential to reduce long-term costs and improve toll collection efficiency through automated systems such as E-ZPass and Toll-By-Plate. For drivers, AET is intended to offer a more convenient and streamlined travel experience and increased E-ZPass participation. However, actual outcomes are not guaranteed and will depend on continued successful implementation and user adoption.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

The Commission's cycle of toll-supported bridge rehabilitations continued into 2026, marking the second round of rehabilitations since the commencement of the modern capital program in the year 2000. During a project at the New-Hope Lambertville Toll-Supported Bridge, a deteriorating structural pin in a "pin-eye" connection was discovered, leading to ultrasonic testing for all similar connections on the structure. Although no other additional deteriorating pins were found, the ultrasonic testing protocol will be included in future budgets for other locations as a supplemental safety measure in addition to the biennial inspections. In light of the associated ultrasonic testing costs, persistent supply-chain issues, rising steel and concrete prices, and overall escalation of construction pricing, the Commission reviewed its long-term capital program, and related financing strategies, necessitating the January 2026 toll adjustment.

Financial Highlights

2025

Operating revenues for the Commission totaled \$198,236,334 for the year ended December 31, 2025, which represents an increase of 0.13% over the previous year. This change was primarily driven by a \$3,196,302 increase in net violation income and a \$160,309 rise in miscellaneous income, partially offset by a \$3,091,379 (1.52%) decline in gross toll revenue. Total toll traffic in 2025 decreased by 479,442 vehicles, or 1.03%, compared to 2024. This decline is attributable to a 1.03% reduction in passenger vehicle traffic, along with a 1.00% decrease in commercial vehicle traffic.

In 2025, net operating income totaled \$63,313,960 and change in net position totaled \$52,382,488 as compared to \$74,874,178 and \$64,674,401, respectively, for 2024. Operating expenses (excluding other post-employment benefits, pension expenses, and depreciation) increased by \$5,797,558. This increase was primarily driven by a \$589,031 rise in salaries and wages, a \$646,846 increase in fringe benefits, and a \$4,561,681 increase in other operating expenses. The growth in salaries and wages reflects higher overtime costs following a February 2025 schedule change for Public Safety and Bridge Security personnel to 12-hour rotating shifts, incorporating built-in overtime. Under this structure, employees worked alternating 48-hour and 36-hour weeks within a two-week pay period. The increase in fringe benefits was largely attributable to higher medical claims during 2025. The rise in other operating expenses was primarily due to higher costs for EZPass Operating Expenses and Traffic Count Maintenance (\$3,780,695), State Police Bridge Security (\$314,092), Information Technology and Communications (\$262,322), Travel, Meetings, and Education (\$260,770), Utilities (\$218,570), Professional Service Fees (\$193,607), Business Insurance (\$10,889), and Advertising and Marketing (\$577). These increases were partially offset by reductions in General Contingency (\$246,087), Operating and Maintenance Expenses (\$159,191), Office Expenses (\$68,507), and Subscription Amortization and Interest Expense (\$6,055).

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Financial Highlights (continued)

E-ZPass Operating Expenses and Traffic Count Maintenance increased by 31.50% compared to 2024. This rise is primarily attributable to the Commission's transition to All-Electronic Tolling. In June 2024, cash collection was eliminated at three lower-volume toll bridges: New Hope–Lambertville, Portland–Columbia, and Milford–Montague. In January 2025, this transition was extended to higher-volume crossings, including Trenton–Morrisville, I-78, Easton–Phillipsburg, and Delaware Water Gap.

Other Post-Employment Benefit (OPEB) and Pension Expenses increased by \$3,964,344, reflecting a \$3,240,132 rise in GASB 75 OPEB expense and a \$724,212 increase in GASB 68 pension expense. According to the GASB 75 OPEB Actuarial Valuation Report as of the December 31, 2024 measurement date, the OPEB Trust Fund was 86.67% funded, resulting in a net OPEB liability of \$14,851,265. Additionally, the net Pennsylvania pension liability decreased by \$3,412,914 based on the GASB 68 pension report as of December 31, 2024.

Depreciation expense increased by \$2,063,548 compared to 2024. Net non-operating expenses decreased by \$731,695, or 7.17%, driven by a \$914,651 decline in investment income, a \$364,683 reduction in gains on the disposal of capital assets, and a \$547,639 decrease in interest expense. The reduction in investment income was primarily attributable to lower interest rates during fiscal year 2025. The decrease in gains on disposal of capital assets reflects the fact that the Commission conducted several auctions of vehicles and equipment in 2024, resulting in fewer such transactions in 2025.

2024

Operating revenues for the Commission totaled \$197,971,102 for the year ended December 31, 2024, which represents an increase of 1.85% over the previous year. In 2024, gross toll revenue increased \$14,132,115 or 7.44%, and net violation income decreased \$10,718,142. The total toll traffic recorded in 2024 increased by 649,092 vehicles or 1.41% compared to 2023, likely attributable to the 0.79% increase in passenger vehicle traffic combined with 5.01% increase in commercial vehicle traffic.

In 2024, net operating income totaled \$74,874,178 and change in net position totaled \$64,674,401 as compared to \$69,787,207 and \$57,628,909, respectively, for 2023. Operating expenses (not including other post-employment benefits and pension expense and depreciation) increased by \$2,488,794, which was driven by the combination of a \$1,904,819 increase in salaries and wages, a \$658,787 increase in fringe benefits, partially offset by a \$74,812 decrease in other operating expenses. The increase in salaries and wages is the combination of annual raises approved for full time employees. This was partially offset by the elimination of 47 full-time toll collector positions due to the removal of cash toll collection during the AET conversion, as well as a reduction in overtime wages. The increase in fringe benefits is a result of rising pension contributions in year 2024, which is directly related to the increases in salaries and wages.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Financial Highlights (continued)

The decrease in other operating expenses was primarily due to a decrease of \$1,676,472 in Operating and Maintenance Expenses, \$176,054 in Professional Service Fees, \$163,821 in Business Insurance Expense, and \$112,087 in Subscription Liability Amortization and Interest Expense. This decrease was partially offset by a \$1,221,082 increase in EZPass Operating Expenses and Traffic Count Maintenance, a \$291,269 increase in State Police Bridge Security, a \$246,087 increase in the General Contingency, and a \$94,238 increase in Information Technology Expense. The Operating and Maintenance Expenses decreased significantly since the temporary repaving job and drainage facilities work at I-78 Toll Bridge was completed in year 2023. The EZPass Operating Expenses and Traffic Count Maintenance rose 11.33% compared to year 2023. In January 2024, the Commission implemented the Toll-by-Plate functionality at seven non-AET toll bridges, in addition to the Scudder Falls Bridge. In June 2024, the Commission ceased cash collection from its three (3) low vehicular volume toll bridges including, New Hope–Lambertville, Portland–Columbia and the Milford–Montague Toll Bridges.

The other post-employment and pension expenses were reduced by \$2,822,521, which is attributable to decreases of \$598,987 in GASB 75 OPEB expense and \$2,223,534 in GASB 68 pension expense. According to GASB 75 OPEB Actuarial Valuation Report for the measurement date December 31, 2023, the OPEB Trust Fund was 92.8% funded which resulted in a \$7,399,566 net OPEB liability. In addition, net PA Pension liability decreased \$5,580,887 based on PA Pension GASB 68 report as of December 31, 2023. Depreciation expense decreased \$1,162,576 compared to year 2023. The net non-operating expenses decreased by \$1,958,521 (16.11%), due to a \$789,548 increase in investment income, a \$724,222 increase in gain on disposal of capital assets, and a \$444,751 decrease in interest expense. The increase in investment income resulted from the Commission's strong investment portfolio performance in 2024. The Commission held several auctions for vehicles and equipment in year 2024 which resulted in \$484,818 gain on disposal of capital assets.

Overview of the Financial Statements

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

Basic Financial Statements

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Basic Financial Statements (continued)

2025

The statements of net position present the Commission's assets, deferred outflows of resources, and liabilities as of December 31, 2025 and 2024, with the difference between them reported as net position. As of December 31, 2025, the Commission's net position totaled \$762,064,802, an increase of \$52,382,488, or 7.38%, from \$709,682,314 in 2024. This increase was driven by a combination of factors, including a \$22,611,084 decrease in current assets, a \$22,947,487 increase in noncurrent assets, and a \$23,459,043 increase in capital assets. These changes were further impacted by a \$7,107,781 decrease in deferred outflows of resources, an \$8,147,065 reduction in current liabilities, and a \$24,634,361 decrease in noncurrent bonds payable. Additional contributing factors include a \$48,586 decrease in long-term compensated absences payable, a \$3,457,821 reduction in net pension liability, a \$7,451,699 increase in net OPEB liability, and a \$6,858,689 decrease in deferred inflows of resources.

2024

The statements of net position present information on the Commission's assets, deferred outflows of resources, and liabilities as of December 31, 2024 and 2023, with the difference between them reported as net position. As of December 31, 2024, the Commission's net position equaled \$709,682,314 as compared to \$645,007,913 in 2023, an increase of \$64,674,401 or 10.03%. This increase in net position results from the combined effect of \$44,252,984 decrease in current assets, \$44,519,434 increase in noncurrent assets, \$42,087,482 increase in capital assets, \$14,824,930 decrease in deferred outflows of resources, \$2,400,600 increase in current liabilities, \$25,299,247 decrease in noncurrent bonds payable, \$106,104 increase in long-term compensated absences payable and subscription liability, \$5,365,491 decrease in net pension liability, \$8,533,141 decrease in net OPEB liability, and \$454,224 decrease in deferred inflows of resources.

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, some revenues and expenses are reported before or after the associated cash flows occur, depending on when the underlying events take place.

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.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Financial Analysis

2025

The Commission's total assets, comprising both restricted and unrestricted assets, amounted to \$1,485,107,173, reflecting an increase of \$23,795,446, or 1.63%, from the prior year. Current unrestricted assets totaled \$124,819,823, representing a decrease of \$25,200,309, or 16.8%. These assets consist of cash in the operating accounts, cash equivalent investments, short-term investments within the general reserve and operating funds, E-ZPass/Toll-By-Plate/Violation receivables, as well as fiduciary fund receivables. Such resources are available to fund current operating expenditures, meet near-term debt service obligations, or be transferred to the general reserve fund. Noncurrent unrestricted assets totaled \$150,308,824, an increase of \$22,953,518, or 18.02%, representing long-term investments held within the general reserve and operating funds.

Restricted assets totaled \$85,581,140, reflecting an increase of \$2,583,194, or 3.11%, from the prior year. These assets include both current and noncurrent balances, consisting primarily of cash and investments designated for the Commission's bond requirements under the Trust Indenture. Current restricted assets amounted to \$85,533,084, representing an increase of \$2,589,225, or 3.12%, compared to the previous year-end. Noncurrent restricted assets, consisting of prepaid bond insurance, totaled \$48,056, a decrease of \$6,031, or 11.15%, from the 2024 year-end balance.

Net capital assets totaled \$1,124,397,386, representing an increase of 2.13% compared to 2024. These assets comprise land, buildings, infrastructure, and equipment with a total original value of \$1,819,254,862, net of accumulated depreciation of \$694,857,476. 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.

As of December 31, 2025, the Commission reported total current and noncurrent liabilities of \$747,469,305, representing a decrease of \$28,836,134, or 3.71%, compared to 2024. The majority of the Commission's liabilities are associated with its Series 2015, 2017, 2019A, and 2019B bond issuances. Current liabilities declined by \$8,147,065, or 13.7%, primarily driven by a \$7,389,334 reduction in accounts payable and retainage payable. Noncurrent liabilities decreased by \$20,689,069, or 2.89%, largely due to reductions of \$24,634,361 in noncurrent bonds payable and \$3,457,821 in net pension liability, partially offset by a \$7,451,699 increase in net OPEB liability.

2024

Commission assets, consisting of restricted and unrestricted assets, totaled \$1,461,311,727 (an increase of \$42,353,932 or 2.98%). Current unrestricted assets, totaling \$150,020,132 (a decrease of \$27,513,444 or 15.5%), include cash in the operating accounts, cash equivalent investments, short-term investments in the general reserve fund/operating fund, E-ZPass/Toll-By-Plate/Violation receivables, and fiduciary fund receivable. These unrestricted current assets will be used to pay current expenses and current debt service or will be transferred to the general reserve fund. Additionally, the Commission has noncurrent unrestricted assets totaling \$127,355,306 (an increase of \$44,525,465 or 53.76%) representing long-term investments in the general reserve fund and operating fund.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Financial Analysis (continued)

Restricted assets, totaling \$82,997,946 (a decrease of \$16,745,571 or 16.79%), consist of current and non-current assets, including cash and investments designated for the Commission's bond requirements under the Trust Indenture. Current restricted assets totaled \$82,943,859, a \$16,739,540 or 16.79% decrease from the previous year-end, and non-current restricted assets, comprised of prepaid bond insurance, was \$54,087, a decrease of \$6,031 or 10.03% from the 2023 year-end balance. A main driver of the decrease in restricted assets was \$14,465,601 spent for the continued construction of bonded capital projects in 2024.

Net capital assets totaling \$1,100,938,343, a 3.97% increase over 2023, consist of land, building, infrastructure, and equipment with an original value of \$1,754,427,472 less accumulated depreciation of \$653,489,129. 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.

As of December 31, 2024, the Commission had current and non-current liabilities of \$776,305,439, a decrease of \$36,691,175 or 4.51% from 2023. The majority of the Commission's liabilities relate to its series 2015, 2017, 2019A and 2019B bond issues. Current liabilities increased by \$2,400,600 or 4.21% as a result of a \$3,540,506 increase in accounts payable, current compensated absences payable, short-term subscription liability, and retainage payable, offset by \$1,139,906 decrease in bond interest payable and principal retirement due within one year. Noncurrent liabilities reduced \$39,091,775 or 5.17% mainly due to decreases of \$25,299,247 in noncurrent bonds payable, \$8,533,141 in net OPEB liability, \$5,365,491 in net pension liability, \$107,919 in long-term subscription liability, offset by \$214,023 increase in compensated absences payable.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Financial Analysis (continued)

The following table contains condensed financial information derived from the December 31, 2025, 2024, and 2023, financial statements of the Commission:

| | 2025 | 2024 | 2023 | Change 2025-2024 | Percentage Change 2025-2024 |
|--|-----------------------|-----------------------|-----------------------|----------------------|-----------------------------------|
| Assets: | | | | | |
| Current and other assets | \$ 360,709,787 | \$ 360,373,384 | \$ 360,106,934 | \$ 336,403 | 0.09% |
| Capital assets | 1,124,397,386 | 1,100,938,343 | 1,058,850,861 | 23,459,043 | 2.13% |
| Total assets | 1,485,107,173 | 1,461,311,727 | 1,418,957,795 | 23,795,446 | 1.63% |
| Deferred outflows of resources: | | | | | |
| Deferred loss on refunding | 7,967,868 | 9,933,411 | 12,092,403 | (1,965,543) | -19.79% |
| Deferred outflows - OPEB | 14,944,589 | 15,607,469 | 22,160,537 | (662,880) | -4.25% |
| Deferred outflows - pensions | 14,993,566 | 19,472,924 | 25,585,794 | (4,479,358) | -23.00% |
| Total deferred outflows | 37,906,023 | 45,013,804 | 59,838,734 | (7,107,781) | -15.79% |
| Liabilities: | | | | | |
| Bond indebtedness | 629,271,599 | 654,075,960 | 679,675,207 | (24,804,361) | -3.79% |
| Other liabilities | 118,197,706 | 122,229,479 | 133,321,407 | (4,031,773) | -3.30% |
| Total liabilities | 747,469,305 | 776,305,439 | 812,996,614 | (28,836,134) | -3.71% |
| Deferred inflows of resources: | | | | | |
| Deferred inflows - OPEB | 11,611,258 | 17,793,716 | 17,121,656 | (6,182,458) | -34.75% |
| Deferred inflows - Pensions | 1,867,831 | 2,544,062 | 3,670,346 | (676,231) | -26.58% |
| Total deferred inflows | 13,479,089 | 20,337,778 | 20,792,002 | (6,858,689) | -33.72% |
| Net position: | | | | | |
| Net invested in capital assets | 503,093,655 | 459,406,738 | 408,821,028 | 43,686,917 | 9.51% |
| Restricted | 81,863,582 | 78,206,576 | 80,645,934 | 3,657,006 | 4.68% |
| Unrestricted | 177,107,565 | 172,069,000 | 155,540,951 | 5,038,565 | 2.93% |
| Total Net Position | \$ 762,064,802 | \$ 709,682,314 | \$ 645,007,913 | \$ 52,382,488 | 7.38% |
| Changes in Net Position | | | | | |
| Operating revenues | \$ 198,236,334 | \$ 197,971,102 | \$ 194,380,434 | \$ 265,232 | 0.13% |
| Operating expenses | (90,250,218) | (84,452,660) | (81,963,866) | (5,797,558) | 6.86% |
| Other post-employment benefits & GASB 68 expense | (2,277,427) | 1,686,917 | (1,135,604) | (3,964,344) | -235.01% |
| Depreciation | (42,394,729) | (40,331,181) | (41,493,757) | (2,063,548) | 5.12% |
| Total operating expenses | (134,922,374) | (123,096,924) | (124,593,227) | (11,825,450) | 9.61% |
| Net operating income | 63,313,960 | 74,874,178 | 69,787,207 | (11,560,218) | -15.44% |
| Nonoperating revenue | 14,234,525 | 15,149,176 | 14,359,628 | (914,651) | -6.04% |
| Nonoperating expenses | (25,165,997) | (25,348,953) | (26,517,926) | 182,956 | -0.72% |
| Changes in net position | 52,382,488 | 64,674,401 | 57,628,909 | (12,291,913) | -19.01% |
| Net position - January 1 | 709,682,314 | 645,007,913 | 587,379,004 | 64,674,401 | 10.03% |
| Net Position - December 31 | \$ 762,064,802 | \$ 709,682,314 | \$ 645,007,913 | \$ 52,382,488 | 7.38% |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Financial Analysis (continued)

The following table contains condensed financial information of cash flows derived from the December 31, 2025, 2024, and 2023, financial statements of the Commission:

| <u>Summary of Cash Flows</u> | <u>2025</u> | <u>2024</u> | <u>2023</u> |
|--|----------------------|----------------------|----------------------|
| Cash flows from operating activities | \$ 94,391,299 | \$ 111,805,052 | \$ 109,047,919 |
| Cash flows from capital and related financing activities | (121,496,102) | (125,711,615) | (85,437,169) |
| Cash flows from investing activities | 22,433,828 | 3,060,369 | (103,312) |
| Net increase (decrease) in cash and cash equivalents | (4,670,975) | (10,846,194) | 23,507,438 |
| Cash and cash equivalents - January 1 | 56,778,787 | 67,624,981 | 44,117,543 |
| Cash and Cash Equivalents - December 31 | \$ 52,107,812 | \$ 56,778,787 | \$ 67,624,981 |

Capital Assets and Debt Administration

Capital Program

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

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

Significant capital projects in 2026 include Trenton-Morrisville AET "Hard" Conversion; Route 1/Pennsylvania Avenue Interchange Reconfiguration; Route 1 Bridges over NJ Route 29 Northbound replacement; Trenton-Morrisville Toll Bridge facility miscellaneous substructure repair; Scudder Falls Toll Bridge Deck Sealing and Shared-Use path resurfacing; Washington Crossing Toll-Supported Bridge Replacement Alternatives Analysis; New Hope Toll Bridge AET "Hard" conversion; Main River Bridge Pennsylvania Abutment Backwall Rehabilitation; Centre Bridge-Stockton Toll-Supported Bridge Bearing and Bridge Seat Rehabilitation; Lumberville-Raven Rock Toll-Supported Pedestrian Bridge Lighting Upgrades and Security System Installation; Uhlerstown-Frenchtown Toll-Supported Bridge Rehabilitation; Paint System Repairs at Upper Black Eddy-Milford and Riverton-Belvidere Toll-Supported Bridges; I-78 Toll Bridge Cleaning, Painting and Substructure repairs; Pennsylvania Approach Roadway Pavement Rehabilitation and Stormwater Drainage S Improvements, and AET "Hard" Conversion; Easton-Phillipsburg Toll Bridge Facility Broad Street Viaduct Sidewalk Replacement, Administration Building Modernization and Generator Upgrade, and AET "Hard" Conversion; Portland Columbia Toll Bridge AET "Hard" Conversion; Portland-Columbia Toll-Supported Pedestrian Bridge Rehabilitation; I-80 Delaware Water Gap New Salt Storage and Equipment Storage Buildings; Oak Street Overpass Rehabilitation; Highway Lighting Upgrades and MAIN River Bridge Deck sealing; AET "Hard" Conversion; and Milford Montague

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Management's Discussion & Analysis December 31, 2025

Capital Assets and Debt Administration (continued)

Capital Program (continued)

Toll Bridge New Equipment Storage Building, Main River Bridge Steel Repairs and AET "Hard" Conversion. System-wide projects include Underwater Substructure Improvements, Bridge Monitor Shelter Enhancements/Replacements, Fuel Management System Installation, Toll-Supported Bridge Inspection Rigging System Installation, and Bridge Pin Connection Inspection and follow-up repairs as necessary. Additionally, the execution of the Capital Program includes On-call Professional Services Contracts and anticipates four (4) Job Order Contracts for On-Call Construction Services. These two (2) categories of on-call services address the design, construction and construction management and inspection services on smaller, un-biddable projects, but no less important, for the maintenance of the Commissions facilities.

Long-Term Debt

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

As of December 31, 2025, the Commission had total bonded debt outstanding in the principal amount of \$594,930,000. This represents a net decrease of \$19,450,000 from the prior year-end. The decrease is attributable to the regular bond retirements on July 1, 2025.

Contacting the Commission's Financial Management

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

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Statements of Net Position As of December 31, 2025 and 2024

| | <u>2025</u> | <u>2024</u> |
|---|----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Unrestricted current assets | | |
| Cash and cash equivalents | \$ 34,855,802 | \$ 38,162,312 |
| Investments | 48,900,832 | 84,079,744 |
| Accounts receivable | | |
| E-ZPass, Toll-by-Plate and violations (net of allowance for uncollectible of \$243,964,590 for 2025 and \$172,200,082 for 2024) | 39,074,628 | 25,850,623 |
| Other | 72,590 | 42,703 |
| Interfund accounts receivable - Fiduciary Fund | 1,580,940 | 1,346,569 |
| Prepaid expenses | 335,031 | 538,181 |
| Total unrestricted current assets | <u>124,819,823</u> | <u>150,020,132</u> |
| Restricted current assets | | |
| Cash and cash equivalents | 17,252,010 | 18,616,475 |
| Investments | 64,611,572 | 62,201,045 |
| Accrued interest receivable | 3,669,502 | 2,126,339 |
| Total restricted current assets | <u>85,533,084</u> | <u>82,943,859</u> |
| Total current assets | <u>210,352,907</u> | <u>232,963,991</u> |
| Noncurrent Assets | | |
| Unrestricted noncurrent assets | | |
| Investments | 150,231,425 | 127,185,027 |
| Right-to-use subscription asset (net of accumulated amortization of \$479,875 for 2025 and \$386,996 for 2024) | 77,399 | 170,279 |
| Total unrestricted noncurrent assets | <u>150,308,824</u> | <u>127,355,306</u> |
| Restricted noncurrent assets | | |
| Prepaid bond insurance | 48,056 | 54,087 |
| Total restricted noncurrent assets | <u>48,056</u> | <u>54,087</u> |
| Capital assets | | |
| Capital assets not being depreciated | 206,815,850 | 248,364,427 |
| Capital assets being depreciated (net of accumulated depreciation) | 917,581,536 | 852,573,916 |
| Total capital assets | <u>1,124,397,386</u> | <u>1,100,938,343</u> |
| Total noncurrent assets | <u>1,274,754,266</u> | <u>1,228,347,736</u> |
| Total Assets | <u>1,485,107,173</u> | <u>1,461,311,727</u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Statements of Net Position (continued) As of December 31, 2025 and 2024

| | <u>2025</u> | <u>2024</u> |
|--|-----------------------|-----------------------|
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred loss on refunding of debt | \$ 7,967,868 | \$ 9,933,411 |
| Deferred outflows - OPEB | 14,944,589 | 15,607,469 |
| Deferred outflows - pensions | 14,993,566 | 19,472,924 |
| Total deferred outflows of resources | <u>37,906,023</u> | <u>45,013,804</u> |
| LIABILITIES | | |
| Current liabilities payable from unrestricted assets | | |
| Accounts payable and accrued expenses | 14,834,292 | 20,815,848 |
| Compensated absences payable | 167,372 | 169,929 |
| Subscription liability - short-term | - | 109,624 |
| Retainage payable | 2,947,202 | 4,354,980 |
| Total current liabilities payable from unrestricted assets | <u>17,948,866</u> | <u>25,450,381</u> |
| Current liabilities payable from restricted assets | | |
| Accrued interest payable on bonds | 14,096,684 | 14,572,234 |
| Bridge system revenue bonds payable | 19,280,000 | 19,450,000 |
| Total current liabilities payable from restricted assets | <u>33,376,684</u> | <u>34,022,234</u> |
| Noncurrent liabilities | | |
| Compensated absences payable | 3,180,063 | 3,228,649 |
| Bridge system revenue bonds payable | 609,991,599 | 634,625,960 |
| Net OPEB liability | 14,851,265 | 7,399,566 |
| Net pension liability | 68,120,828 | 71,578,649 |
| Total noncurrent liabilities | <u>696,143,755</u> | <u>716,832,824</u> |
| Total Liabilities | <u>747,469,305</u> | <u>776,305,439</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred inflows - OPEB | 11,611,258 | 17,793,716 |
| Deferred inflows - pensions | 1,867,831 | 2,544,062 |
| Total deferred inflows of resources | <u>13,479,089</u> | <u>20,337,778</u> |
| NET POSITION | | |
| Net investment in capital assets | 503,093,655 | 459,406,738 |
| Restricted | 81,863,582 | 78,206,576 |
| Unrestricted | 177,107,565 | 172,069,000 |
| Total Net Position | <u>\$ 762,064,802</u> | <u>\$ 709,682,314</u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Statements of Revenues, Expenses, and Changes in Net Position For the Years Ended December 31, 2025 and 2024

| | <u>2025</u> | <u>2024</u> |
|--|------------------------------|------------------------------|
| OPERATING REVENUES | | |
| Cash tolls, net | \$ 344,774 | \$ 14,334,796 |
| E-ZPass and Toll-by-Plate tolls, net | 194,525,890 | 180,430,945 |
| Miscellaneous | <u>3,365,670</u> | <u>3,205,361</u> |
| Total operating revenues | <u>198,236,334</u> | <u>197,971,102</u> |
| OPERATING EXPENSES | | |
| Administration | | |
| Salaries and wages | 6,311,812 | 5,673,536 |
| Fringe benefits | 5,386,311 | 4,660,280 |
| Other | 3,190,665 | 3,282,414 |
| Toll bridges | | |
| Salaries and wages | 15,065,799 | 15,833,976 |
| Fringe benefits | 11,762,463 | 12,211,955 |
| Other | 31,243,920 | 26,890,587 |
| Toll supported bridges | | |
| Salaries and wages | 7,526,128 | 6,807,196 |
| Fringe benefits | 5,991,201 | 5,620,894 |
| Other | 3,672,629 | 3,366,477 |
| Subscription liability amortization and interest expense | 99,290 | 105,345 |
| Other post-employment benefits and pension expense | 2,277,427 | (1,686,917) |
| Depreciation | <u>42,394,729</u> | <u>40,331,181</u> |
| Total operating expenses | <u>134,922,374</u> | <u>123,096,924</u> |
| Operating income | <u>63,313,960</u> | <u>74,874,178</u> |
| NONOPERATING REVENUES (EXPENSES) | | |
| Investment income | 14,234,525 | 15,149,176 |
| Gain (Loss) on disposal of capital assets | 120,135 | 484,818 |
| Interest expense | | |
| Interest on bonds | (28,668,919) | (29,517,994) |
| Amortization of deferred loss on refunding of debt | (1,965,543) | (2,158,993) |
| Amortization of net premium on bonds | 5,354,361 | 5,849,247 |
| Amortization of prepaid bond insurance | <u>(6,031)</u> | <u>(6,031)</u> |
| Total net nonoperating expense | <u>(10,931,472)</u> | <u>(10,199,777)</u> |
| Changes in net position | 52,382,488 | 64,674,401 |
| Net position, January 1, | <u>709,682,314</u> | <u>645,007,913</u> |
| Net Position, December 31, | <u>\$ 762,064,802</u> | <u>\$ 709,682,314</u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Statements of Cash Flows For the Years Ended December 31, 2025 and 2024

| | 2025 | 2024 |
|---|----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers and users | | |
| Cash tolls | \$ 344,774 | \$ 14,334,796 |
| E-ZPass and Toll-by-Plate tolls | 181,301,885 | 181,102,423 |
| Payments for other goods or services | (37,801,797) | (34,734,665) |
| Payments for employee services | (52,554,975) | (51,928,505) |
| Payments of interfund services provided | (234,371) | (209,621) |
| Other receipts | 3,335,783 | 3,240,624 |
| | 94,391,299 | 111,805,052 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Acquisition of capital assets | (73,021,768) | (76,554,914) |
| Proceeds from sales of capital assets | 120,135 | 484,818 |
| Principal paid on capital debt | (19,450,000) | (19,750,000) |
| Interest paid on capital debt | (29,144,469) | (29,891,519) |
| | (121,496,102) | (125,711,615) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investment income received | 11,012,784 | 6,815,380 |
| Proceeds from sale of investments | 186,421,399 | 241,150,904 |
| Purchases of investments | (175,000,355) | (244,905,915) |
| | 22,433,828 | 3,060,369 |
| Net cash provided by investing activities | 22,433,828 | 3,060,369 |
| Net change in cash and cash equivalents | (4,670,975) | (10,846,194) |
| Cash and cash equivalents, January 1, (including \$18,616,475 and \$32,232,698 reported as restricted) | 56,778,787 | 67,624,981 |
| Cash and cash equivalents, December 31, (including \$17,252,010 and \$18,616,475 reported as restricted) | \$ 52,107,812 | \$ 56,778,787 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Operating income | \$ 63,313,960 | \$ 74,874,178 |
| Adjustments to reconcile operating income to net cash provided by operating activities | | |
| Depreciation | 42,394,729 | 40,331,181 |
| Other post-employment benefits and pension expense | 2,277,427 | (1,686,917) |
| Change in assets and liabilities | | |
| (Increase) decrease in accounts receivable | | |
| E-ZPass and violations | (13,224,005) | 671,478 |
| Other | (29,887) | 35,263 |
| Increase in interfund accounts receivable | (234,371) | (209,621) |
| Decrease (increase) in prepaid expenses | 203,150 | (84,293) |
| Decrease in operating accounts payable, accrued expenses and retainage | (241,817) | (2,341,453) |
| Increase (decrease) in compensated absences payable | (51,143) | 225,287 |
| Decrease in subscription liabilities | (16,744) | (10,051) |
| | 94,391,299 | 111,805,052 |
| Net cash provided by operating activities | \$ 94,391,299 | \$ 111,805,052 |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Statements of Fiduciary Net Position – Retiree Health Benefits Plan As of December 31, 2025 and 2024

| | <u>2025</u> | <u>2024</u> |
|---|------------------------------|-----------------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 2,031,134 | \$ 207,561 |
| Investments | <u>102,108,307</u> | <u>97,669,479</u> |
| Total assets | <u>104,139,441</u> | <u>97,877,040</u> |
| LIABILITIES | | |
| Current liabilities | | |
| Interfund accounts payable | <u>1,580,940</u> | <u>1,346,569</u> |
| Total liabilities | <u>1,580,940</u> | <u>1,346,569</u> |
| Net Position Restricted for Other Post-Employment Benefits | <u><u>\$ 102,558,501</u></u> | <u><u>\$ 96,530,471</u></u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Statements of Changes in Fiduciary Net Position – Retiree Health Benefits Plan
For the Years Ended December 31, 2025 and 2024**

| | <u>2025</u> | <u>2024</u> |
|--|------------------------------|-----------------------------|
| ADDITIONS | | |
| Contributions | | |
| Employer | \$ - | \$ - |
| Investment income/(expense) | | |
| Net appreciation in fair value of investments | 5,551,335 | 1,426,934 |
| Interest | 6,217,723 | 4,272,483 |
| | <u>11,769,058</u> | <u>5,699,417</u> |
| Less | | |
| Investment expense | <u>162,143</u> | <u>145,331</u> |
| Net investment income | <u>11,606,915</u> | <u>5,554,086</u> |
| Total additions | <u>11,606,915</u> | <u>5,554,086</u> |
| DEDUCTIONS | | |
| Benefits and other administrative expenses | 5,556,367 | 4,415,971 |
| Trustee fees | <u>22,518</u> | <u>22,050</u> |
| Total deductions | <u>5,578,885</u> | <u>4,438,021</u> |
| Net increase | 6,028,030 | 1,116,065 |
| Net position restricted for other post-employment benefits | | |
| January 1, | <u>96,530,471</u> | <u>95,414,406</u> |
| December 31, | <u><u>\$ 102,558,501</u></u> | <u><u>\$ 96,530,471</u></u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

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 decreased 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.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Fund Accounting (continued)

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

Basis of Accounting

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

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

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

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

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting

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

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

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 statements of cash flows. All other investments are stated at fair value.

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

General Objectives – The primary objectives, in priority of order of investment activities, shall be safety, liquidity and yield.

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash, Cash Equivalents and Investments (continued)

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash, Cash Equivalents and Investments (continued)

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 Service 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 Investors Services and “A” or better by Standard & Poor’s Corporation.
5. Federal funds, unsecured certificates of deposit, time deposit or bankers’ acceptance (in each case having maturities of not more than 365 days) of any domestic bank including a branch office of a foreign bank which branch office is located in the United States, provided legal options are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which, at the time of purchase, has a short-term “Bank Deposit” rating of “P-1” by Moody’s Investors Service 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, GNMMAs, FNMMAs or FHLMMCs with any registered broker/dealer or bank that has an uninsured, unsecured and unguaranteed obligation rated “P-1” or “A3” or better by Moody’s Investors Service, and “A-1” or “A-” or better by Standard & Poor’s Corporation.

Inventory

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid Expenses

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

Capital Assets

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

Costs incurred for projects under construction are recorded as improvements in progress. In the year that the project is completed or substantially completed, these costs are transferred to completed (net of accumulated depreciation).

Expenditures are capitalized when they meet the following requirements:

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

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

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 | 10-50 years |
| Equipment | 5-15 years |

Depreciation begins when the asset is placed in service.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Bond Discounts/Premiums

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

Deferred Loss on Refunding of Debt

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

Compensated Absences

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

Income Taxes

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

Deferred Outflows/Inflows of Resources

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

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating and Non-Operating Revenues and Expenses

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

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

Net Position

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

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

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

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

Use of Estimates

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of Governmental Accounting Standards Board (GASB) Statements

The GASB has issued Statement No. 102, *Certain Risk Disclosures*. The adoption of this Statement had no effect on previously reported amounts.

Pending Governmental Accounting Standards Board (GASB) Statements

The GASB has issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement is required to be adopted by the Commission for the year ending December 31, 2026. The Commission has not determined the effect of GASB Statement No. 103 on the financial statements.

The GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement is required to be adopted by the Commission for the year ending December 31, 2026. The Commission has not determined the effect of GASB Statement No. 104 on the financial statements.

The GASB has issued Statement No. 105, *Subsequent Events*. This Statement is required to be adopted by the Commission for the year ending December 31, 2027. The Commission has not determined the effect of GASB Statement No. 105 on the financial statements.

2. STEWARDSHIP, COMPLETE 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 2015, Series 2017, Series 2019A and Series 2019B. The following is a summary of the activities of each account created by the Indenture:

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

Revenue Fund - All revenues received by the Commission are deposited in the Revenue Fund. No later than the last business day of each month, the Commission shall withdraw from the Revenue Fund and deposit to the Operating Fund the amount equal to (i) the amount shown by the annual operating budget to be necessary to pay current expenses for the ensuing month, and (ii) an amount 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.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

2. STEWARDSHIP, COMPLETE AND ACCOUNTABILITY (continued)

Trust Indenture (continued)

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. As of December 31, 2025 and 2024, 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 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. As of December 31, 2025 and 2024, 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.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

2. STEWARDSHIP, COMPLETE AND ACCOUNTABILITY (continued)

Trust Indenture (continued)

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

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

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

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

Covenants as to Tolls

The Commission is required to fix, revise, charge, and collect tolls and other charges for traffic using the crossing facilities in order to provide an amount of “net revenues” in each year equal to not less than 130% of the principal and interest requirements for such year. The Commission satisfied this requirement for the years ended December 31, 2025 and 2024.

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

| | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
|--|--------------------------|--------------------------|
| Operating income | \$ 63,313,960 | \$ 74,874,178 |
| Adjustments | | |
| Net investment income * | \$ 16,930,829 | \$ 12,398,947 |
| Gain (loss) on disposal of capital assets | 120,135 | 484,818 |
| Depreciation expense | 42,394,729 | 40,331,181 |
| Other post-employment benefits and pension expense | <u>2,277,427</u> | <u>(1,686,917)</u> |
| | <u>61,723,120</u> | 51,528,029 |
| Net revenues available for debt service coverage | <u>\$ 125,037,080</u> | <u>\$ 126,402,207</u> |
| Total debt services (principal and interest) * | <u>\$ 48,594,468</u> | <u>\$ 49,641,519</u> |
| Debt service coverage | 257% | 255% |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

2. STEWARDSHIP, COMPLETE AND ACCOUNTABILITY (continued)

Annual Budget – 2025 and 2024

| Description | 2025 Budget | 2025 Actual | Variance |
|---|-----------------------|----------------------|----------------------|
| Operating expenses | | | |
| Salaries and wages | \$ 31,043,573 | \$ 28,903,739 | \$ 2,139,834 |
| Employee benefits | 27,977,080 | 23,139,975 | 4,837,105 |
| Heat, light and power | 1,121,839 | 1,035,655 | 86,184 |
| Office expense | 395,286 | 232,412 | 162,874 |
| Information technology and communications | 3,004,053 | 2,639,828 | 364,225 |
| Travel, meetings and education expense | 818,919 | 471,191 | 347,728 |
| E-ZPass and traffic count operating and maintenance | 17,379,666 | 15,782,072 | 1,597,594 |
| State police bridge security | 8,058,398 | 7,586,000 | 472,398 |
| Operating and maintenance expenses | 5,031,442 | 3,392,769 | 1,638,673 |
| Insurance | 6,390,459 | 5,641,971 | 748,488 |
| Professional service fee | 4,234,012 | 1,392,060 | 2,841,952 |
| Advertising and marketing | 50,958 | 32,546 | 18,412 |
| General contingency | 500,000 | - | 500,000 |
| Total operating expenses | <u>\$ 106,005,685</u> | <u>\$ 90,250,218</u> | <u>\$ 15,755,467</u> |
| | 2024 | 2024 | Variance |
| Description | Budget | Actual | |
| Operating expenses | | | |
| Salaries and wages | \$ 29,552,344 | \$ 28,314,708 | \$ 1,237,636 |
| Employee benefits | 27,485,227 | 22,493,130 | 4,992,097 |
| Heat, light and power | 939,478 | 817,085 | 122,393 |
| Office expense | 397,071 | 300,919 | 96,151 |
| Information technology and communications | 2,805,689 | 2,383,561 | 422,129 |
| Travel, meetings and education expense | 538,814 | 210,421 | 328,393 |
| E-ZPass and traffic count operating and maintenance | 13,300,261 | 12,001,377 | 1,298,884 |
| State police bridge security | 7,549,437 | 7,271,908 | 277,529 |
| Operating and maintenance expenses | 4,987,586 | 3,551,960 | 1,435,626 |
| Insurance | 6,000,038 | 5,631,082 | 368,955 |
| Professional service fee | 2,049,112 | 1,198,453 | 850,659 |
| Advertising and marketing | 64,458 | 31,969 | 32,489 |
| General contingency | 500,000 | 246,087 | 253,913 |
| Total operating expenses | <u>\$ 96,169,516</u> | <u>\$ 84,452,660</u> | <u>\$ 11,716,855</u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

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, 2025 and 2024, the Commission held in the enterprise fund and fiduciary fund a total book balance of \$54,138,946 and \$56,986,348, respectively, in cash and cash equivalents in financial institutions.

As of December 31, 2025 and 2024, the Commission's bank balance of \$59,454,616 and \$58,201,377, respectively, was exposed to custodial credit risk as follows:

| | December 31, 2025 | | |
|--|----------------------|---------------------|----------------------|
| | Enterprise Fund | Fiduciary Fund | Total |
| Insured | \$ 500,000 | \$ 250,000 | \$ 750,000 |
| Uninsured and collateralized with securities held by pledging financial institutions | 14,518,651 | - | 14,518,651 |
| Uninsured and uncollateralized | 42,404,831 | 1,781,134 | 44,185,965 |
| | <u>\$ 57,423,482</u> | <u>\$ 2,031,134</u> | <u>\$ 59,454,616</u> |

| | December 31, 2024 | | |
|--|----------------------|-------------------|----------------------|
| | Enterprise Fund | Fiduciary Fund | Total |
| Insured | \$ 500,000 | \$ 207,561 | \$ 707,561 |
| Uninsured and collateralized with securities held by pledging financial institutions | 8,930,577 | - | 8,930,577 |
| Uninsured and uncollateralized | 48,563,239 | - | 48,563,239 |
| | <u>\$ 57,993,816</u> | <u>\$ 207,561</u> | <u>\$ 58,201,377</u> |

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. As of December 31, 2025 and 2024, of the enterprise fund's \$263,743,829 and \$273,465,816, respectively, investments in U.S. federal agency notes and bonds, U.S. government treasuries, corporate bonds, commercial paper, certificates of deposit, and municipal and state obligations and funds, all investments are registered in the name of the Commission and held by the counterparty. Of the Retiree Health Benefits Plan's (fiduciary fund) \$102,108,307 and \$97,669,479, investments in mutual funds – equity, mutual funds - fixed income, and partnerships/joint ventures as of December 31, 2025 and 2024, respectively, all investments are registered in the name of the Commission and held by the counterparty.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

3. DETAIL NOTES – ASSETS (continued)

Investments (continued)

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 of December 31, 2025 and 2024, the Commission’s enterprise fund had the following investments and maturities:

| <u>Investment Type</u> | December 31, 2025 | | |
|---|-----------------------------|---|-----------------------|
| | Total Fair Value | Investment Maturities (in Years) | |
| | | Less Than 1 | 1-5 |
| Municipal and state obligations and funds | \$ 36,618,506 | \$ 12,899,516 | \$ 23,718,990 |
| Commercial paper | 4,929,985 | 4,929,985 | - |
| Corporate bond | 60,830,993 | 21,418,092 | 39,412,901 |
| U.S. federal agency notes and bonds | 84,025,667 | - | 84,025,667 |
| U.S. government treasuries | 77,338,678 | 74,264,811 | 3,073,867 |
| Total | \$ 263,743,829 | \$ 113,512,403 | \$ 150,231,426 |

| <u>Investment Type</u> | December 31, 2024 | | |
|---|-----------------------------|---|-----------------------|
| | Total Fair Value | Investment Maturities (in Years) | |
| | | Less Than 1 | 1-5 |
| Municipal and state obligations and funds | \$ 33,417,950 | \$ 11,905,472 | \$ 21,512,478 |
| Commercial paper | 34,878,797 | 34,878,797 | - |
| Corporate bond | 75,429,741 | 16,486,932 | 58,942,809 |
| U.S. federal agency notes and bonds | 50,145,657 | 7,433,105 | 42,712,552 |
| U.S. government treasuries | 79,593,671 | 75,576,483 | 4,017,188 |
| Total | \$ 273,465,816 | \$ 146,280,789 | \$ 127,185,027 |

As of December 31, 2025 and 2024, the Commission’s fiduciary fund had the following investments and maturities:

| <u>Investment Type</u> | December 31, 2025 | | |
|-----------------------------|-----------------------------|---|-------------|
| | Total Fair Value | Investment Maturities (in Years) | |
| | | Less Than 1 | 1-5 |
| Mutual funds - equity | \$ 36,565,362 | \$ 36,565,362 | \$ - |
| Mutual funds - fixed income | 57,577,547 | 57,577,547 | - |
| Partnerships/joint ventures | 7,965,398 | 7,965,398 | - |
| Total | \$ 102,108,307 | \$ 102,108,307 | \$ - |

| <u>Investment Type</u> | December 31, 2024 | | |
|-----------------------------|-----------------------------|---|-------------|
| | Total Fair Value | Investment Maturities (in Years) | |
| | | Less Than 1 | 1-5 |
| Mutual funds - equity | \$ 34,781,530 | \$ 34,781,530 | \$ - |
| Mutual funds - fixed income | 54,170,082 | 54,170,082 | - |
| Partnerships/joint ventures | 8,717,867 | 8,717,867 | - |
| Total | \$ 97,669,479 | \$ 97,669,479 | \$ - |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

3. DETAIL NOTES – ASSETS (continued)

Investments (continued)

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

Presented are summaries of the Commission’s investments by type and credit rating as of December 31, 2025 and 2024:

Enterprise Fund Investments

| Investment Type | December 31, 2025 | |
|---|--------------------------|-------------------------------|
| | Rating * | % of Total Investments |
| Municipal and state obligations and funds | AA- to AAA | 13.88% |
| Commercial paper | A-1 | 1.87% |
| Corporate bond | AA- to AA | 23.06% |
| U.S. federal agency notes and bonds | AA+ | 31.86% |
| U.S. government treasuries | AA+ | 29.32% |
| | | |
| Investment Type | December 31, 2024 | |
| | Rating * | % of Total Investments |
| Municipal and state obligations and funds | AA- to AAA | 12.22% |
| Commercial paper | A-1 to AA+ | 12.75% |
| Corporate bond | AA- to AAA | 27.58% |
| U.S. federal agency notes and bonds | AA+ | 18.34% |
| U.S. government treasuries | A-1+ to AA+ | 29.11% |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

3. DETAIL NOTES – ASSETS (continued)

Investments (continued)

Fiduciary Fund Investments

| <u>Investment Type</u> | <u>December 31, 2025</u> | |
|-----------------------------|--------------------------|-------------------------------|
| | <u>Rating *</u> | <u>% of Total Investments</u> |
| Mutual funds - equity | 2 Stars | 0.82% |
| Mutual funds - equity | 3 Stars | 11.37% |
| Mutual funds - equity | 4 Stars | 20.42% |
| Mutual funds - equity | 5 Stars | 3.19% |
| Mutual funds - fixed income | 3 Stars | 28.73% |
| Mutual funds - fixed income | 4 Stars | 27.66% |
| Partnerships/joint ventures | N/A | 7.80% |

| <u>Investment Type</u> | <u>December 31, 2024</u> | |
|-----------------------------|--------------------------|-------------------------------|
| | <u>Rating *</u> | <u>% of Total Investments</u> |
| Mutual funds - equity | 2 Stars | 3.98% |
| Mutual funds - equity | 3 Stars | 8.51% |
| Mutual funds - equity | 4 Stars | 10.24% |
| Mutual funds - fixed income | 5 Stars | 12.88% |
| Mutual funds - fixed income | 3 Stars | 41.23% |
| Mutual funds - fixed income | 4 Stars | 14.23% |
| Partnerships/joint ventures | N/A | 8.93% |

* 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.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Notes to the Financial Statements
December 31, 2025 and 2024**

3. DETAIL NOTES – ASSETS (continued)

Investments (continued)

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Commission’s investments are measured using the valuation inputs as follows:

| <u>Valuation Input</u> | December 31, 2025 | | |
|------------------------|--------------------------|-----------------------|-----------------------|
| | Enterprise | Fiduciary | Total |
| | Fund | Fund | |
| Level 1 | \$ 65,760,978 | \$ 94,142,909 | \$ 159,903,887 |
| Level 2 | 197,982,851 | - | 197,982,851 |
| Level 3 | - | 7,965,398 | 7,965,398 |
| | <u>\$ 263,743,829</u> | <u>\$ 102,108,307</u> | <u>\$ 365,852,136</u> |

| <u>Valuation Input</u> | December 31, 2024 | | |
|------------------------|--------------------------|----------------------|-----------------------|
| | Enterprise | Fiduciary | Total |
| | Fund | Fund | |
| Level 1 | \$ 110,308,537 | \$ 88,951,612 | \$ 199,260,149 |
| Level 2 | 163,157,278 | - | 163,157,278 |
| Level 3 | - | 8,717,867 | 8,717,867 |
| | <u>\$ 273,465,816</u> | <u>\$ 97,669,479</u> | <u>\$ 371,135,294</u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

3. DETAIL NOTES – ASSETS (continued)

Capital Assets

The following schedules detail changes in capital assets, by major class, that occurred during the years ended December 31, 2025 and 2024:

| | Balance January 1, 2025 | Additions | Deletions | Transfers | Balance December 31, 2025 |
|---|----------------------------|----------------------|--------------------|----------------------|------------------------------|
| Capital assets not being depreciated | | | | | |
| Land | \$ 135,115,253 | \$ - | \$ - | \$ - | \$ 135,115,253 |
| Improvements in progress | 113,249,174 | 63,031,729 | - | (104,580,306) | 71,700,597 |
| Total capital assets not being depreciated | <u>248,364,427</u> | <u>63,031,729</u> | <u>-</u> | <u>(104,580,306)</u> | <u>206,815,850</u> |
| Capital assets being depreciated | | | | | |
| Buildings | 106,258,161 | - | - | 21,923,271 | 128,181,432 |
| Infrastructure | 1,332,246,530 | - | - | 74,221,207 | 1,406,467,737 |
| Equipment | 67,558,354 | 2,841,450 | (1,045,789) | 8,435,828 | 77,789,843 |
| Total capital assets being depreciated | <u>1,506,063,045</u> | <u>2,841,450</u> | <u>(1,045,789)</u> | <u>104,580,306</u> | <u>1,612,439,012</u> |
| Less accumulated depreciation for | | | | | |
| Buildings | (29,703,327) | (3,226,129) | - | - | (32,929,456) |
| Infrastructure | (581,126,908) | (32,081,755) | - | - | (613,208,663) |
| Equipment | (42,658,894) | (7,086,845) | 1,026,382 | - | (48,719,357) |
| Total accumulated depreciation | <u>(653,489,129)</u> | <u>(42,394,729)</u> | <u>1,026,382</u> | <u>-</u> | <u>(694,857,476)</u> |
| Total capital assets being depreciated, net | <u>852,573,916</u> | <u>(39,553,279)</u> | <u>(19,407)</u> | <u>104,580,306</u> | <u>917,581,536</u> |
| Total capital assets, net | <u>\$ 1,100,938,343</u> | <u>\$ 23,478,450</u> | <u>\$ (19,407)</u> | <u>\$ -</u> | <u>\$ 1,124,397,386</u> |
| | | | | | |
| | Balance January 1, 2024 | Additions | Deletions | Transfers | Balance December 31, 2024 |
| Capital assets not being depreciated | | | | | |
| Land | \$ 135,115,253 | \$ - | \$ - | \$ - | \$ 135,115,253 |
| Improvements in progress | 40,088,923 | 78,848,517 | - | (5,688,266) | 113,249,174 |
| Total capital assets not being depreciated | <u>175,204,176</u> | <u>78,848,517</u> | <u>-</u> | <u>(5,688,266)</u> | <u>248,364,427</u> |
| Capital assets being depreciated | | | | | |
| Buildings | 105,242,468 | - | - | 1,015,693 | 106,258,161 |
| Infrastructure | 1,328,533,316 | - | - | 3,713,214 | 1,332,246,530 |
| Equipment | 67,742,316 | 3,570,146 | (4,713,467) | 959,359 | 67,558,354 |
| Total capital assets being depreciated | <u>1,501,518,100</u> | <u>3,570,146</u> | <u>(4,713,467)</u> | <u>5,688,266</u> | <u>1,506,063,045</u> |
| Less accumulated depreciation for | | | | | |
| Buildings | (26,616,482) | (3,086,845) | - | - | (29,703,327) |
| Infrastructure | (550,987,450) | (30,139,458) | - | - | (581,126,908) |
| Equipment | (40,267,483) | (7,104,878) | 4,713,467 | - | (42,658,894) |
| Total accumulated depreciation | <u>(617,871,415)</u> | <u>(40,331,181)</u> | <u>4,713,467</u> | <u>-</u> | <u>(653,489,129)</u> |
| Total capital assets being depreciated, net | <u>883,646,685</u> | <u>(36,761,035)</u> | <u>-</u> | <u>5,688,266</u> | <u>852,573,916</u> |
| Total capital assets, net | <u>\$ 1,058,850,861</u> | <u>\$ 42,087,482</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,100,938,343</u> |

* Certain account balances have been reclassified to conform with current year presentation.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

3. DETAIL NOTES – ASSETS (continued)

Toll Revenue

| | For the Years Ended | | | |
|--|---------------------|-----------------------|-------------------|-----------------------|
| | December 31, 2025 | | December 31, 2024 | |
| | Vehicles | Revenue | Vehicles | Revenue |
| 1 | 38,976,284 | \$ 65,970,643 | 39,393,610 | \$ 67,920,039 |
| 2 | 1,389,997 | 12,658,698 | 1,412,113 | 12,911,178 |
| 3 | 486,353 | 6,649,162 | 492,592 | 6,739,490 |
| 4 | 488,726 | 8,926,186 | 527,527 | 9,645,168 |
| 5 | 4,497,406 | 102,441,249 | 4,500,434 | 102,517,850 |
| 6 | 107,395 | 2,916,453 | 106,010 | 2,878,533 |
| 7 | 3,476 | 118,514 | 5,415 | 180,458 |
| 11 | 334,512 | 1,298,586 | 325,890 | 1,278,154 |
| | <u>46,284,149</u> | <u>200,979,491</u> | <u>46,763,591</u> | <u>204,070,870</u> |
| Discounts, violations, allowances and other adjustments | | <u>(6,108,827)</u> | | <u>(9,305,129)</u> |
| | | <u>\$ 194,870,664</u> | | <u>\$ 194,765,741</u> |

* Extra axles not included in total vehicle count.

In December 2002, the Commission initiated electronic toll collection and E-ZPass at the bridges. On July 14, 2019, the Commission initiated E-ZPass and Toll-by-Plate toll collection at the Scudder Falls Toll Bridge. Beginning in January 2024, the Commission implemented the first phase of its AET transition. The first phase of AET includes providing the Toll-By-Plate functionality at all toll bridges, in addition to the Scudder Falls Bridge. The next phase is the removal of cash collections at seven non-AET toll bridges. In June 2024, the Commission eliminated cash collection from its three (3) low vehicular volume toll bridges including, New Hop-Lambertville, Portland-Columbia and the Milford-Montague Toll Bridges. The cash collection was removed from the high vehicular volume bridges including, Trenton-Morrisville, I-78, Easton-Phillipsburg and Delaware Water Gap Toll Bridge in January 2025. The Commission records toll revenue net of uncollectible tolls, discounts and service fees. Gross toll revenue for December 31, 2025 and 2024, was \$200,979,491 and \$204,070,870, respectively, while the adjustments for uncollectible tolls, violations and discounts were (\$6,108,827) and (\$9,305,129), respectively.

Accounts Receivable

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES

Commission employees may accumulate unused sick days with no restrictions. Employees are compensated for accumulated sick leave upon retirement or resignation at one-half of their current hourly rate of pay times the number of days accumulated, up to a maximum of \$18,000. The accrued liability for accumulated sick leave as of December 31, 2025 and 2024, is estimated at \$2,114,938 and \$2,201,517, 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 as of December 31, 2025 and 2024, is estimated at \$1,232,497 and \$1,197,061, respectively.

Pension Plans

Pennsylvania State Employees' Retirement System

Plan Description

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

Benefits Provided

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

Pennsylvania State Employees' Retirement System (continued)

Contributions

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

Contributions to the pension plan from the Commission were \$8,023,276 and \$8,140,579 for the years ended December 31, 2025 and 2024, respectively. The Commission's retirement contribution, as a percentage of covered payroll, was 29.78% and 32.18% for the years ended December 31, 2025 and 2024, respectively.

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

As of December 31, 2025 and 2024, the Commission reported a liability of \$66,399,475 and \$69,812,389 for its proportionate share of the net pension liability, respectively. The net pension liability was measured as of December 31, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of those dates. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating agencies, actuarially determined. At December 31, 2024, the Commission's proportion was 0.329%, which was a decrease of 0.0009% from its proportion measured as of December 31, 2023. As of December 31, 2023, the Commission's proportion was 0.330%, which was a decrease of 0.0003% from its proportion measured as of December 31, 2022. For the years ended December 31, 2025 and 2024, the Commission recognized pension expense of \$8,403,346 and \$7,874,899, respectively. The Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

Pennsylvania State Employees' Retirement System (continued)

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

| | 2025 | | 2024 | |
|---|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 3,009,554 | \$ 74,125 | \$ 1,971,072 | \$ 141,882 |
| Net difference between projected and actual investment earnings on pension plan investments | 1,949,409 | - | 5,485,095 | - |
| Changes in assumptions | 1,169,460 | - | 3,008,576 | - |
| Differences between employer contributions and proportionate share of contributions | 72,088 | 29,801 | 53,941 | 64,452 |
| Changes in proportion | 35,611 | 1,289,963 | 251,491 | 2,046,298 |
| Commission contributions subsequent to the measurement date | 8,023,276 | - | 8,140,579 | - |
| | <u>\$ 14,259,398</u> | <u>\$ 1,393,889</u> | <u>\$ 18,910,754</u> | <u>\$ 2,252,632</u> |

The \$8,023,276 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows.

| <u>Years Ending December 31:</u> | |
|----------------------------------|---------------------|
| 2026 | \$ 1,932,894 |
| 2027 | 4,332,161 |
| 2028 | (1,201,769) |
| 2029 | (293,607) |
| 2030 | 72,554 |
| Total | <u>\$ 4,842,233</u> |

Actuarial Assumptions

The following methods and assumptions were used in the December 31, 2024 and 2023, actuarial valuations. These methods and assumptions were applied to all periods included in the measurements:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

Pennsylvania State Employees' Retirement System (continued)

Actuarial Assumptions (continued)

| | December 31, 2024 |
|-----------------------------------|--|
| Actuarial cost method | entry age |
| Investment rate of return | 6.875% net of manager fees including inflation |
| Projected salary increases | average of 4.58% with range of 3.30%-6.95%, including inflation |
| Asset valuation method | fair (market) value |
| Inflation | 2.50% |
| Mortality rate | projected PubG-2010 and PubNS-2010 Mortality Tables adjusted for actual plan experience and future improvement for retirees, beneficiaries, and survivors and rates determined by SERS' actuaries using actual SERS experience for pre-retirement active members |
| Cost of living adjustments (COLA) | none (ad hoc) |
| | December 31, 2023 |
| Actuarial cost method | entry age |
| Investment rate of return | 6.875% net of manager fees including inflation |
| Projected salary increases | average of 4.55% with range of 3.30%-6.95%, including inflation |
| Asset valuation method | fair (market) value |
| Inflation | 2.50% |
| Mortality rate | projected PubG-2010 and PubNS-2010 Mortality Tables adjusted for actual plan experience and future improvement for retirees, beneficiaries, and survivors and rates determined by SERS' actuaries using actual SERS experience for pre-retirement active members |
| Cost of living adjustments (COLA) | none (ad hoc) |

Every five years, SERS is required to conduct an actuarial experience study to determine whether the assumptions used in its annual actuarial valuations remain accurate based on current and anticipated demographic trends and economic conditions. The actuary, under oversight of the SERS Board, reviewed economic assumptions (such as the assumed future investment rate of return and salary increases) as well as demographic assumptions (such as employee turnover, retirement, disability, and death rates). The 19th Investigation of Actuarial Experience covering the period 2015- 2019 was released and approved by the SERS Board in July 2020.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

Pennsylvania State Employees' Retirement System (continued)

Actuarial Assumptions (continued)

The study recommended decreasing the investment rate of return and inflation assumptions, reducing rates of career salary growth, more favorable annuitant mortality assumptions, and several other changes. The assumptions from this study were effective with the December 31, 2020, valuation going forward unless changed by the SERS Board. The study can be viewed at www.SERS.pa.gov. The actuary and SERS Board review the investment rate of return annually, in addition to the normal five-year experience study cycle, in recognition of changing market environments to ensure this assumption remains reasonable with each actuarial valuation.

The long-term expected real rate of return on Defined Benefit Plan investments is determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of the December 31, 2024 and 2023, measurement dates, are summarized in the following tables:

| Asset Class | 2024 | | 2023 | |
|--|-------------------|--|-------------------|--|
| | Target Allocation | Long-term Expected Real Rate of Return | Target Allocation | Long-term Expected Real Rate of Return |
| Private equity | 16.00% | 6.25% | 16.00% | 6.00% |
| Real estate | 7.00% | 5.15% | 7.00% | 4.80% |
| U.S. equity | 37.00% | 5.15% | 31.00% | 4.85% |
| International developed markets equity | 14.00% | 5.00% | 14.00% | 4.75% |
| Emerging markets equity | 2.00% | 5.20% | 5.00% | 4.95% |
| Fixed income - core | 19.00% | 2.85% | 22.00% | 1.75% |
| Inflation protection (TIPS) | 3.00% | 2.55% | 3.00% | 1.50% |
| Cash | 2.00% | 0.50% | 2.00% | 0.25% |
| Total | 100.00% | | 100.00% | |

Discount Rate

The discount rate used to measure the total pension liability was 6.875% in 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at actuarially determined rates as set by statute.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

Pennsylvania State Employees' Retirement System (continued)

Discount Rate (continued)

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Defined Benefit Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability

The following schedule presents the Commission's proportionate share of the 2024 and 2023 net pension liability calculated using the discount rate of 6.875%. It also shows what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | <u>1% Decrease 5.875%</u> | <u>Current Discount Rate 6.875%</u> | <u>1% Increase 7.875%</u> |
|--|-------------------------------|---|-------------------------------|
| Commission's share of the net pension liability as of December 31, 2024, measurement date | <u>\$ 81,122,878</u> | <u>\$ 66,399,475</u> | <u>\$ 43,465,411</u> |
| | <u>1% Decrease 5.875%</u> | <u>Current Discount Rate 6.875%</u> | <u>1% Increase 7.875%</u> |
| Commission's share of the net pension liability as of December 31, 2023, measurement date | <u>\$ 83,822,146</u> | <u>\$ 69,812,389</u> | <u>\$ 47,026,504</u> |

Pension Plan Fiduciary Net Position

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

State of New Jersey Public Employees' Retirement System

Plan Description

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

Plan Description (continued)

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

The following represents the membership tiers for PERS:

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

Benefits Provided

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

Contributions

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

Employee contribution rates to PERS governed by P.L. 2011, C. 78, effective June 28, 2011, were increased from 5.5% of salary to 6.5% of salary, and a phase-in to 7.5% of salary over a seven-year period. Covered Commission employees are required by PERS to contribute 7.5% of their salaries. State statute requires the Commission to contribute an actuarially determined rate which includes the normal cost and the unfunded accrued liability. The amount of the Commission's contribution is certified each year by PERS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees, and the actuaries. Specific information on actuarial assumptions and rates of return can be found at www.nj.gov/treasury/pensions/documents/financial/gasb/gasb68-pers23.pdf.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

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

As of December 31, 2025 and 2024, the Commission reported a liability of \$1,721,353 and \$1,766,260, respectively, for its proportionate share of the net pension liability. The net liability was measured as of June 30, 2025 and 2024, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The Commission's proportionate share of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarially determined. As of the June 30, 2025 and 2024, measurement dates, respectively, the Commission's proportionate share of the collective pension liability was 0.014% and 0.013%, which was an increase of 0.001%. For the years ended December 31, 2025 and 2024, the Commission recognized pension expense of (\$34,393) and \$114,093, respectively.

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

| | 2025 | | 2024 | |
|---|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 23,204 | \$ 2,357 | \$ 35,381 | \$ 4,702 |
| Net difference between projected and actual investment earnings on pension plan investments | 358,303 | 354,510 | - | 81,897 |
| Changes in assumptions | 640 | 6,234 | 2,194 | 20,096 |
| Changes in proportion | 261,695 | 110,841 | 436,158 | 184,735 |
| Commission contributions subsequent to the measurement date | 90,326 | - | 88,438 | - |
| | <u>\$ 734,168</u> | <u>\$ 473,942</u> | <u>\$ 562,171</u> | <u>\$ 291,430</u> |

The \$90,326 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

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

| <u>Years Ending December 31:</u> | |
|----------------------------------|-------------------|
| 2026 | \$ 27,671 |
| 2027 | 117,813 |
| 2028 | 25,934 |
| 2029 | (2,546) |
| 2030 | 1,027 |
| Total | <u>\$ 169,900</u> |

Actuarial Assumptions

The total pension liability for the June 30, 2025 and 2024, measurement date, respectively, was determined by an actuarial valuation as of July 1, 2024 and 2023, respectively, which was rolled forward to June 30, 2025 and 2024, respectively, using the following actuarial assumptions:

| | <u>2025 & 2024</u> |
|---|------------------------|
| Inflation: Price | 2.75% |
| Inflation: Wage | 3.25% |
| Salary increases (based on years of service): | 2.75 - 6.55% |
| Investment rate of return | 7.00% |

The actuarial assumptions used in the July 1, 2024 and 2023, valuations were based on the results of actuarial experience studies for the periods July 1, 2018 to June 30, 2021 and periods July 1, 2018 to June 30, 2021, respectively.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

Mortality Rates

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

Long-Term Rate of Return

In accordance with the New Jersey State statute, the long-term expected rate of return on plan investments (7.00% as of June 30, 2025 and 2024), is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees, and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2025 and 2024, are summarized in the following tables:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

Long-Term Rate of Return (continued)

| <u>Asset Class</u> | <u>2025</u> | |
|-----------------------------------|--------------------------|---|
| | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
| U.S. equity | 28.00% | 8.63% |
| Non-U.S. developed markets equity | 12.75% | 8.85% |
| International small cap equity | 1.25% | 8.85% |
| Emerging markets equity | 5.50% | 10.66% |
| Private equity | 13.00% | 12.40% |
| Real assets | 3.00% | 8.20% |
| Real estate | 8.00% | 10.95% |
| High yield | 4.50% | 6.74% |
| Private credit | 8.00% | 8.90% |
| Investment grade credit | 7.00% | 5.37% |
| Cash equivalents | 2.00% | 3.57% |
| U.S. Treasuries | 4.00% | 3.57% |
| Risk mitigation strategies | 3.00% | 7.10% |
| | <u>100.00%</u> | |

| <u>Asset Class</u> | <u>2024</u> | |
|-----------------------------------|--------------------------|---|
| | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
| U.S. equity | 28.00% | 8.63% |
| Non-U.S. developed markets equity | 12.75% | 8.85% |
| International small cap equity | 1.25% | 8.85% |
| Emerging markets equity | 5.50% | 10.66% |
| Private equity | 13.00% | 12.40% |
| Real estate | 8.00% | 10.95% |
| Real assets | 3.00% | 8.20% |
| High yield | 4.50% | 6.74% |
| Private credit | 8.00% | 8.90% |
| Investment grade credit | 7.00% | 5.37% |
| Cash equivalents | 2.00% | 3.57% |
| U.S. Treasuries | 4.00% | 3.57% |
| Risk mitigation strategies | 3.00% | 7.10% |
| | <u>100.00%</u> | |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Pension Plans (continued)

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

Discount Rate

The discount rate used to measure the pension liabilities of PERS was 7.00% as of June 30, 2025 and 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

The following represents the Commission's proportionate share of the net pension liability as of the June 30, 2025 and 2024, measurement dates, respectively, calculated using the discount rate described above, as well as what the Commission's proportionate share of net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | June 30, 2025 | | |
|----------------------------------|-----------------------------------|---|-----------------------------------|
| | At 1% Decrease (6.00%) | At Current Discount Rate (7.00%) | At 1% Increase (8.00%) |
| Commission's proportionate share | <u>\$ 2,233,610</u> | <u>\$ 1,721,353</u> | <u>\$ 1,459,392</u> |
| | June 30, 2024 | | |
| | At 1% Decrease (6.00%) | At Current Discount Rate (7.00%) | At 1% Increase (8.00%) |
| Commission's proportionate share | <u>\$ 2,346,925</u> | <u>\$ 1,766,260</u> | <u>\$ 1,272,117</u> |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB)

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

Eligibility

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

| <u>Hire Date</u> | <u>Required Years of Service at Retirement Equals</u> |
|--|---|
| Prior to January 1, 1979 | 65 minus age times 2 |
| January 1, 1979 - December 31, 1994 | 70 minus age times 2 |
| January 1, 1995 - December 31, 2016 | Attainment of age 55 with 25 years of service; age 60 with 20 years of service; or age 65 with 15 years of service - including all service in state, county or municipal pension systems within PA or NJ, with last 5 years at the Commission. Up to 5 years military service may also be included. |
| January 1, 2017 and after | Attainment of age 55 with 25 years of service; age 60 with 20 years of service; or age 65 with 15 years of service - including all service in state, county or municipal pension systems within PA or NJ, with last 10 years at the Commission. Up to 5 years military service may also be included. Maximum non-Commission years to be credited is 10 years. |

Any employee who wishes to retire but does not qualify for retiree health coverage at the date of retirement because either their age or years of service is less than the required amount to qualify may purchase benefits at the COBRA rate for the period of time until such employee achieves the age and/or service level necessary to become eligible for retiree health benefits as otherwise provided above. At the time of separation from service with the Commission, the retiring employee must be within 18 months of retirement eligibility either by age or years of service.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Eligibility (continued)

For purposes of the above exceptions only, the period of time during which any such employee purchases benefits at the COBRA rate will be considered as additional service time.

Medical Benefit

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

Employees hired before April 1, 1995 who retire on or after September 1, 2007, but before January 1, 2018 and are eligible for retiree health benefits have a co-pay equal to active employees.

All eligible employees who retire on or after January 1, 2018, opting for the new plan would be required to incur an annual portion of their retiree health benefit cost. Retiree contributions shall be the lesser of what the retiree is paying at the time of retirement or a percentage of their annual salary at the time of retirement based on level of coverage as outlined below:

- Single Coverage – 1.00% annually of employee's final year's annual earnings
- Husband and Wife or Parent and Child – 1.25% annually of employee's final year's annual earnings
- Family or Parent and Children – 1.50% annually of your employee's final year's annual earnings

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Notes to the Financial Statements
December 31, 2025 and 2024**

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Medical Benefit (continued)

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

Life Benefit

Life benefit only applies to employees hired prior to January 1, 1995. Retirees eligible for post-retirement life insurance benefits receive a benefit equal to 100% of their annual salary at the time of retirement, rounded up to the next \$1,000. The benefit remains the same until the retiree’s 71st birthday at which time the benefit is reduced to \$10,000.

Plan Changes in 2025 and 2024

None.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Net OPEB (Asset)/Liability

The net OPEB asset of the plan recognized at December 31, 2025, for measurement date December 31, 2024, was as follows:

| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB (Asset)/Liability (c) = (a) - (b) |
|--|---|--|---|
| Balance recognized at 12/31/2024 (Based on 12/31/23 measurement date) | \$ 102,813,972 | \$ 95,414,406 | \$ 7,399,566 |
| Changes recognized for the fiscal year: | | | |
| Service cost | 2,572,475 | - | 2,572,475 |
| Interest of the total OPEB liability | 6,192,638 | - | 6,192,638 |
| Changes in benefit terms | - | - | - |
| Differences between expected and actual experience | 2,436,984 | - | 2,436,984 |
| Changes in assumptions | 1,781,638 | - | 1,781,638 |
| Benefit payments | (4,415,971) | (4,415,971) | - |
| Contributions from the employer | - | - | - |
| Contributions from the employee | - | - | - |
| Net investment income | - | 5,554,086 | (5,554,086) |
| Administrative expense | - | (22,050) | 22,050 |
| Net Changes | <u>8,567,764</u> | <u>1,116,065</u> | <u>7,451,699</u> |
| Balance recognized at 12/31/2025 (Based on 12/31/24 measurement date) | <u>\$ 111,381,736</u> | <u>\$ 96,530,471</u> | <u>\$ 14,851,265</u> |

The net OPEB liability of the plan recognized at December 31, 2024, for measurement date December 31, 2023, was as follows:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Net OPEB (Asset)/Liability (continued)

| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB (Asset) (c) = (a) - (b) |
|--|--------------------------------|---------------------------------------|--|
| Balance recognized at 12/31/2023 (Based on 12/31/22 measurement date) | \$ 106,792,305 | \$ 90,859,599 | \$ 15,932,706 |
| Changes recognized for the fiscal year: | | | |
| Service cost | 2,667,415 | - | 2,667,415 |
| Interest of the total OPEB liability | 6,447,960 | - | 6,447,960 |
| Changes in benefit terms | - | - | - |
| Differences between expected and actual experience | (1,430,209) | - | (1,430,209) |
| Changes in assumptions | (7,617,139) | - | (7,617,139) |
| Benefit payments | (4,046,360) | (4,046,360) | - |
| Contributions from the employer | - | - | - |
| Contributions from the employee | - | - | - |
| Net investment income | - | 8,622,395 | (8,622,395) |
| Administrative expense | - | (21,228) | 21,228 |
| Net Changes | <u>(3,978,333)</u> | <u>4,554,807</u> | <u>(8,533,140)</u> |
| Balance recognized at 12/31/2024 (Based on 12/31/23 measurement date) | <u>\$ 102,813,972</u> | <u>\$ 95,414,406</u> | <u>\$ 7,399,566</u> |

Employer Contributions

The Commission had no contractually required contribution rate for fiscal years ended December 31, 2025 and 2024. The Commission made contributions of \$0 to the OPEB plan for the years ended December 31, 2025 and 2024, respectively.

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

As of December 31, 2025 and 2024, the Commission reported a net OPEB liability of \$14,851,265 and \$7,399,566, respectively. The net OPEB asset was measured as of January 1, 2024 and 2023 and the total OPEB liability used to determine the net OPEB asset was determined by rolling forward the total OPEB liability as of January 1, 2024 to December 31, 2024 and January 1, 2023 to December 31, 2023, respectively.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

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

For the years ended December 31, 2025 and 2024, the Commission recognized OPEB expense of \$1,932,121 and \$(1,308,012), respectively. As of December 31, 2025 and 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | 2025 | | 2024 | |
|---|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 6,878,790 | \$ 1,021,577 | \$ 6,528,590 | \$ 2,904,869 |
| Net difference between projected and actual investment earnings on pension plan investments | 6,424,781 | - | 8,895,100 | - |
| Changes in assumptions | 1,641,018 | 10,589,681 | 183,779 | 14,888,847 |
| | <u>\$ 14,944,589</u> | <u>\$ 11,611,258</u> | <u>\$ 15,607,469</u> | <u>\$ 17,793,716</u> |

\$0 was reported as deferred outflows of resources related to OPEB resulting from Commission contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Years Ending December 31: | |
|---------------------------|---------------------|
| 2026 | \$ 2,388,542 |
| 2027 | 3,187,412 |
| 2028 | (1,407,018) |
| 2029 | (748,448) |
| 2030 | (689,813) |
| Thereafter | 602,656 |
| Total | <u>\$ 3,333,331</u> |

Actuarial Assumptions

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

- Discount Rate – 6.00% as of December 31, 2024 and 2023
- General Salary Increase – 2.8%, plus merit rates below:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Notes to the Financial Statements
December 31, 2025 and 2024**

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Actuarial Assumptions (continued)

| Salary Increases - Merit Scale | | | |
|---------------------------------------|------------------------|-----------------------------------|------------------------|
| Completed Years of Service | Annual Increase | Completed Years of Service | Annual Increase |
| 1 | 3.25% | 16 | 1.20% |
| 2 | 2.90% | 17 | 1.15% |
| 3 | 2.70% | 18 | 1.15% |
| 4 | 2.50% | 19 | 1.10% |
| 5 | 2.35% | 20 | 1.00% |
| 6 | 2.15% | 21 | 0.95% |
| 7 | 2.10% | 22 | 0.90% |
| 8 | 2.00% | 23 | 0.85% |
| 9 | 1.60% | 24 | 0.80% |
| 10 | 1.55% | 25 | 0.70% |
| 11 | 1.45% | 26 | 0.60% |
| 12 | 1.40% | 27 | 0.50% |
| 13 | 1.35% | 28 | 0.50% |
| 14 | 1.30% | 29 | 0.50% |
| 15 | 1.25% | 30 | 0.50% |

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

| Age | Male | Female |
|------------|-------------|---------------|
| 55-57 | 20.00% | 23.00% |
| 58 | 25.00% | 23.00% |
| 59 | 25.00% | 28.00% |
| 60 | 20.00% | 23.00% |
| 61-64 | 20.00% | 20.00% |
| 65-67 | 26.00% | 26.00% |
| 68-70 | 23.00% | 23.00% |
| 71-79 | 20.00% | 20.00% |
| 80 | 100.00% | 100.00% |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Notes to the Financial Statements
December 31, 2025 and 2024**

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Actuarial Assumptions (continued)

- Mortality Rates, Healthy and Disabled – Pub-2010 Mortality Table projected generationally with scale MP-2021 from the central year.
- Termination Rates – The following table shows sample annual rates of withdrawal and is based upon the Pennsylvania State Employees’ Retirement System:

| Age | Male - Years of Service | | | | Female - Years of Service | | | |
|-----|-------------------------|-------|-------|-------|---------------------------|-------|-------|-------|
| | 0 | 5 | 9 | 14 | 0 | 5 | 9 | 14 |
| 20 | 30.00% | N/A | N/A | N/A | 40.00% | N/A | N/A | N/A |
| 25 | 21.00% | 6.10% | 3.00% | N/A | 24.80% | 8.50% | 2.40% | N/A |
| 30 | 18.50% | 6.10% | 3.00% | 1.90% | 21.30% | 7.70% | 2.30% | 2.90% |
| 35 | 18.50% | 4.90% | 1.60% | 1.90% | 16.60% | 4.50% | 2.40% | 2.10% |
| 40 | 18.20% | 3.40% | 2.80% | 1.90% | 14.80% | 4.50% | 2.30% | 1.60% |
| 45 | 17.40% | 3.40% | 1.60% | 0.60% | 17.80% | 4.30% | 1.10% | 1.60% |
| 50 | 19.10% | 3.10% | 1.60% | 0.60% | 15.80% | 4.30% | 1.80% | 1.60% |
| 55 | 19.10% | 2.60% | 0.80% | 0.40% | 15.80% | 4.00% | 1.30% | 1.00% |

- Retiree Health Care Participation Rate - 100% of future retirees are assumed to elect health care benefits upon retirement.
- Marital Status - 70% of active male employees are assumed to be married at retirement. 50% of female active employees are assumed to be married at retirement. Male spouses are assumed to be 2 years older than female spouses.
- The participation rate and spousal coverage election percentage are the same as the previous valuation. They are deemed reasonable and will continue to be monitored.
- Health care inflation rates reflect recent healthcare trend rate surveys.
- Cost Method - The valuation results were calculated using the Entry Age cost method. This is the required cost method under the GASB 74/75 standards.
- Valuation Dates – December 31, 2024 and January 1, 2024
- Census Data - December 31, 2024 and January 1, 2024

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Notes to the Financial Statements
December 31, 2025 and 2024**

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Interest Rate Sensitivity

The following table illustrates the impact of interest rate sensitivity on the net OPEB liability for fiscal years ended December 31, 2025 and 2024:

| At December 31, 2025 | | |
|-----------------------------|-------------------------|---------------------|
| 1% Decrease | Current Discount | 1% Increase |
| 5.00% | Rate 6.00% | 7.00% |
| <u>\$ 30,967,420</u> | <u>\$ 14,851,265</u> | <u>\$ 1,610,035</u> |

| At December 31, 2024 | | |
|-----------------------------|-------------------------|-----------------------|
| 1% Decrease | Current Discount | 1% Increase |
| 5.00% | Rate 6.00% | 7.00% |
| <u>\$ 22,583,151</u> | <u>\$ 7,399,566</u> | <u>\$ (5,062,531)</u> |

Healthcare Cost Trend Sensitivity

The following table illustrates the impact of healthcare cost trend sensitivity on the net OPEB liability for fiscal years ended December 31, 2025 and 2024:

| At December 31, 2025 | | |
|-----------------------------|------------------------|----------------------|
| | Healthcare Cost | |
| 1% Decrease | Trend Rate | 1% Increase |
| <u>\$ (208,067)</u> | <u>\$ 14,851,265</u> | <u>\$ 33,696,164</u> |

| At December 31, 2024 | | |
|-----------------------------|------------------------|----------------------|
| | Healthcare Cost | |
| 1% Decrease | Trend Rate | 1% Increase |
| <u>\$ (6,725,384)</u> | <u>\$ 7,399,566</u> | <u>\$ 25,130,693</u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Other Post-employment Benefits (OPEB) (continued)

Asset Allocations

The long-term expected rate of return on OPEB plan investments was determined using a building- block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce long-term expected rates of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan’s target asset allocations as December 31, 2024 and 2023, are summarized in the following table:

| Asset Class | 2025 | | |
|----------------------------|--|---|------------------------------|
| | Expected Nominal Rate of Return | Expected Real Rate of Return | Target Allocation |
| Domestic Equity | Not available | 4.90% | 22.00% |
| International Equity | Not available | 5.00% | 14.00% |
| Real Estate | Not available | 3.80% | 3.50% |
| Core Global Infrastructure | Not available | 4.30% | 4.50% |
| Core Fixed Income | Not available | 2.50% | 56.00% |
| Total Portfolio | Not available | 4.10% | 100.00% |

| Asset Class | 2024 | | |
|----------------------------|--|---|------------------------------|
| | Expected Nominal Rate of Return | Expected Real Rate of Return | Target Allocation |
| Domestic Equity | Not available | 7.70% | 22.00% |
| International Equity | Not available | 8.10% | 14.00% |
| Real Estate | Not available | 7.40% | 3.50% |
| Core Global Infrastructure | Not available | 7.60% | 4.50% |
| Core Fixed Income | Not available | 4.30% | 56.00% |
| Total Portfolio | Not available | 5.84% | 100.00% |

Bond Indebtedness

The Commission has financed certain capital costs through the issuance of its Bridge System Revenue Bonds. Such bonds have been issued pursuant to the Trust Indenture dated as of January 1, 2003, as supplemented, between the Commission and the TD Bank Pennsylvania, National Association, as Trustee. As of December 31, 2025 and 2024, the Commission had \$594,930,000 and \$614,380,000, respectively, in Bridge System Revenue and Revenue Refunding Bonds outstanding.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Bond Indebtedness (continued)

Descriptions of bond series outstanding during 2025 and 2024 follow:

Series 2015 Bonds – On April 29, 2015, the Commission issued \$86,505,000 of Bridge System Revenue Bonds, Series 2015. The Series 2015 bonds were issued for the purpose of refunding \$86,765,000 of outstanding Series 2007A bonds. Proceeds from the bond issue, along with a transfer of \$9,826,227 from the Series 2007A debt service reserve fund and a transfer of \$1,400,000 from the 2007A account of the construction fund, funded a deposit to the escrow fund for the refunded bonds in the amount of \$95,571,081, a deposit to the debt service reserve fund in the amount of \$7,676,769, and an allocation of \$1,012,822 to pay costs of issuance. The unrefunded Series 2007A bonds matured in 2018.

On July 2, 2019, the Commission defeased \$10,935,000 of outstanding Series 2015 bonds by funding an escrow account with undesignated monies that were held in the Commission's general reserve fund. (See Note 5 – Defeased Bonds). As of December 31, 2025, \$56,640,000 of the Series 2015 bonds remain outstanding.

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

Of the proceeds, \$422,020,239 was deposited to the 2017 construction fund, \$30,601,000 was deposited to the debt service reserve fund, \$17,227,511 was deposited to the capitalized interest account, and \$3,375,995 was allocated to pay costs of issuance. As of December 31, 2025, \$421,785,000 of the Series 2017 bonds remain outstanding.

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Bonded Indebtedness (continued)

From the proceeds of the Series 2019A bonds, \$85,661,528 was deposited to the Series 2019A construction fund, \$1,635,559 was deposited to the debt service reserve fund, and \$715,823 was allocated to pay costs of issuance. From the proceeds of the Series 2019B bonds, \$98,400,000 was used to redeem all of the outstanding Series 2007B-1 and B-2 bonds, \$19,544,100 was used to make swap termination payments to the swap counterparties, \$2,215,023 was deposited to the debt service reserve fund, and \$932,535 was allocated to pay costs of issuance. As of December 31, 2025, \$55,580,000 of the Series 2019A bonds and \$60,925,000 of the Series 2019B bonds remain outstanding.

Annual debt service requirements to maturity for total bonds outstanding as of December 31, 2025, are as follows:

| Year | Principal Amount | Interest | Total Debt Service |
|-----------|---------------------|----------------|-----------------------|
| 2026 | \$ 19,280,000 | \$ 28,193,369 | \$ 47,473,369 |
| 2027 | 18,240,000 | 27,229,369 | 45,469,369 |
| 2028 | 21,125,000 | 26,408,369 | 47,533,369 |
| 2029 | 20,775,000 | 25,415,844 | 46,190,844 |
| 2030 | 21,820,000 | 24,377,094 | 46,197,094 |
| 2031-2035 | 135,350,000 | 103,888,138 | 239,238,138 |
| 2036-2040 | 129,860,000 | 71,634,600 | 201,494,600 |
| 2041-2045 | 153,660,000 | 38,408,800 | 192,068,800 |
| 2046-2049 | 74,820,000 | 5,169,250 | 79,989,250 |
| Total | \$ 594,930,000 | \$ 350,724,833 | \$ 945,654,833 |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Bonded Indebtedness (continued)

The following schedules represent the annual debt service requirements for the outstanding bonds as of December 31, 2025:

| | Year | Principal Amount | Interest | Total Debt Service | |
|-------------|-------------------|---------------------|----------------------|-----------------------|----------------------|
| Series 2015 | 2026 | \$ 3,180,000 | \$ 2,174,319 | \$ 5,354,319 | |
| | 2027 | 4,540,000 | 2,015,319 | 6,555,319 | |
| | 2028 | 3,380,000 | 1,879,119 | 5,259,119 | |
| | 2029 | - | 1,773,494 | 1,773,494 | |
| | 2030 | - | 1,773,494 | 1,773,494 | |
| | 2031 | - | 1,773,494 | 1,773,494 | |
| | 2032 | 545,000 | 1,773,494 | 2,318,494 | |
| | 2033 | 10,595,000 | 1,755,100 | 12,350,100 | |
| | 2034 | 11,020,000 | 1,331,300 | 12,351,300 | |
| | 2035 | 11,460,000 | 890,500 | 12,350,500 | |
| | 2036 | 11,920,000 | 432,100 | 12,352,100 | |
| | Total Series 2015 | | <u>\$ 56,640,000</u> | <u>\$ 17,571,733</u> | <u>\$ 74,211,733</u> |

| | Year | Principal Amount | Interest | Total Debt Service |
|-------------------|------------|-----------------------|-----------------------|-----------------------|
| Series 2017 | 2026 | \$ - | \$ 20,338,700 | \$ 20,338,700 |
| | 2027 | 20,000 | 20,338,700 | 20,358,700 |
| | 2028 | 35,000 | 20,337,900 | 20,372,900 |
| | 2029 | 8,380,000 | 20,336,500 | 28,716,500 |
| | 2030 | 8,845,000 | 19,917,500 | 28,762,500 |
| | 2031 | 10,765,000 | 19,475,250 | 30,240,250 |
| | 2032 | 14,735,000 | 18,937,000 | 33,672,000 |
| | 2033 | 15,715,000 | 18,200,250 | 33,915,250 |
| | 2034 | 16,500,000 | 17,414,500 | 33,914,500 |
| | 2035 | 17,325,000 | 16,589,500 | 33,914,500 |
| | 2036 | 18,190,000 | 15,723,250 | 33,913,250 |
| | 2037 | 22,015,000 | 14,813,750 | 36,828,750 |
| | 2038 | 23,115,000 | 13,713,000 | 36,828,000 |
| | 2039 | 24,270,000 | 12,557,250 | 36,827,250 |
| | 2040 | 25,485,000 | 11,343,750 | 36,828,750 |
| | 2041 | 26,760,000 | 10,069,500 | 36,829,500 |
| | 2042 | 28,100,000 | 8,731,500 | 36,831,500 |
| | 2043 | 29,505,000 | 7,326,500 | 36,831,500 |
| | 2044 | 30,845,000 | 5,987,000 | 36,832,000 |
| | 2045 | 32,240,000 | 4,587,300 | 36,827,300 |
| 2046 | 33,705,000 | 3,124,950 | 36,829,950 | |
| 2047 | 35,235,000 | 1,596,850 | 36,831,850 | |
| Total Series 2017 | | <u>\$ 421,785,000</u> | <u>\$ 301,460,400</u> | <u>\$ 723,245,400</u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Bonded Indebtedness (continued)

| | <u>Year</u> | <u>Amount</u> | <u>Interest</u> | <u>Service</u> |
|--------------------|-------------|-------------------------|----------------------|---------------------------|
| Series 2019A | 2026 | \$ 8,585,000 | \$ 2,634,100 | \$ 11,219,100 |
| | 2027 | 5,800,000 | 2,204,850 | 8,004,850 |
| | 2028 | 9,410,000 | 1,914,850 | 11,324,850 |
| | 2029 | 3,725,000 | 1,444,350 | 5,169,350 |
| | 2030 | 3,930,000 | 1,258,100 | 5,188,100 |
| | 2031 | 4,055,000 | 1,061,600 | 5,116,600 |
| | 2032 | 725,000 | 858,850 | 1,583,850 |
| | 2033 | 760,000 | 822,600 | 1,582,600 |
| | 2034 | 800,000 | 784,600 | 1,584,600 |
| | 2035 | 835,000 | 744,600 | 1,579,600 |
| | 2036 | 880,000 | 702,850 | 1,582,850 |
| | 2037 | 925,000 | 658,850 | 1,583,850 |
| | 2038 | 970,000 | 612,600 | 1,582,600 |
| | 2039 | 1,020,000 | 564,100 | 1,584,100 |
| | 2040 | 1,070,000 | 513,100 | 1,583,100 |
| | 2041 | 1,125,000 | 459,600 | 1,584,600 |
| | 2042 | 1,180,000 | 403,350 | 1,583,350 |
| | 2043 | 1,240,000 | 344,350 | 1,584,350 |
| | 2044 | 1,300,000 | 282,350 | 1,582,350 |
| | 2045 | 1,365,000 | 217,350 | 1,582,350 |
| | 2046 | 1,405,000 | 176,400 | 1,581,400 |
| | 2047 | 1,450,000 | 134,250 | 1,584,250 |
| | 2048 | 1,490,000 | 90,750 | 1,580,750 |
| | 2049 | 1,535,000 | 46,050 | 1,581,050 |
| Total Series 2019A | | <u>\$ 55,580,000</u> | <u>\$ 18,934,450</u> | <u>\$ 74,514,450</u> |
| | | | | |
| | <u>Year</u> | <u>Principal Amount</u> | <u>Interest</u> | <u>Total Debt Service</u> |
| Series 2019B | 2026 | \$ 7,515,000 | \$ 3,046,250 | \$ 10,561,250 |
| | 2027 | 7,880,000 | 2,670,500 | 10,550,500 |
| | 2028 | 8,300,000 | 2,276,500 | 10,576,500 |
| | 2029 | 8,670,000 | 1,861,500 | 10,531,500 |
| | 2030 | 9,045,000 | 1,428,000 | 10,473,000 |
| | 2031 | 9,520,000 | 975,750 | 10,495,750 |
| | 2032 | 9,995,000 | 499,750 | 10,494,750 |
| Total Series 2019B | | <u>\$ 60,925,000</u> | <u>\$ 12,758,250</u> | <u>\$ 73,683,250</u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

4. DETAIL NOTES – LIABILITIES (continued)

Summary of Long-Term Liabilities

| | Outstanding January 1, 2025 | Additions | Reductions | Outstanding December 31, 2025 | Due within One Year |
|-----------------------------|--------------------------------|-------------------|----------------------|----------------------------------|------------------------|
| Revenue bonds | | | | | |
| Principal | \$ 614,380,000 | \$ - | \$ 19,450,000 | \$ 594,930,000 | \$ 19,280,000 |
| Unamortized premiums | 39,695,960 | - | 5,354,361 | 34,341,599 | - |
| Total revenue bonds | <u>654,075,960</u> | <u>-</u> | <u>24,804,361</u> | <u>629,271,599</u> | <u>19,280,000</u> |
| Other liabilities | | | | | |
| Compensated absences | 3,398,578 | - | 51,143 | 3,347,435 | 167,372 |
| Subscription liability | 109,624 | - | 109,624 | - | - |
| Net Pension Liability | 71,578,649 | - | 3,457,821 | 68,120,828 | - |
| Net OPEB Liability | 7,399,566 | - | 7,451,699 | 14,851,265 | - |
| Total other liabilities | <u>82,486,417</u> | <u>-</u> | <u>11,070,287</u> | <u>86,319,528</u> | <u>167,372</u> |
| Total long-term liabilities | <u>\$ 736,562,377</u> | <u>\$ -</u> | <u>\$ 35,874,648</u> | <u>\$ 715,591,127</u> | <u>\$ 19,447,372</u> |
| | | | | | |
| | Outstanding January 1, 2024 | Additions | Reductions | Outstanding December 31, 2024 | Due within One Year |
| Revenue bonds | | | | | |
| Principal | \$ 634,130,000 | \$ - | \$ 19,750,000 | \$ 614,380,000 | \$ 19,450,000 |
| Unamortized premiums | 45,545,207 | - | 5,849,247 | 39,695,960 | - |
| Total revenue bonds | <u>679,675,207</u> | <u>-</u> | <u>25,599,247</u> | <u>654,075,960</u> | <u>19,450,000</u> |
| Other liabilities | | | | | |
| Compensated absences | 3,173,291 | 225,287 | - | 3,398,578 | 169,929 |
| Subscription liability | 212,554 | - | 102,930 | 109,624 | 109,624 |
| Net Pension Liability | 76,944,140 | - | 5,365,491 | 71,578,649 | - |
| Net OPEB Liability | 15,932,707 | - | 8,533,141 | 7,399,566 | - |
| Total other liabilities | <u>96,262,692</u> | <u>225,287</u> | <u>14,001,562</u> | <u>82,486,417</u> | <u>279,553</u> |
| Total long-term liabilities | <u>\$ 775,937,899</u> | <u>\$ 225,287</u> | <u>\$ 39,600,809</u> | <u>\$ 736,562,377</u> | <u>\$ 19,729,553</u> |

5. DEFEASED BOND

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

A portion of the amount deposited in the escrow fund plus investment earnings thereon was sufficient to pay interest when due on the Series 2012A defeased bonds and was used to call and redeem the principal amount of the Series 2012A defeased bonds on the July 1, 2022, call date. As of December 31, 2025, none of the Series 2012A bonds remained outstanding.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

5. DEFEASED BOND (continued)

A portion of the amount deposited in the escrow fund plus investment earnings thereon will be sufficient to pay interest when due on the Series 2015 defeased bonds and to call and redeem the principal amount of the Series 2015 defeased bonds on the July 1, 2025, call date. As such, the Series 2015 defeased bonds are no longer an outstanding obligation of the Commission and are no longer recorded as a liability on the Commission's financial statements. As of December 31, 2025, there was no previously defeased principal was outstanding on the bonds and held in escrow by bond trustee. As of December 31, 2025, \$56,640,000 of the series 2015 bonds remain outstanding as a liability in the Commission's financial statements.

6. INTERFUND BALANCES

As of December 31, 2025 and 2024, interfund balances in the amounts of \$1,580,940 and \$1,346,569, respectively, existed between the enterprise fund and the fiduciary fund. The interfund was created by payments made by the enterprise fund on behalf of the fiduciary fund (post-employment benefits).

7. 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.

8. DEFERRED COMPENSATION SALARY ACCOUNT

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

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

9. COMMITMENTS AND CONTINGENCIES

Commitments - The Commission had several outstanding or planned construction projects as of December 31, 2025 and 2024. These projects are evidenced by contractual commitments with contractors and include:

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Notes to the Financial Statements December 31, 2025 and 2024

9. COMMITMENTS AND CONTINGENCIES (continued)

| <u>Projects as of December 31, 2025</u> | <u>Awarded</u> | <u>Commitment Remaining</u> |
|---|-----------------------|---------------------------------|
| Southern Operations & Maintenance Facilities Improvements, Construction | \$ 59,300,151 | \$ 404,879 |
| Electronic Toll Collection System Replacement, Design, Build and Maintain | 13,659,797 | 113,358 |
| Electronic Surveillance/Detection System Acquisition & Installation | 1,843,517 | 254,012 |
| Customer Service Center / Violations Processing Center Transition | 578,367 | 568 |
| Uhlerstown - Frenchtown Toll-Supported Bridge Construction | 22,216,237 | 3,222,167 |
| EZPass Customer Service Center | 80,000 | 80,000 |
| New Hope-Lambertville Toll Supported Bridge Rehabilitation, Construction | 27,054,108 | 923,398 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - North Region | 7,000,000 | 37,691 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - South Region | 2,500,000 | 1,858,204 |
| Job Order Contracting Services for Building and Facility Work - North Region | 3,000,000 | 2,931,335 |
| Job Order Contracting Services for Building and Facility Work - South Region | 3,500,000 | 2,336,306 |
| New Hope-Lambertville Toll Bridge AET Conversion & PA Abutment Backwall Replacement | 11,863,715 | 6,140,263 |
| Network Video Management System (NVMS) Integrator Services Endpoint Security Protection (Supply & I | 104,074 | 19,902 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - North Region | 3,000,000 | 2,071,856 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - South Region | 4,000,000 | 2,520,241 |
| Job Order Contracting Services for Building and Facility Work - North Region | 3,000,000 | 2,859,705 |
| Job Order Contracting Services for Building and Facility Work - South Region | 3,000,000 | 898,479 |
| AET Hard Conversion In-Lane Toll System (Design, Misc, etc.) | 9,701,499 | 7,721,073 |
| AET Hard Conversion In-Lane Toll System (Design, Misc, etc.) | 2,133,543 | 2,133,543 |
| Total | <u>\$ 177,535,008</u> | <u>\$ 36,526,980</u> |

| <u>Projects as of December 31, 2024</u> | <u>Awarded</u> | <u>Commitment Remaining</u> |
|---|-----------------------|---------------------------------|
| Southern Operations & Maintenance Facilities Improvements, Construction | \$ 58,935,181 | \$ 3,930,316 |
| Electronic Toll Collection System Replacement, Design, Build and Maintain | 1,124,023 | 1,081,775 |
| Electronic Toll Collection System Replacement, Design, Build and Maintain | 335,000 | 83,426 |
| Electronic Toll Collection System Replacement, Design, Build and Maintain | 67,284 | 25,562 |
| Electronic Surveillance/Detection System Acquisition & Installation | 1,843,517 | 254,012 |
| Customer Service Center / Violations Processing Center Transition | 578,367 | 568 |
| Uhlerstown - Frenchtown Toll-Supported Bridge Construction | 22,216,237 | 22,216,237 |
| EZPass Customer Service Center AET System Components, Acquisition & Installation | 782,199 | 32,199 |
| New Hope-Lambertville Toll Supported Bridge Rehabilitation, Construction | 25,072,471 | 7,834,546 |
| Lumberville – Raven Rock TSB Exigent Substructure Masonry Rehabilitation | 224,273 | 10,734 |
| Calhoun Street TSB Exigent Substructure Masonry Rehabilitation | 174,737 | 174,737 |
| Washington Crossing TSB Exigent Substructure Masonry Rehabilitation | 109,572 | 109,572 |
| Riverton - Belvidere TSB Exigent Substructure Masonry Rehabilitation | 53,213 | 53,213 |
| Electronic Surveillance/Detection System Acquisition & Installation | 1,618,282 | 181,947 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - North Region | 7,000,000 | 37,691 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - South Region | 2,500,000 | 465,157 |
| Job Order Contracting Services for Building and Facility Work - North Region | 3,000,000 | 2,931,335 |
| Job Order Contracting Services for Building and Facility Work - South Region | 3,500,000 | 2,336,306 |
| Trenton-Morrisville Toll Bridge Roadway Repaving and Deck Sealing, Construction | 5,980,565 | 207,367 |
| I-78 New Jersey Roadway Rehabilitation and Power & Communication Infrastructure Improvements, Const | 23,530,677 | 1,956,523 |
| Network Video Management System (NVMS) Integrator Services Endpoint Security Protection (Supply & I | 104,074 | 16,841 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - North Region | 3,000,000 | 2,604,134 |
| Job Order Contracting Services for Bridge, Highway and Civil Work - South Region | 3,000,000 | 3,000,000 |
| Job Order Contracting Services for Building and Facility Work - North Region | 3,000,000 | 2,877,950 |
| Job Order Contracting Services for Building and Facility Work - South Region | 3,000,000 | 673,814 |
| Total | <u>\$ 170,749,673</u> | <u>\$ 53,095,962</u> |

REQUIRED SUPPLEMENTARY INFORMATION

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Schedule of Changes in Plan's Net OPEB (Assets)/Liability (Unaudited) December 31, 2025

| | December 31, 2025 (Measurement Date of December 31, 2024) | December 31, 2024 (Measurement Date of December 31, 2023) | December 31, 2023 (Measurement Date of December 31, 2022) | December 31, 2022 (Measurement Date of December 31, 2021) | December 31, 2021 (Measurement Date of December 31, 2020) | December 31, 2020 (Measurement Date of December 31, 2019) | December 31, 2019 (Measurement Date of December 31, 2018) | December 31, 2018 (Measurement Date of December 31, 2017) |
|--|---|---|---|---|---|---|---|---|
| Total OPEB liability | | | | | | | | |
| Service cost | \$ 2,572,475 | \$ 2,667,415 | \$ 3,181,999 | \$ 3,030,475 | \$ 3,268,131 | \$ 3,928,031 | \$ 3,388,535 | \$ 4,161,867 |
| Interest cost | 6,192,638 | 6,447,960 | 6,200,600 | 5,768,237 | 5,855,483 | 6,160,245 | 6,388,854 | 6,592,495 |
| Changes of benefit terms | - | - | - | - | - | - | - | (45,529) |
| Differences between expected and actual experiences | 2,436,984 | (1,430,209) | 6,673,668 | 2,456,647 | 2,009,736 | (12,724,871) | 3,436,978 | 2,550,800 |
| Changes in assumptions | 1,781,638 | (7,617,139) | (7,136,766) | 393,413 | (8,114,901) | (5,931,498) | (5,791,220) | (18,919,078) |
| Benefit payments | (4,415,971) | (4,046,360) | (4,511,352) | (4,674,708) | (3,807,739) | (4,144,492) | (3,161,037) | (3,144,352) |
| Net change in total OPEB liability | 8,567,764 | (3,978,333) | 4,408,149 | 6,974,064 | (789,290) | (12,712,585) | 4,262,110 | (8,803,797) |
| Total OPEB liability (beginning) | 102,813,972 | 106,792,305 | 102,384,156 | 95,410,092 | 96,199,382 | 108,911,967 | 104,649,857 | 113,453,654 |
| Total OPEB liability (ending) | \$ 111,381,736 | \$ 102,813,972 | \$ 106,792,305 | \$ 102,384,156 | \$ 95,410,092 | \$ 96,199,382 | \$ 108,911,967 | \$ 104,649,857 |
| Plan fiduciary net position | | | | | | | | |
| Contributions - employer | \$ - | \$ - | \$ - | \$ 985,287 | \$ 4,526,168 | \$ 3,304,940 | \$ - | \$ 7,500,000 |
| Contributions - member | - | - | - | - | - | - | - | - |
| Net investment income | 5,554,086 | 8,622,395 | (14,896,158) | 7,200,777 | 10,439,339 | 12,649,219 | (2,848,376) | 9,056,129 |
| Benefit payments | (4,415,971) | (4,046,360) | (4,511,352) | (4,674,708) | (3,807,739) | (4,144,492) | (3,161,037) | (3,144,352) |
| Administrative expense | (22,050) | (21,228) | (22,559) | (24,644) | (22,139) | (20,655) | (22,622) | (21,604) |
| Other | - | - | - | - | - | - | - | - |
| Net change in plan fiduciary net position | 1,116,065 | 4,554,807 | (19,430,069) | 3,486,712 | 11,135,629 | 11,789,012 | (6,032,035) | 13,390,173 |
| Plan fiduciary net position (beginning) | 95,414,406 | 90,859,599 | 110,289,668 | 106,802,956 | 95,667,327 | 83,878,315 | 89,910,350 | 76,520,177 |
| Plan fiduciary net position (ending) | \$ 96,530,471 | \$ 95,414,406 | \$ 90,859,599 | \$ 110,289,668 | \$ 106,802,956 | \$ 95,667,327 | \$ 83,878,315 | \$ 89,910,350 |
| Net OPEB (asset)/liability (ending) | \$ 14,851,265 | \$ 7,399,566 | \$ 15,932,706 | \$ (7,905,512) | \$ (11,392,864) | \$ 532,055 | \$ 25,033,652 | \$ 14,739,507 |
| Net position as a percentage of total OPEB liability | 86.67% | 92.80% | 85.08% | 107.72% | 111.94% | 99.45% | 77.01% | 85.92% |
| Covered- employee payroll | \$ 27,367,004 | \$ 24,586,721 | \$ 23,836,901 | \$ 25,236,379 | \$ 25,250,080 | \$ 26,570,518 | \$ 24,588,730 | \$ 22,381,050 |
| Net OPEB liability as a percentage of payroll | 54.27% | 30.10% | 66.84% | -31.33% | -45.12% | 2.00% | 101.81% | 65.86% |

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Schedule of Commission's OPEB Contributions – Last 10 Fiscal Years (Unaudited)

December 31, 2025

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution | N/A | N/A | N/A | N/A | N/A |
| Contributions made in relation to the actuarially determined contribution | \$ - | \$ - | \$ - | \$ - | \$ 985,287 |
| Contributions deficiency (excess) | N/A | N/A | N/A | N/A | N/A |
| Covered payroll | \$ 27,367,004 | \$ 24,586,721 | \$ 23,836,901 | \$ 25,236,379 | \$ 25,250,080 |
| Contributions as a percentage of payroll | 0.00% | 0.00% | 0.00% | 0.00% | 3.90% |
| | 2020 | 2019 | 2018 | 2017 | |
| Actuarially determined contribution | N/A | N/A | N/A | N/A | |
| Contributions made in relation to the actuarially determined contribution | \$ 4,526,168 | \$ 3,304,940 | \$ - | \$ 7,500,000 | |
| Contributions deficiency (excess) | N/A | N/A | N/A | N/A | |
| Covered payroll | \$ 26,570,518 | \$ 26,570,518 | \$ 22,381,020 | \$ 19,416,733 | |
| Contributions as a percentage of payroll | 17.03% | 12.44% | 0.00% | 38.63% | |

Notes to Schedule:

During fiscal year 2017 and 2018, the Commission did not determine an actuarially based contribution. Beginning in 2019, the Commission adopted the following policy, which was amended July 25, 2022:

1. For each calendar year, the Commission shall contribute to the OPEB Trust Fund an amount equivalent to the retiree benefit expenses paid during the immediately preceding calendar year plus a growth factor, such factor to be determined annually based on the average annual rate of change in retiree benefit expenses over the previous five calendar years.
2. Upon approval by the Administrative Committee of a calendar year's contribution amount, the contribution amount shall be paid into the OPEB Trust Fund in regular quarterly installments, or in such other regularly occurring time periods as determined by the Administrative Committee, after consultation with the OPEB Trust Fund Investment Manager. To the extent possible, the timing of such contribution installment payments should coincide with the requests for reimbursement from the OPEB Trust Fund of amounts paid by the Commission for retiree benefits for that time period.
3. The annual contribution amount and any installment thereof shall be reduced or suspended in any calendar year in which the OPEB Trust Fund assets exceed 100% of the actuarially determined liabilities.
4. Upon suspension of contributions under section 3 above, in any calendar year in which the assets of the OPEB Trust Fund shall have fallen below 85% of the actuarially determined liabilities, the Commission shall resume making contributions in accordance with this Policy beginning in the next subsequent calendar year.
5. The payment of the annual contribution amount or any installment thereof shall at all times be subject to the availability of funds for such purposes.

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

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Commission's Proportionate Share of Net Pension Liability (Unaudited)
December 31, 2025**

| | Commonwealth of Pennsylvania State Employee Retirement System - 2025 | Commonwealth of Pennsylvania State Employee Retirement System - 2024 | Commonwealth of Pennsylvania State Employee Retirement System - 2023 | Commonwealth of Pennsylvania State Employee Retirement System - 2022 | Commonwealth of Pennsylvania State Employee Retirement System - 2021 |
|---|---|---|---|---|---|
| Measurement date | 12/31/2024 | 12/31/2023 | 12/31/2022 | 12/31/2021 | 12/31/2020 |
| Commission's proportion of the net pension liability | 0.3294336600% | 0.3303005300% | 0.3299738800% | 0.3384595500% | 0.3520115300% |
| Commission's proportionate share of the net pension liability | \$ 66,399,475 | \$ 69,812,389 | \$ 75,393,276 | \$ 49,314,947 | \$ 64,405,616 |
| Commission's covered-employee payroll | 26,939,735 | 25,295,425 | 24,090,748 | 23,962,259 | 25,363,612 |
| Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 246.47% | 275.99% | 312.96% | 205.80% | 253.93% |
| Total pension liability | \$ 188,055,276 | \$ 184,242,848 | \$ 180,238,637 | \$ 179,168,658 | \$ 183,939,241 |
| Plan fiduciary net position | 127,350,896 | 120,311,727 | 110,895,007 | 136,165,714 | 123,301,650 |
| Plan fiduciary net position as a percentage of the total pension liability | 67.72% | 65.30% | 61.53% | 76.00% | 67.03% |

| | Commonwealth of Pennsylvania State Employee Retirement System - 2020 | Commonwealth of Pennsylvania State Employee Retirement System - 2019 | Commonwealth of Pennsylvania State Employee Retirement System - 2018 | Commonwealth of Pennsylvania State Employee Retirement System - 2017 | Commonwealth of Pennsylvania State Employee Retirement System - 2016 |
|---|---|---|---|---|---|
| Measurement date | 12/31/2019 | 12/31/2018 | 12/31/2017 | 12/31/2016 | 12/31/2015 |
| Commission's proportion of the net pension liability | 0.3549281000% | 0.3350465900% | 0.3194299700% | 0.3125523200% | 0.3021920300% |
| Commission's proportionate share of the net pension liability | \$ 64,518,812 | \$ 69,793,626 | \$ 55,234,900 | \$ 60,198,594 | \$ 54,950,087 |
| Commission's covered-employee payroll | 23,574,873 | 22,474,327 | 20,374,853 | 20,302,482 | 19,260,226 |
| Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 273.68% | 310.55% | 271.09% | 296.51% | 285.30% |
| Total pension liability | \$ 174,888,386 | \$ 160,045,093 | \$ 149,163,417 | \$ 142,674,552 | \$ 133,685,889 |
| Plan fiduciary net position | 110,369,574 | 90,251,467 | 93,928,518 | 82,475,958 | 78,735,802 |
| Plan fiduciary net position as a percentage of the total pension liability | 63.10% | 56.40% | 63.00% | 57.80% | 58.90% |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Commission’s Proportionate Share of Net Pension Liability (Unaudited)
December 31, 2025**

| | State of New Jersey Public Employees' Retirement System - 2025 | State of New Jersey Public Employees' Retirement System - 2024 | State of New Jersey Public Employees' Retirement System - 2023 | State of New Jersey Public Employees' Retirement System - 2022 | State of New Jersey Public Employees' Retirement System - 2021 |
|---|---|---|---|---|---|
| Measurement date | 6/30/2025 | 6/30/2024 | 6/30/2023 | 6/30/2022 | 6/30/2021 |
| Commission's proportion of the net pension liability | 0.0138343717% | 0.0129986286% | 0.0107071516% | 0.0096016962% | 0.0120012000% |
| Commission's proportionate share of the net pension liability \$ | 1,721,353 | 1,766,260 | 1,550,864 | 1,449,028 | 1,421,722 |
| Commission's covered-employee payroll | 1,175,653 | 966,732 | 863,205 | 806,934 | 835,392 |
| Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 146.42% | 182.70% | 179.66% | 179.57% | 170.19% |
| Total pension liability \$ | 3,982,217 | 5,604,423 | 4,497,745 | 3,939,506 | 4,843,632 |
| Plan fiduciary net position | 2,260,864 | 3,838,163 | 2,946,882 | 2,490,478 | 3,421,910 |
| Plan fiduciary net position as a percentage of the total pension liability | 56.77% | 68.48% | 65.52% | 63.22% | 70.65% |
| | State of New Jersey Public Employees' Retirement System - 2020 | State of New Jersey Public Employees' Retirement System - 2019 | State of New Jersey Public Employees' Retirement System - 2018 | State of New Jersey Public Employees' Retirement System - 2017 | State of New Jersey Public Employees' Retirement System - 2016 |
| Measurement date | 6/30/2020 | 6/30/2019 | 6/30/2018 | 6/30/2017 | 6/30/2016 |
| Commission's proportion of the net pension liability | 0.0111596553% | 0.0105050302% | 0.0108278375% | 0.0100866457% | 0.0074878511% |
| Commission's proportionate share of the net pension liability \$ | 1,819,848 | 1,892,847 | 2,131,947 | 2,348,010 | 2,217,687 |
| Commission's covered-employee payroll | 805,391 | 788,296 | 765,534 | 531,733 | 546,677 |
| Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 225.96% | 240.12% | 278.49% | 441.58% | 405.67% |
| Total pension liability \$ | 4,400,564 | 4,358,691 | 4,594,422 | 4,524,099 | 3,704,592 |
| Plan fiduciary net position | 2,580,716 | 2,465,844 | 2,462,475 | 2,176,089 | 1,486,905 |
| Plan fiduciary net position as a percentage of the total pension liability | 58.65% | 56.57% | 53.60% | 48.10% | 40.14% |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Schedule of Commission's Pension Contributions – Last 10 Fiscal Years (Unaudited) December 31, 2025

| | PA PERS - Last 10 Fiscal Years * | | | | | | | | | |
|--|----------------------------------|------------|------|------------|------|------------|------|------------|------|------------|
| | 2025 | | 2024 | | 2023 | | 2022 | | 2021 | |
| Contractually required contribution | \$ | 8,023,276 | \$ | 8,140,579 | \$ | 7,732,325 | \$ | 7,241,987 | \$ | 7,243,647 |
| Contributions in relation to the contractually required contribution | | 8,023,276 | | 8,140,579 | | 7,732,325 | | 7,241,987 | | 7,243,647 |
| Covered-employee payroll | | 26,939,735 | | 25,295,425 | | 25,327,490 | | 24,090,748 | | 23,962,259 |
| Contributions as a % of covered-employee payroll | | 29.78% | | 32.18% | | 30.53% | | 30.06% | | 30.23% |
| | PA PERS - Last 10 Fiscal Years * | | | | | | | | | |
| | 2020 | | 2019 | | 2018 | | 2017 | | 2016 | |
| Contractually required contribution | \$ | 7,614,406 | \$ | 7,056,141 | \$ | 6,549,178 | \$ | 5,872,463 | \$ | 5,057,845 |
| Contributions in relation to the contractually required contribution | | 7,614,406 | | 7,056,141 | | 6,549,178 | | 5,872,463 | | 5,057,845 |
| Covered-employee payroll | | 25,363,612 | | 23,574,873 | | 22,474,327 | | 20,374,853 | | 20,302,482 |
| Contributions as a % of covered-employee payroll | | 30.02% | | 29.93% | | 29.14% | | 28.82% | | 24.91% |
| | NJ PERS - Last 10 Fiscal Years * | | | | | | | | | |
| | 2025 | | 2024 | | 2023 | | 2022 | | 2021 | |
| Contractually required contribution | \$ | 180,651 | \$ | 176,875 | \$ | 143,104 | \$ | 121,082 | \$ | 140,548 |
| Contributions in relation to the contractually required contribution | | 180,651 | | 176,875 | | 143,104 | | 121,082 | | 140,548 |
| Covered-employee payroll | | 1,175,653 | | 966,732 | | 863,205 | | 740,345 | | 806,934 |
| Contributions as a % of covered-employee payroll | | 15.37% | | 18.30% | | 16.58% | | 16.35% | | 17.42% |
| | NJ PERS - Last 10 Fiscal Years * | | | | | | | | | |
| | 2020 | | 2019 | | 2018 | | 2017 | | 2016 | |
| Contractually required contribution | \$ | 122,081 | \$ | 102,184 | \$ | 107,702 | \$ | 93,442 | \$ | 66,521 |
| Contributions in relation to the contractually required contribution | | 122,081 | | 102,184 | | 107,702 | | 93,442 | | 66,521 |
| Covered-employee payroll | | 835,392 | | 805,391 | | 788,296 | | 765,534 | | 531,733 |
| Contributions as a % of covered-employee payroll | | 14.61% | | 12.69% | | 13.66% | | 12.21% | | 12.51% |

OTHER SUPPLEMENTARY SCHEDULES

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Toll Revenue – Cash
Year Ended December 31, 2025**

| Class | Description | 2025 Rate | Trenton-Morrisville | | New Hope-Lambertville | | Interstate 78 | | Easton-Phillipsburg | |
|-------|---|--------------|---------------------|-----------------|-----------------------|-----------------|----------------|-----------------|---------------------|-----------------|
| | | | Cash Volume | Cash Revenue | Cash Volume | Cash Revenue | Cash Volume | Cash Revenue | Cash Volume | Cash Revenue |
| 1 | Automobile subtotal | \$ 3.00 | 21,198 | \$ 63,594 | - | \$ - | 27,040 | \$ 81,120 | 11,552 | \$ 34,656 |
| 11 | Auto with trailer | 5.00 | 109 | 545 | - | - | 268 | 1,340 | 95 | 475 |
| | Automobile subtotal | | 21,307 | 64,139 | - | - | 27,308 | 82,460 | 11,647 | 35,131 |
| 2 | Commercial 2-axle peak | 10.00 | 482 | 4,820 | - | - | 471 | 4,710 | 276 | 2,760 |
| 3 | Commercial 3-axle peak | 15.00 | 70 | 1,050 | - | - | 62 | 930 | 45 | 675 |
| 4 | Commercial 4-axle peak | 20.00 | 24 | 480 | - | - | 113 | 2,260 | 50 | 1,000 |
| 5 | Commercial 5-axle peak | 25.00 | 231 | 5,775 | - | - | 939 | 23,475 | 209 | 5,225 |
| 6 | Commercial 6-axle peak | 30.00 | - | - | - | - | 8 | 240 | 1 | 30 |
| 7 | Commercial 7-axle peak | 35.00 | 1 | 35 | - | - | 2 | 70 | - | - |
| | Commercial subtotal | | 808 | 12,160 | - | - | 1,595 | 31,685 | 581 | 9,690 |
| | Extra axles subtotal | | - | - | - | - | - | - | - | - |
| | Non-revenue * | | 7 | - | - | - | 47 | - | 195 | - |
| | Gross cash tolls | | 22,115 | 76,299 | - | - | 28,903 | 114,145 | 12,228 | 44,821 |
| | Discounts, allowances and other adjustments | | | 125 | | - | | 422 | | 107 |
| | Net cash revenue | | | \$ 76,424 | | \$ - | | \$ 114,567 | | \$ 44,928 |

Note: Non-Revenue not included in Total Volume Amount

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Toll Revenue – Cash
Year Ended December 31, 2025**

| Class | Description | 2025 Rate | Portland-Columbia | | Delaware Water Gap | | Milford-Montague | | Totals | |
|-------|---|--------------|-------------------|-----------------|--------------------|-----------------|------------------|-----------------|----------------|-----------------|
| | | | Cash Volume | Cash Revenue | Cash Volume | Cash Revenue | Cash Volume | Cash Revenue | Cash Volume | Cash Revenue |
| 1 | Automobile subtotal | \$ 3.00 | - | \$ - | 29,774 | \$ 89,322 | - | \$ - | 89,564 | \$ 268,692 |
| 11 | Auto with trailer | 5.00 | - | - | 145 | 725 | - | - | 617 | 3,085 |
| | Automobile subtotal | | - | - | 29,919 | 90,047 | - | - | 90,181 | 271,777 |
| 2 | Commercial 2-axle peak | 10.00 | - | - | 367 | 3,670 | - | - | 1,596 | 15,960 |
| 3 | Commercial 3-axle peak | 15.00 | - | - | 36 | 540 | - | - | 213 | 3,195 |
| 4 | Commercial 4-axle peak | 20.00 | - | - | 45 | 900 | - | - | 232 | 4,640 |
| 5 | Commercial 5-axle peak | 25.00 | - | - | 525 | 13,125 | - | - | 1,904 | 47,600 |
| 6 | Commercial 6-axle peak | 30.00 | - | - | 3 | 90 | - | - | 12 | 360 |
| 7 | Commercial 7-axle peak | 35.00 | - | - | - | - | - | - | 3 | 105 |
| | Commercial subtotal | | - | - | 976 | 18,325 | - | - | 3,960 | 71,860 |
| | Extra axles subtotal | | - | - | - | - | - | - | - | - |
| | Non-revenue * | | - | - | 25 | - | - | - | 274 | - |
| | Gross cash tolls | | - | - | 30,895 | 108,372 | - | - | 94,141 | 343,637 |
| | Discounts, allowances and other adjustments | | | - | | 483 | | - | | 1,137 |
| | Net cash revenue | | | \$ - | | \$ 108,855 | | \$ - | | \$ 344,774 |

Note: Non-Revenue not included in Total Volume Amount

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Toll Revenue – Electronic Toll Collection
Year Ended December 31, 2025**

| Class | Description | E-Z Pass Rate | Toll-by-Plate Rate | Trenton-Morrisville | | Scudder Falls | | New Hope-Lambertville | | Interstate 78 | |
|-------|--|------------------|-----------------------|---------------------|----------------------|---------------------|----------------------|-----------------------|----------------------|---------------------|----------------------|
| | | | | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue |
| | | | | | | | | | | | |
| 1 | Automobile subtotal | \$ 1.50 | \$ 3.00 | 7,481,192 | \$ 12,672,203 | 7,677,206 | \$ 12,432,769 | 1,515,600 | \$ 2,409,356 | 7,906,951 | \$ 13,679,344 |
| 11 | Auto with 1-axle trailer | 3.50 | 5.00 | 55,627 | 215,080 | 36,207 | 139,040 | 18,661 | 70,692 | 90,779 | 356,675 |
| | Automobile subtotal | | | 7,536,819 | 12,887,283 | 7,713,413 | 12,571,809 | 1,534,261 | 2,480,048 | 7,997,730 | 14,036,019 |
| 2 | Commercial 2-axle peak | 9.00 | 10.00 | 263,681 | 2,403,396 | 207,156 | 1,882,969 | 72,820 | 636,285 | 364,126 | 3,332,049 |
| 3 | Commercial 3-axle peak | 13.50 | 15.00 | 127,370 | 1,743,329 | 37,995 | 517,089 | 15,896 | 216,443 | 163,066 | 2,228,729 |
| 4 | Commercial 4-axle peak | 18.00 | 20.00 | 96,846 | 1,768,832 | 30,204 | 552,248 | 10,716 | 196,078 | 203,540 | 3,712,310 |
| 5 | Commercial 5-axle peak | 22.50 | 25.00 | 344,518 | 7,879,583 | 145,767 | 3,319,493 | 43,584 | 992,100 | 2,569,286 | 58,464,398 |
| 6 | Commercial 6-axle peak | 27.00 | 30.00 | 9,734 | 265,530 | 2,359 | 64,311 | 3,843 | 104,484 | 56,443 | 1,531,143 |
| 7 | Commercial 7-axle peak | 31.50 | 35.00 | 233 | 7,543 | 218 | 7,471 | 35 | 1,134 | 1,912 | 65,106 |
| | Commercial subtotal | | | 842,382 | 14,068,213 | 423,699 | 6,343,581 | 146,894 | 2,146,524 | 3,358,373 | 69,333,735 |
| | Gross ETC tolls | | | 8,379,201 | 26,955,496 | 8,137,112 | 18,915,390 | 1,681,155 | 4,626,572 | 11,356,103 | 83,369,754 |
| | Commuter discounts | | | | - | | - | | - | | - |
| | Violations, allowances and other adjustments | | | | (16,238,592) | | (8,179,119) | | (1,341,036) | | (23,638,662) |
| | Penalties on violations | | | | 15,737,159 | | 9,494,762 | | 1,233,881 | | 19,396,190 |
| | Commission vehicles | | | | (99,763) | | (39,587) | | (68,572) | | (36,525) |
| | Net ETC revenue | | | | \$ 26,354,300 | | \$ 20,191,446 | | \$ 4,450,845 | | \$ 79,090,757 |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Schedule of Toll Revenue – Electronic Toll Collection Year Ended December 31, 2025

| Class | Description | E-Z Pass Rate | Toll-by-Plate Rate | Easton-Phillipsburg | | Portland-Columbia | | Delaware Water Gap | | Milford-Montague | | Totals | |
|-------|--|------------------|-----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|
| | | | | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue | ETC / TBP Volume | ETC / TBP Revenue |
| 1 | Automobile subtotal | \$ 1.50 | \$ 3.00 | 4,932,992 | \$ 8,236,242 | 1,022,083 | \$ 1,713,443 | 7,251,440 | \$ 12,708,534 | 1,099,256 | \$ 1,850,060 | 38,886,720 | \$ 65,701,951 |
| 11 | Auto with 1-axle trailer | 3.50 | 5.00 | 37,487 | 145,837 | 13,045 | 50,323 | 66,468 | 257,963 | 15,621 | 59,891 | 333,895 | 1,295,501 |
| | Automobile subtotal | | | 4,970,479 | 8,382,079 | 1,035,128 | 1,763,766 | 7,317,908 | 12,966,497 | 1,114,877 | 1,909,951 | 39,220,615 | 66,997,452 |
| 2 | Commercial 2-axle peak | 9.00 | 10.00 | 150,211 | 1,368,781 | 32,402 | 294,523 | 267,504 | 2,446,256 | 30,501 | 278,479 | 1,388,401 | 12,642,738 |
| 3 | Commercial 3-axle peak | 13.50 | 15.00 | 40,519 | 556,034 | 14,862 | 202,869 | 82,615 | 1,128,921 | 3,817 | 52,553 | 486,140 | 6,645,967 |
| 4 | Commercial 4-axle peak | 18.00 | 20.00 | 29,530 | 537,680 | 48,443 | 888,306 | 66,350 | 1,213,132 | 2,865 | 52,960 | 488,494 | 8,921,546 |
| 5 | Commercial 5-axle peak | 22.50 | 25.00 | 184,680 | 4,210,610 | 48,791 | 1,108,500 | 1,150,801 | 26,234,800 | 8,075 | 184,165 | 4,495,502 | 102,393,649 |
| 6 | Commercial 6-axle peak | 27.00 | 30.00 | 2,458 | 67,287 | 570 | 15,528 | 31,681 | 859,779 | 295 | 8,031 | 107,383 | 2,916,093 |
| 7 | Commercial 7-axle peak | 31.50 | 35.00 | 61 | 1,950 | 13 | 410 | 969 | 33,783 | 32 | 1,012 | 3,473 | 118,409 |
| | Commercial subtotal | | | 407,459 | 6,742,342 | 145,081 | 2,510,136 | 1,599,920 | 31,916,671 | 45,585 | 577,200 | 6,969,393 | 133,638,402 |
| | Gross ETC tolls | | | 5,377,938 | 15,124,421 | 1,180,209 | 4,273,902 | 8,917,828 | 44,883,168 | 1,160,462 | 2,487,151 | 46,190,008 | 200,635,854 |
| | Commuter discounts | | | | - | | - | | - | | - | | - |
| | Violations, allowances and other adjustments | | | | (7,755,366) | | (2,100,202) | | (19,773,465) | | (1,671,316) | | (80,697,758) |
| | Penalties on violations | | | | 7,581,945 | | 2,003,462 | | 17,914,597 | | 1,696,972 | | 75,058,968 |
| | Commission vehicles | | | | (71,765) | | (44,839) | | (49,616) | | (60,507) | | (471,174) |
| | Net ETC revenue | | | | \$ 14,879,235 | | \$ 4,132,323 | | \$ 42,974,684 | | \$ 2,452,300 | | \$ 194,525,890 |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Operating Expenses
Year Ended December 31, 2025**

| Description | Total | | Trenton- Morrisville | Scudder Falls | New Hope - Lambertville | I-78 |
|---|--------------------------------|-----------------------|---------------------------------|--------------------------|------------------------------------|----------------------|
| | Year Ended December 31, | | | | | |
| | 2024 | 2025 | | | | |
| Salaries and wages | \$ 28,314,708 | \$ 28,903,739 | \$ 1,663,042 | \$ 2,706,008 | \$ 1,322,842 | \$ 2,539,321 |
| Employee benefits | 22,493,130 | 23,139,975 | 1,284,174 | 2,002,495 | 1,045,925 | 2,027,346 |
| GASB 68 | (378,905) | 345,306 | 24,020 | 23,870 | 18,265 | 29,293 |
| Other post-employment benefits | (1,308,012) | 1,932,121 | 65,925 | 116,637 | 65,925 | 136,922 |
| | <u>49,120,921</u> | <u>54,321,141</u> | <u>3,037,161</u> | <u>4,849,010</u> | <u>2,452,957</u> | <u>4,732,882</u> |
| Allocation of departmental expenses | - | - | 342,628 | 450,000 | 191,834 | 232,447 |
| Heat, light and power | 817,085 | 1,035,655 | 123,897 | 33,585 | 109,864 | 190,762 |
| Office expense | 300,919 | 232,412 | 7,300 | 4,230 | 5,715 | 4,316 |
| Information technology and communications | 2,278,216 | 2,540,538 | 65,383 | 43,579 | 63,692 | 248,973 |
| Travel, meetings and education expense | 210,421 | 471,191 | - | - | 100 | 527 |
| E-ZPass and traffic count operating and maintenance | 12,001,377 | 15,782,072 | 2,464,217 | 3,139,339 | 632,143 | 3,710,716 |
| State Police Bridge Security | 7,271,908 | 7,586,000 | 1,099,970 | 953,560 | 286,751 | 1,348,032 |
| Operating and maintenance expenses | 3,551,960 | 3,392,769 | 107,174 | 115,234 | 242,758 | 458,445 |
| Insurance | 5,631,082 | 5,641,971 | 552,317 | 1,010,915 | 537,988 | 825,219 |
| Professional service fee | 1,198,453 | 1,392,060 | - | - | - | - |
| Advertising and marketing | 31,969 | 32,546 | - | - | - | - |
| General contingency | 246,087 | - | - | - | - | - |
| Subscription amortization and interest expense | 105,345 | 99,290 | - | - | - | - |
| Depreciation | 40,331,181 | 42,394,729 | 4,580,804 | 12,078,515 | 1,139,539 | 7,566,320 |
| | <u>73,976,003</u> | <u>80,601,233</u> | <u>9,343,690</u> | <u>17,828,955</u> | <u>3,210,383</u> | <u>14,585,757</u> |
| Total operating expenses | <u>\$ 123,096,924</u> | <u>\$ 134,922,374</u> | <u>\$ 12,380,851</u> | <u>\$ 22,677,965</u> | <u>\$ 5,663,340</u> | <u>\$ 19,318,639</u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Operating Expenses
Year Ended December 31, 2025**

| Description | Easton - Phillipsburg | Portland - Columbia | Delaware Water Gap | Milford - Montague | Toll Supported Bridges | Administrative Expenses |
|---|----------------------------------|--------------------------------|-------------------------------|-------------------------------|-----------------------------------|------------------------------------|
| Salaries and wages | \$ 1,987,858 | \$ 1,059,456 | \$ 2,304,418 | \$ 1,482,854 | \$ 7,526,128 | \$ 6,311,812 |
| Employee benefits | 1,529,565 | 896,023 | 1,822,579 | 1,154,356 | 5,991,201 | 5,386,311 |
| GASB 68 | 26,097 | 14,527 | 31,170 | 19,843 | 63,967 | 94,254 |
| Other post-employment benefits | 101,424 | 70,997 | 116,637 | 86,210 | 502,047 | 669,397 |
| | <u>3,644,944</u> | <u>2,041,003</u> | <u>4,274,804</u> | <u>2,743,263</u> | <u>14,083,343</u> | <u>12,461,774</u> |
| Allocation of departmental expenses | 131,804 | 68,323 | 192,164 | 81,016 | 585,031 | (2,275,247) |
| Heat, light and power | 75,759 | 41,243 | 55,563 | 60,182 | 73,979 | 270,821 |
| Office expense | 2,313 | 1,725 | 2,685 | 1,679 | - | 202,449 |
| Information technology and communications | 202,430 | 56,455 | 110,658 | 186,537 | 253,693 | 1,309,138 |
| Travel, meetings and education expense | 513 | - | - | - | - | 470,051 |
| E-ZPass and traffic count operating and maintenance | 1,526,163 | 567,514 | 3,194,756 | 541,664 | 5,560 | - |
| State Police Bridge Security | 709,291 | 157,789 | 1,108,315 | 144,134 | 1,778,158 | - |
| Operating and maintenance expenses | 258,714 | 267,605 | 261,141 | 136,219 | 114,779 | 1,430,700 |
| Insurance | 381,754 | 248,796 | 643,911 | 221,495 | 861,429 | 358,147 |
| Professional service fee | - | - | - | - | - | 1,392,060 |
| Advertising and marketing | - | - | - | - | - | 32,546 |
| General contingency | - | - | - | - | - | - |
| Subscription amortization and interest expense | - | - | - | - | - | 99,290 |
| Depreciation | 2,669,582 | 821,020 | 2,381,891 | 662,379 | 6,591,375 | 3,903,304 |
| | <u>5,958,323</u> | <u>2,230,470</u> | <u>7,951,084</u> | <u>2,035,305</u> | <u>10,264,004</u> | <u>7,193,259</u> |
| Total operating expenses | <u>\$ 9,603,267</u> | <u>\$ 4,271,473</u> | <u>\$ 12,225,888</u> | <u>\$ 4,778,568</u> | <u>\$ 24,347,348</u> | <u>\$ 19,655,033</u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Analysis of E-ZPass, Toll-by-Plate, and Violations Receivable Year Ended December 31, 2025

| | | |
|--|--------------------|-----------------------------|
| Balance, January 1, 2025 | | \$ 25,850,623 |
| Increased by | | |
| Gross E-ZPass and Toll-by-Plate tolls | \$ 200,635,845 | |
| Delaware River Joint Toll Bridge Commission vehicles | (471,204) | |
| Toll violations, allowances and charge offs | <u>(5,765,635)</u> | |
| | | <u>194,399,006</u> |
| | | 220,249,629 |
| Decreased by | | |
| Cash received from other agencies | 164,595,187 | |
| Toll bill payments | 7,268,844 | |
| Cash received from violations | <u>9,310,969</u> | |
| | | <u>181,175,000</u> |
| Balance, December 31, 2025 | | <u><u>\$ 39,074,629</u></u> |
| Analysis of balance | | |
| E-ZPass - due from other agencies | | \$ 10,422,395 |
| Toll bill receivable, suspense | | 7,432,804 |
| Toll violations receivable | | 265,184,020 |
| Allowance for uncollectibles | | <u>(243,964,590)</u> |
| | | <u><u>\$ 39,074,629</u></u> |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Analysis of Improvements in Progress Year Ended December 31, 2025

| | |
|---|-----------------------------|
| Balance, January 1, 2025 | \$ 113,249,174 |
| Increased by | |
| Purchases | <u>63,031,729</u> |
| | 176,280,903 |
| Decreased by | |
| Transferred to capital assets - completed | <u>(104,580,306)</u> |
| Balance, December 31, 2025 | <u><u>\$ 71,700,597</u></u> |

Analysis of Capital Assets – Completed

| | January 1, 2025 | Additions | Deletions | December 31, 2025 |
|---|-----------------------|-----------------------|--------------------|-------------------------|
| Land | \$ 135,115,253 | \$ - | \$ - | \$ 135,115,253 |
| Buildings | 106,258,161 | 21,923,271 | - | 128,181,432 |
| Infrastructure | 1,332,246,530 | 74,221,207 | - | 1,406,467,737 |
| Equipment | <u>67,558,354</u> | <u>11,277,278</u> | <u>(1,045,789)</u> | <u>77,789,843</u> |
| | 1,641,178,298 | 107,421,756 | (1,045,789) | 1,747,554,265 |
| Less: accumulated depreciation | <u>(653,489,129)</u> | <u>(42,394,729)</u> | <u>1,026,382</u> | <u>(694,857,476)</u> |
| | <u>\$ 987,689,169</u> | <u>\$ 65,027,027</u> | <u>\$ (19,407)</u> | <u>\$ 1,052,696,789</u> |
| Transferred from improvements in progress | | \$ 104,580,306 | | |
| Purchases | | <u>2,841,450</u> | | |
| | | <u>\$ 107,421,756</u> | | |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Proprietary Fund – Schedule of Investments Year Ended December 31, 2025

| Descriptions | Face | Descriptions | Coupon Rate | Date of Maturity | Market Value | Fair Value Cost | S&P Rating |
|--------------------------------|--------------|---------------------------------------|-------------|------------------|-----------------|-----------------|------------|
| US Fed. Agency Notes and Bonds | \$ 3,000,000 | Federal Home Loan Banks | 3.667% | 10/1/2027 | \$ 2,996,598.00 | \$ 3,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 1,500,000 | Federal Home Loan Banks | 4.310% | 10/22/2027 | \$ 1,502,842.50 | \$ 1,500,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,000,000 | Federal Home Loan Banks | 4.520% | 1/14/2028 | \$ 3,000,828.00 | \$ 2,999,114.81 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal National Mortgage Association | 4.650% | 1/27/2028 | \$ 5,003,285.00 | \$ 5,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal Home Loan Banks | 4.550% | 2/18/2028 | \$ 5,004,935.00 | \$ 5,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 1,610,000 | Federal Home Loan Banks | 4.280% | 3/13/2028 | \$ 1,612,044.70 | \$ 1,610,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 4,000,000 | Federal Home Loan Banks | 4.300% | 3/24/2028 | \$ 4,006,000.00 | \$ 4,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 2,000,000 | Federal Home Loan Mortgage Corp | 4.250% | 4/24/2028 | \$ 2,003,070.00 | \$ 2,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 4,400,000 | Federal National Mortgage Association | 4.100% | 8/10/2028 | \$ 4,408,074.00 | \$ 4,402,305.58 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,000,000 | Federal Home Loan Banks | 5.000% | 3/20/2029 | \$ 3,008,760.00 | \$ 3,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal National Mortgage Association | 4.150% | 7/11/2029 | \$ 5,012,425.00 | \$ 5,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 4,000,000 | Federal Home Loan Banks | 4.000% | 9/10/2029 | \$ 3,992,720.00 | \$ 4,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,083,000 | Federal Home Loan Mortgage Corp | 4.500% | 9/19/2029 | \$ 3,088,651.14 | \$ 3,091,333.97 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,000,000 | Federal Home Loan Banks | 4.150% | 5/7/2030 | \$ 3,010,818.00 | \$ 3,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal Home Loan Banks | 4.570% | 7/8/2030 | \$ 5,015,555.00 | \$ 5,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 1,700,000 | Federal Home Loan Banks | 4.200% | 8/12/2030 | \$ 1,699,736.50 | \$ 1,700,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,830,000 | Federal National Mortgage Association | 4.100% | 8/19/2030 | \$ 3,828,713.12 | \$ 3,827,335.19 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal Home Loan Banks | 4.000% | 9/9/2030 | \$ 4,985,515.00 | \$ 5,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal National Mortgage Association | 3.750% | 9/10/2030 | \$ 4,948,100.00 | \$ 5,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 2,500,000 | Federal Home Loan Banks | 3.740% | 9/20/2030 | \$ 2,474,020.00 | \$ 2,500,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 2,500,000 | Federal Home Loan Banks | 3.800% | 10/15/2030 | \$ 2,478,192.50 | \$ 2,500,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,000,000 | Federal Home Loan Mortgage Corp | 4.000% | 11/20/2030 | \$ 2,993,742.00 | \$ 3,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 3,000,000 | Federal Home Loan Banks | 3.900% | 11/26/2030 | \$ 2,981,637.00 | \$ 3,000,000.00 | AA+ |
| US Fed. Agency Notes and Bonds | \$ 5,000,000 | Federal National Mortgage Association | 3.875% | 12/16/2030 | \$ 4,969,405.00 | \$ 5,000,000.00 | AA+ |

Total US Federal Agency Notes and Bonds \$ 84,025,667.46

| | | | | | | | |
|------------------|---------------|------------------------|--------|------------|------------------|------------------|-----|
| US Treasury Note | \$ 1,000,000 | United States Treasury | 4.625% | 9/15/2026 | \$ 1,007,226.56 | \$ 998,134.66 | AA+ |
| US Treasury Note | \$ 1,000,000 | United States Treasury | 4.625% | 9/30/2028 | \$ 1,028,320.31 | \$ 995,601.18 | AA+ |
| US Treasury Note | \$ 2,000,000 | United States Treasury | 4.375% | 11/30/2028 | \$ 2,045,546.88 | \$ 2,006,087.90 | AA+ |
| US Treasury Note | \$ 8,645,000 | United States Treasury | 4.250% | 1/31/2026 | \$ 8,646,013.11 | \$ 8,644,836.60 | AA+ |
| US Treasury Note | \$ 15,962,000 | United States Treasury | 4.250% | 1/31/2026 | \$ 15,963,870.59 | \$ 15,961,698.29 | AA+ |
| US Treasury Note | \$ 47,625,000 | United States Treasury | 4.250% | 1/31/2026 | \$ 47,630,581.17 | \$ 47,624,577.52 | AA+ |
| US Treasury Note | \$ 1,017,000 | United States Treasury | 4.250% | 1/31/2026 | \$ 1,017,119.18 | \$ 1,016,993.38 | AA+ |

Total US Government Treasuries \$ 77,338,677.80

| | | | | | | | |
|----------------|--------------|------------------------------|--------|------------|-----------------|-----------------|-----|
| Corporate Bond | \$ 2,000,000 | METLIFE | 5.135% | 1/6/2026 | \$ 1,999,236.00 | \$ 1,999,963.23 | AA- |
| Corporate Bond | \$ 2,000,000 | METLIFE | 4.486% | 1/6/2026 | \$ 1,999,236.00 | \$ 2,000,135.76 | AA- |
| Corporate Bond | \$ 2,093,000 | Procter & Gamble CO | 3.897% | 1/15/2026 | \$ 2,094,810.45 | \$ 2,095,002.94 | AA- |
| Corporate Bond | \$ 2,250,000 | Mass Mutual Global | 5.350% | 4/10/2026 | \$ 2,253,276.00 | \$ 2,245,063.21 | AA+ |
| Corporate Bond | \$ 2,000,000 | Mass Mutual Global | 5.151% | 4/10/2026 | \$ 2,002,912.00 | \$ 1,996,608.22 | AA+ |
| Corporate Bond | \$ 2,000,000 | Met Tower Global Fund | 4.853% | 6/20/2026 | \$ 2,011,678.00 | \$ 2,004,825.78 | AA- |
| Corporate Bond | \$ 2,500,000 | SIEMENS | 6.125% | 8/17/2026 | \$ 2,530,970.00 | \$ 2,526,182.54 | AA- |
| Corporate Bond | \$ 3,000,000 | Bank of Montreal | 4.430% | 9/21/2026 | \$ 2,991,138.00 | \$ 3,000,000.00 | NA |
| Corporate Bond | \$ 3,500,000 | Roche Holdings Inc | 5.265% | 11/13/2026 | \$ 3,534,835.50 | \$ 3,511,904.48 | AA |
| Corporate Bond | \$ 3,000,000 | Aust & NZ Banking Group | 4.750% | 1/18/2027 | \$ 3,026,325.00 | \$ 3,014,558.20 | AA- |
| Corporate Bond | \$ 2,000,000 | New York Life Global | 4.900% | 4/2/2027 | \$ 2,024,758.00 | \$ 2,001,394.75 | AA+ |
| Corporate Bond | \$ 1,000,000 | EQUINOR ASA | 3.000% | 4/6/2027 | \$ 991,527.00 | \$ 978,704.38 | AA- |
| Corporate Bond | \$ 3,000,000 | Mass Mutual Global | 5.100% | 4/9/2027 | \$ 3,042,834.00 | \$ 3,008,119.09 | AA+ |
| Corporate Bond | \$ 3,000,000 | Chevron Corp | 1.995% | 5/11/2027 | \$ 2,932,389.00 | \$ 2,910,202.44 | AA- |
| Corporate Bond | \$ 5,000,000 | USAA CAP CORP | 5.250% | 6/1/2027 | \$ 5,102,050.00 | \$ 5,013,048.18 | AA- |
| Corporate Bond | \$ 3,000,000 | Guardian Life Global Funding | 5.550% | 10/28/2027 | \$ 3,087,330.00 | \$ 3,034,410.50 | AA+ |
| Corporate Bond | \$ 3,000,000 | New York Life Global | 4.850% | 1/9/2028 | \$ 3,053,997.00 | \$ 2,990,580.09 | AA+ |
| Corporate Bond | \$ 4,000,000 | National Securities Clearing | 5.000% | 5/30/2028 | \$ 4,093,492.00 | \$ 4,030,974.26 | AA+ |
| Corporate Bond | \$ 5,000,000 | Metro Life Global | 5.400% | 9/12/2028 | \$ 5,179,300.00 | \$ 5,178,640.37 | AA- |
| Corporate Bond | \$ 5,000,000 | Nuveen LLC | 4.000% | 11/1/2028 | \$ 4,997,175.00 | \$ 4,863,091.53 | AA |
| Corporate Bond | \$ 1,850,000 | New York Life Global | 4.700% | 1/29/2029 | \$ 1,881,723.80 | \$ 1,883,829.60 | AA+ |

Total Corporate Bonds \$ 60,830,993

| | | | | | | | |
|------------------|--------------|-----------------|--------|-----------|-----------------|-----------------|-----|
| Commercial Paper | \$ 5,000,000 | Lloyd Bank Corp | 0.000% | 5/13/2026 | \$ 4,929,985.00 | \$ 4,292,600.00 | A-1 |
|------------------|--------------|-----------------|--------|-----------|-----------------|-----------------|-----|

Total Commercial Paper \$ 4,929,985

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

Proprietary Fund – Schedule of Investments Year Ended December 31, 2025

| Descriptions | Face | Descriptions | Coupon Rate | Date of Maturity | Market Value | Fair Value Cost | S&P Rating |
|---|--------------|--------------------------------|-------------|------------------|-----------------|-----------------|------------|
| Municipal and State Obligations and Funds | \$ 3,000,000 | City of New York | 2.642% | 4/1/2026 | \$ 2,945,728.57 | \$ 3,004,519.89 | AA |
| Municipal and State Obligations and Funds | \$ 1,480,000 | Los Angeles CA Community Colle | 1.174% | 8/1/2026 | \$ 1,458,452.13 | \$ 1,464,324.25 | AA+ |
| Municipal and State Obligations and Funds | \$ 7,500,000 | Texas Public Finance Authority | 5.000% | 10/1/2026 | \$ 7,567,373.03 | \$ 7,701,252.42 | AAA |
| Municipal and State Obligations and Funds | \$ 910,000 | Baltimore MD | 6.000% | 10/15/2026 | \$ 927,962.04 | \$ 923,458.16 | AA |
| Municipal and State Obligations and Funds | \$ 2,000,000 | New York City NY | 5.267% | 5/1/2027 | \$ 2,021,217.34 | \$ 2,023,934.25 | AAA |
| Municipal and State Obligations and Funds | \$ 560,000 | Prince Georges MD | 3.660% | 5/1/2027 | \$ 561,264.44 | \$ 557,718.07 | AA+ |
| Municipal and State Obligations and Funds | \$ 1,000,000 | New York State Dormitory Auth | 4.526% | 7/1/2027 | \$ 1,009,839.89 | \$ 998,077.51 | AA- |
| Municipal and State Obligations and Funds | \$ 1,000,000 | New York City NY | 3.450% | 12/1/2027 | \$ 992,830.63 | \$ 983,174.88 | AA |
| Municipal and State Obligations and Funds | \$ 2,000,000 | State of California | 3.500% | 4/1/2028 | \$ 1,996,207.67 | \$ 1,938,820.11 | AA- |
| Municipal and State Obligations and Funds | \$ 3,000,000 | Albemarle Cnty VA Economic Dev | 5.300% | 6/1/2028 | \$ 3,017,748.63 | \$ 3,002,456.85 | AA+ |
| Municipal and State Obligations and Funds | \$ 2,289,489 | Oregon School Boards | 5.528% | 6/30/2028 | \$ 2,330,713.00 | \$ 2,318,446.64 | AA |
| Municipal and State Obligations and Funds | \$ 2,550,000 | Boston College | 4.519% | 7/1/2028 | \$ 2,598,837.80 | \$ 2,539,386.15 | AA- |
| Municipal and State Obligations and Funds | \$ 4,000,000 | New York State Dormitory Auth | 5.552% | 2/15/2029 | \$ 4,152,293.24 | \$ 4,159,748.39 | AA+ |
| Municipal and State Obligations and Funds | \$ 510,000 | West Virginia Housing Developm | 6.000% | 5/1/2029 | \$ 539,413.84 | \$ 537,459.82 | AAA |
| Municipal and State Obligations and Funds | \$ 505,000 | West Virginia Housing Developm | 6.000% | 11/1/2029 | \$ 535,458.55 | \$ 535,057.40 | AAA |
| Municipal and State Obligations and Funds | \$ 3,850,000 | Commonwealth of Massachusetts | 5.631% | 6/1/2030 | \$ 3,963,165.19 | \$ 3,988,077.05 | AAA |

Total Municipal and State Obligations and Funds

\$ 36,618,506

Total Investments

\$ 263,743,829

Recapitulation of balance:

Unrestricted investments

\$ 199,132,257

Restricted investments

64,611,572

Balance, December 31, 2025

\$ 263,743,829

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Revenue Bonds
Year Ended December 31, 2025**

| Series | Date of Issue | Original Issue | Maturities | | | Rate | Balance | Issued | Decreased | Balance |
|----------|---------------|----------------|------------|------------|-----------------|---------------|-------------------|--------------|---------------|---------|
| | | | Date | Amount | January 1, 2025 | | December 31, 2025 | | | |
| 2015 | 4/29/2015 | \$ 86,505,000 | 7/1/2026 | 3,180,000 | 5.00% | \$ 59,655,000 | \$ - | \$ 3,015,000 | \$ 56,640,000 | |
| | | | 7/1/2027 | 4,540,000 | 3.00% | | | | | |
| | | | 7/1/2028 | 3,380,000 | 3.13% | | | | | |
| | | | 7/1/2032 | 545,000 | 3.38% | | | | | |
| | | | 7/1/2033 | 10,595,000 | 4.00% | | | | | |
| | | | 7/1/2034 | 11,020,000 | 4.00% | | | | | |
| | | | 7/1/2035 | 11,460,000 | 4.00% | | | | | |
| | | | 7/1/2036 | 11,920,000 | 3.63% | | | | | |
| 2017 | 2/14/2017 | 430,250,000 | 7/1/2026 | - | - | 422,855,000 | - | 1,070,000 | 421,785,000 | |
| | | | 7/1/2027 | 20,000 | 4.00% | | | | | |
| | | | 7/1/2028 | 35,000 | 4.00% | | | | | |
| | | | 7/1/2029 | 8,380,000 | 5.00% | | | | | |
| | | | 7/1/2030 | 8,845,000 | 5.00% | | | | | |
| | | | 7/1/2031 | 10,765,000 | 5.00% | | | | | |
| | | | 7/1/2032 | 14,735,000 | 5.00% | | | | | |
| | | | 7/1/2033 | 15,715,000 | 5.00% | | | | | |
| | | | 7/1/2034 | 16,500,000 | 5.00% | | | | | |
| | | | 7/1/2035 | 17,325,000 | 5.00% | | | | | |
| | | | 7/1/2036 | 18,190,000 | 5.00% | | | | | |
| | | | 7/1/2037 | 22,015,000 | 5.00% | | | | | |
| | | | 7/1/2038 | 23,115,000 | 5.00% | | | | | |
| | | | 7/1/2039 | 24,270,000 | 5.00% | | | | | |
| | | | 7/1/2040 | 25,485,000 | 5.00% | | | | | |
| | | | 7/1/2041 | 26,760,000 | 5.00% | | | | | |
| | | | 7/1/2042 | 28,100,000 | 5.00% | | | | | |
| | | | 7/1/2043 | 29,505,000 | 5.00% | | | | | |
| | | | 7/1/2044 | 30,845,000 | 5.00% | | | | | |
| 7/1/2045 | 32,240,000 | 5.00% | | | | | | | | |
| 7/1/2046 | 33,705,000 | 5.00% | | | | | | | | |
| 7/1/2047 | 35,235,000 | 5.00% | | | | | | | | |

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Revenue Bonds
Year Ended December 31, 2025**

| Series | Date of Issue | Original Issue | Maturities | | Rate | Balance | Issued | Decreased | Balance |
|----------------------|---------------|----------------|------------|-----------|------------|-----------------|-----------|---------------|-------------------|
| | | | Date | Amount | | January 1, 2025 | | | December 31, 2025 |
| 2019A | 7/31/2019 | \$ 73,640,000 | 7/1/2026 | 8,585,000 | 5.00% | | | | |
| | | | 7/1/2027 | 5,800,000 | 5.00% | | | | |
| | | | 7/1/2028 | 9,410,000 | 5.00% | | | | |
| | | | 7/1/2029 | 3,725,000 | 5.00% | | | | |
| | | | 7/1/2030 | 3,930,000 | 5.00% | | | | |
| | | | 7/1/2031 | 4,055,000 | 5.00% | | | | |
| | | | 7/1/2032 | 725,000 | 5.00% | | | | |
| | | | 7/1/2033 | 760,000 | 5.00% | | | | |
| | | | 7/1/2034 | 800,000 | 5.00% | | | | |
| | | | 7/1/2035 | 835,000 | 5.00% | | | | |
| | | | 7/1/2036 | 880,000 | 5.00% | | | | |
| | | | 7/1/2037 | 925,000 | 5.00% | | | | |
| | | | 7/1/2038 | 970,000 | 5.00% | | | | |
| | | | 7/1/2039 | 1,020,000 | 5.00% | | | | |
| | | | 7/1/2040 | 1,070,000 | 5.00% | | | | |
| | | | 7/1/2041 | 1,125,000 | 5.00% | | | | |
| | | | 7/1/2042 | 1,180,000 | 5.00% | | | | |
| | | | 7/1/2043 | 1,240,000 | 5.00% | | | | |
| | | | 7/1/2044 | 1,300,000 | 5.00% | | | | |
| | | | 7/1/2045 | 1,365,000 | 3.00% | | | | |
| 7/1/2046 | 1,405,000 | 3.00% | | | | | | | |
| 7/1/2047 | 1,450,000 | 3.00% | | | | | | | |
| 7/1/2048 | 1,490,000 | 3.00% | | | | | | | |
| 7/1/2049 | 1,535,000 | 3.00% | | | 63,750,000 | - | 8,170,000 | 55,580,000 | |
| 2019B | 7/31/2019 | 99,730,000 | 7/1/2026 | 7,515,000 | 5.00% | | | | |
| | | | 7/1/2027 | 7,880,000 | 5.00% | | | | |
| | | | 7/1/2028 | 8,300,000 | 5.00% | | | | |
| | | | 7/1/2029 | 8,670,000 | 5.00% | | | | |
| | | | 7/1/2030 | 9,045,000 | 5.00% | | | | |
| | | | 7/1/2031 | 9,520,000 | 5.00% | | | | |
| 7/1/2032 | 9,995,000 | 5.00% | | | 68,120,000 | - | 7,195,000 | 60,925,000 | |
| Total principal | | | | | | 614,380,000 | - | 19,450,000 | 594,930,000 |
| Unamortized premiums | | | | | | 39,695,960 | - | 5,354,361 | 34,341,599 |
| Total revenue bonds | | | | | | \$ 654,075,960 | \$ - | \$ 24,804,361 | \$ 629,271,599 |



**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROLS
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners
Delaware River Joint Toll Bridge Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Delaware River Joint Toll Bridge Commission (“the Commission”), as of and for the year ended December 31, 2025, and the related notes to financial statements, which comprise the Commission’s basic financial statements, and have issued our report thereon dated May 18, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Owings Mills, Maryland
May 18, 2026



DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Current Year Findings and Recommendations
December 31, 2025**

None.

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

**Schedule of Prior Year Audit Findings
December 31, 2025**

None reported.