2022 ANNUAL REPORT

BREAKING NEW GROUND

INVESTING IN THE CUSTOMER EXPERIENCE

Armed Forces train crossing the Hackensack River.

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ARMED FORCES

Letter from New Jersey Governor Phil Murphy

Over the last five years we have delivered notable measurable results for NJ TRANSIT and its customers, with more on the way.

We have steadily increased state support; targeted investments in the fleet and infrastructure; replenished the ranks of locomotive engineers, bus operators, and other frontline employees; met the federal government's deadline for positive train control safety technology; placed new technology in the hands of customers; navigated our way through the COVID-19 pandemic; and much more.

With each step, we improved safety, service reliability, and the customer experience. Moreover, we have done this all without asking riders to pay more, with no fare increases for five consecutive years.

In addition to the improvements to operations and service delivery, ongoing investments will continue to move the needle thanks to a robust Capital Plan that complements the agency's ten-year strategic plan, NJT2030. In the last four years alone, NJ TRANSIT has awarded more than $4 billion in capital projects which are now underway or will soon enter the procurement phase.

Our commitment to resilience and sustainability is making the system simply work better for all New Jersey residents as well. NJ TRANSIT launched the development of its first-ever Sustainability Plan in FY2022, gathering input from stakeholders and the public to help establish a more sustainable future for NJ TRANSIT organizationally and for the communities it serves. Meanwhile, NJ TRANSIT recently welcomed the arrival of its first electric bus, one of eight electric buses that will be on the streets in and around Camden – being tested for performance and reliability in unique operating environments and paving the way for an entire bus fleet that will ultimately be 100% zero emission.


Governor, State of New Jersey

The past year saw continued progress on construction projects that will directly enhance the customer experience, including the modernization of Newark Penn, and the reconstruction of the Elizabeth, Perth Amboy, and Lyndhurst rail stations. NJ TRANSIT also advanced planning work on other projects that will soon move to construction, including a revitalization of the Walter Rand Transportation Center in Camden. All totaled, the Fiscal Year 2023 State Budget allocated an additional $814 million to seven NJ TRANSIT rail stations and a maintenance facility.

Multiple Transit-Oriented Development (TOD) projects continue transforming communities served by NJ TRANSIT, contributing to our state's economic growth while encouraging the use of public transportation. In addition to projects well underway near the Somerville and Orange train stations, I'm particularly proud of the advancement of the "Hoboken Connect" project in partnership with LCOR that will deliver a significant public-private investment at NJ TRANSIT's Hoboken Terminal, including public transportation infrastructure improvements, new office and retail space, affordable housing, and streetscape improvements in and around the Terminal.

Additionally, another $3.8 million in Transit Village grants were awarded in FY2022 to 14 New Jersey communities, a record amount of Transit Village Program funds provided in a single year.

We marked significant milestones with the groundbreaking for the Portal North Bridge Project, which will replace the 112-year-old Amtrak swing bridge on the Northeast Corridor. Long the bane of commuters, the existing bridge often requires a sledgehammer to close it shut after marine traffic passes beneath it, causing frequent train delays. The new fixed-span bridge will keep NJ TRANSIT and Amtrak trains moving freely across the Hackensack River. I was proud to host President Joe Biden at the project's ceremonial launch at NJ TRANSIT's Meadows Maintenance Complex in Kearny in October 2021. Then, this past August, we put shovels in the ground alongside U.S. Transportation Secretary Pete Buttigieg and a host of other federal and state leaders.

Finally, the Gateway Program received its upgrade to a medium-high rating by the Federal Transit Administration. This critical designation will deliver much-needed federal funds for the nation's largest – and most economically significant – transportation infrastructure project. The once-in-a-generation Gateway Program will increase resiliency and capacity along a 10-mile stretch of the Northeast Corridor for NJ TRANSIT and Amtrak trains operating between Newark and New York through a blending of infrastructure projects, including the construction of a new two-track tunnel under the Hudson River and rehabilitation of the existing 112-year-old tunnel.

All of this progress would not possible without some great teamwork. First, I want to thank President Joe Biden, who understands like no other recent president the importance of strong public transportation infrastructure. And I thank our state's Congressional delegation for their focus, alongside the Biden Administration, to pass the bipartisan Infrastructure Investment and Jobs Act. This law will be a source of critical funding for New Jersey and the region for years to come.

I also thank my partners in the Legislature – led by Senate President Nick Scutari and Assembly Speaker Craig Coughlin – for playing a vital role in funding NJ TRANSIT projects and operations, and understanding the critical transportation needs in our state.

We would be nowhere near accomplishing our goals without the tremendous leadership of New Jersey Department of Transportation Commissioner & NJ TRANSIT Board Chair Diane Gutierrez-Scaccetti, the rest of NJ TRANSIT's Board of Directors, NJ TRANSIT President & CEO Kevin Corbett, and the entire NJ TRANSIT team. They all deserve so much credit and I'm confident we'll see them continue to move the agency forward in FY2023.

And, finally, I thank you, the NJ TRANSIT customer, for your continued patience and support of our efforts to once again make this the premier public transportation network in the country.

Phil Murphy
Governor, State of New Jersey

Letter from Diane Gutierrez-Scaccetti

On behalf of the Board of Directors of NJ TRANSIT, it is my privilege to share in the presentation of the NJ TRANSIT 2022 Annual Report.

NJ TRANSIT continues to serve over 600,000 passenger trips each day. Through significant improvements in reliability and customer service, the most recent customer satisfaction survey resulted in the highest overall satisfaction score since the agency began the survey in 2011.

Capital investments continue to advance on many fronts. Ground has broken for the new Portal North Bridge, a critical piece of the northeast corridor rail infrastructure. The first contract for the Raritan River Rail Bridge is underway. It will increase reliability for our North Jersey Coast Line customers.

Continuing our commitment to environmental stewardship, NJ TRANSIT has moved aggressively toward conversion of the bus fleet to zero emissions. More broadly, the agency is embarking on the development of its first Sustainability Plan. The Plan is intended to build on efforts already underway, as well as examining new opportunities to ensure full compliance with Governor Murphy's Energy Master Plan.

Our customers are at the heart of everything we do. An example of this commitment is the "New Bus" initiative that is helping staff rethink local bus service through the study of emerging and evolving markets and ridership trends. Working with local officials and community stakeholders, the goal is to produce implementable recommendations that will allocate existing resources to better align service where demand is greatest.

The Board is grateful to Governor Murphy for his continued leadership and commitment to NJ TRANSIT. Our thanks to NJ TRANSIT President & CEO Kevin Corbett and the entire NJ TRANSIT family for their dedication to serving our customers with the highest levels of professionalism.

Diane Gutierrez-Scaccetti
Commissioner, NJ Department of Transportation
Board Chair, NJ TRANSIT

Letter from Kevin S. Corbett

NJ TRANSIT President & CEO

At this time last year, NJ TRANSIT was still dealing with the significant impacts of the global COVID-19 pandemic that affected the finances and operations of transit agencies worldwide. This year – while there's no doubt we're still feeling the impacts of the pandemic – we are confident we are through the worst. We are especially encouraged by the fact that NJ TRANSIT ridership is bouncing back stronger, on a relative basis, than many of our peer agencies across the country. We credit this to improved systemwide reliability, as well as continuing to maintain full service throughout the pandemic since the summer of 2020, when we were climbing out of single-digit percentages of ridership levels.

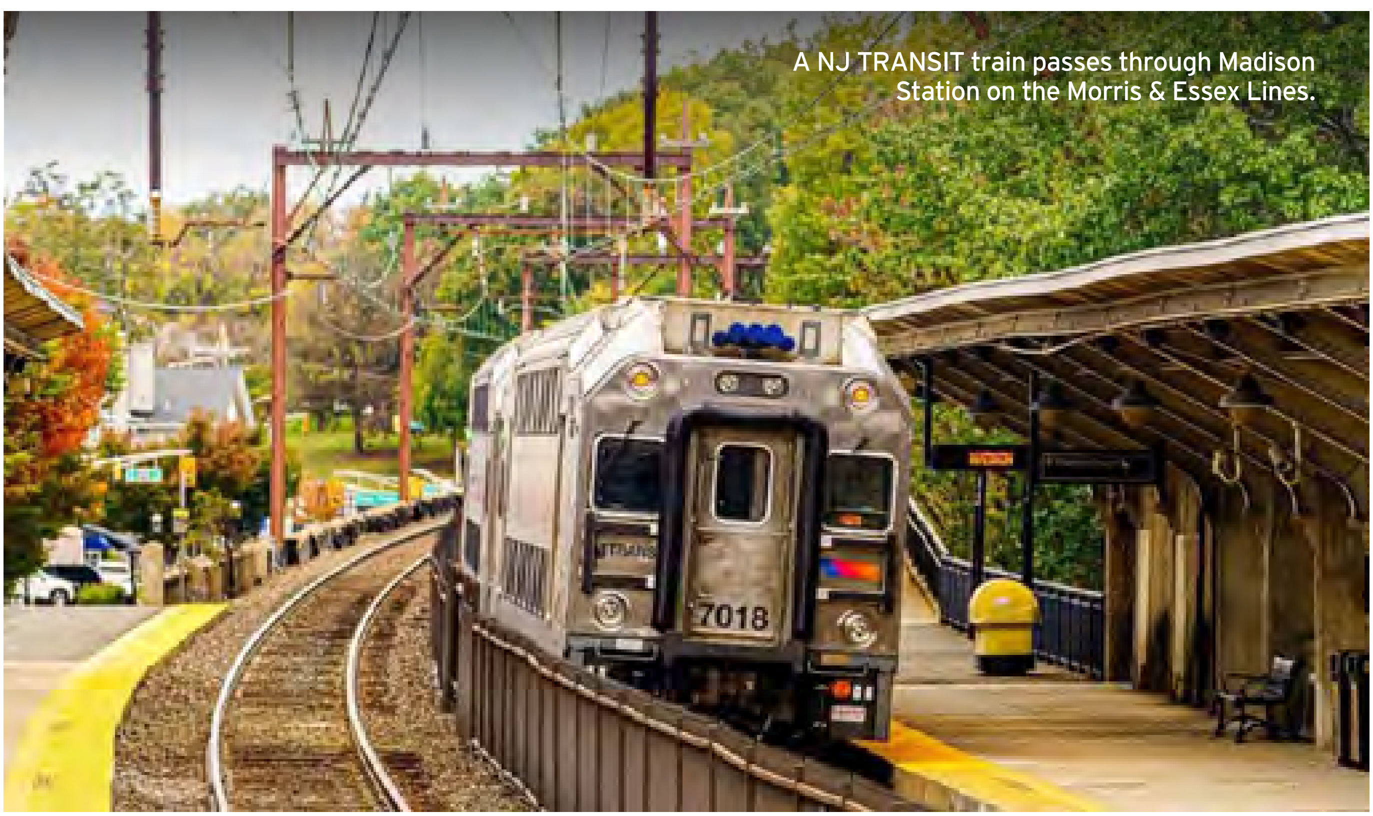
Providing reliable service is a central component of attracting riders back to transit, and today's NJ TRANSIT is meeting this standard, and often exceeding it. On the bus side of our operation, we remained at or above our goal of 90 percent On-Time Performance (OTP) month-over-month from January 2020 through October 2022, averaging approximately 95 percent OTP over this time. On the rail side, OTP improved from 90 percent in Fiscal Year 2019 to 92.5 percent in Fiscal Year 2022. The improvements in rail can largely be attributed to a first-in-a-decade accomplishment realized last year – a full roster of locomotive engineers – which was the fruition of an ongoing, non-stop hiring and training campaign. NJ TRANSIT now has more than 400 active locomotive engineers, resulting in a far more predictable commuting experience for our rail customers. The improvement in bus service reliability is the result of a continued focus on aligning service and resources where demand is greatest. We have also maintained our aggressive approach to recruiting bus operators, as the nation continues to contend with a shortage of Commercial Driver's License (CDL) holders.

Despite the many challenges we have faced responding to COVID-19, this is an exciting time for NJ TRANSIT. As transit agencies across the country reduced or even suspended their capital plans and projects amid the pandemic, we never stopped moving forward – and that decision is paying dividends today. From our $17 billion unconstrained five-year Capital Plan issued in 2020, we are currently advancing more than $4 billion in projects, with a projected capital expenditure of nearly $8 billion over the next three years. This includes the single-largest construction award in our agency's history for our Portal North Bridge Replacement Project. We proudly hosted President Biden at a ceremonial groundbreaking in October 2021, and this year on August 1st, we hosted U.S. Secretary of Transportation Pete Buttigieg and a host of federal and state officials for the groundbreaking to celebrate the beginning of physical construction of the new Portal North Bridge. This project – a key element of the overall Gateway Program – will position the entire Northeast Corridor to safely and reliably meet the demands of NJ TRANSIT customers for generations to come.

These regional mega-projects are hardly the only capital projects we are busy advancing. Some of our largest projects – including Newark Penn Station, the Walter Rand Transportation Center, and the recently announced Hoboken redevelopment project, Hoboken Connect, in partnership with LCOR – will literally transform the customer experience, as well as the surrounding communities. Governor Murphy has committed more than $600 million dollars to these three transformational projects that reflect the Governor's deep commitment to public transit in the State of New Jersey. These projects will improve the travel experience for our customers for generations to come. While many of these larger projects have garnered big headlines, our Capital Plan overall has more than 100 projects and programs, ranging from one million to three billion dollars. Every one of these individual projects is just as important to the communities they will serve as the larger projects are to our region and to our region's economy.

NJ TRANSIT's Fleet Replacement Program is another key element of our Capital Plan. At the end of 2021, NJ TRANSIT had taken delivery of more than 300 new buses. We also purchased 138 new multi-level rail cars, which will begin to arrive in mid-2024, and 25 new dual-mode locomotives, more than half of which have already arrived. All of these new vehicles will continue to improve on-time performance, reliability, customer comfort, and the overall customer experience.

NJ TRANSIT is also aggressively pursuing our goal to transition to a 100 percent zero-



A NJ TRANSIT train passes through Madison Station on the Morris & Essex Lines.

emissions bus fleet by 2040, aligned with Governor Murphy's Energy Master Plan. This October in Camden, we proudly introduced our first-ever electric bus, supported by newly installed charging infrastructure at our Newton Avenue Bus Garage. Seven more electric buses will arrive to serve Camden in the coming months. In addition, this year our Board approved the first phase of our Bus Garage Modernization Program, through which we will renovate and transform all 17 of our bus garages to support future zero-emissions buses.

Our increased focus on and investment in technology has enabled us to significantly improve the customer experience, as well as start long overdue upgrades to our internal systems. Externally, we completed the installation of 558 new high-tech Ticket Vending Machines throughout the system, offering faster transaction times and contactless payment options. Handheld mobile devices, which allow train crew members to scan and validate tickets and better communicate with customers, are now in use systemwide. Installation of onboard ticket validators on every one of our approximately 2,200 buses, which allow customers to scan a barcode instead of handing a ticket or a pass to a Bus Operator, will be completed in early-mid 2023.

Internally, as technology is increasingly integrated into every aspect of our capital projects and operations, we have made significant investments in our internal systems, with a particular focus on cybersecurity. We are upgrading and replacing obsolete internal IT software, hardware, and platforms throughout the organization – advancing the automation of key processes across the agency. We also became the first transit agency in the country to achieve the prestigious International Organization for Standardization (ISO) certification for cybersecurity.

Fiscal Year 2022 was a year in which all our efforts over the last four years began to pay significant dividends, as reflected through the recognition by our customers and external stakeholders. Last year we received two of the American Public Transportation Association's most prestigious national safety awards – the Bus Safety Gold Award and the Rail Safety Certificate of Merit award for Commuter Rail Systems. NJ TRANSIT was also honored this year by Forbes as one of America's Best-in-State Employers, marking the third time since 2018 that Forbes has recognized our considerable efforts to build a productive, supportive, and inclusive work environment. Not surprisingly, NJ TRANSIT's most recent Customer Satisfaction Survey saw the highest customer satisfaction ratings since we started conducting the survey in 2011 – including 81 percent of our customers indicating they would recommend us to a friend or family member.

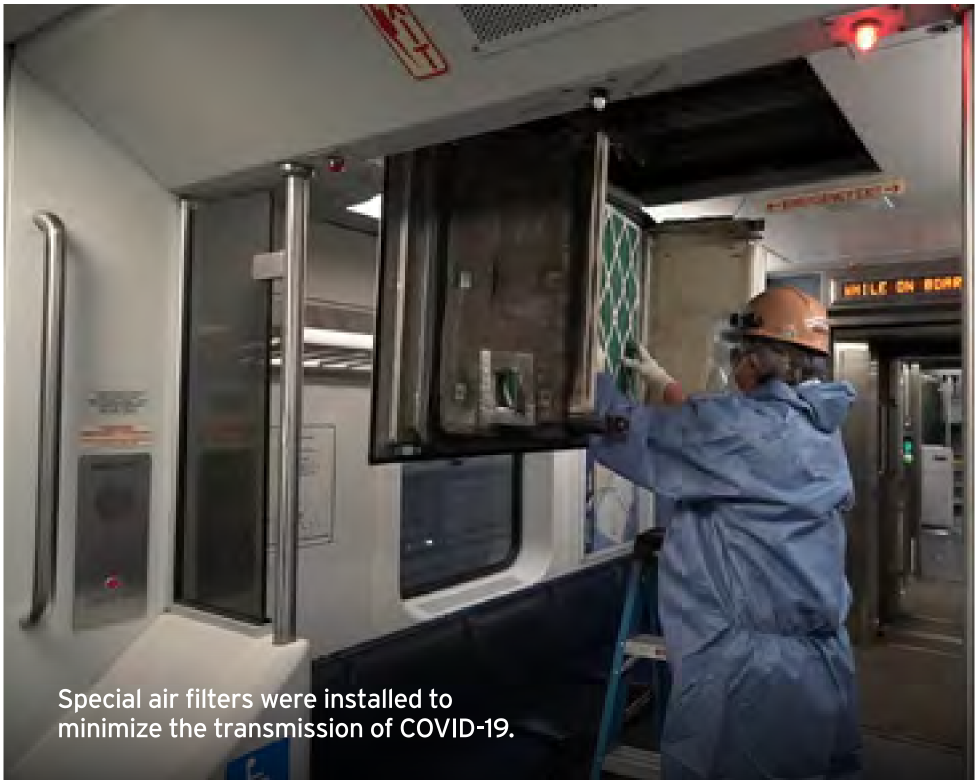
In closing, I want to thank Governor Murphy and NJ TRANSIT Board Chair Diane Gutierrez-Scaccetti for their continued support and leadership. I'd also like to assure all our riders and stakeholders that everyone at NJ TRANSIT knows there's still more work to be done before we can confidently claim to be the best transit agency in the country. We have, however, undoubtedly come a long way since 2018, and we have no intention of slowing down.

Kevin S. Corbett
President & CEO

Ensure the RELIABILITY and continued safety of our transit system

Welcome to the NJ TRANSIT Fiscal Year 2022 (FY2022) Annual Report, which highlights the agency's major activities and accomplishments for the fiscal year (July 1, 2021 to June 30, 2022). They include customer-focused initiatives, current and future project milestones, safety and technology enhancements, sustainability plans, resiliency efforts and much more. Also in this report, you will meet the NJ TRANSIT leadership team and advisory committees, review FY2022 on-time performance numbers, and can view the FY2022 NJ TRANSIT Financial Report.

The NJTPD Emergency Operations Center was staffed with multiple business lines during the December 2021 Army-Navy game.



Special air filters were installed to minimize the transmission of COVID-19.

NJ TRANSIT was proud to be named again to the Forbes ***America's Best Employers By State*** list for 2022. Of the 1,330 employers that made the final list, only 90 New Jersey organizations were included in the annual top-pick ranking which, according to Forbes, measures leading companies from around the world to identify those best-liked by employees. NJ TRANSIT was ranked #7 out of the 90 New Jersey employers, and was #1 in the Transportation/Logistics category.

ONGOING RESPONSE TO COVID-19

While virtually all restrictions have been lifted, NJ TRANSIT remained focused on the challenges of COVID-19 throughout FY2022. NJ TRANSIT's Emergency Operations Center (EOC) remained active under the Incident Management System (IMS) structure, monitoring national guidelines that directed the agency's evolving COVID-19 response at NJ TRANSIT employee- and customer-facing locations. That included disinfection of surfaces and enhanced air filtration to minimize the transmission of COVID-19. In addition, NJ TRANSIT partnered with Rutgers University Center for Advanced Infrastructure and Transportation (CAIT) to evaluate and test the effectiveness of disinfection technologies such as Ultraviolet light fixtures, surface disinfection shields, and ion generation systems for air disinfection.

NJ TRANSIT also implemented physical changes at facilities – such as plexiglass barriers and staggered work schedules – and implemented occupancy restrictions to limit the spread of COVID-19. The agency also followed the guidelines of the New Jersey Department of Health to establish a safe and responsible return to work policy for its office employees, although it should be noted that frontline and operations-support employees, such as mechanics and maintenance personnel, remained on the job since the onset of the pandemic.

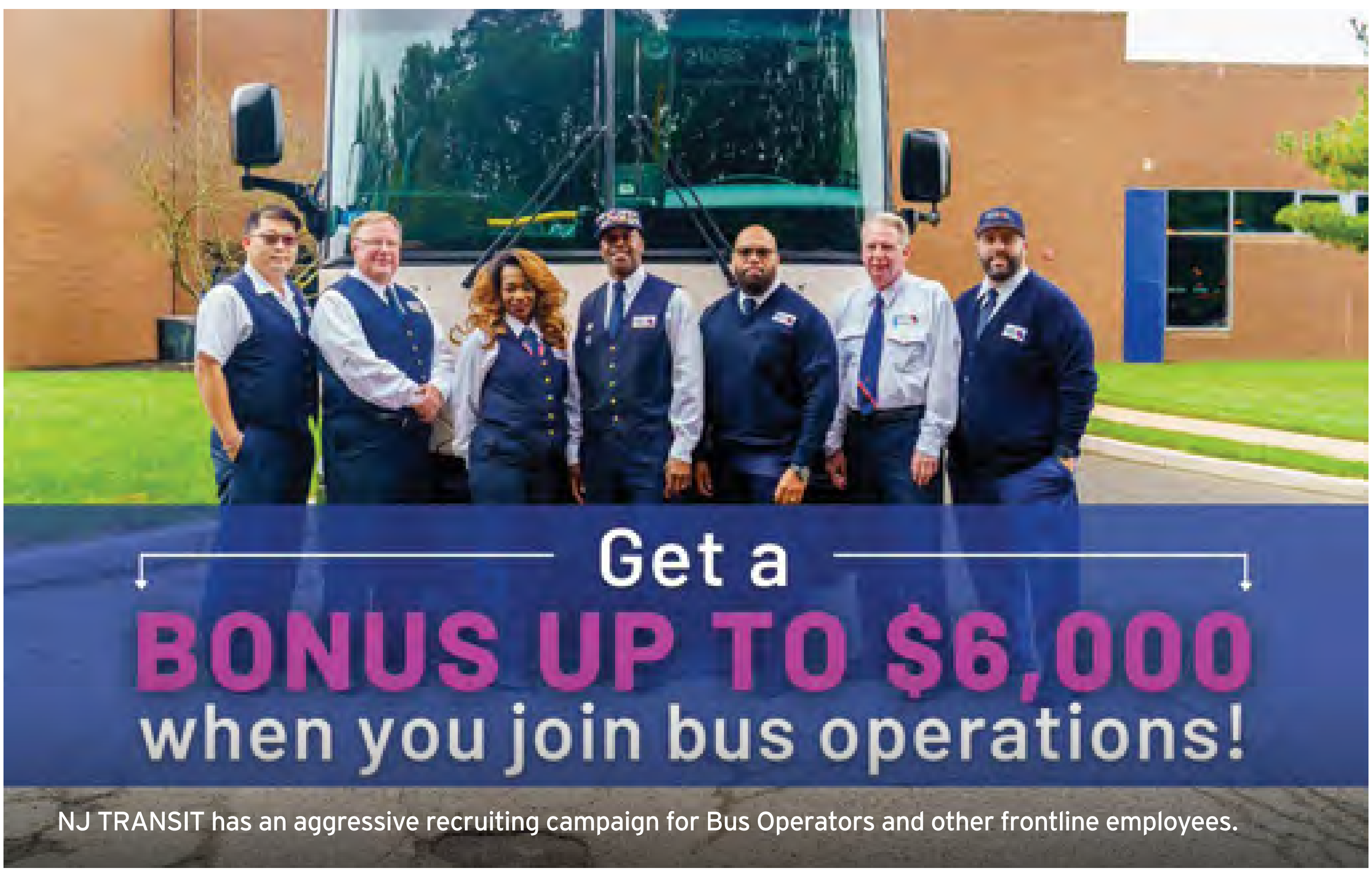
Through April 2022, face masks were required on public transportation throughout the country by the Transportation Security Administration (TSA), including at NJ TRANSIT facilities and on the fleet. During that time, customers were advised to comply with the **mask mandate** with signs at stations and on equipment, through the agency's social media messaging, via public address announcements, and other communication channels. The Corporation also hosted **Mask Force** events with other regional transit systems, distributing masks and hand sanitizer to customers. Masks remain optional on the NJ TRANSIT system and customers are encouraged to continue to wear them if it makes their travel experience more comfortable.

OPERATIONS PERSONNEL

In an effort to overcome the challenges of attracting and recruiting **Bus Operators and Maintenance staff** that are impacting transit agencies across the country, NJ TRANSIT introduced more frequent **Commercial Driver's License** (CDL) training and testing of Bus Operators and Bus Maintenance candidates in FY2022. Permit testing is also conducted onsite thanks to a partnership with the New Jersey Motor Vehicle Commission. Maintenance employees move directly from CDL orientation training to job-related training.

The agency also maintained an aggressive **recruiting campaign** for employees, particularly frontline workers such as bus, rail and light rail transportation and maintenance workers, at job fairs, on career websites, through marketing campaigns, and across all social media channels.

Meanwhile, two more classes of **Locomotive Engineers** graduated in FY2022, adding 21 new engineers to the NJ TRANSIT roster. The agency remains committed to maintaining



NJ TRANSIT has an aggressive recruiting campaign for Bus Operators and other frontline employees.

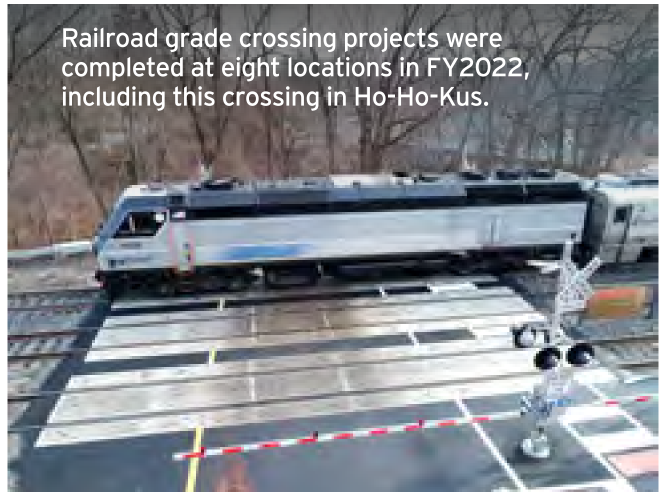
a full roster with a constant flow of trainees and classes, improving service reliability for customers who depend on NJ TRANSIT rail service.

PHYSICAL INFRASTRUCTURE

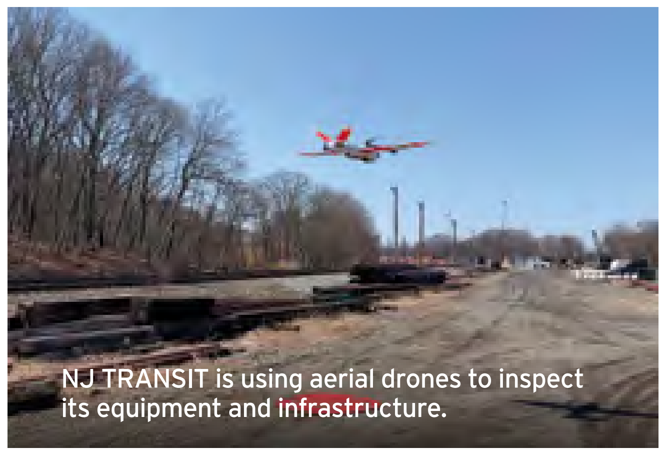
NJ TRANSIT continued advancing its State-of-Good-Repair Program (NJTSGRP), providing project management oversight of all rail, light rail and bus customer-facing facilities. The program is aligned with the NJ TRANSIT's 10-Year Strategic Plan, NJT2030, focused on safety, improving the customer experience, reducing a state-of-good-repair backlog, and enhancing strategic business practices.

A variety of **state-of-good-repair improvements** were completed in FY2022, including electrical systems, building structures, canopies, platforms, lighting, benches, elevators, paving and concrete repairs. Rail stations benefiting from these upgrades include Paterson, Hazlet, Middletown, Red Bank, Point Pleasant Beach, New Brunswick, Woodbridge and Absecon. Hudson-Bergen Light Rail projects were completed at Garfield Avenue, West Side Avenue, 9th Street/Congress Street, 22nd Street, 34th Street, 45th Street, Danforth Avenue, Bergenline Avenue, Port Imperial and Tonnelle Avenue stations. Bus customers benefited from improvements at Howell Park & Ride along Route 9 in FY2022, with additional upgrades at the North Bergen Park & Ride scheduled for completion in FY2023.

Future work at **Trenton Transit Center** includes rehabilitation of the station's two island platforms, upgrading platform canopies, replacing aging vertical circulation throughout the station, and constructing an ADA accessible, high-level platform with an elevator from concourse level. These improvements will result in increased customer safety and convenience. Funding is being provided through Federal grants, the State Transportation Trust Fund and Amtrak. The project was in the design and permitting phase in FY2022.

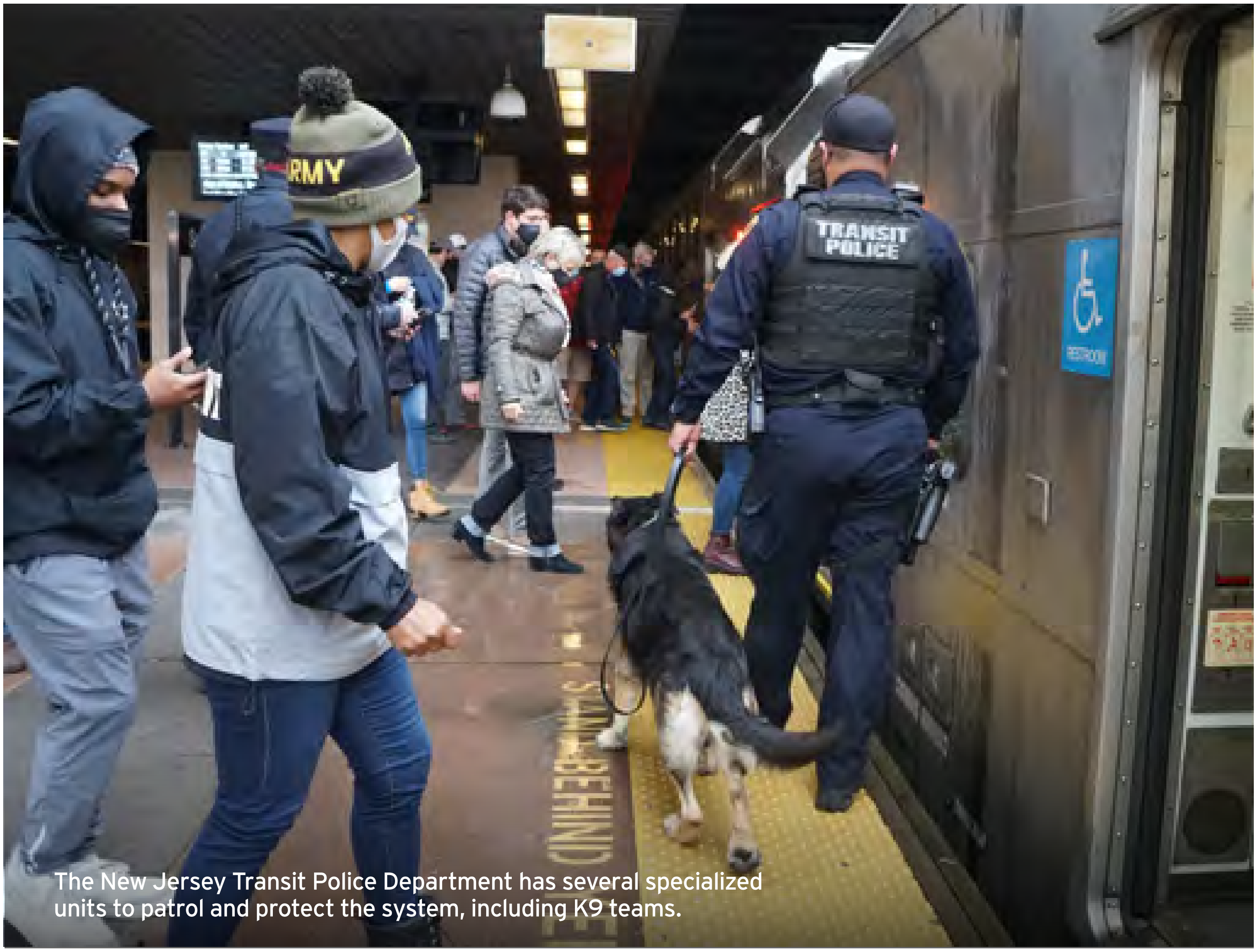


Railroad grade crossing projects were completed at eight locations in FY2022, including this crossing in Ho-Ho-Kus.



NJ TRANSIT is using aerial drones to inspect its equipment and infrastructure.

A variety of state-of-good-repair improvements were completed in FY2022, including electrical systems, building structures, canopies, platforms, lighting, benches, elevators, paving and concrete repairs.



The New Jersey Transit Police Department has several specialized units to patrol and protect the system, including K9 teams.

NJ TRANSIT completed work on several **bridge projects** In FY2022 on the Main, Bergen County, North Jersey Coast, Raritan Valley, Atlantic City and Morris & Essex lines. **Emergency bridge repair work** was completed on the Laurel Avenue Bridge on the North Jersey Coast Line, caused by an oversized truck striking the bridge in Holmdel. The agency also **painted two undergrade bridges** on the Montclair-Boonton Line.

Due to storm damage caused by Tropical Storm Ida in 2021, NJ TRANSIT **replaced a culvert** at Raritan Yard on the Raritan Valley Line in FY2022, and performed storm washout repairs on the Raritan Valley, Main and Bergen County lines. **Sandy resilience projects** were also completed on the Morris & Essex, North Jersey Coast and Pascack Valley lines.

Rail infrastructure inspections were performed on 576 undergrade bridges and 103 overhead bridges throughout the NJ TRANSIT rail system in FY2022. Interim in-depth underwater inspections were also performed on the Navesink River and Brielle bridges. Additionally, inspections were performed on station platforms, retaining walls, catenary structures and culverts around the rail system.

NJ TRANSIT replaced more than **36,000 wood ties** and more than **2,000 wood cross ties** on seven rail lines in FY2022. Additionally, more than **8,000 linear feet of track** was replaced on the Morris &

Essex, Bergen County and Main Lines. **Three switches and two track turnouts** were replaced at Hoboken and Gladstone yards. Workers also performed **track surfacing work** on 132 miles of track around the system. Railroad crossing rehabilitation projects were completed on eight grade crossings on five different rail lines.

NJ TRANSIT replaced **high-speed garage doors** at 10 bus garages, and completed **paving work** at two bus garages in FY2022. NJ TRANSIT also performed several **state-of-good-repair projects** – including public address system and parking lot improvements, painting of facilities, installation of new lighting, door repairs, bus washer and HVAC improvements, employee restroom and locker room upgrades, and installation of new compressors at bus terminals and garages throughout the state.

In May 2022, the Board of Directors authorized the purchase of 85 mobile column **bus lifts** to replace aging lifts, enabling Bus Operations to meet current and future maintenance needs for the fleet.

SAFETY & SECURITY

Positive Train Control (PTC) is designed to enhance the safety of customers and employees on NJ TRANSIT trains, as well as allow the agency to comply with Federal law. NJ TRANSIT received full PTC System certification from the Federal Railroad Administration (FRA) on December 17, 2020. NJ TRANSIT's PTC system, known as the Advanced Speed Enforcement System II, is also compatible with Amtrak and freight railroad PTC systems. In FY2022, NJ TRANSIT continued finalizing onboard software design, testing and installation, and continued finalizing wayside design, testing and installation. In FY2023, the agency will continue to monitor and enhance onboard software, and assist short line railroads with installation and commissioning of PTC on their equipment that will operate on NJ TRANSIT territory.

Working closely with the Amalgamated Transit Union, Bus Operations developed an upgraded **prototype barrier** for Bus Operator assault prevention onboard the NABI and MCI bus fleet, providing better protection than previous barriers. By the end of FY2022, 774 upgraded barriers were installed on MCI cruiser buses and 62 upgraded barriers were installed on NABI transit buses, with more planned for FY2023.

Following a successful pilot program in FY2021, the **Insta-Chain automatic ice-chain system** was installed on the full cruiser bus fleet in FY2022. This new feature allows Bus Operators to deploy a chain beneath the rear wheels of a bus with the push of a button,

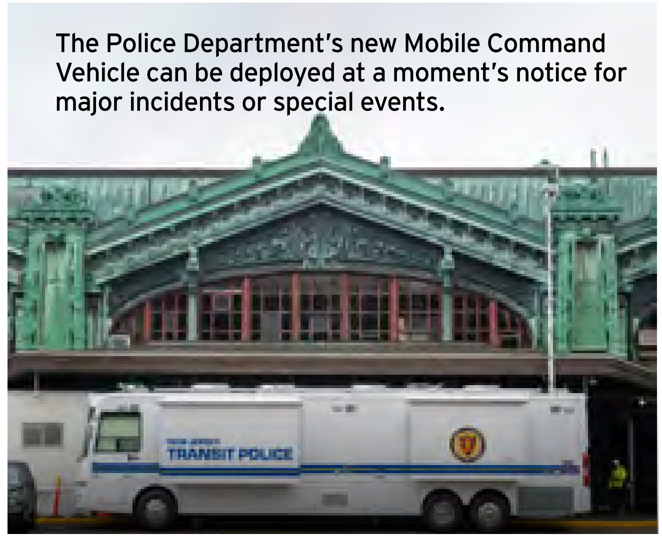

A New Jersey Transit Police Officer on a rail security detail.

allowing the bus to gain traction in ice and snow. Delivery of snow chains for NABI transit buses is expected in FY2023.

A new **Mobile Command Vehicle** was deployed by the New Jersey Transit Police Department (NJTPD) in FY2022 and is available for use during major incidents or scheduled events. The vehicle, which can be used at disaster and crime scenes or at large public events, was used several times in FY2022, including at the Far Hills Steeple Chase in October 2021 and the Army/Navy Game at MetLife Stadium in December 2021.

Thirty-seven **Police Recruits** joined the NJTPD in FY2022. Prior to attending the police academy, the NJTPD Training Unit prepared the recruits for the academy, which included a five-week boot camp. The recruits then received two weeks of post-academy training, and an additional six weeks of field training before a one-year probationary period was completed.

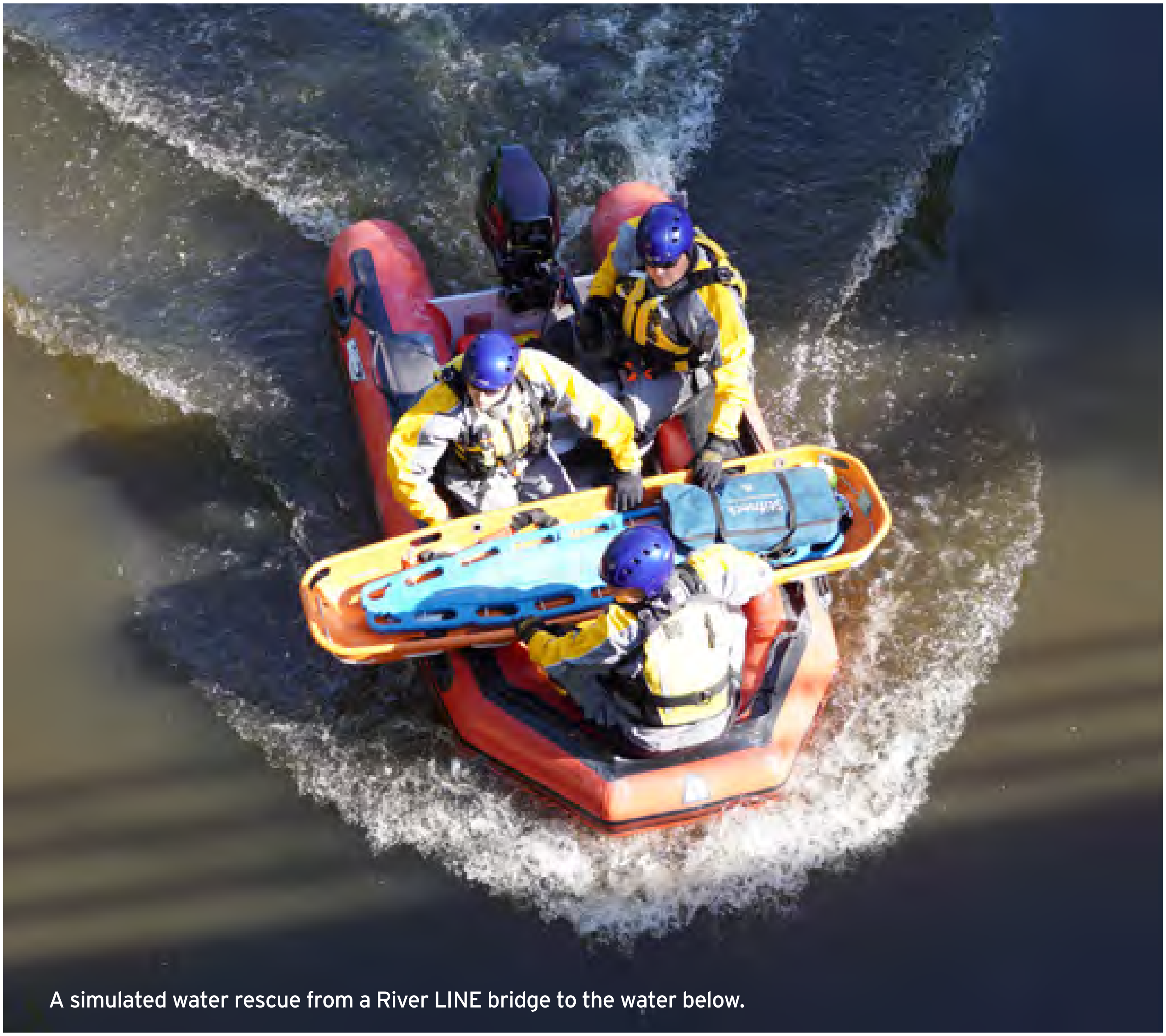
All NJTPD Police Officers and Fare Inspectors are now equipped with **Body Worn Cameras.** The AXON body worn cameras are used for service calls and public interactions.



The Police Department's new Mobile Command Vehicle can be deployed at a moment's notice for major incidents or special events.


NJ TRANSIT frequently trains with Federal, State and Local law enforcement and first responders to prepare for any major incident on the system.

The NJTPD conducted four emergency drills in FY2022 including this one at the Wayne Route 23 Transit Center.



A simulated water rescue from a River LINE bridge to the water below.

The NJTPD **Emergency Operations Center (EOC)** was activated for 14 planned and unplanned events in FY2022, primarily for inclement weather and predicted storms. The EOC was staffed with employees from multiple business lines, and coordinated its efforts with Federal, State, County and Local agencies in the New Jersey, New York and Pennsylvania region.

The NJTPD conducted four **full-scale exercises** in FY2022, in addition to other **drills, tabletop and functional exercises**. Four-hundred-sixty-five first responders participated in these drills. Meanwhile, more than 1,000 additional first responders received NJ TRANSIT rail safety training.

After a pause due to the COVID-19 pandemic, 135 NJ TRANSIT Police officers and employees, along with first responders and support personnel, returned to College Station, Texas in FY2022 for **Texas A&M Engineering Extension Service (TEEX) Incident Command Training**, with more planned in FY2023.

NewBus Newark is one of three studies underway to redesign the NJ TRANSIT bus network, with more on the way.

Deliver a HIGH-QUALITY EXPERIENCE for all our customers, with their entire journey in mind

FLEET

Production of 1,222 new **45-foot cruiser buses** continued in FY2022, replacing older buses that have reached the end of their useful lives. These buses are being delivered to NJ TRANSIT and private bus carriers for commuter service in New Jersey. By the end of FY2022, more than 700 buses were delivered to NJ TRANSIT and more than 470 to private carriers. These new cruiser buses are equipped with engines that meet the Environmental Protection Agency's (EPA's) Tier IV standards, which are the strictest EPA emissions requirement, making them more environmentally friendly than the buses they are replacing and increasing service reliability and customer comfort, reducing operating costs, equipped with the latest onboard safety systems, and meet the requirements of the Americans with Disabilities Act (ADA).

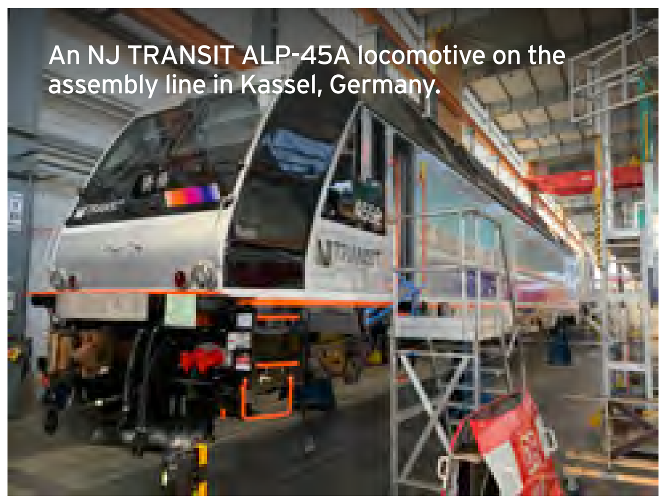
Production is underway on a base contract of 113 **Multilevel III Vehicles (MLV III)** being built by Alstom. The railcars consist of 58 power cars and 55 coaches. Six pilot MLV III vehicles are expected to arrive in FY2024, with the production vehicles arriving in FY2025 and FY2026. Production and delivery schedules were delayed due to the impacts of COVID-19 on vendor and supply chain issues. The Portal North Bridge Full Funding Grant Agreement includes the purchase of 25 additional MLV III railcars, approved for purchase by the Board of Directors in February 2022.

Delivery continues on an order of 25 additional **ALP-45 Dual Powered Locomotives**, replacing most of NJ TRANSIT's aging GP-40 diesel locomotives. The ALP-45 locomotives, which can operate on both electrified and non-electrified rail lines, also meet current EPA Tier IV emissions requirements when operating in diesel mode, and further reduce emissions by operating in electric mode on electrified territory. Delivery of all 25 locomotives is scheduled for completion in Spring 2023. NJ TRANSIT added 80 new **Access Link hybrid sedans** in FY2022, replacing older sedans and expanding the fleet. Additionally, the Board of Directors approved the purchase of 258 **Access Link minibuses** in December 2021 as part of an ongoing fleet modernization, with deliveries scheduled for FY2023.

FACILITIES

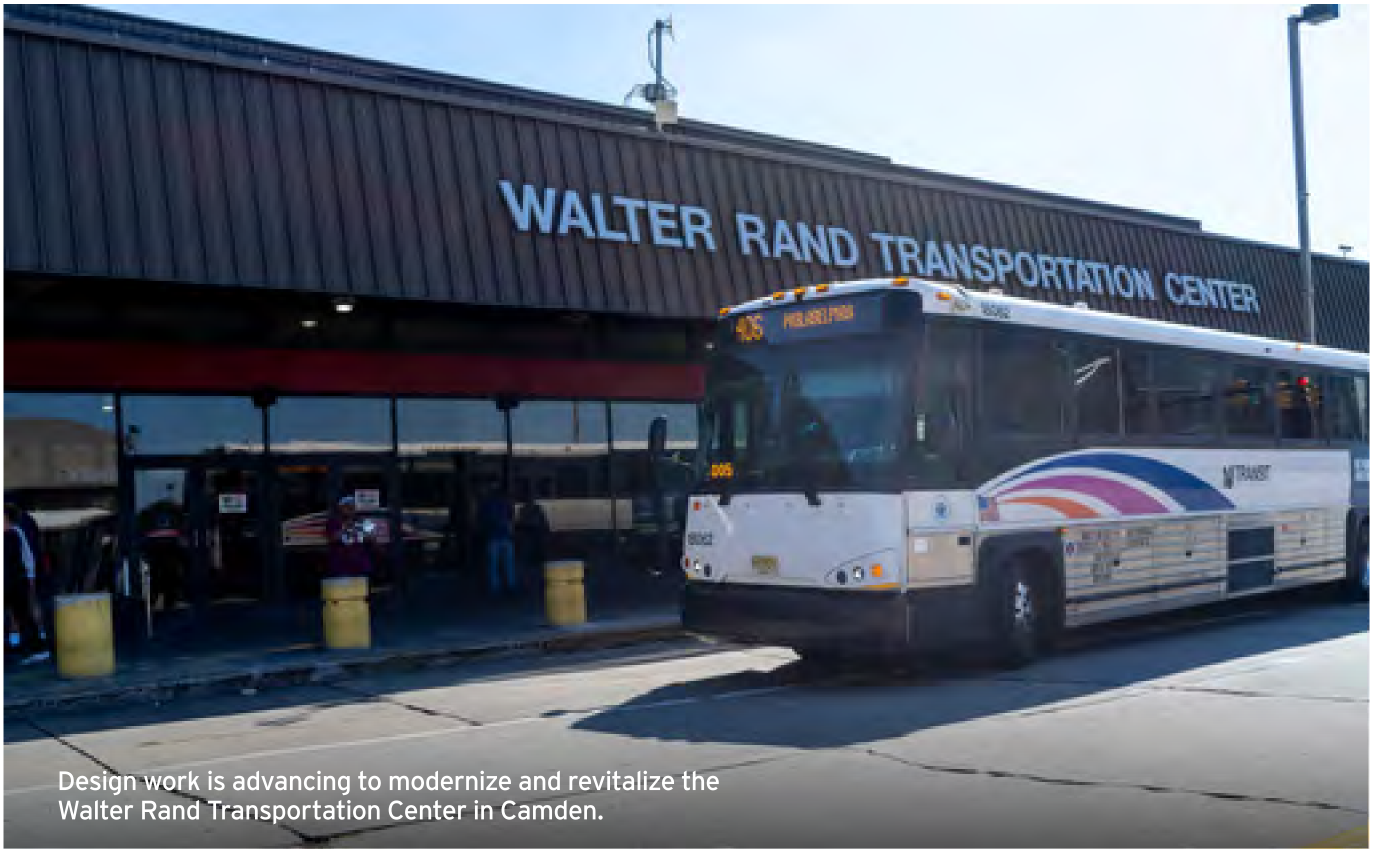
Newark Penn Station (NPS), one of the historic crown jewels in the NJ TRANSIT system, is undergoing a significant state-of-good-repair, renovation and restoration transformation. Work underway or completed in FY2022 included restoration of historic

Work on Multilevel III railcars continues in Plattsburgh, NY.



An NJ TRANSIT ALP-45A locomotive on the assembly line in Kassel, Germany.

Pennsylvania Railroad historic benches at Newark Penn Station are being historically restored.



Design work is advancing to modernize and revitalize the Walter Rand Transportation Center in Camden.

benches, light globes in the grand waiting hall, and tiling, as well as lighting upgrades, painting, restroom upgrades, drainage improvements and resurfacing of the bus lanes. Meanwhile, improvements are advancing on pedestrian walkway lighting and static signage, HVAC upgrades, conversion of two freight elevators to handle customers, and historic door replacements at the platform level. Future projects at NPS include exterior and platform improvements, installation of historic statues, a new food court, new canopy lighting, and electrical and communications systems upgrades. NJ TRANSIT also hosted virtual meetings on the NPS project in FY2022, providing customers and stakeholders with updates and opportunities to provide feedback. All of this work at Newark Penn Station has been made possible by the significant investment by the Murphy Administration, which committed $191 million dollars to this historic and regionally-significant transit hub that for many serves as the gateway to New Jersey.

> *The new transportation center will provide passengers with a first-class customer experience including more efficient service, better flow, easy-to-use technology, and conveniences.*

The NJ TRANSIT **Walter Rand Transportation Center (WRTC) Improvement Project** in

Camden is an exciting redevelopment project that will transform the current facility into a modern, vibrant, and customer-focused transit hub for Camden residents and visitors. It will expand the revitalization of the city's downtown with new and exciting amenities. The new transportation center will provide passengers with a first-class customer experience including more efficient service, better flow, easy-to-use technology, and conveniences. Like Newark Penn Station, the WRTC's transformation to a world-class transportation facility is being funded by the Murphy Administration's significant investment of $250 million dollars, demonstrating the Governor's commitment to this transit hub that is vital to South Jersey and the surrounding region.

In October 2021, the Board of Directors awarded a $4.4 million contract to HNTB to begin the design work on the new WRTC. The first phase includes conceptual development and preliminary engineering work, which will include innovative approaches to public spaces that are inviting, safe, maintainable and easy to access, creating a welcoming and positive experience. The new WRTC will better accommodate bus lines that serve the transit hub and improve intermodal connectivity with PATCO and River LINE service, as well as support economic redevelopment in the area.

In August 2022, the Port Authority of New York & New Jersey selected an architectural joint-venture to help develop a reimagined **Port Authority Bus Terminal (PABT)** in Midtown Manhattan. With NJ TRANSIT operating approximately 70% of the bus service in and out of PABT (pre-pandemic), the project will have significant benefits to New Jersey commuters by providing expanded capacity to accommodate commuter bus growth through 2050 and will be designed to provide a best-in-class customer experience that serves the region's growing public transportation needs. The project will also serve buses that currently pick up and drop off on the streets surrounding the terminal, and provide storage capacity for buses between the morning and evening peak periods.

Americans with Disabilities Act and other upgrades are on the way for historic Perth Amboy Station.

NJ TRANSIT continues to advance the design of an extension of the **Central Concourse at Penn Station New York** to facilitate increased passenger flows to and from Platforms 1-6, used primarily by NJ TRANSIT trains.

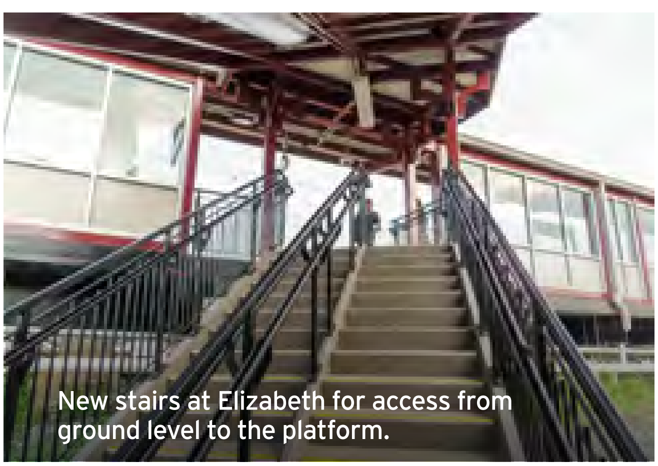
A groundbreaking ceremony was held in April 2022 for construction work at historic **Perth Amboy Station** on the North Jersey Coast Line. The project includes two new high-level platforms, providing customer accessibility, making the station building, platforms and parking area compliant with the Americans with Disabilities Act (ADA). Additionally, the project includes improvements to the historic station buildings, pedestrian overpass, elevators, parking, landscaping, lighting, visual communications and security systems. The project is scheduled for completion by Fall 2024.

Work continues at **Elizabeth Station** on the Northeast Corridor. The project includes reconstructing and extending existing high-level platforms to accommodate 12-car trains, installing new elevators and replacing existing elevators for improved American with Disabilities Act (ADA) access, constructing new inbound and outbound station buildings and waiting areas, restoring the pedestrian tunnel, installing a state-of-the-art communications system and providing other customer amenities. The project is expected to be completed in Summer 2023.

Construction is advancing on **Lyndhurst Station** on the Main Line. Work includes a new station building with two new high-level platforms located closer to the existing parking area. Once completed, the station will comply with ADA accessibility standards. Construction is scheduled for completion in Winter 2023.

The **Market Street Bus Garage**, located in Paterson, is undergoing significant renovations. Built in 1903 as a trolley barn, the historic garage stores and maintains 150 buses. Construction includes a new floor slab in the main barn, as well as mechanical, electrical, plumbing and life safety system upgrades. Additionally, the project includes the installation of an elevator, a backup generator, interior renovations, repointing and repair of the brick exterior, installation of public art, and an approximately 3,200-square-foot building addition. Work is expected to conclude in Spring 2024.

Sections of new platforms continued to open in FY2022 on the Elizabeth Station rehabilitation project.


New stairs at Elizabeth for access from ground level to the platform.

Construction continued in FY2022 on a new rail station in Lyndhurst.

Rail station improvements were completed in FY2022 at Hazlet, Middletown and Red Bank stations on the North Jersey Coast Line. The upgrades included handrail repairs and painting, concrete patch work, and painting of shelters and platforms. Platform repairs were also completed at New Brunswick Station, waiting room and/or ticket office renovations were completed at Convent and Waldwick stations, and windscreens were refurbished and new glass installed at Hamilton Station.

More than **100 new benches** were installed at rail stations on the Morris & Essex, Main, Bergen County and Pascack Valley lines in FY2022. **New LED lighting** was also installed at stations and/or parking areas at Clifton, Denville, Manasquan, Metuchen, Montclair State University, Plauderville, Rahway, Ridgewood, Spring Lake, Suffern, Towaco, Wesmont and Westwood stations.

Elevator and/or escalator modernization work was completed in FY2022 at Absecon, Hamilton, Newark Penn, Newark Broad Street, Paterson, Secaucus Junction and South Amboy train stations.

In November 2021, NJ TRANSIT completed a new **artwork installation at the HBLR Tonnelle Avenue Station**. The Lantern House sculpture is built in the form of the Enoch Smith house, and lights up from the inside like a railroad lantern. The patterns in the walls of the house are inspired by train route maps and locomotive wheels, and are evocative of the night sky.

NJ TRANSIT completed a **paver installation at Trenton Station on the River LINE** in May 2022. The pavers are more durable and require less maintenance than the mulch they replaced, and match the pavers along the sidewalk along nearby Clinton Avenue.

Artist Tom Nussbaum's sculpture at Tonnelle Avenue Station, which lights up from the inside like a railroad lantern.

SERVICE IMPROVEMENTS

NJ TRANSIT, in partnership with the Port Authority of New York & New Jersey, implemented a series of **gate changes** in June 2022 at Port Authority Bus Terminal (PABT) in New York. The changes have significantly streamlined the customer experience and operational flow at the terminal. Customers benefiting from the gate changes are served by 17 different bus routes operating between northern and central New Jersey and the PABT.

More than 200 bus routes were adjusted in FY2022 to enhance the customer experience. Completed in three phases during the pandemic, **"rebuilding the bus schedule"** has enhanced running times, closed service gaps, improved management of customer demand, and improved overall on-time performance and reliability.

NJ TRANSIT strategically deployed its new **articulated buses** on several bus routes in FY2022 to increase capacity that addresses increased demand. The larger buses are now operating on the Nos. 1, 25, 70, 119, 123, 125 and 126 routes.

TECHNOLOGY

The **NJ TRANSIT Mobile App** continued offering new options for customers in FY2022, earning it 4.8 out of 5 stars in the Apple App Store with more than 100,000 reviews. Some of the more popular features include FLEXPASS, Student Pass, NJT Rewards, How Full is My Ride, and new Trip Planner and Departure Vision map enhancements. Nearly 50 percent of all ticket sales are now being made through the Mobile App.

As part of its Fare Modernization Program, NJ TRANSIT continued the installation of **On-Board Validators** (OBVs) across the bus fleet. OBVs allow customers to scan their paper or mobile tickets or passes as they board the bus, offering contactless transactions and reduced boarding times. More than 1,300 OBVs were

installed on buses through FY2022, with more planned for FY2023.

Meanwhile, NJ TRANSIT completed a **Light Rail Platform Validator** pilot project at two Newark Light Rail stations in FY2022. The new platform validators were installed at Orange Street and Grove Street stations, allowing customers to scan their paper and mobile tickets, eliminating the need to have them date/time stamped in validator machines. Following a project evaluation, NJ TRANSIT plans to install the machines at other light rail stations.

The NJ TRANSIT Board of Directors advanced plans for a future **NJ TRANSIT fare card** in April 2022, part of the agency's Fare Modernization Program. The initiative is a goal of NJ TRANSIT's NJT2030 *10-year Strategic Plan*, which seeks to reduce onboard cash and paper-based tickets while providing customers with quick, easy and convenient ways to pay. The Board approved a contract to secure the required stock of cards that will become NJ TRANSIT fare cards during a later phase of the modernization.

Electronic **customer communications signage** was upgraded in FY2022 at several stations and terminals. Work was completed at

Secaucus Junction, Montclair State University and Newark Penn stations. Additional updates are underway at South Amboy Station, with larger departure boards also scheduled for upgrades at Newark Penn Station, Penn Station New York and Atlantic City Rail Terminal.

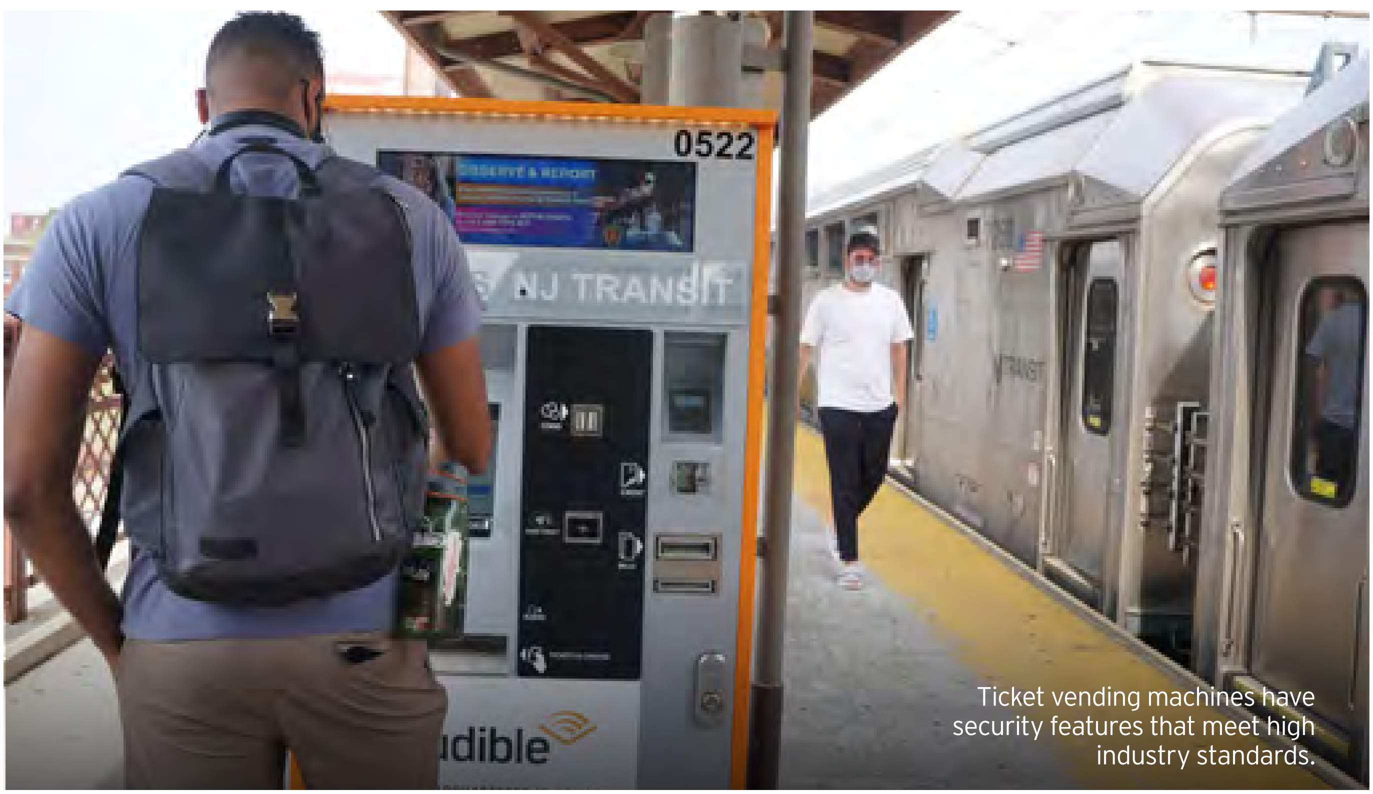
Public address system upgrades were completed at Trenton Transit Center and Newark Penn Station in FY2022, with other public address system modernization work underway at Hamilton, Metropark and Newark Broad Street stations. NJ TRANSIT is also working with Amtrak to integrate **train schedule displays** at the Penn Station New York 8th Avenue Concourse to improve the customer experience.

A **Payment Card Industry (PCI) Standard Successful Compliance Audit** was completed in FY2022. PCI is a set of standards created by card issuers that NJ TRANSIT and other business entities must comply with to continue processing credit cards, protecting customer credit cards and reducing fraud.

NJ TRANSIT also achieved **ISO 27001:2013 recertification** again in FY2022 – the first public transit agency in the nation to achieve this international standard for cyber security.

EZ-Wallet continues to offer an electronic contactless fare option for Access Link customers. More than 6,000 Access Link customers have established accounts, with more than $1 million in fare revenue generated in FY2022, representing 39 percent of total Access Link fares collected.

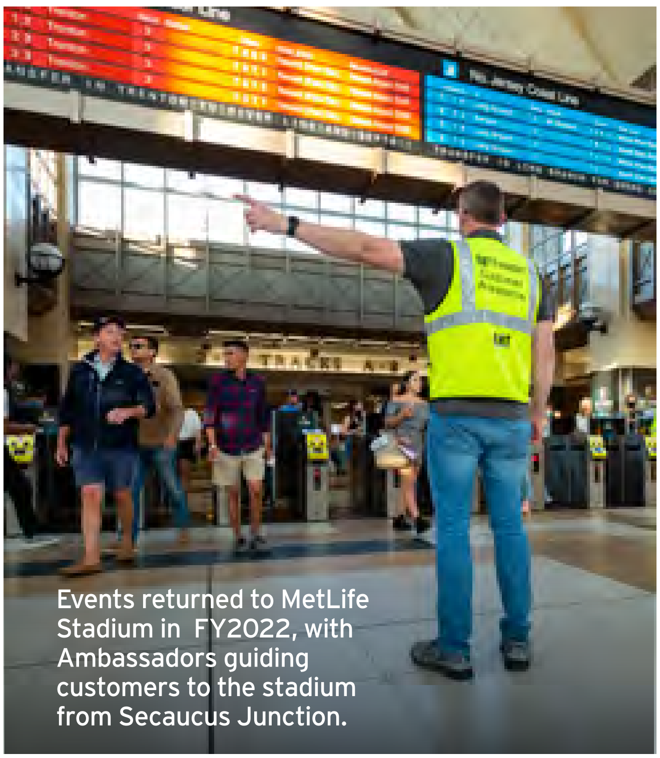
> *The initiative is a goal of NJ TRANSIT's NJT2030 10-year Strategic Plan, which seeks to reduce onboard cash and paper-based tickets while providing customers with quick, easy and convenient ways to pay.*



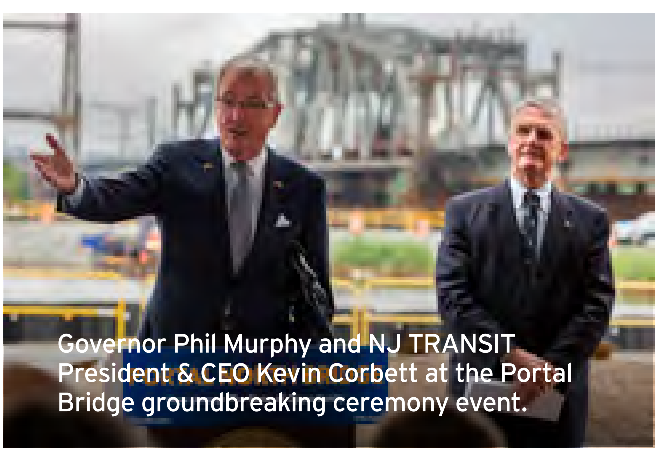
Ticket vending machines have security features that meet high industry standards.

CUSTOMER ENGAGEMENT

In addition to monthly **Board of Directors meetings**, NJ TRANSIT customers and the general public are invited to participate at monthly Board committee meetings, including the **Operations & Customer Service Committee**, **the Administration Committee and the Energy & Sustainability Committee** meetings. At the monthly Board of Directors meeting, the Board takes action on agenda items, receives committee reports and receives comments from the public who attend in person and virtually. Board Operations and Customer Service Committee meetings, which are also open to the public, are attended by Board Committee members, as well as senior management from Customer Service, Rail, Bus, Light Rail and Access Link. During the meeting, NJ TRANSIT staff provides highlights of new initiatives that improve the customer experience, as well as share on-time performance and customer feedback trends and analysis, project and customer engagement updates, safety initiatives and more. The public is also welcome to provide comments at this meeting.



Events returned to MetLife Stadium in FY2022, with Ambassadors guiding customers to the stadium from Secaucus Junction.



Governor Phil Murphy and NJ TRANSIT President & CEO Kevin Corbett at the Portal Bridge groundbreaking ceremony event.

NJ TRANSIT executed **89 Ambassador events** in FY2022, covered by more than 1,600 employee work shifts. Ambassadors are NJ TRANSIT employees who assist customers traveling on the system during service disruptions, holiday travel days, sports and entertainment travel, and more. The ambassadors sign up for their assignments through a new software program on their mobile phone or work computer.

NJ TRANSIT customers also had the opportunity to offer their input during virtual public meetings in FY2022 on **accessibility programs and services, redesign of the NJ TRANSIT bus network**, and the agency's **sustainability plan**. See details about these meetings in other sections of this report.

MAJOR PROJECTS, STUDIES & PLANNING

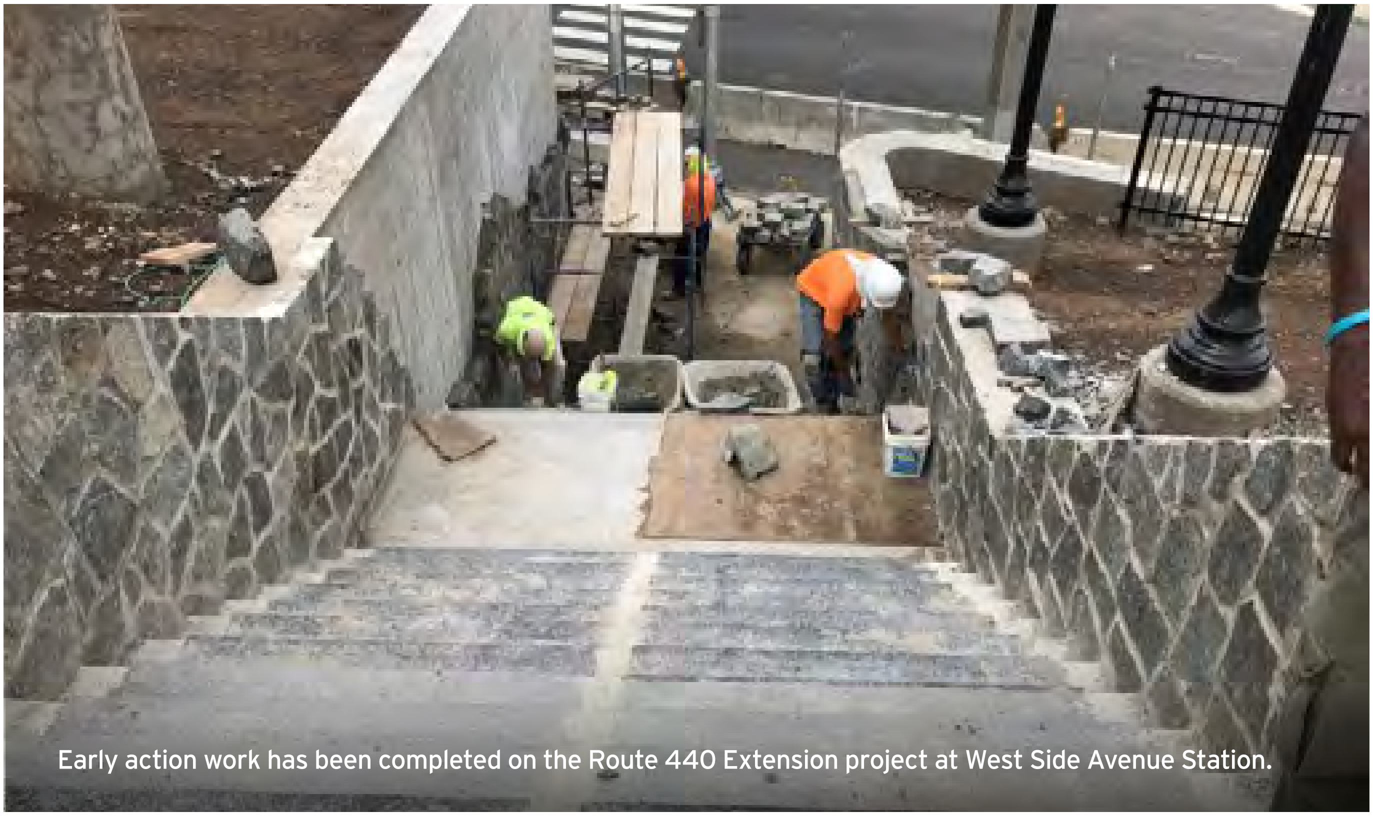
Governor Phil Murphy joined U.S. Department of Transportation Secretary Pete Buttigieg, the heads of the Federal Railroad Administration (FRA) and Federal Transit Administration (FTA), members of the New Jersey Congressional delegation and other elected officials and guests on August 1, 2022, to celebrate the physical groundbreaking for the new **Portal North Bridge** on the Northeast Corridor. Construction of the new fixed-span bridge will reduce delays and increase service and capacity when it replaces the existing

A rendering of the future Portal North Bridge on the Northeast Corridor.

112-year-old Portal swing-span bridge. Portal Bridge has been the source of frequent delays for Northeast Corridor, North Jersey Coast Line, MidTOWN Direct and Amtrak trains caused by bridge issues – primarily related to the bridge not closing completely after opening. The August 1st event followed an earlier special event in October 2021 when President Joe Biden visited the Meadows Maintenance Complex in Kearny for the project's ceremonial groundbreaking. The project, which is being funded by the U.S. Department of Transportation, New Jersey, New York and Amtrak, represents the single largest construction contract awarded in NJ TRANSIT's history.

In May 2021, the **Hudson Tunnel Project** was issued a joint Final Environmental Impact Statement (FEIS) and Record of Decision (ROD) by the Federal Railroad Administration (FRA) and Federal Transit Administration (FTA). The Hudson Tunnel Project includes the construction of a new rail tunnel under the Hudson River and full rehabilitation of the existing 112-year-old North River Tunnel. When works gets underway, the project will be staged to allow NJ TRANSIT and Amtrak to maintain existing levels of service. Completion of both tunnels will improve overall reliability, capacity, resiliency and redundancy of rail service between New Jersey and New York. Advanced engineering, final permitting and other preconstruction activities are underway to advance the project. NJ TRANSIT and local project partners are also working with the FRA and FTA to finalize a funding plan for the project. In September 2022, the Gateway Development Commission officially assumed formal control over the Gateway Project but remains in close consultation with NJ TRANSIT, Amtrak and other interested parties as the project advances.

The **Hudson-Bergen Light Rail (HBLR) Northern Branch Extension** will extend HBLR service from North Bergen in Hudson

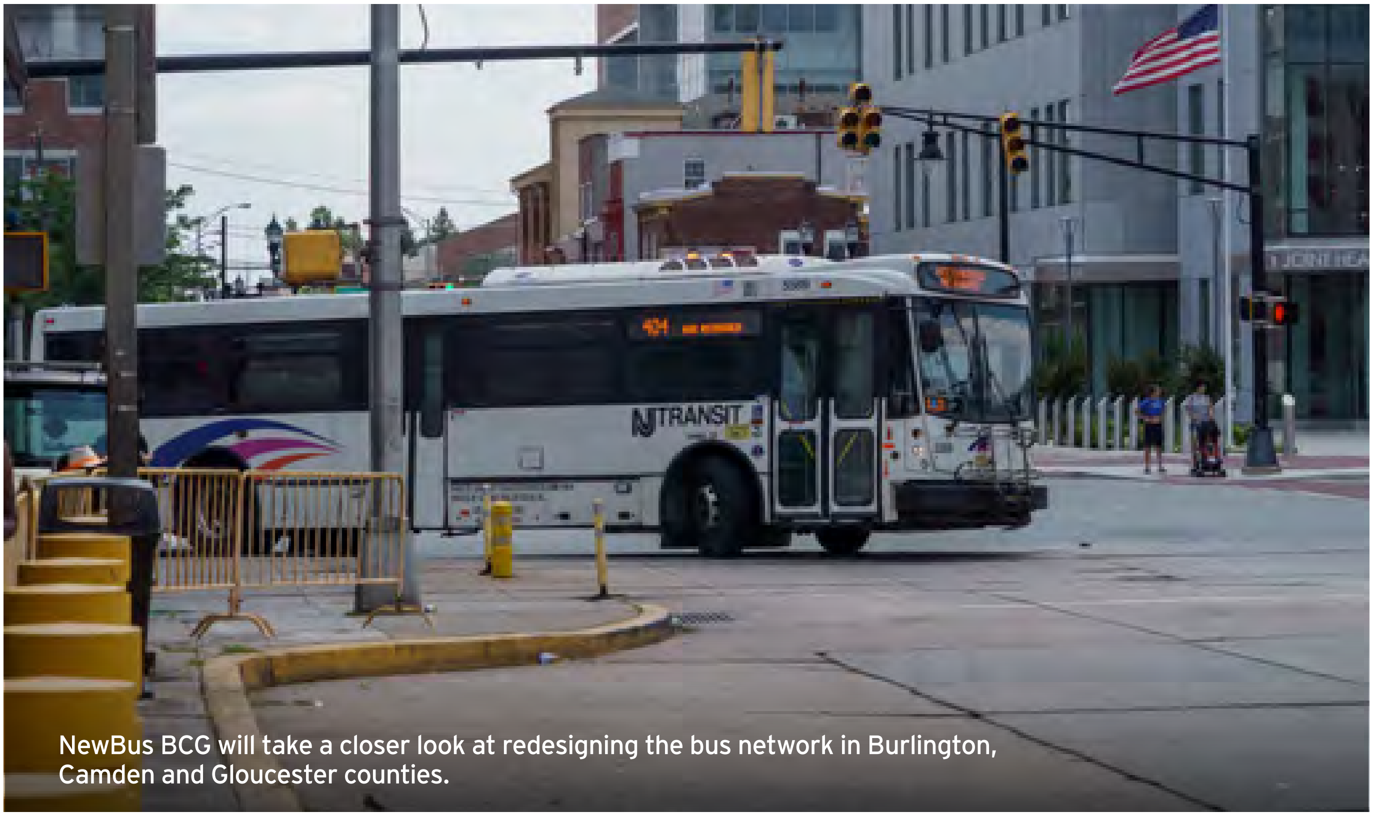


Early action work has been completed on the Route 440 Extension project at West Side Avenue Station.

County to Englewood in Bergen County, improving regional mobility, mitigating traffic congestion, and fostering economic investment. Federal Transit Administration (FTA) approval for the publication of a Final Environment Impact Statement and the issuance of a Record of Decision is pending identification of a funding source for property acquisition and construction. NJ TRANSIT is working with the FTA on resolution of public comments for the Final Environmental Impact Statement document. NJ TRANSIT anticipates a decision from the FTA on the FEIS in FY2023.

The **Hudson-Bergen Light Rail (HBLR) Route 440 Extension** will provide expanded transit access in Jersey City. The project will extend HBLR service from West Side Avenue Station to a new terminus on the west side of Route 440, where Jersey City is advancing residential and commercial development. NJ TRANSIT prepared an Environmental Assessment and the Federal Transit Administration issued a Finding of No Significant Impact. Design has progressed to the 30-percent level and funding alternatives are being explored to move the project forward. NJ TRANSIT has applied for a Mega Grant for construction of this project in FY2023 and is awaiting a decision on the application.

The **Glassboro-Camden Line** will provide light rail service from Camden to Glassboro, improving regional mobility, mitigating traffic congestion and fostering economic investment. An environmental review has been completed under a State of New Jersey Executive Order 215, Level 2 Environmental Assessment, which was managed by the Delaware River Port Authority (DRPA), with funding and technical support from NJ TRANSIT. Future development of this project is a South Jersey Transportation Authority initiative managed by the DRPA in consultation with NJ TRANSIT. DRPA has



NewBus BCG will take a closer look at redesigning the bus network in Burlington, Camden and Gloucester counties.

contracted with a design firm to advance the preliminary engineering for this project in FY2023.

NJ TRANSIT continues to advance work on the **Lackawanna Cutoff** project. The Board of Directors approved plans in April 2022 to restore the Roseville Tunnel, a critical element needed to restore rail service from Port Morris to a new proposed station in Andover in Sussex County. NJ TRANSIT is also developing a bid package for construction of Andover Station. The Lackawanna Cutoff will initially extend NJ TRANSIT rail service into Sussex County, with long-term plans to extend service into northeastern Pennsylvania, a project that would be funded by the State of Pennsylvania.

The **"NewBus"** initiative advanced in FY2022, an effort that seeks to redesign the NJ TRANSIT bus network through a detailed analysis of evolving market conditions and input from elected officials, community members, stakeholders and customers.

NEW BUS BCG
BURLINGTON • CAMDEN • GLOUCESTER

Studies are underway in Newark, Burlington, Camden, and Gloucester counties, with further plans to evaluate bus service in additional counties, including Hudson County. Further information is available in the *Power a STRONGER and Fairer New Jersey for All Communities* section of this report.

NJ TRANSIT will be preparing the **Raritan Valley Line/Central Jersey Corridor Master Plan**, which will examine transit plans and capital projects proposed for this east-west corridor and make recommendations for an investment sequence based on short-, medium- and long-term benefits for travelers in the corridor. Work also continues on development of the preliminary design for the **Hunter Flyover**, a rail crossing that will allow eastbound Raritan Valley Line trains to cross over and merge onto the Northeast Corridor on the eastbound side (toward New York), significantly reducing train conflicts and congestion at this critical junction.

NJ TRANSIT is advancing the **Atlantic City Line Operations Analysis**, which seeks to identify opportunities to add train service on the Atlantic City Rail Line using existing rail infrastructure. Also, NJ TRANSIT has partnered with the South Jersey Transportation Authority on a study to explore the feasibility of an **Atlantic City International Airport Station** in Galloway Township near Atlantic City International Airport.

NJ TRANSIT was the recipient of a $519,750 federal grant in FY2022 from the Federal Transit Administration (FTA) to conduct a modernization study for the **Newark Light Rail system**. The study will examine options to improve station design and customer experience, as well as make four remaining stations accessible to people with disabilities.

NJ TRANSIT has commenced with the initial phase of the **Meadowlands Area Rail Reconfiguration Study**, which will consider rail investments needed on the Main, Bergen County, Pascack Valley, Port Jervis and BETMGM Meadowlands rail lines to facilitate future service improvements made possible by planned increases in Trans-Hudson rail capacity. The study will address potential track capacity improvements, Hackensack River rail crossings, and capacity improvements on the BETMGM Meadowlands Rail and Pascack Valley lines between Secaucus and Hackensack.

NJ TRANSIT commenced the **Greater New Brunswick Transportation Study** in FY2022 to evaluate potential transit improvements in the Greater New Brunswick area and address local traffic congestion and mobility needs.

Newark Light Rail was the recipient of a federal grant to study modernization and accessibility improvements at four stations.


A new study will examine the potential for a new transitway and transit services in the Greater New Brunswick area.

Through evaluation of travel and demographic needs, land use patterns, and transportation network infrastructure, the study is assessing the feasibility of a new transitway and new transit services, as well as exploring potential improvements to existing transit services and facilities in the study area.

Several other planning efforts are nearing completion, including: the **Passaic-Bergen-Hudson Passenger Service Restoration Study**, which has identified several potential transit alternatives from Hawthorne and Paterson to Hackensack, with a connection to Hudson-Bergen Light Rail at Tonnelle Avenue; the **Princeton Transitway Study**, a concept-level review of the Princeton Branch that defines the future of transit service in the corridor; and, the **South Jersey Bus Rapid Transit (BRT)** study, which is exploring BRT improvements along portions of the Route 42 and Route 55 corridors in South Jersey, with service to and from Camden and Philadelphia.

NJ TRANSIT's Transit Friendly Planning Program released the 2nd edition of its **Transit Friendly Planning: A Guide for New Jersey Communities** in February 2022. This industry-leading document serves as a guide for creating transit-friendly communities, with NJ TRANSIT working with municipalities to encourage growth and development where public transportation already exists. The program also provides community technical assistance, which was provided to Atlantic City, Dunellen and West Windsor in FY2022.

Work continued on planning and design for two pedestrian/bike trails in FY2022. The **Henry Hudson Trail Connection** is attempting to connect Aberdeen-Matawan Station on the North Jersey Coast Line with the Henry Hudson Trail in Monmouth County. The **Middlesex County Greenway Trail Connection** seeks to better connect this trail to Metuchen Station and its adjacent downtown.

Power a STRONGER and fairer New Jersey for all communities

"NewBus" is NJ TRANSIT's Bus Network Redesign program, rethinking local bus service based on market conditions, demand, service, and network performance. In addition to technical analysis, NJ TRANSIT works with elected officials, community members, stakeholders and customers to evaluate objectives, strategies and priorities, ultimately leading to recommendations for an improved bus system and customer experience. Studies are already underway, focusing on 38 bus routes in Newark and 27 bus routes in Burlington, Camden and Gloucester counties. Bus routes in Hudson County will be evaluated next, with others being planned throughout the state.

Many of the bus routes being examined in the NewBus Newark initiative are served by Hilton Garage.

Access Link paratransit service saw a significant increase in ridership in FY2022.

More than 65,700 customers were eligible to ride **Access Link** – NJ TRANSIT's paratransit system – in FY2022, with more than 1.2 million trips provided during the fiscal year, an increase of 25 percent above FY2021 figures. While the number of calls answered in FY2022 increased 2.3 percent compared to FY2021, the number of reservations calls decreased by 5.3 percent, thanks in large part to the ability of Access Link customers to make online reservations through Access Link Online or the Access Link Mobile App.

Thanks to new state legislation, Access Link-eligible customers were informed about the availability of **reduced fare cards** in FY2022, and started receiving them for use on the NJ TRANSIT bus, rail and light rail systems after being auto-enrolled in the Reduced Fare Program when they qualify for Access Link.

The **Student Pass** has been a popular choice for college students during the school year. Full-time students at regional colleges and universities who participate in the program receive a 25-percent discount off already discounted monthly rail, bus or light rail passes when purchased in the NJ TRANSIT mobile app. To further incentivize transit ridership, NJ TRANSIT sweetened the pot ahead of the Fall and Spring semesters by offering a "Buy 3 Months, Get 1 Month Free" promotion. The promotion has resulted in monthly pass sales that exceeded pre-COVID sales numbers.

More than 65,700 customers were eligible to ride Access Link – NJ TRANSIT's paratransit system – in FY2022.

TRANSIT-ORIENTED DEVELOPMENT (TOD)

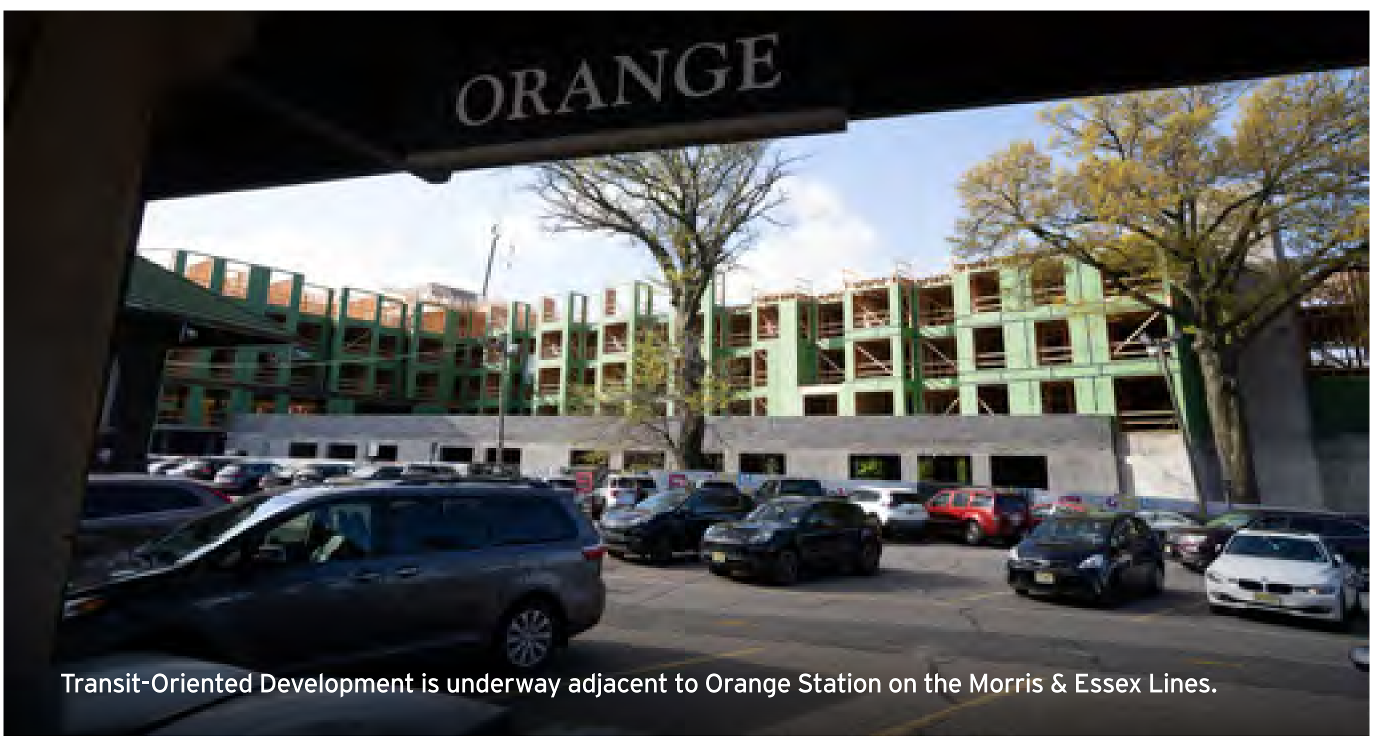
NJ TRANSIT, in partnership with communities and developers, advanced **Transit-Oriented Development (TOD)** projects anchored by several rail stations and a bus corridor around the system in FY2022.

Somerset Development, Avalon Bay and Pulte Homes continued construction of a mixed-use transit village at **Somerville Station** on the Raritan Valley Line. A new, shared-structured parking facility is now open, while construction of the mixed-use development is expected to continue through 2024.

At **Orange Station**, D & R Orange Urban Renewal, LLC, has made significant progress constructing Essex & Crane, a project located directly adjacent to the station on the Morris & Essex Lines that will include rental apartment homes and a new shared parking structure.

The City of Hoboken and NJ TRANSIT's designated developer, LCOR, Inc. have finalized a Redevelopment Agreement for a transformative mixed-use project called "Hoboken Connect" at historic **Hoboken Terminal**. The agreement on the public-private venture was finalized in September 2022. Hoboken Connect will include new office and retail space, affordable housing and streetscape improvements. The private phase includes a mixed-use residential building that includes affordable housing, a 20-story office building, 5,000-square-feet of retail space, and pedestrian, vehicular and bicycle improvements. Public investments will include construction of a new bus terminal, significant rehabilitation of the ferry section of Hoboken Terminal for commercial and exhibition space, redevelopment of Warrington Plaza, and bicycle and pedestrian access improvements on Hudson Place. Governor Phil Murphy has committed $176 million in the FY2023 State budget for the public improvement phase.

At **Metropark Station** on the Northeast Corridor, Governor Phil Murphy and NJ TRANSIT have designated a development partner, DOR Woodbridge, LLC., to advance design and supporting project agreements. DOR Woodbridge, LLC is a joint venture of Russo Development, Onyx Equities, and Dinallo Development LLC/Terminal Construction. The project will promote sustainable economic growth, maximize the value of NJ TRANSIT's real estate assets, and optimize land-use and non-fare box revenue in support of transit operations. The project



Transit-Oriented Development is underway adjacent to Orange Station on the Morris & Essex Lines.

Plans for Transit-Oriented Development at Metropark Station were unveiled in FY2022.

will include office and retail space, housing opportunities (20 percent designated as affordable housing), community amenities, and station-area improvements that include bicycle, pedestrian and infrastructure upgrades.

NJ TRANSIT also designated exclusive development partners for prospective TOD projects at **Red Bank Station** on the North Jersey Coast Line (Denholtz Properties), **Bound Brook Station** on the Raritan Valley Line (Capodagli Property Company), and **Highland Avenue Station** on the Morris & Essex Lines (HANDS, Inc.), with pre-development efforts advancing at each of those station.

NJ TRANSIT, in partnership with Old Bridge, received a $470,000 grant in FY2022 from the Federal Transit Administration to develop a comprehensive **Transit-Oriented Development (TOD) study in Middlesex and Monmouth counties**. The TOD study is for a proposed Route 9 Bus Rapid Transit line from the NJ TRANSIT Old Bridge Park & Ride in Old Bridge Township to the Aldrich Park & Ride in Howell Township, spanning 21 linear miles along Route 9. Planning will occur around several bus stops and stations included in the study area.

NJ TRANSIT continues to have a Hollywood appeal. Several of the agency's stations and terminals were used for **film, television and advertising shoots** in FY2022, helping to showcase the agency's facilities and assets, and generate additional non-farebox revenue. Among the highlights: filming of "A Good Person" at South Orange and Mountain stations, starring Morgan Freeman and Florence Pugh; recording of a public television documentary at Newark Penn Station about the historic architecture of the City of Newark; shooting of an independent film called "Bury Me Until I'm Dead" at Newark Light Rail's Military Park Station; and filming of a segment for the TV show "FBI – Most Wanted, Season 3" at Military Park Station. Newark Penn Station also was used for a Vogue Magazine photo shoot for actress Emma Corrin, and Hoboken Terminal was transformed into a Holiday Market for the Hoboken Business Alliance.

NJ TRANSIT's first zero-emission electric bus made it's debut in October 2022.

Promote a more SUSTAINABLE FUTURE for our planet

NJ TRANSIT launched the development of a **Sustainability Plan**, which is scheduled to be implemented at the end of 2023. The Sustainability Plan will build upon NJ TRANSIT's existing sustainability programs, developing a comprehensive sustainability framework related to our social, environmental and economic performance. Stakeholder engagement is a key component of the planning process, and has included public webinars, surveys and small group interviews. Stakeholders can stay informed on the plan's developments at **www.njtransit.com/sustainabilityplan**.

NJ TRANSIT is advancing an aggressive **zero-emission bus deployment** program. Charging infrastructure work to support battery electric buses (BEBs) was completed at Newton Avenue Garage in Camden in FY2022. NJ TRANSIT also purchased eight 40-foot New Flyer BEBs during the fiscal year for a pilot project in Camden, which is now underway with the agency's first electric bus operating in revenue service. To support the initial deployment of BEBs at Newton Avenue Garage, NJ TRANSIT is working with the Department of Energy's **National Renewable Energy Lab** to perform data collection and analysis of performance metrics related to the operation of diesel and battery electric buses. This work will inform further deployments of battery-electric buses as NJ TRANSIT moves forward with a Zero-Emission Bus Program. The agency remains committed to transitioning to a 100 percent zero-emission bus fleet by 2040.

The Board of Directors approved two additional board items that support the agency's transition to zero-emission buses. One would pave the way for the next phase of design for a new **Northern Bus Garage** proposed for Ridgefield Park that will accommodate up to 500 zero-emission buses. The second board item launched a **Garage Modernization Program** to design the infrastructure required for a limited deployment of BEBs at Hilton Garage in Maplewood, and conduct a survey of current conditions at all 17 NJ TRANSIT bus garages statewide.

In FY2022, NJ TRANSIT continued the replacement of **Hudson-Bergen Light Rail (HBLR) Traction Power, Auxiliary Power and Signal and Communication Cables** that were affected by Superstorm Sandy. Construction also continued to advance in FY2022 for the **Newark Light Rail storm protection project**, which is scheduled for completion in FY2023.

Construction began in early 2022 on resilience modifications to **Hoboken Terminal and Yard power distribution systems** for both signal and yard power systems. This work includes aerial cabling, connecting power substations to signal equipment and major yard facilities. The Wayside Power Systems in Yard B and Days Yard in the terminal complex will raise equipment above flood elevation and add power outlets and control stations for up to 20 tracks.

The **Mason Substation** project continued to advance in FY2022 per an agreement between NJ TRANSIT and PSE&G to construct a new, resilient 230kv substation, replacing the existing substation that was damaged during Superstorm Sandy. This project includes 55kv traction power, 13.2kv yard power, and a new Building 9 Substation.

Construction continued in FY2022 on flood protection work at the **Meadows Maintenance Complex (MMC) and the Rail**

> *NJ TRANSIT also purchased eight 40-foot New Flyer BEBs during the fiscal year for a pilot project in Camden, which is now underway with the agency's first electric bus operating in revenue service.*

A number of projects are underway in and around Hoboken Terminal to protect the terminal and yard from future flooding and damage.

Operations Center (ROC) in Kearny, NJ. The project includes sealing perimeter openings, installing deployable sluice gates, swing gates and stop-log doors, utilizing permanent and deployable pumps, and installing emergency generators for backup power. NJ TRANSIT anticipates project completion in FY2023.

Construction continued in FY2022 on the **Henderson Street Substation** project, which will provide power to most Hoboken Yard facilities, including the Hoboken rail and ferry terminals and supporting infrastructure, with power and distribution cables located above flood elevation. The project will connect to the proposed NJ TRANSITGRID resilient power system, allowing Hoboken Yard to continue operations in the event of a long-term power disruption.

Construction continued on the **Bay Head Substation** project, which involves the design and construction of a replacement substation in Bay Head Yard on the North Jersey Coast Line. Work includes new switch-gears, transformers, associated power cables, devices and controls. The existing substation was damaged during Superstorm Sandy.

In FY2022, construction continued on the **Hoboken Terminal House Power** project, replacing an existing power facility known as "Depot" substation that was significantly damaged during Superstorm Sandy. The new substation has been designed to provide reliable and resilient electric power to the rail and ferry terminals and supporting infrastructure. The new substation is located on the second floor of the vacant Pullman & Immigrant Building at Hoboken Terminal, well above predicted future flood levels.

Work continued in FY2022 on the **Rail Operations Center (ROC) Unit Substation** project, which will replace and elevate the ROC Unit Substation facility to harden it against interruptions of the commercial power grid. The new substation will connect to the proposed NJ TRANSITGRID, continuing to provide reliable power to the ROC if the commercial power grid fails.

Final design of the new **Delco Lead Storage and Inspection Facility** in New Brunswick and North Brunswick on the Northeast Corridor (NEC) continued in FY2022. This project, which is funded by a Federal Transit Administration Competitive Resilience Grant, includes construction of a new service & inspection facility with a crew quarters and equipment storage space; the expansion of County Yard to store approximately 120 railcars in an area resilient against flooding; new passing sidings, and a new Delco Lead track extending 3.5 miles that can store approximately 288 additional railcars. The project will significantly improve NJ TRANSIT's operational efficiency, reduce costs and allow NJ TRANSIT to quickly restart rail service after extreme weather events. The Board of Directors gave approval for the project to proceed in April 2022.

just want to say a quick public thanks to @NJTRANSIT support folks for helping escalate my issue to the app support folks, who resolved it quickly and successfully!

eMberofthe3trees
@eMberofthe3Tree

Long Slip Canal adjacent to Hoboken Terminal has been filled in and will be replaced by additional tracks and platforms.

A new bridge on the North Jersey Coast Line is being built over the Raritan River, making it more resilient than the bridge it is replacing.

A Federal Transit Administration Competitive Resilience Grant funds the **Long Slip Fill and Rail Enhancement Project** in Hoboken. This project involves filling in Long Slip Canal (which has been completed), building new tracks and accessible platforms on the filled-in area, and constructing a passenger/rail personnel facility. When completed, the project will give NJ TRANSIT more operational flexibility in and out of Hoboken Terminal, particularly during and after severe storms.

The **Raritan River Bridge** on the North Jersey Coast Line, which was damaged during Superstorm Sandy, is being replaced with a new bridge through a Federal Transit Administration (FTA) Competitive Resilience grant. The existing swing-span bridge, constructed in 1908, will be replaced with a new lift bridge constructed with more durable materials and built at a higher vertical elevation to help withstand storm surges during extreme weather events. Construction of Phase One continued in FY2022, which included bridge approach spans, lift bridge piers and related land work.

Plans for **NJ TRANSITGRID** are at the 20-percent design level. A Federal Transit Administration (FTA) Competitive Resilience

The Raritan River Bridge on the North Jersey Coast Line, which was damaged during Superstorm Sandy, is being replaced with a new bridge through a Federal Transit Administration (FTA) Competitive Resilience grant.

Grant supports design and construction, as well as operation of a Microgrid Central Facility that will provide highly reliable power to a core segment of NJ TRANSIT's critical rail and light rail services and infrastructure. The project also includes a power distribution network and installation of several smaller distributed generation facilities. Partners on this project include the New Jersey Office of Recovery and Rebuilding, the FTA, the U.S. Department of Energy, the New Jersey Board of Public Utilities, the New Jersey Department of Environmental Protection, the New Jersey Office of Homeland Security and Preparedness, and other public and private stakeholders. NJ TRANSIT issued a Request for Proposals (RFP) to pre-qualified firms for the Microgrid Central Facility in FY2022. The project was reimagined in 2020 to encourage the firms to maximize the use of renewables and green energy options in their bid proposals. NJ TRANSIT anticipates continuance of the procurement process for Microgrid Central Facility project in FY2023.

NJ TRANSIT's **Signals and Communications Resilience** project will make critical system components in designated areas more resilient to future storms by elevating components located along segments of the Morris & Essex, Main, Bergen County, Pascack Valley and Raritan Valley lines, and the Hudson-Bergen Light Rail system. A design-build project implementation model is being used to execute the project. Design and construction continued to advance in FY2022 and will continue on all remaining commuter and light rail lines in FY2023.

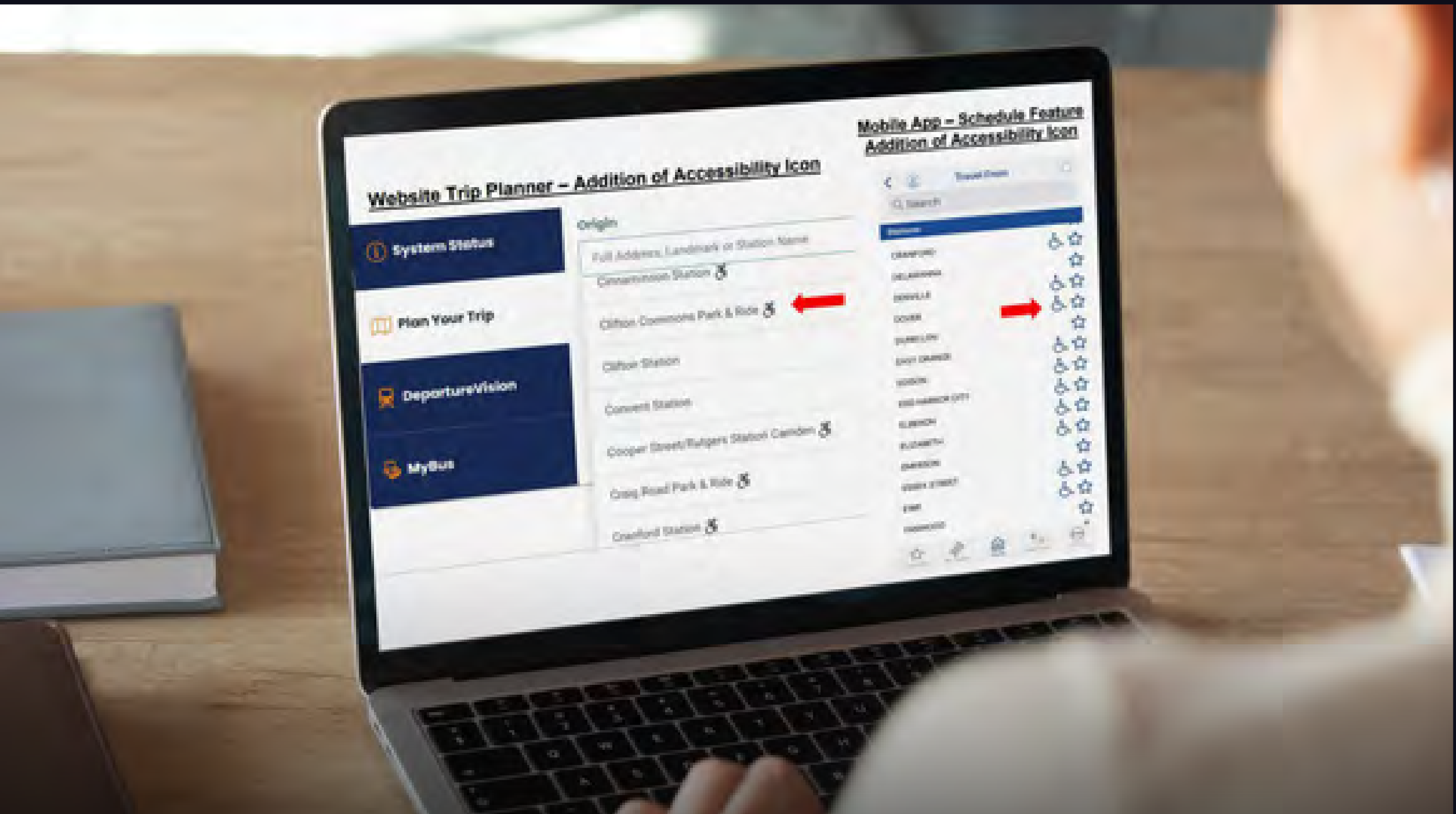
NJ TRANSIT advanced plans to purchase more **electric and hybrid non-revenue fleet vehicles** in FY2022. Thirty-nine hybrid-electric vehicles and six all-electric vehicles were ordered in the latest vehicle purchases, bringing the total number of hybrid-electric and electric vehicles in the non-revenue fleet to 79, with more being planned. NJ TRANSIT is also purchasing additional charging stations to support the growing all-electric, non-revenue fleet.

In September 2021, NJ TRANSIT began testing its first-ever **solar bus shelter** in Cherry Hill. The ADA-accessible shelter is equipped with solar panels that capture the sun's energy to recharge the shelter's battery. The electricity is used to power the shelter's lights and USB charging ports for customers. Bus Operations will evaluate the performance of the shelter before determining whether to expand the program to other parts of the bus system.

NJ TRANSIT is investigating the use of a **solar photovoltaic (PV) Power Purchase Agreement (PPA)** to advance distributed energy resources, offsetting onsite electricity use and promoting environmental stewardship and resilience. The agency has completed a feasibility study and solicited bids from qualified vendors for the installation of a solar photovoltaic canopy at the Egg Harbor Bus Garage. This installation will be a first step in expanding renewable assets at NJ TRANSIT-owned properties. Additionally, the agency has crafted a Request for Proposals for design services for standard specifications and drawings of solar-ready rooftop and ground-mount canopy designs. These standard specifications and drawings will support future solar energy installations and will streamline the design and construction process.

Build an ACCOUNTABLE, INNOVATIVE AND INCLUSIVE organization that delivers for New Jersey

NJ TRANSIT unveiled a revamped **accessibility-related web page** on **njtransit.com** in FY2022. The new page includes a video that highlights the agency's accessible services, as well as links to other helpful accessible information and "how-to-use videos" with captions, a project funded by the Federal Transit Administration's Access and Mobility Partnership Grants program.



NJ TRANSIT created a new webpage - njtransit.com/accessibility - connecting customers with disabilities to a wealth of general information and services.

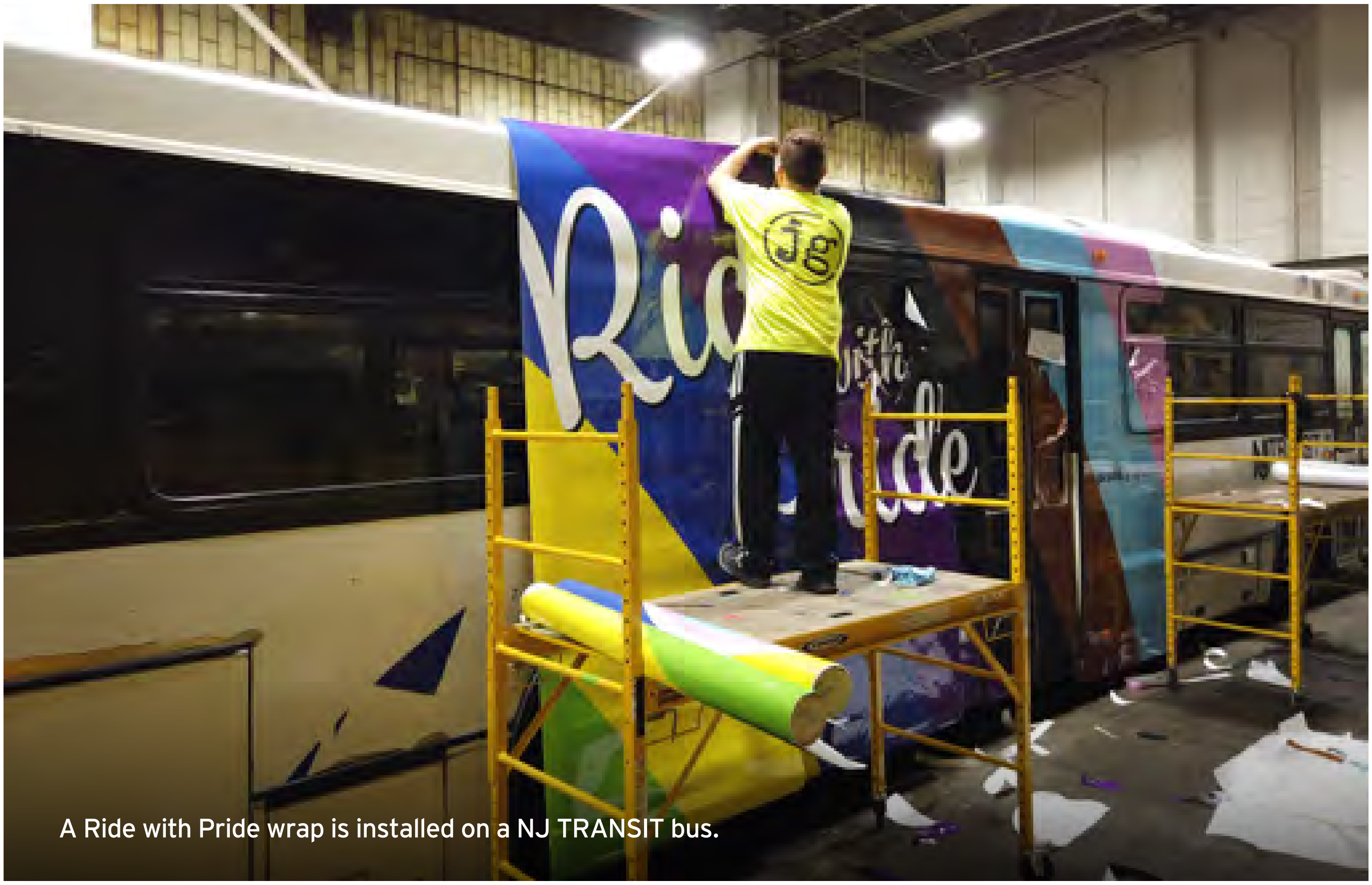

NJ TRANSIT hosted its first ever accessibility forum in FY2022.

NJ TRANSIT hosted its first **Accessibility Forum in FY2022**, part of the agency's ongoing efforts to engage and expand inclusion for customers with disabilities. The forum was held virtually and in person. During the forum, NJ TRANSIT showcased its accessibility options for customers with disabilities, and offered those attending an opportunity to provide comments, offer feedback and ask questions related to NJ TRANSIT's accessible services.

NJ TRANSIT announced the launch of new technology-focused initiatives in May 2022 to further help customers with disabilities travel around the system as safely and efficiently as possible. Through a partnership with **Magnusmode**, NJ TRANSIT is assisting autistic and neurodiverse customers with the help of MagnusCards, a free mobile app that combines the instruction of an autism educational specialist with real-world images that aid anyone who may need extra guidance to navigate everyday travel experiences.

The **Disadvantaged Business Enterprise (DBE) program** is a requirement of the of Federal Transit Administration (FTA) for transit agencies to qualify for federal funding. DBEs are businesses that historically have faced social and economic disadvantages in contracting opportunities. NJ TRANSIT is required to develop and submit a Triennial DBE Agency-Wide Goal to the FTA, which was submitted August 1, 2022. The DBE agency goal represents the percent of projected FTA-funded contract dollars that are available for DBE participation in the next three federal fiscal years. NJ TRANSIT's DBE goal for Federal Fiscal Years (FFY) 2023-2025 is 15.2 percent, which went into effect October 1, 2022. You can find out more about this program from the NJ TRANSIT **Office of Business Development**.

NJ TRANSIT continues to build upon its **Diversity & Inclusion** (D&I) initiatives. A key component is Company Employee Resource Groups (CERGs), led by employees


A Ride with Pride wrap is installed on a NJ TRANSIT bus.

to support inclusion for marginalized and/or historically underserved communities. Each CERG meets to develop and advance plans for events, programs and projects to promote awareness, understanding and action. The six CERGs at NJ TRANSIT are B.R.I.D.G.E.S (Black/African American), Ride With Pride (LGBTQIA+), WAVES (Asian American and Pacific Islander), empoWer (Women), NextGen (New Generations in the Workplace), and the NJ TRANSIT Abilities Group (People with Disabilities).

NJ TRANSIT unveiled two **"Ride with Pride"** themed buses and one locomotive in FY2022 to celebrate the LGBTQIA+ Community. The buses and locomotive have been making their rounds in communities served by NJ TRANSIT. Employees who are part of the agency's Company Employee Resource Group (CERG) also marched in the Asbury Park Pride Festival in June 2022.

This locomotive was also wrapped in a Ride with Pride banner.

NJ TRANSIT employees participated in the 30th Annual Statewide LGBTQ+ Pride Celebration in Asbury Park.

In November 2021, NJ TRANSIT launched a **Language Assistance Committee** (LAC) consisting of employees from across the organization. As part of its Federal Transit Administration requirements under Title VI of the Civil Rights Act of 1964, NJ TRANSIT is required to ensure that customers with Limited-English Proficiency (LEP) and/or low-literacy (LL) have equal access to its programs and services where language is not a barrier. The LAC identifies and advances language assistance resources, technology and best practices for LEP and LL customers – beyond the requirements of Title VI – to advance NJ TRANSIT's value of inclusion. The ultimate goal of the LAC is to ensure that everyone who uses or encounters NJ TRANSIT programs and services has access to the system and obtains exceptional customer service, whatever their primary language may be.

> Grateful for all the dedicated and brave workers at @MTA & @NJTRANSIT who helped me get to my destinations safely and efficiently this weekend! This is exactly why we need to continue investing in #publictransit
>
> **Abigail Goldring @AbigailGoldring**

NJ TRANSIT assisted Sussex County with the purchase of this vehicle for seniors and people with disabilites.

Community Transportation/ Senior Citizen & Disabled Resident Transportation Assistance Program (SCDRTAP)

NJ TRANSIT supports local community transportation services operated by counties, municipalities, and non-profit organizations in New Jersey. In FY2022, NJ TRANSIT provided approximately $49 million in federal and state grant funds for community-based transportation to serve senior citizens, people with disabilities, and rural and low-income residents. These transportation services provide mobility for customers to reach non-emergency medical appointments, veterans' services, nutrition programs, shopping, employment and job training in all of New Jersey's 21 counties. Additional Federal COVID-19 pandemic recovery funding was made available in FY2022 and is being shared with subrecipients around New Jersey.

Community transit service modes include both demand-response and deviated fixed route shuttles. Several of the local community transportation services provide connections to NJ TRANSIT's bus and rail service. NJ TRANSIT also partners with the state's eight Transportation Management Associations to coordinate commuter vanpools and provide oversight of bike lockers at NJ TRANSIT rail stations.

The **Senior Citizen & Disabled Resident Transportation Assistance Program (SCDRTAP)** was established by the State Legislature with the "Senior Citizen and Disabled Resident Transportation Assistance Act" of 1984. This report provides the annual summary for the SCDRTAP program as provided by N.J.S.A. 27:25-29.

SCDRTAP, which is administered by NJ TRANSIT, helps New Jersey counties and designated recipients develop and operate community-based transportation services for residents who are seniors or have a disability, including as feeder services to NJ TRANSIT bus and rail systems, and to provide resources for increasing the accessibility of NJ TRANSIT services.

SCDRTAP is funded through an annual allocation to NJ TRANSIT equivalent to 8.5 percent of Casino Revenue Fund (CRF) receipts for the prior year. The CRF is funded by taxes paid by the casinos and internet wagering companies of New Jersey, and varies year by year due to fluctuations in gambling activity.

SCDRTAP funds are distributed by formula as established by law. Eighty-five percent of the funds are provided to all 21 counties for transportation to senior citizens and

Community transportation programs continued COVID-cleaning initiatives in FY2022, including the use of electrostatic disinfectant sprayers in Union County.

people with disabilities. In 2022, $18.9 million was allocated to the counties for their transportation systems. This allocation represented an approximately 1.6 percent decrease from 2021. The remaining 15 percent is allocated to NJ TRANSIT, with 10 percent, or $2.2 million, used to administer the SCDRTAP program, and five percent, or $1.1 million, used to improve NJ TRANSIT accessible services. This includes funding for:

- The New Jersey Travel Independence Program (NJTIP) that provides travel training for people with disabilities to independently utilize NJ TRANSIT services;
- The Transportation Network Company (TNC) pilot program that encourages county partnerships with TNCs for expanded service;
- A Low-Speed Automated Vehicle (LSAV) pilot that is evaluating suitability of such vehicles for community services; and,
- Various training opportunities for community transportation providers including driver, passenger securement, ADA, and vehicle maintenance programs.

Counties are beginning to see an increase in ridership as the COVID-19 pandemic eases and many destinations reopen, with riders beginning to feel more comfortable on public transportation. In January 2022, county transportation systems approximately doubled their ridership from the previous year. We anticipate ridership to continue to increase as more and more nutrition sites and other locations continue to reopen their doors.

The county-coordinated systems are also exploring new methods of service delivery. Bergen, Morris and Sussex counties have been awarded "TNC Challenge Grant" funding to develop partnerships with Transportation Networking Companies (TNCs, such as Uber or Lyft). These new programs help county transportation providers address day-to-day transit capacity issues by enabling the counties to provide more service with minimal budget impact, utilizing TNCs to enhance their service. The Essex County Community Transportation TNC program received the first grant in 2019 and has successfully provided transportation options to many residents in Essex County, including seniors, individuals with disabilities, and in some cases, the general public. This program assisted the county during the peak of the pandemic and has continued to help bridge service gaps when needed.

The following chart details the estimated FY2022 SCDRTAP passenger trip information for the State of New Jersey's 21 county systems.

NORTH		CENTRAL		SOUTH	
BERGEN	45,955	HUNTERDON	19,215	ATLANTIC	5,796
ESSEX	*8,866	MERCER	49,356	BURLINGTON	7,360
HUDSON	21,533	MIDDLESEX	21,793	CAMDEN	14,173
MORRIS	24,868	MONMOUTH	18,607	CAPE MAY	55,184
PASSAIC	26,799	OCEAN	21,783	CUMBERLAND	4,453
SUSSEX	4,558	SOMERSET	13,874	GLOUCESTER	18,388
WARREN	10,161	UNION	24,000	SALEM	8,445
TOTAL	**133,874**	**TOTAL**	**168,628**	**TOTAL**	**113,799**

***Note:** County is beginning to see increase in ridership and continues toward pre-COVID ridership levels.

APPENDIX A

This charts contains information about NJ TRANSIT's workforce, including demographics and financial information per N.J.S.A. 27:25-20. The Agreement Average Salary figures do not include overtime earnings.

Parent Department	Non-Agr Total	Non-Agr Avg Sal	Agr Total	Agr Avg Salary	Total Male	Total Female	American Indian	Asian	Black	Hispanic	Pacific	Two+	White	Not Specified	Other
BUS	529	$83,767	5,445	$62,678	4,512	1,462	10	176	3,331	1,230	4	80	1,142	1	0
COMM & CUST. EXP	122	$75,709	44	$61,153	70	96	0	2	90	6	1	3	63	1	0
COMPLIANCE DEPT	10	$113,075	0	$0	4	6	0	2	2	1	0	0	5	0	0
CR-DIVERSITY PGS	14	$107,428	0	$0	6	8	0	1	8	4	0	0	1	0	0
DIVISION OF LAW	7	$65,419	0	$0	1	6	0	0	6	1	0	0	0	0	0
FINANCE	177	$93,091	104	$61,646	106	175	0	25	142	27	0	5	82	0	0
GOVT & EXT AFFRS	8	$93,547	0	$0	4	4	0	0	1	1	0	0	6	0	0
HUMAN RESOURCES	115	$90,230	11	$55,971	30	96	0	13	48	17	0	6	42	0	0
INTERNAL AUDIT	16	$97,741	0	$0	9	7	0	4	1	2	0	0	9	0	0
LT RAIL/ CONTRACT	108	$81,374	101	$68,037	129	80	0	3	134	28	0	1	43	0	0
ORG SERVICES	18	$71,580	23	$52,143	31	10	0	1	17	5	0	2	16	0	0
PLANNING	69	$87,916	0	$0	37	32	0	3	13	8	0	0	45	0	0
POLICE	60	$87,040	347	$97,335	342	65	0	16	57	64	0	7	262	0	1
PRESIDENT & CEO	7	$169,999	0	$0	4	3	0	1	1	0	0	0	5	0	0
PROCUREMENT SUPT	79	$80,482	51	$65,916	76	54	0	7	48	29	0	2	44	0	0
RAIL	439	$107,429	4,688	$72,884	4,346	781	10	126	1,622	619	6	78	2,665	1	0
SAFETY	59	$97,307	1	$72,779	40	20	0	3	20	4	0	0	33	0	0
TECHNOLOGY	190	$86,394	8	$70,073	150	48	2	65	30	18	0	6	77	0	0
CP	268	$88,044	0	$0	175	93	1	52	54	20	0	10	130	1	0
BOARD OF DIRECTORS' OFFICE	23	$68,078	0	$0	7	16	0	2	6	6	0	1	8	0	0
GENERAL COUNSEL	1	$225,000	0	$0	1	0	0	0	0	0	0	0	1	0	0
EEO/AA DEPARTMENT	10	$91,818	0	$0	3	7	0	1	6	1	0	0	2	0	0
AVG GRAND TOTAL	**2,329**	**$90,314.77**	**10,823**	**$68,236.26**	**10,083**	**3,069**	**23**	**503**	**5,637**	**2,091**	**11**	**201**	**4,681**	**4**	**1**

APPENDIX B

Effective December 20, 2018, the legislature enacted changes to N.J. Stat. § 27:25-20. As amended, the statute requires NJ TRANSIT to submit an annual report to the Commissioner of Transportation, the Governor, the President of the Senate, the Speaker of the General Assembly, and the Assembly Transportation and Independent Authorities Committee and the Senate Transportation Committee. In particular, requirements of the statute entail providing certain accident information for reportable accidents that occurred during the previous year which involved a rail passenger vehicle or motorbus operated by, or under contract to, the corporation, including the total number of accidents and any fines, penalties, or judgments levied against the corporation related to any such accident. It also includes reporting information regarding any safety violations for which the corporation received a notice of violation in the previous year, including the total number of safety violations and any fines or penalties levied against the corporation related to any such safety violation.

A. ACCIDENT DATA FOR REPORTABLE ACCIDENTS

NJ TRANSIT reports accident data involving light rail vehicles and motorbuses to the Federal Transit Administration (FTA). It reports accidents involving commuter rail vehicles operated by the corporation to the Federal Railroad Administration (FRA). An accident is reportable if it meets criteria within applicable federal regulations and guidelines. The data reported in the Table below is derived from the above mentioned publicly available federal resources.

MODE	No. of reportable accidents	Fines, penalties & judgments
BUS		
Bus Directly Operated	247	None
Bus Purchase Transport	3	None
LIGHT RAIL		
Light Rail Directly Operated	3	None
Light Rail Purchase Transport	10	None
Hybrid Rail Purchase Transport	9	None
COMMUTER RAIL		
Grade Crossing Incidents	9	None
Other FRA Reportable Train Accidents (includes rail equipment accidents that occur in yards)	28	None

New cruiser buses are making the trip more comfortable for NJ TRANSIT customers.

B. SAFETY VIOLATIONS

NJ TRANSIT is regulated by several federal and state agencies, including the Federal Railroad Administration (FRA). The FRA is frequently on site, performing inspections of NJ TRANSIT Rail Operations. During Fiscal Year 2022, the FRA issued eighty (80) Inspection Reports listing three hundred and twenty eight (328) items inspected. During that same timeframe, the FRA issued nine (9) Notices of Violation, listing nine (9) Violations. In the Notices, the FRA proposed Civil Penalties totaling $36,000. NJ TRANSIT is contesting the violations that allegedly occurred in Fiscal Year 2022 and has paid no penalties to date.

During Fiscal Year 2022, NJ TRANSIT Rail Operations received two (2) Notices of Order to Comply from the New Jersey Public Employees Occupational Safety and Health (PEOSH). There was one (1) regarding scaffolding and one (1) regarding overhead crane operations. Both were abated. Notice(s) of Order to Comply do not include fines and gives the employer an opportunity to provide corrective actions. Additionally, NJ TRANSIT received two (2) requests related to COVID-19. There was one (1) COVID-related death investigation and one (1) regarding COVID-related signage.

During Fiscal Year 2022, NJ TRANSIT Bus Operations received zero (0) Notices of Order to Comply from the New Jersey Public Employees Occupational Safety and Health (PEOSH). NJ TRANSIT received three (3) requests for information related to COVID-19.

During Fiscal Year 2022, NJ TRANSIT Bus Operations received twenty-five (25) Motor Coach/Bus Out-of-Service Violations (OOS) from the New Jersey Department of Transportation and/or New Jersey State Police. These OOS violations do not carry monetary fines; rather the vehicle is taken out of service until the vehicles are repaired.

During Fiscal Year 2022, NJ TRANSIT Light Rail Operations received zero (0) Notices of Violations from the Federal Transit Administration (FTA) and zero (0) Notices of Order to Comply from PEOSH.

During Fiscal Year 2022, NJ TRANSIT received two (2) Bus Idling Violations. Related penalties for the Bus Idling Violations received was in the amount of $2,000. Both were issued by Mercer County Department of Human Services.

During Fiscal Year 2022, NJ TRANSIT also received three (3) Notices of Violation and Orders of the Commissioner, containing seven (7) Violations and seven (7) Re-Inspection Results, containing eleven (11) Open Violations from the Department of Community Affairs for Uniform Fire Code and Uniform Fire Safety Act Violations; NJ TRANSIT was allotted time to remedy the violations prior to re-inspection. There were eight (8) Monetary Penalties assessed totaling $7,500.00.

> Shout out to @NJTRANSIT conductors who keep the positive #fridayvibes going with their joyful announcements and patient attitudes.
>
> **Hannah Steven**
> **@FourEyedInFifth**

NJ TRANSIT FY2022 ON-TIME PERFORMANCE

92.5%

Rail

96.3%

Light Rail

95.0%

Bus

BUS Methodology

Any bus that departs the terminal within five minutes and 59 seconds of its scheduled departure is considered on time. Station Starters at these locations are responsible for logging passenger counts, delays, and their causes. In addition to terminal-based on-time performance monitoring, NJ TRANSIT uses Automatic Passenger Counting software to assess Timepoint Schedule Adherence for every scheduled timepoint on all bus routes throughout the system, on a quarterly basis. Using this data, staff can make incremental adjustments to scheduled running times by time of day to reflect current operating conditions. These adjustments improve the reliability of schedules at timepoints along bus routes, improving the customer experience at little or no cost.

NJ TRANSIT RECORDS ON-TIME PERFORMANCE AT THE FOLLOWING BUS TERMINALS:

ATLANTIC CITY BUS TERMINAL
seven days a week, 24 hours a day

HOBOKEN TERMINAL
weekdays from 2:30 p.m. to 6:30 p.m.

NEWARK PENN STATION
weekdays from 2:30 p.m. to 6:30 p.m.

PORT AUTHORITY BUS TERMINAL
weekdays from 3:30 p.m. to 7 p.m.

WALTER RAND TRANSPORTATION CENTER
weekdays from 6 a.m. to 9 p.m.

NJ TRANSIT ON-TIME PERFORMANCE BY BUS TERMINAL FY2022

94%
Port Authority Bus Terminal

97%
Newark Penn Station

97%
Atlantic City Bus Terminal

94%
Walter Rand Transportation Center

97%
Hoboken Terminal

95%
Overall Bus Performance

@NJTRANSIT thankful for bus #316 and express route to CapeMay NJ. Excellent Service

Carol @cathomas28carol

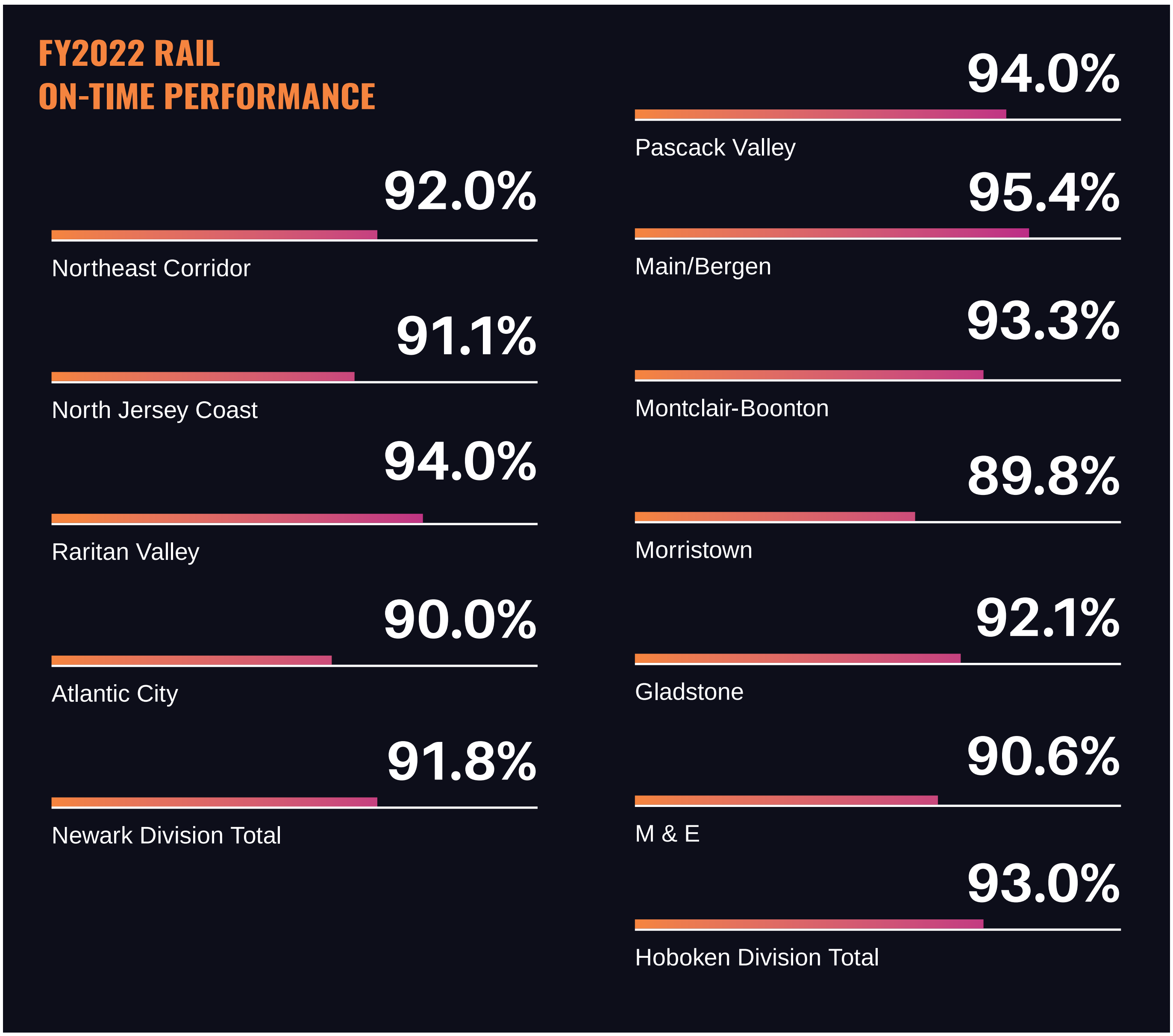
RAIL Methodology

NJ TRANSIT considers a train to be on time if it arrives at its final destination within five minutes and 59 seconds of its scheduled time. Trains that fail to depart from their originating station or are canceled enroute are considered late for recording purposes. This standard is used by all commuter railroads in the Northeast.

To accurately record on-time performance and maintain a database from which reports can be generated, NJ TRANSIT developed a mainframe-based computer system that calculates on-time performance and provides reports and analyses. It also provides input to other NJ TRANSIT systems.

NJ TRANSIT also uses a computer-based train dispatching system called Train Management and Control (TMAC) at its Rail Operations Center, which is synchronized with the atomic clock located at the Naval Observatory in Colorado. TMAC provides NJ TRANSIT with the ability to accurately record a train's arrival at its final destination. Arrival times of trains operating on Amtrak's Northeast Corridor are recorded by the Amtrak delay clerk and forwarded to the supervisor at the Rail Operations Center at prescribed times during the day.

An NJ TRANSIT supervisor, located at the Amtrak dispatching center in New York, reviews delays to ensure they are accurate before they are transmitted. Amtrak also uses a computerized software system to dispatch trains and record timing locations.



LIGHT RAIL Methodology

NJ TRANSIT monitors on-time performance using information management systems in its control centers. Train departure and arrival times are automatically tracked by computer systems that compare terminal departure and arrival times to the times posted in the public timetable.

A Hudson-Bergen Light Rail train is counted as late if it leaves its origin terminal ahead of schedule or arrives at its final destination terminal more than four minutes and 59 seconds late. A River LINE train is late if it arrives at its final destination terminal more than five minutes and 59 seconds late.

On Newark Light Rail, a train operated as a separate segment between Newark Penn Station and Broad Street Station is considered late if it leaves its origin terminal ahead of schedule or arrives at its final destination after three minutes. On the segment between Grove Street Station and Newark Penn Station and on through service from Grove Street Station to Broad Street Station, a train is considered late if it leaves its origin terminal ahead of schedule or arrives at its final destination after five minutes.

NJ TRANSIT conducts audits of the information management and reporting systems to ensure the accuracy of the data.

FY2022 LIGHT RAIL ON-TIME PERFORMANCE

95.9%

Hudson-Bergen Light Rail

98.1%

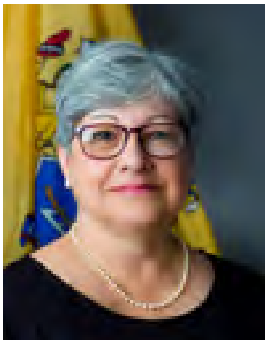
Newark Light Rail

94.9%

River Line

NJ TRANSIT
BOARD OF DIRECTORS

The Board of Directors hosts monthly meetings that are open to the public.



DIANE GUTIERREZ-SCACCETTI
Board Chair

Diane Gutierrez-Scaccetti was confirmed as the 19th Commissioner of the New Jersey Department of Transportation on June 7, 2018. She was nominated on December 19, 2017 and began serving as Acting Commissioner on January 16, 2018.

A native New Jerseyan, Ms. Gutierrez-Scaccetti is a transportation professional with more than 32 years in the industry, and 40 years in government service. She possesses extensive executive, operational, and planning knowledge.

Most recently, the Commissioner served as the Executive Director and CEO at Florida's Turnpike Enterprise, a part of the Florida Department of Transportation. Under her leadership, Florida's Turnpike Enterprise managed more than 460 centerline miles and a 5-year capital program in excess of $6 billion, supported by $1 billion in revenues.

This capital program included the construction of SunTrax, a 2.25 mile test track and research facility for the development of transportation technology, including automated and connected vehicle applications. She was instrumental in implementing Regional Toll Interoperability of SunPass in the Southeastern United States. SunPass, Florida's statewide electronic toll collection system, was under her charge. As Executive Director and CEO, Gutierrez-Scaccetti was a member of the Executive Committee of the Florida Department of Transportation, a policy setting body that reports to the Secretary of Transportation.

Prior to the Commissioner's Florida experience, she spent 21 years at the New Jersey Turnpike Authority, working her way up from a Contract Administrator to the post of Executive Director, a position she held from 2008 to 2010. During her tenure, she managed the day-to-day administrative operations and was chief negotiator for the agency's several collective bargaining units.

Ms. Gutierrez-Scaccetti participated in several major agency initiatives, including the remediation of the E-ZPass System, the financial and operational consolidation of the New Jersey Turnpike Authority and New Jersey Highway Authority, bringing the New Jersey Turnpike and Garden State Parkway under a single organization. A major undertaking was the development and financing of a 10-year, $7 billion capital program that kicked off the widening of the New Jersey Turnpike from Interchange 6 to Interchange 9. This transformational project provided significant congestion relief to a major portion of the I-95 Corridor.

As NJDOT Commissioner, she oversaw the largest capital program in the Department's history with $1.23 billion in construction contracts and $359 million in consultant design/inspection agreements awarded in Fiscal Year 2021. In addition, NJDOT has supported communities during the pandemic with staff logging more than 1,000 hours driving mobile vaccination trucks and continuing her tradition of encouraging community involvement by holding employee food drives and school supply drives.

The Commissioner's accomplishments and leadership have been recognized by the Executive Women of New Jersey, WTS Central Florida Woman of the Year, and Orlando Business Journal's 2015 CEO of the Year for the Public Sector. She received the 2019 Service to the People Award presented by the American Society of Civil Engineers Central New Jersey Branch and the 2020 Women of Achievement Award presented by the New Jersey Chapter of Professional Women in Construction. She is the recipient of the 2021 American Council of Engineering Companies of New Jersey Distinguished Service Award and was recognized with the Richard M. Hale Chairman's Award at the 2021 47th Annual New Jersey Alliance for Action Eagle Awards ceremony. She was also the Women in Transportation New Jersey (WTSNJ) "Women of the Year" honoree in 2021.

Ms. Gutierrez-Scaccetti is a member of the Board of Directors of the American Association of State Highway and Transportation Officials (AASHTO) and the Northeast Association of State Transportation Officials (NASTO) and is currently serving as the Chair of the Committee on Transportation Communications (TransComm). She is the 2022 President of the International Bridge, Tunnel and Turnpike Association (IBTTA), Executive Committee Board Member of the Transportation Research Board (TRB), Chair of The Eastern Transportation Coalition (formerly I-95 Corridor Coalition) and the Chair of the Coalition's Toll Violation Enforcement Reciprocity Task Force.

As NJDOT Commissioner, she serves as Chair of NJ TRANSIT, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, the NJ Transportation Trust Fund Authority, and Vice Chair of the New Jersey Motor Vehicle Commission.

Commissioner Gutierrez-Scaccetti holds degrees from the University of Connecticut (BS) and Rutgers, The State University of New Jersey (MS).

ELIZABETH MAHER MUOIO

State Treasurer

Elizabeth Maher Muoio was officially sworn in as State Treasurer on April 17, 2018, after being confirmed by the State Senate. She had been serving as Acting State Treasurer since Gov. Murphy assumed office on January 16, 2018. Prior to joining the administration of Gov. Murphy, she had served as a member of the New Jersey General Assembly, representing the 15th Legislative District in Mercer and Hunterdon counties since February of 2015.

During her time in the General Assembly, Ms. Muoio served on the Assembly Budget, Judiciary, and Commerce and Economic Development committees where her signature legislative initiatives focused on improving access for women's healthcare, closing the gender pay equity gap, protecting the environment, reducing exposure to hazardous lead, improving prison re-entry services, increasing literacy rates, fighting against concentrated poverty and expanding economic opportunities for all New Jerseyans.

As a result of her legislative efforts, she was honored for her work in the Assembly by the Sierra Club of NJ, the Trenton Chapter of the NAACP, the New Jersey Association of the Deaf, Inc., the Constitutional Officers Association of New Jersey (COANJ), the National Congress of Black Women – Trenton/Mercer Chapter, and the Trenton Public School system for her efforts to help improve literacy.

Ms. Muoio also served as Director of the Mercer County Office of Economic Development and Sustainability from 2008 to January 2018. Prior to assuming that position, she served as a member of the Mercer County Board of Chosen Freeholders from 2000-2008, serving as Chair in 2004 and Vice Chair in 2003 and 2008.

She began her career as an elected official serving as a member of the Pennington Borough Council from 1997 to 2002.

Ms. Muoio chairs the Board Audit Committee and is a member of the Administration Committee.

An attorney, Ms. Muoio received her JD from Georgetown University in Washington, DC, and her BA from Wesleyan University in Middletown, CT. She lives with her family in Pennington, NJ.

NOREEN M. GIBLIN

Governor's Representative

Noreen Giblin serves as Deputy Chief Counsel/Director of the Authorities Unit for Governor Phil Murphy.

A native of New Jersey, Noreen previously served as the Cabinet Secretary to the Governor, and at the New Jersey Board of Public Utilities, as Chief Counsel during the Murphy Administration. As Chief Counsel, Noreen worked on advancing the Governor's clean energy agenda, including the 2019 Energy Master Plan, the Offshore Wind inaugural solicitation, the establishment of the State's first community solar program and the transition of the state's solar market.

Additionally, she has also served as Counsel at Gibbons P.C. representing businesses on legislative affairs, public policy, and government affairs matters.

During the Corzine Administration, Noreen served as Chief of Staff to the New Jersey Board of Public Utilities and was the Chief Advisor to the President of the Board. In this role, Noreen oversaw the day-to-day management of the Board including core operational, financial, and human resources initiatives.

Noreen formerly served as Director of Executive Office Operations for Governor Corzine and, before that, as State Director to United States Senator Frank Lautenberg where she oversaw the staff and operations throughout New Jersey. She also served as Deputy Director of the Authorities Unit during the administration of Governor James McGreevey.

Giblin received her B.A. from Villanova University, and J.D. from Seton Hall University School of Law.

RASHONDA A. BROWN

Rashonda Brown has worked as a Conductor for NJ TRANSIT where she has ensured the safe transportation of New Jersey's commuters for over 15 years. She previously served as Chief of Staff for the United Transportation Union. Ms. Brown is also a Co-Founder and President of Brickmobb Steelers Charities.

Ms. Brown is a non-voting member, serving on the Administration Committee and the Operations & Customer Service Committee.

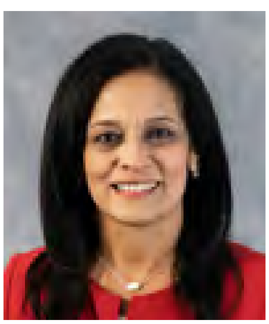
KIABI D. CARSON

Kiabi D. Carson is a lifelong New Jersey resident and has been a regular NJ TRANSIT commuter for the last 18 years.

She holds the position of Head of Human Resources for the North America region at Turner & Townsend. Turner & Townsend is a global professional services company specializing in large scale construction projects and programs across infrastructure, real estate and natural resources. In her role, Kiabi is responsible for setting HR strategy and is accountable for all functions within HR across the United States and Canada.

Before joining Turner & Townsend in 2012, Kiabi held HR leadership roles at Bristol Myers-Squibb and at Prudential Financial. Kiabi has over 24 years of experience in human resource management delivering strategic outcomes for private and publicly traded companies, both mid-sized and large scale, in several industries.

Kiabi received her Bachelor of Arts degree from the University of Maryland, College Park and her Master of Human Resource Management degree from Rutgers' School of Management and Labor Relations.



SANGEETA DOSHI

Sangeeta Doshi is a Councilwoman in Cherry Hill, a telecommunications executive, and was a small business owner. She has an Electrical Engineering degree from Worcester Polytechnic Institute and an MBA from Babson College.

She has been a member of the Domestic Violence Response Team, the Cherry Hill Planning Board and the Cherry Hill Zoning Board of Adjustment. She has also volunteered with Cherry Hill Atlantic Little League and Moms Demand Action.

In 2021, Ms. Doshi received a Moms Demand Action Gun Sense Candidate distinction. She is Co-Chair of the Cherry Hill Human Relations Committee and the Cherry Hill Green Team, as well as an active member of the Indian Cultural Center and Indian Temple Association. She serves proudly on the District IV Legal Ethics Committee, the Camden Air Quality Committee and on the advisory boards of Inspiring South Asian American Women, the New Jersey Leadership Program, the Asian American Alliance in South Jersey and the North South Foundation.

In 2020, she was appointed to the NJ TRANSIT Board of Directors by Governor Phil Murphy.

Ms. Doshi was born in Jabalpur, M.P., India and immigrated to the United States with her family in 1968. She was raised in Massachusetts and has lived in New Jersey since 1995. She resides in Cherry Hill with her husband, three children and dog.

BOB GORDON

Bob Gordon was confirmed as a member of the NJ TRANSIT Board of Directors on January 13, 2020. He also serves as one of five commissioners of the New Jersey Board of Public Utilities (BPU), which he joined in April 2018. The BPU regulates all investor-owned utilities in the state to ensure that they provide their services in a safe and reliable manner and at a reasonable cost. Under Governor Murphy, the BPU is playing the lead role in advancing policies aimed at expanding the state's reliance on renewable energy and improving the resilience of the electrical grid.

Prior to his appointment to the BPU, Mr. Gordon served more than 14 years in the Legislature; 10 of those in the Senate where he attained the positions of Majority Conference Leader, and Chairman of the Senate Transportation Committee, the Legislative Manufacturing Caucus and the Senate Legislative Oversight Committee. While chairman of the latter, he conducted extensive investigatory hearings on deficiencies at NJ TRANSIT. Senator Gordon was the original prime sponsor of the law that imposed new standards of accountability and transparency on the NJ TRANSIT Board. The legislation, which was signed by Governor Murphy on December 20, 2018, restructured the board, imposed new oversight responsibilities on board members and expanded public input prior to significant changes in service.

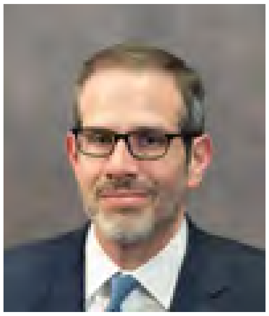
Mr. Gordon's career has spanned the public and private sectors. In his public career, he has served at every level of government. His first job was at the President's Council on Environmental Quality, and during his early career in Washington he worked on the economics staff of the Brookings Institution, a public policy research institution, and later, at the inception of the Congressional Budget Office, joined that agency as an analyst. At the state and local levels, Mr. Gordon served as an aide to Governor Jim Florio and spent 10 years as Mayor and Council Member of the Borough of Fair Lawn. He is the author of Governing New Jersey, a 300-page book describing the skill requirements of key executive branch positions. In 2018, InsiderNJ.com ranked him #2 in its list of 100 top policymakers in Trenton.

Mr. Gordon's business career is equally diverse. Much of his private sector work was with large management consulting firms, where he led engagements focused on strategic planning and improving organizational effectiveness. He conducted assignments for Fortune 1000 clients in the U.S. and Europe, and later worked with the nation's largest hospital consulting firm. He managed the family textile factory in Paterson, New Jersey, and most recently, worked as a broker with one of the largest commercial real estate organizations.

Mr. Gordon earned his undergraduate degree in political economy and environmental studies from Williams College, where he graduated Phi Beta Kappa and magna cum laude. He also has a Master of Public Policy degree from the University of California at Berkeley and an MBA in finance and health care management from the Wharton School of the University of Pennsylvania.

Mr. Gordon is a member of the Board Administration Committee, a member of the Safety Committee, and a member of the Operations & Customer Service Committee.

Mr. Gordon resides in Fair Lawn with his wife Gail, an attorney.



RICHARD A. MAROKO

Rich Maroko is the President of the Hotel and Gaming Trades Council (HTC), AFL-CIO, the union representing 40,000 workers in the hotel and gaming industries in New York and New Jersey. He also serves as Business Manager for UNITE HERE Local 6, and as the Recording Secretary of UNITE HERE International Union, which represents 300,000 workers across the United States and Canada.

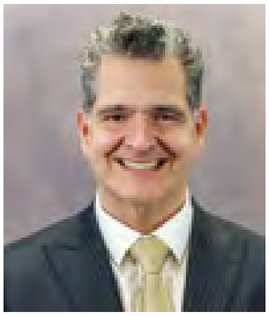
During his 20 years with the Hotel and Gaming Trades Council, Rich has distinguished himself as a fierce negotiator and advocate for workers. He has negotiated hundreds of collective bargaining agreements with major hotel and casino chains, including as lead counsel in bargaining the union's master NYC contract, valued at over 2.5 billion dollars per year. Over the past several years, he has overseen the union's explosive growth in New Jersey and upstate New York, where the Hotel and Gaming Trades Council doubled the number of union hotels and won the first ever statewide master contract in the hotel industry.

Rich was intimately involved in the union's expansion into the gaming industry, including the organizing of virtually all of the operators in New York State and the negotiation of collective bargaining contracts with each of them. He has also played a key role in overseeing the union's political and legislative program, which has been successful in numerous policy initiatives benefiting hospitality workers on the state and municipal levels.

President Maroko took the helm at HTC at an exceptionally challenging time for the union's members, as the hospitality industry reeled from the effects of COVID-19. As a result of his recent efforts, furloughed workers at HTC-represented facilities received over half a billion dollars in supplemental pay and continued healthcare during the pandemic-caused shutdown. He also crafted strict safety protocols designed to keep workers and guests safe at facilities that remain open, and successfully secured agreements across New York's and New Jersey's hospitality industry to codify those protocols.

Before coming to the HTC in 2002, Rich practiced labor and employment law in New Jersey and New York. He fought cases in front of state and federal courts and before the National Labor Relations Board, the Equal Employment Opportunities Commission, and the Division of Human Rights.

Rich has served on the NJ TRANSIT Board of Directors since February 2020, after being appointed to that position by Governor Phil Murphy. As a central player representing New York's hospitality industry, he was also appointed by New York City Mayor Eric Adams to the mayor's COVID Recovery Roundtable, and to the "New" New York Blue Ribbon Panel, which was co-convened by the mayor and New York Governor Kathy Hochul. He was a long-time adjunct professor of Labor and Employment Law at Queens College, and is currently on the Board of Cornell University's Center for Innovative Hospitality and Employment Relations. He graduated Phi Beta Kappa from Rutgers College, earned a law degree from the University of Pennsylvania, and later received a Master's degree in Labor and Employment Law, with distinction, from Georgetown University Law School.



CARLOS A. MEDINA

Carlos Medina is a Graduate of Rutgers Newark and Rutgers Law School Newark. He is the President of Robinson Aerial Surveys, Inc., a firm, with a long and rich history in New Jersey specializing in mapping and engineering. An advocate for volunteerism, Mr. Medina also serves on various non-profit boards.

In January 2019, Mr. Medina became President and CEO of the Statewide Hispanic Chamber of Commerce of New Jersey (SHCCNJ), having served as Chairman since 2012. The SHCCNJ is the voice of the 119,000 Hispanic-owned businesses in New Jersey that contribute over $20 billion annually to the State's economy.

To raise awareness, and promote diversity in entrepreneurship, Mr. Medina regularly discusses issues important to the members of SHCCNJ and the business community, during appearances on various TV Networks, including ABC 7, WWOR 9, and NJTV. In 2018/19, Mr. Medina acted as Executive Producer and Co-Host in resurrecting a defunct PBS/NJTV show. He recently served as Executive Producer and Host for "Que Pasa NJ?", which airs on PBS stations. Mr. Medina also serves as a Corporate Board Member of Horizon Blue Cross Blue Shield of NJ.

Mr. Medina has been recognized and received many awards for his achievements, community service, and leadership, including: Professional of the Year Award from the Hispanic State Parade of New Jersey (2006); Outstanding MBE Award from ANCHIN (2011); LUPE Compadre Award (2015); Fairleigh Dickinson University Puerta al Futuro Community Service Award (2015); Friends of the HRIC Maria DeCastro Community Service Award (2015); National Coalition of Latino Officers Community Service Award (2016); Boy Scouts of America Good Scout Award (2016); New Jersey State Governor's Jefferson Awards/ NJ Community Pillar Award (2017); Illustrious Award from Institute for Latino Studies (2017); SLA-LTPAG - Jose Marti' Award (2019); Grand Marshal of the Hispanic State Parade (2019); and, Red Bulls Professional Soccer Team's 2021 Homegrown Hero Award.

Mr. Medina has been a Member of Governor Murphy's ReStart the Economy Task Force since March 2020, and a Member of Governor Murphy's Commission on Puerto Rico since June 2021. Mr. Medina was the Commencement Speaker at St. Peter's University in 2021, receiving an honorary Doctor of Humane Letters degree. In 2022, he served as the Commencement Speaker at William Paterson University, where he also received an honorary Doctor of Humane Letters degree.

Nominated by Governor Murphy in March 2022 to serve on the NJ TRANSIT Board of Directors, Mr. Medina was confirmed by the full New Jersey State Senate in December 2022.

SHANTI NARRA

Shanti Narra was born in Hyderabad, India and immigrated to the U.S. with her family when she was two years old. She was raised in North Brunswick, New Jersey where she attended public school and graduated from high school in 1985. She received a Bachelor's Degree in Foreign Service from Georgetown University in 1989 majoring in International Law. Ms. Narra continued her education in Washington, D.C. and received her J.D. from Georgetown University Law Center.

After a brief stint in the private sector, Ms. Narra began a long career as a public defender with the Legal Aid Society in New York City. As a senior staff attorney, she tried many complicated criminal cases. During her years as a staff attorney she was also very active in her union, the Association of Legal Aid Attorneys (ALAA). Ms. Narra served in multiple Executive Board positions first as Junior Attorney Representative, Attorneys of Color Representative and finally several terms as Union Vice-President for Manhattan. After 10 years on staff, she joined management as a supervising attorney.

In 2004 Ms. Narra moved back to her hometown of North Brunswick (commuting back and forth to New York for her work by bus). One of the first things she did upon settling in New Jersey once again was to get involved civically, which initially entailed joining the North Brunswick Democratic Social Club. She went on to become a Democratic Committeewoman (a position she still holds today). Later, she was appointed to the Township Planning Board. In 2009 she won a seat on the North Brunswick Town Council. She subsequently won re-election to the Council in 2012 and then again in 2015.

In 2015, she was appointed by the Middlesex County Democratic Chairman to serve as Parliamentarian of the County Democratic Organization where she presided over and chaired the County Committee Meetings. In October 2016, Ms. Narra was appointed by the County Committee to fill a vacancy on the Board of Chosen Freeholders. With that appointment, Ms. Narra became New Jersey's first South Asian Freeholder. In November 2017, she successfully won a one-year term. Then in November of 2018, she won a full three-year term. Since June of 2021 she has served as the Deputy Director of the County Board of Commissioners.

Ms. Narra also serves as a Board Member of Jewish Family Services, the Puerto Rican Action Board, The North Brunswick Friends of the Library Board and is one of the founders and current Advisory Board Members of Inspiring Asian American Women (ISAAW) - a group dedicated to increasing the participation of this demographic in civic engagement. Ms. Narra is a member of the North Brunswick Township Community Emergency Response Team (CERT).

Ms. Narra is a member of the Board Operations & Customer Service Committee and a member of the Safety Committee.

KAREN THOMAS

Karen Thomas is an NJ TRANSIT employee, a member of the Amalgamated Transit Union (ATU) for 34 years, and a representative of the ATU New Jersey State Council. She is honored and privileged to serve as a Board Member representing the hard-working men and women of the Amalgamated Transit Union.

Ms. Thomas is currently a Procurement Processor with 34 years of experience at NJ TRANSIT. Her experience includes transportation logistics, operations management, procurement, union leadership, and negotiations. She has developed excellent analytical, problem-solving, and organizational skills, and the ability to work independently and handle multiple projects. Ms. Thomas has learned the transportation industry by advancing in various departments throughout her career with NJ TRANSIT.

Ms. Thomas has been a pillar in the community volunteering in many local organizations. She is currently the Chair of the Somerset County Commission on the Status of Women. The Commission advocates for women in the county addressing issues that affect their community.

Ms. Thomas participates yearly in the American Cancer Society Relay for Life. She formerly served on CASA Shaw Board of Directors, advocating for abused and neglected children in foster care.

Ms. Thomas is a staunch believer of supporting the community and has received community service awards from Yes Lord Ministry and the NAACP Plainfield Chapter. She is married to her husband Victor and the proud mother of three adult daughters and two grandchildren.

Ms. Thomas is a non-voting member, serving on the Administration Committee and the Operations & Customer Service Committee.

EVAN S. WEISS

Evan Weiss is the President and CEO of the Newark Alliance. He assumed the role in December 2021. The Newark Alliance, through the combined strength and collaboration of its Members, drives inclusive economic growth for all of Newark, New Jersey. The Alliance's Members comprise Newark's premier businesses, anchor institutions, and community partners, including Fortune 100 & 500 companies and several of the country's top universities, hospitals, and arts institutions. United by a shared vision, the Alliance and its Members work collaboratively to cement Newark's status as one of America's most diverse, prosperous, exciting, and equitable cities.

Previously, he was Senior Advisor for Finance and Major Projects to Governor Phil Murphy. He focused on finding creative solutions to New Jersey's most pressing economic and community development problems, including managing the fiscal response to COVID-19, establishing New Jersey as the base of the US offshore wind industry, and financing affordable housing, transit, and water infrastructure projects. He was also the administration's point person for key city initiatives in Newark, Trenton, and Atlantic City. Most recently, he helped craft the legislation to reform the Urban Enterprise Zone program and the $14+ billion suite of Economic Development Authority tax credit programs, as well as lead the Governor's Office financial review of the Gateway Project, the largest infrastructure project in the United States.

Prior to entering the Governor's administration, Mr. Weiss was Director at the Pennsylvania Economy League and HJA Strategies, where he specialized in developing and implementing turnaround strategies for distressed cities and school districts, including for the City of Newark, Newark Public Schools, Scranton, Atlantic City, and Trenton.

In addition to his role as a Member of the Board of Directors of NJ TRANSIT, he is a Member of the Board of New Jersey Community Capital, the largest Community Development Financial Institution in New Jersey, and the Newark Workforce Development Board. He has published several articles on economic development, tax policy, and corporate social responsibility. He is a graduate of the University of Chicago.

ADVISORY COMMITTEES

To assure citizen representation, two passenger advisory committees – one serving North Jersey and another South Jersey – regularly advise the Board of Directors on customers' opinions. Committee members are appointed by the Governor with the approval of the State Senate.

NORTH JERSEY PASSENGER ADVISORY COMMITTEE

Suzanne T. Mack, Chair
Ronald Monaco, Vice Chair
Michael DeCicco
Kathy Edmond
Timothy O'Reilly

SOUTH JERSEY PASSENGER ADVISORY COMMITTEE

Anna Marie Gonnella-Rosato, Chair
Ruth Byard, Vice Chair
Robert Dazlich, Secretary
Richard D. Gaughan
Daniel Kelly
Jeffrey Marinoff
James Constantine

Senior Citizens and Disabled Residents Transportation Assistance Program Citizens Advisory Committee advises NJ TRANSIT on public transit decisions regarding accessibility issues.

SENIOR CITIZENS & DISABLED RESIDENTS TRANSPORTATION ASSISTANCE PROGRAM CITIZENS ADVISORY COMMITTEE

Philip Harrison, Chair
Basil Giletto, 1st Vice Chair
MaryAnn Mason, 2nd Vice Chair
David Peter Alan
Jim Blaze
Robert Dazlich
Steven Fittante
Sally Jane Gellert
Tony Hall
Pamela King
Gary Johnson
Anthony Lanzilotti
Louise Layton
Linda Melendez
Gloria Mills
Sarah Thompson
Linda Washington

The Private Carrier Advisory Committee was created in 1986 to monitor the concerns of New Jersey's private bus carriers.

PRIVATE CARRIER ADVISORY COMMITTEE

Francis A. Tedesco, Chair
Jonathan DeCamp
Donald Mazzarisi
Newell Scoon

EXECUTIVE MANAGEMENT TEAM

CLARICE BLACKMAN
Sr. Vice President, Chief Safety Officer (Acting)

CHRISTOPHER CORASIO
Chief, Contracted Services

JUSTIN DAVIS
Sr. Vice President, Regulatory and Government Affairs & Chief of Staff

NAEEM DIN
Chief, EEO/AA

LOOKMAN FAZAL
Chief Information & Digital Officer

ANTHONY GRIECO
Sr. Vice President, Communications & Customer Experience

RONALD HOVEY
Acting Chief of Procurement

CHRISTOPHER IU
Chief Compliance Officer & Chief Ethics Officer

MICHAEL KILCOYNE
Sr. Vice President, Surface Transit & General Manager Bus Operations

JOHN O'HERN
Auditor General

LEOTIS SANDERS
Chief, Civil Rights & Diversity Programs

RICHARD SCHAEFER
Sr. Vice President, Capital Programs (Acting)

GLENN SHUSTER
Chief of Human Resources

JAMES SINCAGLIA
Sr. Vice President/General Manager, Rail Operations

CHRISTOPHER TRUCILLO
Sr. Vice President, Chief of Police & Office of Emergency Management

MEGHAN CLARK UMUKORO
Board Secretary & Director, Board Operations

CAROLINE VACHIER
Section Chief, Deputy Attorney General

WILLIAM VIQUEIRA
Sr. Vice President, Chief Financial Officer & Treasurer

BRIAN T. WILTON, ESQ.
SVP, Chief Legal Officer and General Counsel

GREGORY WOODS
Chief, Light Rail

PAUL WYCKOFF
Chief, Government & External Affairs

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NJTRANSIT.com

NJ TRANSIT

NJ TRANSIT
ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, President & CEO

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

REPORT OF MANAGEMENT

The financial statements of the business-type activities and fiduciary activities of the New Jersey Transit Corporation (the "Corporation"), for the fiscal year ended June 30, 2022, have been audited by Deloitte & Touche LLP, an independent accounting firm, as stated in their report appearing herein. The auditor's unmodified opinion, dated October 28, 2022, is presented on pages 1-2 of the 2022 annual financial report.

Management of New Jersey Transit Corporation is responsible for both the accuracy of the financial data and completeness and fairness of its presentation, including all disclosures. Management is also responsible for establishing and maintaining adequate internal control over financial reporting of the Corporation. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. Additionally, New Jersey Transit Corporation has an internal audit department that performs various audits throughout the year. This department reports to the Audit Committee of the Board of Directors.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Accordingly, even an effective internal control system can provide only reasonable assurance that its goals are achieved.

We certify that, to the best of our knowledge, during the fiscal year 2022, New Jersey Transit Corporation has followed all of the Corporation's standards, procedures and internal controls, the financial information included herein is accurate, and that such information fairly presents the financial condition and operational results of the Corporation as of June 30, 2022 and for the year then ended.

Kevin S. Corbett
President & CEO

William Viqueira
SVP, Chief Financial Officer & Treasurer

October 28, 2022

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Deloitte.

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110 Morris Street
Morristown, NJ 07960
USA

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www.deloitte.com

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of
New Jersey Transit Corporation

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of the New Jersey Transit Corporation (the "Corporation"), a component unit of the State of New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Corporation as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Corporation is a component unit of the State of New Jersey. The Corporation requires significant subsidies from, and has material transactions with, the State of New Jersey, including the State of New Jersey's Transportation Trust Fund, and the United States Federal Government. Our opinions are not modified with respect to this matter.

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 control 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 Corporation'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 control

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, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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 and the schedules listed under the heading Required Supplementary Information in the 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's basic financial statements. The supplementary information listed under the heading Supplementary Information- Combining Fiduciary Funds Financial Statements 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed under the heading Supplementary Information- Combining Fiduciary Funds Financial Statements within the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Deloitte & Touche LLP

October 28, 2022

This section of New Jersey Transit Corporation's (NJ TRANSIT) annual financial report presents a narrative overview and analysis of the financial position and changes in financial position of NJ TRANSIT as of and for the fiscal year ended June 30, 2022. This discussion and analysis are intended to serve as an introduction to NJ TRANSIT's consolidated financial statements and designed to assist the reader in focusing on the significant financial activities of NJ TRANSIT and to identify any significant changes in financial position and performance. NJ TRANSIT encourages readers to consider the information presented in conjunction with the consolidated financial statements as a whole.

FINANCIAL REPORTING ENTITY

NJ TRANSIT is a component unit of the State of New Jersey created by the New Jersey Public Transportation Act of 1979. NJ TRANSIT is empowered with the authority to acquire, own, operate, and contract for the operation of public passenger transportation services. NJ TRANSIT provides these services through bus operations (NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc.), and commuter rail operations (NJ TRANSIT Rail Operations, Inc.). The financial reporting entity consists of:

- Consolidated Enterprise Fund
- Fiduciary Funds comprised of Pension Benefit Trust Funds, as follows:
  - Amalgamated Transit Union (ATU) Employees Retirement Plan
  - Utility Workers' Union of America (UWUA) Employees Retirement Plan
  - Transit Employees Retirement Plan (TERP)

THE CONSOLIDATED ENTERPRISE FUND FINANCIAL STATEMENTS

Since NJ TRANSIT comprises a single enterprise fund, no fund-level financial statements are presented. NJ TRANSIT's consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units.

The consolidated financial statements provide both long-term and short-term information about NJ TRANSIT's overall financial status. The **Consolidated Statement of Net Position** reports NJ TRANSIT's net position and the changes thereto. Net position, defined as the difference between NJ TRANSIT's assets, deferred outflows or inflows of resources and liabilities, may serve as a useful indicator of NJ TRANSIT's financial position over time.

The **Consolidated Statement of Revenues, Expenses and Changes in Net Position** shows NJ TRANSIT's operating results and how its net position changed during the fiscal year. All revenues, expenses and changes in net position are reported on the accrual basis of accounting, which reports the event as it occurs, rather than when cash changes hands.

The **Consolidated Statement of Cash Flows** reports how NJ TRANSIT's cash and cash equivalents increased or decreased during the fiscal year. The statement shows how cash and cash equivalents were provided by and used in NJ TRANSIT's operating, non-capital financing, capital and related financing, and investing activities. The net increase or decrease in NJ TRANSIT's cash and cash equivalents is added to or subtracted from the balance at the beginning of the year to arrive at the cash and cash equivalents balance at the end of the year.

THE FIDUCIARY FUNDS FINANCIAL STATEMENTS

Fiduciary funds are used to account for resources held in a trustee capacity for the benefit of parties outside of a government entity. Fiduciary funds are not reported in NJ TRANSIT's consolidated financial statements because the resources of those funds are not available to support NJ TRANSIT's operating activities. The fiduciary funds are collectively reported as Pension Trust Funds.

The **Statement of Fiduciary Net Position** presents financial information about the assets, liabilities, and the fiduciary net position held in trust of the fiduciary funds.

The **Statement of Changes in Fiduciary Net Position** presents fiduciary activities of the fiduciary funds as additions and deductions to the fiduciary net position.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The notes to consolidated financial statements are an integral part of the consolidated financial statements and provide information that is essential to a full understanding of the consolidated financial statements, such as NJ TRANSIT's accounting methods and standards, details of cash and investments, capital assets, employee benefits, long term debt, lease transactions, claims and insurance, contingencies, and subsequent events.

REQUIRED SUPPLEMENTARY INFORMATION

The Required Supplementary Information presents the information regarding NJ TRANSIT's progress in funding its obligations to provide pension and postemployment benefits other than pensions ("OPEB") to its employees, changes in total OPEB and pension liabilities and actuarially determined contributions for the single-employer plans, the proportionate share of the total OPEB and net pension liabilities for the multiple-employer cost-sharing plans and the contractually required contributions for the multiple-employer cost-sharing plans.

SUPPLEMENTARY INFORMATION – COMBINING FIDUCIARY FUNDS FINANCIAL STATEMENTS

The Supplementary Information - Combining Fiduciary Funds financial statements include the combining statements of fiduciary net position and the combining statements of changes in fiduciary net position, which provide financial information on each fiduciary fund in which NJ TRANSIT is functioning as a trustee for another party. The fiduciary funds are categorized as Pension Trust Funds.

FINANCIAL HIGHLIGHTS – FISCAL YEAR 2022

Total operating revenues for NJ TRANSIT were $607.3 million in fiscal year 2022, an increase of $260.4 million, or 75.1 percent compared to the prior fiscal year. Passenger revenues increased by $238.7 million, or 79.2 percent. Other operating revenues, net, increased by $21.7 million, or 47.7 percent.

Total operating expenses before depreciation and amortization and other expenses were $2,658.9 million in fiscal year 2022, an increase of $38.8 million or 1.5 percent, from the prior fiscal year. Additional details are presented beginning on page 9.

Total net position at June 30, 2022 was $3,731.0 million, an increase of $200.6 million, or 5.7 percent from the net position at June 30, 2021.

Total capital assets (net of accumulated depreciation and amortization) were $6,818.3 million at June 30, 2022, a net increase of $240.4 million, or 3.7 percent from the previous fiscal year. This is a result of additional capital projects in progress, acquisition of new revenue vehicles, right of use assets as a result of the adoption of GASB Statement No.87, structures and equipment, offset by current year depreciation and amortization and retirements of assets.

NJ TRANSIT has reported the fair value of the fuel commodity swaps in the amount of $47.2 million at June 30, 2022, an increase of $25.1 million, or 113.6 percent from the prior fiscal year, as a result of new swap contracts. The "Swaps" are all presented as "Derivative Instrument Assets" with a corresponding "Deferred Inflows Related to Derivative Instruments" in the Consolidated Statement of Net Position (see Note 19).

FINANCIAL ANALYSIS

NET POSITION

NJ TRANSIT's total net position at June 30, 2022 was $3,731.0 million, an increase of $200.6 million, or 5.7 percent (Table A-1) from the prior fiscal year. Total assets increased by $514.5 million, or 6.6 percent, and deferred outflows of resources from unamortized refunding of debt and items related to pensions and OPEB decreased by $131.7 million, or 22.1 percent. Total liabilities decreased by $447.7 million, or 9.3 percent.

TABLE A-1
NJ TRANSIT NET POSITION *($ in millions)*

	AS OF JUNE 30, 2022	2021*	% INC/(DEC) 2022/2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	$1,174.1	$672.5	74.6
Restricted non-current assets	350.1	591.9	(40.9)
Capital assets, net	6,818.3	6,577.9	3.7
Other assets	21.8	7.5	190.7
TOTAL ASSETS	**8,364.3**	**7,849.8**	**6.6**
Deferred outflows related to refunding of debt	11.6	15.5	(25.2)
Deferred outflows related to OPEB	252.8	296.0	(14.6)
Deferred outflows related to pensions	199.0	283.6	(29.8)
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**463.4**	**595.1**	**(22.1)**
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$8,827.7**	**$8,444.9**	**4.5**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities	882.3	574.1	53.7
Notes payable	943.3	1,018.3	(7.4)
Net pension liability	455.4	909.7	(49.9)
Non-current OPEB liability	1,368.7	1,699.6	(19.5)
Other borrowings	146.9	186.5	(21.2)
Lease liability	59.5	—	100.0
Other non-current liabilities	511.4	427.0	19.8
TOTAL LIABILITIES	**4,367.5**	**4,815.2**	**(9.3)**
Deferred inflows related to pensions	353.1	49.7	610.5
Deferred inflows related to derivative instruments	45.9	22.1	107.7
Deferred inflows related to leases	22.1	—	100.0
Deferred inflows related to OPEB	308.1	27.5	1,020.4
TOTAL DEFERRED INFLOWS OF RESOURCES	**729.2**	**99.3**	**634.3**
Net investment in capital assets	5,694.5	5,801.3	(1.8)
Restricted for claims	31.9	46.9	(32.0)
Unrestricted (deficit)	(1,995.4)	(2,317.8)	(13.9)
TOTAL NET POSITION	**3,731.0**	**3,530.4**	**5.7**
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	**$8,827.7**	**$8,444.9**	**4.5**

**Does not reflect the effects of the adoption of GASB Statement No. 87.*

FISCAL YEAR 2022

The 74.6 percent increase in current assets in fiscal year 2022 is a result of an increase of $160.0 million in funds due from the Federal government for preventive maintenance grant and State grant receivables, which includes approximately $62.5 million receivable representing supplemental assistance from the Department of Transportation. In addition, fuel commodity swaps, presented as derivative instrument assets and reported as current assets, increased by $30.2 million or 178.5 percent as a result of new swap contracts. Restricted non-current assets decreased by 40.9 percent due to purchase of assets funded by the New Jersey Economic Development Authority ("NJEDA") trust accounts. Of the $6,818.3 million in capital assets, net, $2,311.5 million represents capital projects in progress; $4,016.4 million represents NJ TRANSIT's investment in buildings, structures, track, equipment, locomotives, railcars and buses, right of use assets, net of depreciation and amortization; and $490.4 million represents land and other capital assets.

The 25.2 percent decrease in deferred outflows of resources related to refunding of debt was due to the amortization of the deferred loss on refunding associated with the New Jersey Economic Development Authority Transportation Project Refunding Bonds that were issued in 2017.

The 29.8 percent decrease in deferred outflows of resources related to pensions was due to a decrease in the net difference between projected and actual earnings on pension plan investments and changes in actuarial assumptions per the latest actuarial valuations.

The 14.6 percent decrease in deferred outflows of resources related to OPEB was mainly due to changes in assumptions based on the current actuarial valuation.

The 53.7 percent increase in current liabilities was mainly due to increases in short term notes payable, lease liabilities, accounts payable, accruals for payroll and benefits.

The 7.4 percent decrease in notes payable was due to payments made during the fiscal year for current obligations and payment of the balance of NJEDA debts.

The $59.5 million increase in lease liability and $22.1 million increase in deferred inflows related to leases were a result of the adoption of lease accounting under GASB Statement No. 87, *Leases.*

The 49.9 percent decrease in the net pension liability was mainly related to increases in investment return on plan trust funds due to favorable market conditions as of June 30, 2021. Total pension liability was measured at June 30, 2021, offset by net position in pension trust funds.

The 19.5 percent decrease in non-current OPEB liability was a result of changes in assumptions based on the current actuarial valuation, plan changes and economic and demographic gains or losses.

The 610.5 percent increase in deferred inflows of resources related to pensions was due to an increase in the net difference between projected and actual earnings on pension plan investments for current actuarial valuation.

The 1,020.4 percent increase in deferred inflows of resources related to OPEB was mainly due to changes in assumptions based on the current actuarial valuation.

CHANGES IN NET POSITION

Changes in net position reflect the current year's results of operations combined with non-operating revenue and expenses, and capital contributions. The increase in net position in fiscal year 2022 was $200.6 million (Table A-2). While there are many contributing factors, this was primarily attributed to increase in operating revenues brought by increase in ridership, increase in Federal preventive maintenance, additional funding from the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 ("CRRSAA") and the American Rescue Plan Act ("ARPA").

TABLE A-2
CHANGES IN NJ TRANSIT NET POSITION *($ in millions)*

	YEARS ENDED JUNE 30, 2022	2021*	% INC/(DEC) 2022/2021
Operating Revenues			
Passenger fares	$540.1	$301.4	79.2
Other, net	67.2	45.5	47.7
Total Operating Revenues	**607.3**	**346.9**	**75.1**
Operating Expenses			
Total operating expenses before depreciation and amortization and other expenses	2,658.9	2,620.1	1.5
Depreciation and amortization	513.7	506.6	1.4
Total Operating Expenses	**3,172.6**	**3,126.7**	**1.5**
Operating Loss	**(2,565.3)**	**(2,779.8)**	**(7.7)**
Non-operating Revenues			
Non-operating revenues, net	2,216.4	2,048.6	8.2
Capital contributions, net	549.5	745.6	(26.3)
Change in Net Position	**200.6**	**14.4**	—
Total Net Position, Beginning	**3,530.4**	**3,516.0**	**0.4**
Total Net Position, Ending	**$3,731.0**	**$3,530.4**	**5.7**

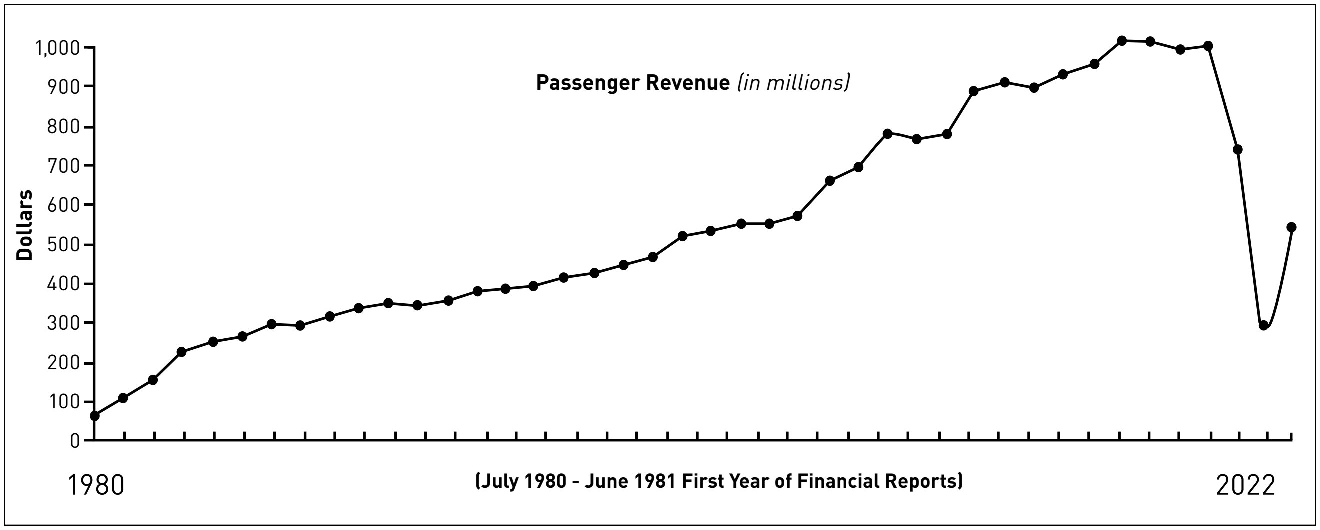
**Does not reflect the effects of the adoption of GASB Statement No. 87.*

OPERATING REVENUES

Operating revenues are comprised of passenger fares and other operating revenues, net of allowance for bad debts.

PASSENGER FARE REVENUE

Passenger fare revenue consists of fares earned during the year from the sale of tickets, monthly passes and bus fare box receipts



Total passenger revenue for fiscal year 2022 increased by $238.7 million or 79.2 percent. This increase can be attributed to the normalization of ridership trends caused by businesses re-opening in the metropolitan area. Reduction in COVID-19 cases has enabled employers to require their staff to transition off a hybrid work schedule and slowly return to their offices. This transition has been most evident during the third and fourth quarter of fiscal year 2022. Rail passenger revenue for fiscal year 2022 increased by $151.2 million or 119.4 percent, with ridership increasing by 20.1 million passenger trips, or 105.2 percent. Bus passenger revenue increased by $83.4 million or 50.9 percent, with ridership increasing by 25.5 million passenger trips, or 33.1 percent. Passenger revenues for Light Rail, which includes Newark Light Rail, Hudson-Bergen Light Rail and River LINE revenues, increased by $2.9 million, or 33.7 percent, with ridership increasing by 4.1 million passenger trips, or 34.5 percent.

TABLE A-3
PASSENGER REVENUE *($ in millions)*

	YEARS ENDED JUNE 30,		% INC/(DEC)
	2022	2021	2022/2021
Rail Operations	$277.8	$126.6	119.4
Bus Operations	247.4	164.0	50.9
Light Rail Operations	11.5	8.6	33.7
Special Transit Fares	3.4	2.2	54.5
Total	**$540.1**	**$301.4**	**79.2**

TABLE A-3a
RIDERSHIP *(in millions)*

	YEARS ENDED JUNE 30,		% INC/(DEC)
	2022	2021	2022/2021
Rail Lines			
Newark Division	24.7	12.2	102.5
Hoboken Division	14.1	6.6	113.6
Atlantic City	0.4	0.3	33.3
Total Rail Lines	**39.2**	**19.1**	**105.2**
Bus Lines			
Northern Division	50.1	34.5	45.2
Central Division	41.8	32.6	28.2
Southern Division	10.7	10.0	7.0
Total Bus Lines	**102.6**	**77.1**	**33.1**
Light Rail Lines			
Newark Light Rail	3.5	2.7	29.6
Hudson-Bergen Light Rail	10.8	7.7	40.3
River LINE	1.7	1.5	13.3
Total Light Rail Lines	**16.0**	**11.9**	**34.5**
Total Ridership	**157.8**	**108.1**	**46.0**

FISCAL YEAR 2022

OTHER OPERATING REVENUES

Other operating revenues, net of the allowance for bad debts, consist of contracted service revenues, rental income, station and vehicle advertising, facility leases, parking lot operations and revenue received from operating service on behalf of Metro-North. There was an increase in other operating revenues of $21.7 million, or 47.7 percent primarily as a result of increased advertising, rental and charter service revenue, specifically from Metro-North as revenues increased by $3.3 million or 76.0 percent from the prior year as employees are slowly transitioning off their hybrid work schedules and have started returning to their offices.

OPERATING EXPENSES

Operating expenses consist of employment costs, outside services, materials and supplies, depreciation and amortization and other operating costs. These costs are reported in the natural operating expense accounts in the Consolidated Statement of Revenue, Expenses, and Changes in Net Position.

EMPLOYMENT COSTS

Employment costs consisting of labor and related fringe benefit expenses represent 59.0 percent of NJ TRANSIT's total operating costs. These costs include full-time and part-time agreement employees' regular wages and related overtime costs, non-agreement salaries, employment taxes, health and welfare expenses, retirement costs and other fringe benefits.

During fiscal year 2022, labor costs increased by $46.7 million, or 5.8 percent, and fringe benefits decreased by $77.7 million, or 9.7 percent from fiscal year 2021. The increase in labor costs were primarily due to increases in non-agreement and agreement wages. Fringe benefit costs decreased as a result of decreases in costs based on new actuarial valuations for Pension and OPEB liabilities, offset by increases in fringe costs, such as costs for medical and prescription drugs, vacation, and other payroll related taxes.

OTHER OPERATING COSTS

Other operating costs include parts, materials and supplies, outside services, claims and insurance, fuel and propulsion, trackage, tolls and fees, utilities, purchased transportation and other expenses.

Parts and materials increased by $12.4 million or 6.7 percent due to increase in revenue vehicle materials associated with higher frequency of maintenance in the Rail division related to the overall aging of the revenue fleet.

Cost of services increased by $17.0 million or 7.5 percent due to an increase in COVID-19 test supplies, electronic equipment service and other professional services.

Claims and insurance expense increased by $22.6 million or 21.8 percent mainly due to an increase in insurance premium by approximately $8.5 million and an increase in Federal Employee Liability Act ("FELA") settlement claims paid out in the current fiscal year of approximately $9.0 million.

Purchased transportation increased by $6.7 million or 2.9 percent resulting from higher costs due to an increase in purchased transportation expenses on the Access Link, NJ TRANSIT's Americans with Disabilities Act Paratransit program, mainly related to an increase in service demand, and higher spending on Hudson-Bergen Light Rail and River LINE as a result of a contractual increase in the escalation costs on the Operation and Maintenance contract.

NON-OPERATING REVENUES, NET

Non-operating revenues increased by $167.8 million, or 8.2 percent. This was attributed to increase in Federal preventive maintenance reimbursements by approximately $160.0 million, additional funding from the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 ("CRRSAA") and the American Rescue Plan Act ("ARPA") by approximately $52.0 million, partially offset by decrease in State operating assistance.

CAPITAL CONTRIBUTIONS, NET

NJ TRANSIT receives federal, state, and local grants for essentially all of its capital construction and acquisitions. Funding of capital grant expenditures totaling $549.5 million was $196.1 million, or 26.3 percent, lower than fiscal year 2021.

Major capital projects during the year included the acquisition and rehabilitation of revenue vehicles, including railcars, buses, vans and light railcars, construction of and improvements to passenger and support facilities, and rail, bus, and light rail infrastructure.

TABLE A-4
NJ TRANSIT CAPITAL ASSETS *(net of accumulated depreciation and amortization)*
($ in millions)

	AS OF JUNE 30, 2022	2021*	% INC/(DEC) 2022/2021
Capital projects in process	$2,311.5	$1,887.6	22.5
Revenue vehicles	1,664.9	1,725.5	(3.5)
Buildings and structures	1,505.3	1,675.8	(10.2)
Track	669.0	722.2	(7.4)
Land	477.7	477.7	—
Furniture, fixtures, and equipment	113.3	74.9	51.3
Operating rights	12.7	14.2	(10.6)
Right of use assets	63.9	—	100.0
Total Capital Assets, Net	**$6,818.3**	**$6,577.9**	3.7

*Does not reflect the effects of the adoption of GASB Statement No. 87.

CAPITAL ASSETS

As of June 30, 2022, NJ TRANSIT had invested $17,027.5 million in capital assets. Net of accumulated depreciation and amortization, NJ TRANSIT's net capital assets at June 30, 2022 totaled $6,818.3 million (Table A-4). This amount represents a net increase of $240.4 million, or 3.7 percent higher than June 30, 2021 net capital assets.

In October 2020, NJ TRANSIT Board of Directors adopted an unconstrained vision called A Five-Year Capital Plan (the "Plan") to demonstrate opportunities for safety, service reliability, resiliency, sustainability, and other improvements critical to NJ TRANSIT. The Plan was the result of a rigorous process involving all agency planning, operating, safety, financial, police, customer service, environmental and engineering personnel. The Plan established and prioritized a pool of projects, balancing corporate strategic objectives to ensure the highest and best use of limited capital funds. It called for continued investment in the State's transit infrastructure to maintain a state of good repair and provide reliable transit service. It included comprehensive, sustainable, and measurable initiatives to ensure passenger and public safety for the system. An emphasis on better preparing NJ TRANSIT to withstand, and recover from, future extreme weather events through building a more resilient system remained a key focus of the Plan. NJ TRANSIT also looked to the future through system expansion that will improve access to mass transit and support continued economic development.

The Plan included two sets of planned and proposed capital investments totaling $17.0 billion in fiscal year 2021 through fiscal year 2025. The first set included $11.2 billion worth of investments already funded from previous, current and/or future expected funding resources. The second set identified another $5.8 billion worth of investments without any source of past, current and/or future funding. Although there were no sources of funds for the second set of investments, NJ TRANSIT believed, nonetheless, that these additional projects were necessary to achieve its vision of providing world class service which increases reliability by reducing equipment breakdowns, infrastructure failures and service interruptions.

In July of 2021, NJ TRANSIT Board of Directors adopted the 2021 Capital Plan Update, which contained planned and proposed capital investments totaling $15.1 billion in fiscal year 2021 through fiscal year 2025. The 2021 Capital Plan Update included funding appropriations totaling $1.6 billion of federal, state, and other funds in fiscal year 2022.

In July of 2022, NJ TRANSIT Board of Directors adopted the 2022 Capital Plan Update, which contained planned and proposed capital investments totaling $13.3 billion in fiscal year 2021 through fiscal year 2025. The 2022 Capital Plan Update included funding appropriations totaling $2.6 billion of federal, state, and other funds in fiscal year 2023. This represented an increase of $1.0 billion above the previously approved amount of $1.6 billion. The additional $1.0 billion is derived from a number of new sources: $814.0 million from the New Jersey Debt Defeasance and Prevention Fund, $191.0 million from the Infrastructure Investment and Jobs Act ("IIJA") funds, and $40.0 million from the State Fiscal Recovery Fund.

Additional information about NJ TRANSIT's capital assets is presented in Note 5 to the consolidated financial statements.

DEBTS AND OTHER OBLIGATIONS

Debts and other obligations outstanding at June 30, 2022, totaled $1,446.1 million compared to $1,349.8 million at June 30, 2021, an increase of 7.1 percent.

The following table summarizes the changes in debts and other obligations between fiscal years 2022 and 2021 *($ in millions):*

	AS OF JUNE 30, 2022	2021	% INC/(DEC) 2022/2021
Notes payable	$1,009.5	$1,150.0	(12.2)
Leases and other borrowings*	251.6	199.8	25.9
Revolving line of credit**	185.0	—	100.0
Total	**$1,446.1**	**$1,349.8**	**7.1**

**Includes lease liability of $65.0 million recorded during fiscal year 2022 under GASB Statement No. 87 and other borrowings of $186.6 million.*

***On October 2, 2019, NJ TRANSIT entered into a Revolving Credit Agreement with Bank of America for the purpose of obtaining a $300.0 million line of credit.*

Additional information about NJ TRANSIT's debts and leases are presented in Notes 10, 11 and 12 to the consolidated financial statements.

ECONOMIC CONDITIONS AND TRENDS

NJ TRANSIT serves several primary market areas including Northern New Jersey, Southern New Jersey, New York City and Philadelphia. Economic conditions and trends in each play a major role in the demand for NJ TRANSIT services.

Average monthly employment in the NJ TRANSIT service region increased by 6% in fiscal year 2022 when compared to fiscal year 2021. This increase in employment reflects the constant state of recovery our region has been in since the onset of COVID-19, fiscal year 2021 (July 2020 – June 2021) could be considered the employment low point brought forth by the pandemic. Regarding quarterly numbers, Q4 of fiscal year 2020 (April – June 2020) average employment was the lowest since the late 1990s. When comparing Q4 of fiscal year 2022 to the same quarter in fiscal year 2020 and fiscal year 2021, average employment increased by 18% and 6%, respectively, in the NJ TRANSIT service region.

Fiscal year 2020 was the first time the service area had experienced a decrease in employment growth since fiscal year 2010. It is not surprising that fiscal year 2021 would follow that trajectory, ultimately decreasing 6% since fiscal year 2020 and 9% since fiscal year 2019. Fiscal year 2022 on the other hand has experienced an increase in average employment when compared to fiscal year 2021 (6%) and fiscal year 2020 (<1%), while only falling by 3% when compared to fiscal year 2019.

Average quarterly employment peaked at 9.7 million jobs in Q2 of fiscal year 2020 (pre-pandemic), Q4 of fiscal year 2022 averaged 9.4 million jobs, which was only 3% lower.

Though the statistics mentioned are for the NJ TRANSIT service area, local economies in the region are unique and recovered differently. Average employment for fiscal year 2022 increased by 6% in New Jersey, 6% in Philadelphia, and 7% in New York City when compared to fiscal year 2021. In comparison to fiscal year 2019, New Jersey, Philadelphia, and New York City decreased by 1%, 3%, and 5%, respectively. When isolating for employment growth since the pandemic low, Q4 of fiscal year 2020, Q4 of fiscal year 2022 average jobs increased by 19% in New Jersey, 14% in Philadelphia, and 18% in New York City. This approximately equates to an increase of 675 thousand jobs in New Jersey, 86 thousand jobs in Philadelphia, and 695 thousand jobs in New York City.

IMPACT OF THE COVID-19 PANDEMIC

Fiscal year 2022 saw continued recovery from the adverse effects of the COVID-19 pandemic on NJ TRANSIT ridership and farebox revenue. There were also marked improvements to farebox revenue totaling 54% of pre-pandemic levels compared to 30% in fiscal year 2021. Several developments supported ridership and farebox revenue improvements, including COVID-19 vaccination rates in the region and an overall sense that the acute phase of the pandemic has passed. However, we do not expect these improvements will continue in a trend line fashion into the next fiscal year. The most critical to farebox revenue recovery in the current context is the return of the interstate rail market. The prevailing change to a hybrid work model for major employers, both in New Jersey and the Manhattan Central Business District, has led to a decrease in the sale of monthly passes. This has a disproportionate impact on farebox recovery as the revenue from monthly passes has historically provided the majority of NJ TRANSIT's overall farebox revenue.

NJ TRANSIT has attempted to redress this market shift by piloting the FlexPass program to offer a more attractive ticket to the hybrid commuter. Despite the success of that program, farebox revenue and farebox recovery ratios remain significantly below pre-pandemic levels.

NJ TRANSIT expects farebox revenue to continue to recover over the coming years, however, without a large scale move away from the hybrid work model by major employers, recovery to pre-pandemic levels is not likely in the immediate future.

NJ TRANSIT's revenue from ticket sales historically comprised 40% to 45% of the operating budget. However, the ticket revenues dropped to 12% of operating expenses in fiscal year 2021, then gradually bounced back to 20% in fiscal year 2022. In addition to the recovery of passenger fare revenue, the advertising revenue, parking and rental revenue, and the other contract revenues have also increased for this fiscal year.

Ridership has slowly recovered during 2021 and has significantly been recovering during fiscal year 2022. The rail and bus ridership has increased by 105% and 33%, respectively compared to last year.

To help offset operating expenses and increasing costs, NJ TRANSIT management petitioned New Jersey's Congressional Delegation for Federal assistance on March 19, 2020. During fiscal year 2022, NJ TRANSIT was awarded $1.1 billion funding from CRRSAA and $1.6 billion from ARPA, in addition to the Coronavirus Aid, Relief and Economic Security ("CARES") Act and CRRSAA grants from 2020 and 2021.

In the fiscal year ended June 30, 2022, NJ TRANSIT drew down $83.8 million, $118.0 million, and $829.0 million from CARES, CRRSAA and ARPA, respectively.

NJ TRANSIT continues to pursue potential reimbursement of eligible expenses with Federal Emergency Management Agency ("FEMA"), as well as other opportunities to support planning, capital, and operations.

CONTACTING NJ TRANSIT FINANCIAL MANAGEMENT

This financial report is designed to provide our customers and other interested parties with a general overview of NJ TRANSIT finances and to demonstrate NJ TRANSIT's accountability for the funds it receives. If you have any questions about this report or need additional financial information, contact New Jersey Transit Corporation, SVP, Chief Financial Officer & Treasurer, One Penn Plaza East, Newark, New Jersey 07105-2246.

NEW JERSEY TRANSIT CORPORATION
CONSOLIDATED STATEMENT OF NET POSITION *(in thousands)*
AS OF JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
ASSETS	
Current Assets	
Cash and cash equivalents	$232,962
Investments	59,742
Due from federal government	484,537
Due from State of New Jersey	119,022
Materials and supplies, net	140,307
Derivative instrument assets	47,156
Other current assets	90,388
Total Current Assets	**1,174,114**
Non-Current Assets	
Restricted cash and cash equivalents	163,489
Restricted deposits	186,582
Capital assets, not being depreciated	2,801,926
Capital assets, net of accumulated depreciation and amortization	4,016,404
Other non-current assets	21,761
Total Non-Current Assets	**7,190,162**
Total Assets	**8,364,276**
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to refunding of debt	11,636
Deferred outflows related to OPEB	252,822
Deferred outflows related to pensions	198,930
Total Deferred Outflows of Resources	**463,388**
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$8,827,664**

See Notes to Consolidated Financial Statements.

(Continued)

NEW JERSEY TRANSIT CORPORATION
CONSOLIDATED STATEMENT OF NET POSITION *(in thousands)*
AS OF JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
LIABILITIES	
Current Liabilities	
Accounts payable	$257,366
Accrued payroll and benefits	156,285
Other short-term borrowings	39,661
Short-term notes and line-of-credit payable	251,185
Short-term lease liability	5,483
Other current liabilities	172,304
Total Current Liabilities	**882,284**
Non-Current Liabilities	
Notes payable	943,336
Accrued injury and damage claims	310,355
Other borrowings	146,921
Lease liability	59,506
Net pension liability	455,374
OPEB liability	1,368,734
Other non-current liabilities	200,986
Total Non-Current Liabilities	**3,485,212**
Total Liabilities	**4,367,496**
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	353,159
Deferred inflows related to derivative instruments	45,880
Deferred inflows related to leases	22,089
Deferred inflows related to total OPEB	308,093
Total Deferred Inflows of Resources	**729,221**
NET POSITION	
Net investment in capital assets	5,694,502
Restricted for claims	31,876
Unrestricted (deficit)	(1,995,431)
Total Net Position	**3,730,947**
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	**$8,827,664**

See Notes to Consolidated Financial Statements. *(Concluded)*

NEW JERSEY TRANSIT CORPORATION
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION *(in thousands)*
YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
Operating Revenues	
Passenger fares	$540,075
Other, net	67,206
Total Operating Revenues	**607,281**
Operating Expenses	
Labor	845,558
Fringe benefits	721,974
Parts, materials and supplies	196,292
Services	242,843
Claims and insurance	126,333
Fuel and propulsion	100,942
Trackage, tolls and fees	101,441
Utilities	48,073
Purchased transportation	239,384
Other	36,023
Total Operating Expenses, Before Depreciation and Amortization	**2,658,863**
Operating Loss Before Depreciation and Amortization	**(2,051,582)**
Depreciation and amortization	(513,699)
Operating Loss	**(2,565,281)**
Non-Operating Revenues (Expenses)	
State appropriation	100,000
Federal, state and local reimbursements	2,086,655
Investment loss	(6,846)
Other non-operating revenues	59,875
Interest expense	(23,403)
Total Non-Operating Revenues	**2,216,281**
Change in Net Position Before Capital Contributions	**(349,000)**
Capital contributions, net	549,505
Change in Net Position	**200,505**
Total Net Position, Beginning	**3,530,442**
Total Net Position, Ending	**$3,730,947**

See Notes to Consolidated Financial Statements.

NEW JERSEY TRANSIT CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS *(in thousands)*
YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
Cash Flows from Operating Activities	
Cash receipts from passenger fares	$538,738
Other cash receipts	169,955
Payments for claims	(107,454)
Payments to employees	(1,544,586)
Payments to suppliers	(904,483)
Net Cash Used in Operating Activities	**(1,847,830)**
Cash Flows from Non-Capital Financing Activities	
Cash receipts from federal, state and local grants and appropriations	1,936,432
Cash Provided by Non-Capital Financing Activities	**1,936,432**
Cash Flows from Capital and Related Financing Activities	
Receipts from leases	3,060
Payments of leases	(5,604)
Interest payments	(29,842)
Proceeds received from issuances of note and line of credit	119,515
Repayment of note and line of credit obligations	(66,185)
Purchase of capital assets	(684,017)
Capital grants	472,742
Net Cash Used in Capital and Related Financing Activities	**(190,331)**
Cash Flows from Investing Activities	
Sales and maturities of investments	1,382
Purchases of investments	(2,162)
Interest on investments	1,356
Net Cash Provided by Investing Activities	**576**
Net Decrease in Cash and Cash Equivalents	**(101,153)**
Cash and Cash Equivalents (including restricted cash and cash equivalents)	
Beginning of Year	**497,604**
End of Year	**$396,451**

See Notes to Consolidated Financial Statements.

(Continued)

NEW JERSEY TRANSIT CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS *(in thousands)*
YEAR ENDED JUNE 30, 2022

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND
Reconciliation of Operating Loss to Net Cash Used in Operating Activities	
Cash Flows from Operating Activities	
Operating Loss	**($2,565,281)**
Adjustment to Reconcile Operating Loss to Net Cash Used in Operating Activities	
Depreciation and amortization	513,699
Changes in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:	
Materials and supplies	2,647
Other current assets	(18,234)
Other non-current assets	127,857
Accounts payable	44,101
Accrued payroll and benefits	37,406
Other current liabilities	12,525
Accrued injury and damage claims	16,528
Net pension liability and related balances	(454,367)
OPEB liability and related balances	(271,948)
Other non-current liabilities	707,237
Net Cash Used in Operating Activities	**($1,847,830)**
Non-cash Investing, Capital and Related Financing Activities	
Non-cash investing activities:	
Decrease in fair value of investments	($8,488)
Amortization of (premium) and cost of refunding	4,913
Total Non-cash Investing Activities	**($3,575)**
Non-cash capital and related financing activities:	
Capital assets related liabilities	$16,116
Right of use assets related liabilities	235
Interest expense for leases	949
Interest income from leases	244
Total Non-Cash Capital and Related Financing Activities	**$17,544**

See Notes to Consolidated Financial Statements. *(Concluded)*

NEW JERSEY TRANSIT CORPORATION
STATEMENT OF FIDUCIARY NET POSITION *(in thousands)*
AS OF JUNE 30, 2022

	FIDUCIARY ACTIVITIES PENSION TRUST FUNDS
Assets:	
Investments at fair value or NAV	$1,998,151
Receivables	
Accrued interest and dividends	3,470
Employee contributions	416
Medicare reimbursements	196
Due from other plan	1
Total receivables	4,083
Total Assets	**2,002,234**
Liabilities:	
Due to other plan	1
Accounts payable and accrued expenses	15,335
Total Liabilities	**15,336**
Fiduciary Net Position:	
Net Position Restricted for Pensions	**$1,986,898**

NEW JERSEY TRANSIT CORPORATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION *(in thousands)*
YEAR ENDED JUNE 30, 2022

	FIDUCIARY ACTIVITIES PENSION TRUST FUNDS
Additions:	
Investment (Loss) Income:	
Net depreciation in fair value of investments	($311,905)
Interest and dividend income	37,491
Less investment fees	(4,429)
Total Investment Loss	(278,843)
Contributions:	
Employer	117,314
Employees	17,210
Total Contributions	134,524
Other Receipts	381
Total Additions	**(143,938)**
Deductions:	
Benefits paid to participants	162,448
Actuarial and professional fees	453
Total Deductions	**162,901**
Net Decrease	**(306,839)**
Fiduciary Net Position:	
Beginning of Year	2,293,737
Net Position Restricted for Pensions	**$1,986,898**

1. ORGANIZATION AND BUSINESS PURPOSE

Reporting Entity. The New Jersey Transit Corporation ("NJ TRANSIT") is a component unit of the State of New Jersey created by the New Jersey Public Transportation Act of 1979. NJ TRANSIT is empowered with the authority to acquire, own, operate, and contract for the operation of public passenger transportation services. NJ TRANSIT provides these services through bus operations (NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc.), and commuter rail operations (NJ TRANSIT Rail Operations Inc.). ARH III Insurance Company, Inc. ("ARH"), a non-profit special purpose captive insurance company, is a blended component unit of NJ TRANSIT. NJ TRANSIT also contracts with several third-party providers for certain transportation services including the operation of two light rail lines. Under these contracts, NJ TRANSIT has the right to set fares and coordinate service levels and schedules. In addition, NJ TRANSIT contracts with the National Railroad Passenger Corporation ("Amtrak") for the maintenance of certain NJ TRANSIT rolling stock and the use of Amtrak's North East Corridor ("NEC"), including propulsion costs, right-of-way maintenance costs and certain transportation management services.

NJ TRANSIT receives operating assistance and capital funds from the State of New Jersey by legislative appropriation; the Federal Government by defined formula; discretionary grants under the Federal Urban Mass Transportation Act of 1964 as most recently amended by the Moving Ahead for Progress Act in the 21st Century Act ("MAP-21") of 2012; and local sources. Most federal grants are administered by the Federal Transit Administration ("FTA"). These grants are used to support construction, acquisition, and operation of public transportation facilities, equipment, and services.

NJ TRANSIT is governed by an eight-member Board of Directors. Seven of the members have voting authority and include the Commissioner of Transportation, who serves as Chairman, the State Treasurer and another member of the Executive Branch selected by the Governor, who serve ex-officio, and four other public members appointed by the governor with the consent of the State Senate. The eighth non-voting member is appointed by the Governor on the recommendation of the labor organization representing the plurality of the employees of NJ TRANSIT, that organization being the Amalgamated Transit Union ("ATU"). Five transit advisory committees regularly advise the Board of Directors on a number of topics. The North and South Jersey Transit Advisory Committees regularly advise the Board on customers' opinions, the Private Carrier Advisory Committee monitors the concerns of New Jersey's private bus carriers, the Americans with Disabilities Act ("ADA") Task Force assists NJ TRANSIT in the implementation of its ADA improvements plan, and the Local Programs Citizens Advisory Committee advises NJ TRANSIT on public decisions regarding accessibility issues. NJ TRANSIT employs an executive director who manages the day-to-day operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting – Enterprise Funds. The accounts are maintained, and consolidated financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as they relate to enterprise funds of state and local governmental units and accordingly follow all applicable Governmental Accounting Standards Board ("GASB") pronouncements.

In accordance with U.S. GAAP, revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which they are incurred. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of NJ TRANSIT are included in the Consolidated Statement of Net Position. The two principal sources of revenue are passenger fares and governmental operating assistance and reimbursements. Operating expenses include the costs of operating the system, administrative expenses, and depreciation and amortization of capital assets.

Basis of Presentation and Accounting-Fiduciary Funds. The fiduciary fund financial statements provide information about the funds that are used to report resources held in trust for retirees and beneficiaries covered by pension trust funds of NJ TRANSIT. Separate financial statements are presented for the fiduciary funds.

The following fiduciary component units comprise the fiduciary activities of NJ TRANSIT and are categorized within Pension Trust Funds:

- Amalgamated Transit Union ("ATU") Employees Retirement Plan
- Utility Workers' Union of America ("UWUA") Employees Retirement Plan
- Transit Employees Retirement Plan ("TERP")

The financial statements of the fiduciary funds are prepared using the accrual basis of accounting and a measurement focus on the periodic determination of additions, deductions, and net position restricted for benefits.

New Accounting Pronouncements Recently Adopted. GASB Statement No. 87, *Leases*, was issued in June 2017. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

NJ TRANSIT adopted this Statement for fiscal year 2022. As a result, all the requirements under GASB Statement No. 87 have been evaluated and the lease assets and liabilities were recognized and measured at the beginning of the year, which was July 1, 2021.

The following schedule summarizes the net effect of adopting GASB Statement No. 87 in the consolidated statement of net position (in millions):

BALANCE AS OF JUNE 30, 2022	
Lease Receivable*	$22.9
Right of Use Assets**	70.6
Accumulated Amortization**	6.7
Lease Liability	65.0
Deferred Inflows from Leases	22.1

* *Lease Receivable is included in Other current assets and Other non-current assets*

** *Right of Use Assets and Accumulated Amortization are included in Capital assets, net of accumulated depreciation and amortization.*

The following schedule summarizes the cash flow impact of adopting GASB Statement No. 87 in Capital and Related Financing Activities in the consolidated statement of cash flows (in millions):

FOR THE YEAR ENDED JUNE 30, 2022	
Receipts from leases	$3.1
Payments of leases	(5.6)

GASB Statement No. 89, *Interest Cost Incurred before the End of a Construction Period*, was issued in June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

GASB Statement No. 89 is effective for NJ TRANSIT's fiscal year 2022. The adoption of this Statement did not have an impact on NJ TRANSIT's consolidated financial statements.

GASB Statement No. 92, *Omnibus 2020*, was issued in January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,* as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* as amended, to reporting assets accumulated for postemployment benefits.

- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

The adoption of this Statement did not have an impact on NJ TRANSIT's consolidated financial statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates,* was issued in March 2020. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with Statement No. 87, *Leases,* as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable.

The adoption of this Statement did not have an impact on NJ TRANSIT's consolidated financial statements.

Accounting Standards Issued But Not Yet Adopted.
GASB has issued the following pronouncements that may affect the future financial position, results of operations, cash flows, or financial presentation upon implementation. NJ TRANSIT Management has not yet evaluated the effect of implementation of these standards. The following is a list of GASB Statements and the year of adoption that NJ TRANSIT is required to assess.

GASB Statement No.	GASB Accounting Standard	Required Fiscal Year of Adoption
91	*Conduit Debt Obligations 2021*	2023
94	*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*	2023
96	*Subscription-Based Information Technology Arrangements*	2023
99	*Omnibus 2022*	2024
100	*Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*	2024
101	*Compensated Absences*	2025

Revenue and Expense Classification. NJ TRANSIT distinguishes operating revenues and expenses from non-operating items in the preparation of its consolidated financial statements. Operating revenues and expenses primarily result from providing transportation services in connection with NJ TRANSIT's ongoing operations. The principal operating revenues are generated from passenger fares. NJ TRANSIT's operating expenses include employment costs, materials, services, claims and insurance, purchased transportation and other expenses related to the delivery of transportation services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. NJ TRANSIT's primary source of non-operating revenue relates to grants, subsidies, and capital contributions. Grants, subsidies, and capital contribution revenue is recognized at the time eligible expenses occur and/or NJ TRANSIT has complied with the grant and subsidy requirements.

Non-capital grants and subsidies are reported as non-operating revenue and capital grants are reported as a separate item on the Consolidated Statement of Revenues, Expenses, and Changes in Net Position as capital contributions.

Net Position. Net position equals assets, plus deferred outflows of resources, minus liabilities, minus deferred inflows of resources and are classified into three categories:

- Net Investment in Capital Assets – This reflects the net position of NJ TRANSIT that is invested in capital assets, net of related debt. This indicates that this net position is not accessible for other purposes.
- Restricted for Claims – This reflects the net position of NJ TRANSIT that is invested in ARH.
- Unrestricted (Deficit) – This relates to net position that does not meet the definition of "net investment in capital assets" or "restricted," as discussed above.

Cash and Cash Equivalents. Cash and cash equivalents consist of cash on hand, demand deposits and other short-term investments with maturities of three months or less when purchased. NJ TRANSIT considers cash and cash equivalents and investments held for the repayment of the non-current portion of notes payable and debts to be non-current assets.

Investments. All investments are stated at fair value based on quoted market prices, as available (see Note 3). Income from investments is recognized on the accrual basis. Realized gains or losses on sales of investment securities are accounted for using the specific identification method. NJ TRANSIT has elected to combine realized and unrealized gains and losses on investments. The calculation of realized gains and losses is independent of the calculation of the change in the fair value of investments. Realized gains and losses include unrealized amounts from prior years.

Accounts Receivable. Accounts receivable, primarily amounts due from federal and state governments, are included with other current assets and are recorded net of an allowance for uncollectible amounts.

Capital Assets. All capital assets are recorded at cost and include revenue and non-revenue vehicles, buildings, stations, furniture, fixtures, other equipment and infrastructure assets (right-of-way, track work, and bridges), as well as right of use leased assets, net of accumulated depreciation and amortization. Capital assets, which were acquired by the State of New Jersey, Department of Transportation and subsequently transferred to NJ TRANSIT at cost, are included in capital assets.

Capitalization Policy. Under NJ TRANSIT's policy, purchases exceeding $5,000 representing additions or betterments, with a useful life greater than one year, are capitalized. Ordinary maintenance and repairs are charged to expense as incurred.

Depreciation and Amortization Policy. Depreciation of capital assets is computed using the straight-line method over the estimated useful lives of the assets as follows:

	YEARS
Buildings, structures, and track work	25
Railcars and locomotives	22-25
Buses, vans, and light railcars	5-15
Furniture, fixtures, and equipment	3-10
Computer software and licenses	3

Right of use leased buildings, structures and equipment are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Capital Projects in Progress. These are costs incurred by NJ TRANSIT for capital projects in various stages of completion and include all activities designed to construct, acquire, or extend useful lives of existing capital assets.

Materials and Supplies. Fuel, spare parts, and supplies purchased are recorded as inventories at average cost, net of a reserve for slow-moving and obsolete parts.

Deferred Outflows/Inflows of Resources. A deferred outflow of resources represents a consumption of net position that applies to a future period and a deferred inflow of resources is defined as an acquisition of net position that is applicable to a future period.

NJ TRANSIT records the following deferred outflows/inflows of resources in the Consolidated Statement of Net Position:

- Deferred outflows related to refunding long-term debt: the difference in the carrying value of the refunded debt and its reacquisition price is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows related to pensions and OPEB: contributions made to the pension plans subsequent to the measurement date and outflows due to changes in pension and OPEB assumptions are deferred.
- Deferred inflows related to pensions and OPEB: the net deferred gains on pension plan investments due to changes of assumptions and inflows due to changes of pension and OPEB assumptions are deferred and amortized in future periods.
- Additional items include deferred inflows related to derivative instruments, which relates to fuel commodity swaps entered into during the year and deferred inflows related to leases.

Injury and Damage Claims. Injury and damage claims are accrued at estimated award or settlement amounts when it is probable that an asset has been damaged or a liability has been incurred and the amount of the loss can be reasonably estimated. NJ TRANSIT is insured against public liability, property damage and Federal Employee Liability Act ("FELA") claims through various levels of coverage placed with commercial insurance carriers and its wholly owned subsidiary, ARH. Such coverage includes self-insured retention (see Notes 15 and 17).

Pollution Remediation Obligations. Pollution remediation costs are being expensed in accordance with the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations.* An operating expense provision and corresponding liability measured at current value using the expected cash flow method has been recognized for certain pollution remediation obligations. Pollution remediation obligations occur when any one of the obligating events takes place (see Note 13).

Note Premiums and Discounts. Premiums and discounts, which are recorded net with Notes Payable, are amortized over the life of the debt using the effective interest method.

Income Taxes. NJ TRANSIT is exempt from federal income taxes under the Internal Revenue Code, Section 115 and from state income taxes under N.J.S.A. 27:25-16. Accordingly, no provision is recorded for federal and state income taxes.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the three defined benefit, single-employer plans that NJ TRANSIT sponsors, the New Jersey Public Employee Retirement System ("PERS") and the New Jersey Police and Firemen's Retirement System ("PFRS") and additions to/deductions from these plans' fiduciary net position have been determined on the same basis as they are reported by these plans. For this purpose, benefit payments (including refunds or employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits. NJ TRANSIT follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* to record the Other Postemployment Benefits ("OPEB") expense, liability and deferred inflows of resources related to OPEB. The benefits are currently funded on a pay-as-you-go basis (see Note 7).

Compensated Absences. Accumulation and payment of vacation and sick leave for agreement employees is based on the collective bargaining agreements with the various unions. Non-agreement employees are permitted to carryover one year's worth of vacation days. Sick days earned for non-agreement employees after January 1, 2012 are not eligible for cash-in upon retirement. Compensated absences are accrued as a liability when earned and the liability is measured using the pay rates in effect at the statement of net position date.

Leases. NJ TRANSIT recognizes a lease liability and a lease asset at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liabilities are measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease assets are measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

NJ TRANSIT recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

3. DEPOSITS AND INVESTMENTS

NJ TRANSIT's deposits and investments are as follows *(in millions)*:

	AS OF JUNE 30, 2022
Current	
Cash on hand	$8.3
Cash equivalents	224.7
Total cash and cash equivalents	**233.0**
Investments	59.7
Total current cash and cash equivalents and investments	**292.7**
Non-current	
Restricted cash on hand	2.8
Restricted cash equivalents	160.7
Total restricted cash and cash equivalents	**163.5**
Total Deposits and Investments	**$456.2**

NJ TRANSIT's cash on deposit with various entities as of June 30, 2022 totaled $11.1 million, as follows:

ACCOUNT TYPE	BALANCE *(in millions)*
Insured	$1.5
Uninsured held at NJ TRANSIT's locations	2.3
Uncollateralized held by health care providers	2.8
Uninsured held by banks	4.5
Total	**$11.1**

Custodial Credit Risk. Custodial credit risk is the risk that a bank failure would result in the forfeiture of NJ TRANSIT deposits. NJ TRANSIT does not have a policy for custodial credit risk. As of June 30, 2022, $6.8 million of NJ TRANSIT's cash balance were exposed to custodial credit risk.

The following schedule lists the allocation of cash and investments by financial institution as of June 30, 2022 *($ in millions):*

	AS OF JUNE 30, 2022	
Institution/Issuer	**AMOUNT**	**% OF PORTFOLIO**
ARH-Wachovia Cash	$3.0	0.7
ARH-Wells Fargo Cash	0.5	0.1
Bank of America	84.5	18.5*
BNY Mellon	79.7	17.5*
City National Bank	1.5	0.3
ETF – ARH	59.7	13.1
Liberty Mutual	1.0	0.2
Working Fund	1.6	0.3
State Cash Management Fund	62.7	13.8*
US Bank	160.7	35.2*
Wachovia	1.3	0.3
Total	**$456.2**	

** A majority of the investments held are money market mutual funds that invest primarily in government securities.*

Interest Rate Risk. In accordance with NJ TRANSIT's investment policy, NJ TRANSIT manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year. However, up to 25 percent of all investments may be invested in eligible securities, which mature within two years provided that the average maturity of all investments shall not exceed one year. Investments associated with the proceeds of debt issuance are governed by the related bond covenant agreements.

NJ TRANSIT's investments as of June 30, 2022 totaled $445.1 million, as follows:

Investments	Fair Value *(in millions)*	Weighted Average Maturity in Years
State of NJ Cash Management Fund	$62.7	0.04
Money Market Funds	312.8	0.18
Exchange Traded Funds (ARH)	59.7	0.03
Government Bonds	9.9	0.01
Total	**$445.1**	
Portfolio weighted average maturity		0.13

Credit Risk. NJ TRANSIT's investments are restricted to (a) United States Treasury Securities; (b) corporate obligations, provided they are rated BAA/BBB or better; (c) senior debt securities, provided such securities are rated at least AA; (d) commercial paper, which must have the highest prime rating and must be issued by a company incorporated in the United States; (e) certificates of deposit, both collateralized and uncollateralized (in the case of collateralization, the market value of the collateral must be 120 percent of the purchased price at the time of purchase); (f) repurchase agreements; (g) banker's acceptances; (h) loan participation notes; and (i) money market mutual funds. The restrictions pertaining to each class of these securities are outlined in NJ TRANSIT's investment policy and are strictly adhered to. Any deviation from the established risk is authorized by the Board of Directors.

NJ TRANSIT investment policy limits exposure to any single issuer to 20 percent of the investment portfolio. This restriction does not apply to issues of the U.S. government or its agencies that are explicitly guaranteed by the U.S. government or the State of New Jersey Cash Management Fund.

The investment of NJ TRANSIT funds is governed by NJ TRANSIT's By-Laws. The Treasurer is authorized to invest and deposit funds of NJ TRANSIT in obligation and/or depositories, which are generally consistent with the investment policies of the State of New Jersey Cash Management Fund as permitted under Public Law 1950 c.270 and subsequent legislation or as otherwise prescribed by the Board of Directors of NJ TRANSIT.

Investee institutions and organizations qualify as depositories based on such criteria as minimum capital, credit ratings, and other evaluation factors.

U.S. government and agency obligations are guaranteed by the full faith and credit of the issuing entity and are held by NJ TRANSIT's escrow agent in an account for NJ TRANSIT. Repurchase agreements are uncollateralized and uninsured and are limited to investment-grade paper. The State of New Jersey Cash Management Fund is a common trust fund administered by the New Jersey Department of Treasury, Division of Investment and is an unrated investment.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of NJ TRANSIT's investment in a single issuer. As of June 30, 2022, no exposure of the concentration of credit risk existed since NJ TRANSIT did not hold any investments in any one issuer that would represent five percent or more of total investments. Investments issued or explicitly guaranteed by the U.S. government and pooled investments are excluded from this assessment.

Fair Value Measurements. NJ TRANSIT categorizes its fair value measurement within the fair value hierarchy established by generally accepted governmental standards. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NJ TRANSIT has the following recurring fair value measurements as of June 30, 2022 *(in millions)*:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Money Market Funds	$312.8	$312.8	$—	$—
Exchange Traded Funds (ARH)	59.7	59.7	—	—
Government Bonds	9.9	—	9.9	—
Total Investments by fair value level	**$382.4**	**$372.5**	**$9.9**	**$—**
Investments in Local Government Investment Pool				
State of NJ Cash Management Fund	62.7			
Total Investments	**$445.1**			

The following table presents fair value measurement information for NJ TRANSIT's captive insurance company's (ARH) investments at June 30, 2022 *(in millions)*:

EXCHANGE TRADED FUNDS (ETF):	
iShares Short Term Corporate Bond	$8.0
iShares 1-3 Year Treasury Bond	8.4
iShares Intermediate Credit Bond	5.9
iShares 3-7 Year Treasury Bond	6.4
Vanguard Russell 1000 Growth	4.5
Vanguard Russell 1000 Value	4.8
iShares 7-10 Year Treasury Bond	3.2
iShares Core S&P Small-Cap	3.7
Others, less than five percent	14.8
Total ARH ETF's	**$59.7**

4. RESTRICTED ASSETS

Restricted assets include cash, investments, and amounts on deposit for a financed purchase that have been restricted from use for normal operations as a result of agreements with outside parties.

Since April 1997, certain proceeds, primarily from the issuance of Grant Anticipation Notes, Certificates of Participation, and New Jersey Economic Development Authority Bonds, financed portions of NJ TRANSIT's capital projects. These proceeds are restricted by applicable agreement covenants. As of June 30, 2022, the balance of restricted assets related to these proceeds was $160.7 million.

Since fiscal year 1996, NJ TRANSIT has entered into tax advantaged agreements with certain domestic and overseas lenders. Restricted deposits as of June 30, 2022 were $186.6 million for these agreements that represent agreements made to meet NJ TRANSIT's payment obligations throughout the term of the agreements (see Note 12).

NJ TRANSIT has recorded Other Borrowings and the related assets as Restricted Deposits in the Consolidated Statement of Net Position.

Other restricted amounts are made up primarily of deposit requirements for NJ TRANSIT health insurance plans and the sale of fixed asset reserves. The proceeds of other restricted amounts totaled $2.8 million as of June 30, 2022.

5. CAPITAL ASSETS

A summary of all capital assets of NJ TRANSIT as of June 30, 2022 is as follows *(in millions)*:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets not being Depreciated				
Land	$477.7	$—	$—	$477.7
Capital projects in progress	1,887.6	684.0	(260.1)	2,311.5
Operating rights	14.2	—	(1.5)	12.7
Total Capital Assets not being Depreciated	**2,379.5**	**684.0**	**(261.6)**	**2,801.9**
Capital Assets being Depreciated				
Buildings and structures	6,051.1	18.4	—	6,069.5
Track	2,486.4	25.1	—	2,511.5
Railcars and locomotives	2,880.2	42.8	(17.5)	2,905.5
Buses, vans, and light railcars	2,078.8	112.1	(161.7)	2,029.2
Furniture, fixtures, and equipment	812.6	60.9	(284.7)	588.8
Computer software & licenses	58.3	0.8	(8.6)	50.5
Total Capital Assets being Depreciated	**14,367.4**	**260.1**	**(472.5)**	**14,155.0**
Less Accumulated Depreciation				
Buildings and structures	4,375.3	188.9	—	4,564.2
Track	1,764.2	78.3	—	1,842.5
Railcars and locomotives	1,865.5	92.9	(17.5)	1,940.9
Buses, vans, and light railcars	1,368.0	122.1	(161.2)	1,328.9
Furniture, fixtures, and equipment	740.8	20.5	(284.7)	476.6
Computer software & licenses	55.2	4.3	(10.1)	49.4
Total Accumulated Depreciation	**10,169.0**	**507.0**	**(473.5)**	**10,202.5**
Total Capital Assets being Depreciated, Net of Depreciation	**4,198.4**	**(246.9)**	**1.0**	**3,952.5**
Right of Use Assets Being Amortized				
Leased buildings and structures	69.0	—	—	69.0
Leased furniture, fixtures, and equipment	1.4	0.2	—	1.6
Total Right of Use Assets Being Amortized	**70.4**	**0.2**	**—**	**70.6**
Less Accumulated Amortization				
Leased buildings and structures	—	6.1	—	6.1
Leased furniture, fixtures, and equipment	—	0.6	—	0.6
Total Accumulated Amortization	**—**	**6.7**	**—**	**6.7**
Total Right of Use Assets Being Amortized, Net of Amortization	**70.4**	**(6.5)**	**—**	**63.9**
Total Capital Assets, including Right of Use Assets, Net of Depreciation and Amortization	**$6,648.3**	**$430.6**	**($260.6)**	**$6,818.3**

6. PENSION AND EMPLOYEE BENEFIT PLANS

Employees of NJ TRANSIT participate in either the NJ TRANSIT sponsored defined benefit plans, which are single-employer pension plans, the New Jersey Public Employees' Retirement System ("PERS"), or the Police and Firemen's Retirement System ("PFRS"). PERS and PFRS are cost-sharing multiple-employer defined benefit plans, which are administered by the State of New Jersey, Division of Pensions and Benefits.

NJ TRANSIT SPONSORED SINGLE-EMPLOYER DEFINED BENEFIT PLANS

General Information About the Plans

Plan Descriptions. NJ TRANSIT sponsors three defined benefit, single-employer pension plans for the employees. Of the three single-employer defined benefit pension plans, two plans cover bus agreement employees and one plan covers non-agreement employees. The two agreement plans are the Amalgamated Transit Union ("ATU") Employees Retirement Plan and Utility Workers' Union of America ("UWUA") Employees Retirement Plan. The plan covering all non-agreement employees hired prior to July 1, 2006, is the Transit Employees Retirement Plan ("TERP").

Benefits Provided. Each single-employer pension plan provides retirement, disability and death benefits for plan members and beneficiaries, with the exception of the TERP plan, which has no disability provision and was closed to non-agreement employees hired on or after July 1, 2006. NJ TRANSIT maintains the authority to establish and amend benefit provisions of the non-agreement plan while the agreement plans are subject to the collective bargaining process. Separate audited financial statements are issued for the three pension plans, copies of which are available on the NJ TRANSIT website.

The Plans provide retirement, death, and disability benefits with full vesting of the accrued benefits to a participant who terminates employment with 10 years of vesting service for ATU and UWUA, and 5 years of vesting service for TERP. For ATU and UWUA, a participant is credited with one year of vesting service for each calendar year in which he completes at least 1,000 hours of service. For TERP, a participant is credited with one year of vesting service for each 12-month period measured from the participant's date of hire, in which he completes at least 1,000 hours of service. The standard form of pension payment to a retiring participant is a 50% actuarially equivalent reduced surviving spouse annuity unless the participant elects to have the benefits paid in some other form. For ATU and UWUA, the retirement benefit is based on 2.125% for each year of credited service multiplied by the average of the highest three years' earnings in the last ten years of service, reduced for any benefit purchased under AETNA contract. For TERP, the retirement benefit is based on 2.125% for each year of credited service multiplied by the average of the highest three years' earnings in the last ten years of consecutive employment, reduced by certain applicable benefits. The 2.125% accrual rate became effective on July 1, 2007 for ATU and TERP, and on November 1, 2007 for UWUA.

Employees Covered by Benefit Terms. At July 1, 2021, the following employees were covered by the benefit terms:

	ATU	TERP	UWUA
Active participants	4,982	717	6
Inactive plan participants or beneficiaries currently receiving benefits	3,726	1,633	27
Inactive plan participants entitled to but not yet receiving benefits	332	215	2
Total	**9,040**	**2,565**	**35**

Contributions. Under the provisions of the two bus agreements for ATU and UWUA pension plans, the contribution requirements for plan members and NJ TRANSIT are established as a result of bargaining agreements between the unions and NJ TRANSIT. In accordance with the TERP plan document, the TERP contributions shall be paid in such intervals and in such amounts as directed by NJ TRANSIT under the advice of an actuary. All plan members are required to contribute 2 to 5 percent of their annual covered salary. For the year ended June 30, 2022, NJ TRANSIT's average contribution rates for ATU, TERP and UWUA were 19.40 percent, 64.60 percent, and 75.00 percent, respectively, of annual covered payrolls.

Net Pension Liability. NJ TRANSIT's net pension liability at June 30, 2022 was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions for the three defined benefit plans, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.00% plus age and service-based merit increases
Investment rate of return	7.00% for TERP and UWUA, 7.25% for ATU, net of pension plan investment expense, including inflation

Mortality. The mortality tables projected to July 1, 2021 under Scale MP-2021 reasonably reflect the projected mortality experience of the Plans as of the measurement dates. The mortality tables were then further adjusted to future years using generational projection under Scale MP-2021 to reflect future mortality improvement. The mortality assumption is set by the plan sponsor.

The long-term expected rate of return on pension 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 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 the pension plan's target asset allocation as of June 30, 2021 are summarized below:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	**ATU**	**Other***	**ATU**	**Other***
Domestic large cap equity	38.00%	44.00%	6.65%	6.65%
Domestic mid cap equity	5.00%	0.00%	6.65%	0.00%
Domestic small cap equity	4.00%	7.00%	6.65%	6.65%
Foreign equity	12.00%	12.00%	7.40%	7.40%
Fixed income	33.00%	35.00%	0.50%	0.50%
Real estate	6.00%	0.00%	3.75%	0.00%
Cash	2.00%	2.00%	0.00%	0.00%

****TERP and UWUA***

Discount Rates. The discount rates at June 30, 2021 used to measure the total pension liabilities were 7.00% for TERP and UWUA and 7.25% for ATU.

The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at the scheduled employer contribution amount. Based on those assumptions, the pension Plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities.

Changes in the Net Pension Liability for the Year Ended June 30, 2022 *(in millions):*

	ATU	TERP	UWUA
Actuarial Valuation		As of July 1, 2021	
Total pension liability			
Service cost	$40.4	$6.4	$—
Interest	122.4	61.2	0.6
Change of benefit terms	—	—	—
Differences between expected and actual experience	(15.5)	16.3	—
Change of assumptions	2.9	(5.6)	(0.1)
Benefit payments, including refunds of employee contributions	(97.6)	(57.4)	(0.7)
Net change in total pension liability	**52.6**	**20.9**	**(0.2)**
Total pension liability – beginning	**1,701.2**	**899.2**	**8.8**
Total pension liability – ending (a)	**$1,753.8**	**$920.1**	**$8.6**
Plan fiduciary net position			
Contributions – employer	$58.3	$44.9	$0.3
Contributions – employee	15.3	1.3	—
Net investment income	347.0	174.2	1.9
Benefit payments, including refunds of employee contributions	(97.6)	(57.4)	(0.7)
Administrative expense	(0.3)	(0.3)	—
Other	0.2	—	—
Net change in plan fiduciary net position	**332.9**	**162.7**	**1.5**
Plan fiduciary net position – beginning	**1,226.7**	**573.3**	**6.4**
Plan fiduciary net position – ending (b)	**$1,549.6**	**$736.0**	**$7.9**
Net pension liability – ending (a) – (b)	**$204.2**	**$184.1**	**$0.7**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the Net Pension Liability for ATU, measured at June 30, 2021 using the discount rate of 7.25% as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate *(in millions):*

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
ATU	$394.0	$204.3	$43.3

The following presents the Net Pension Liability for TERP and UWUA, measured at June 30, 2021 using the discount rate of 7.00% as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate *(in millions)*:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
TERP	$279.0	$184.1	$103.1
UWUA	$1.6	$0.7	$0.1

Pension Plan Fiduciary Net Position. Detailed information about the pension plans' fiduciary net position are available in the separately issued pension financial reports, copies of which are available on the NJ TRANSIT's website *https://www.njtransit.com/AnnualReport.*

COST-SHARING MULTIPLE-EMPLOYER PLANS

Plan Descriptions. NJ TRANSIT and its subsidiaries contribute to the PERS and the PFRS. These cost-sharing multiple-employer, defined benefit pension plans are administered by the State of New Jersey. Each plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established and may be amended by the State Legislature. The State of New Jersey issues separate, standalone financial reports for the PERS and the PFRS plans. Information on the total plan funding status and progress, contribution required, and trend information can be found in the Comprehensive Annual Financial Report of the State of New Jersey, Division of Pensions and Benefits, available on the State's website *www.nj.gov/treasury/pensions/financial-reports.shtml.*

A special funding situation exists for the local employers of the PFRS of New Jersey. Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed, which legally obligated the State if certain circumstances occurred. The legislations which legally obligate the State are as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers including NJ TRANSIT related to this legislation

Benefits Provided. *PERS* - The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

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

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

The following represents the membership tiers for PFRS:

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

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

Pension Information Related to Multi-Employer Plans. NJ TRANSIT's pension information related to multi-employer plans at June 30, 2022 was measured as of June 30, 2021 determined by an actuarial valuation as of July 1, 2020.

Contributions Made. *PERS* - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contributions were equal to the actuarially determined amount.

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 will determine 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 beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Contributions to the PERS plan from NJ TRANSIT for fiscal year 2022 was $0.9 million or 15.25 percent of annual covered payroll.

PFRS - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Employers' contribution amounts are based on an actuarially determined rate, which include the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS 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 will determine the unfunded liability 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 beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. NJ TRANSIT's required contribution rate to the PFRS plan for fiscal year 2022 was 42.83% of annual covered payroll, of which 31.98% of payroll was required by NJ TRANSIT and 10.86% of payroll was required from the State. NJ TRANSIT's contributions to the PFRS plan for 2022 was $9.6 million or 32.00%.

Pension Liabilities Related to Multi-Employer Pensions. *PERS* - At June 30, 2022, NJ TRANSIT reported liabilities of $8.8 million for its proportionate share of the net pension liabilities. The plan's fiduciary net position as a percentage of total pension liability was 51.52%.

PFRS - At June 30, 2022, NJ TRANSIT reported liabilities of $57.4 million for its proportionate share of the net pension liabilities that reflected a reduction for State pension support provided to PFRS on behalf of NJ TRANSIT. The plan's fiduciary net position as a percentage of total pension liability was 71.41%.

The amount recognized by NJ TRANSIT as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with NJ TRANSIT were as follows for the year ended June 30, 2022 *(in millions)*:

	FOR THE YEAR ENDED JUNE 30, 2022
NJ TRANSIT's proportionate share of the net pension liability	$57.4
State's proportionate share of the net pension liability associated with NJ TRANSIT	16.1
Total	**$73.5**

NJ TRANSIT's proportion of the net pension liability was based on a projection of the long-term share of contribution to the pension plans relative to the projected contributions of all participating State agencies, actuarially determined. At June 30, 2021, NJ TRANSIT's proportion was 0.0744858 percent and 0.7854294 percent for PERS and PFRS, respectively.

For the year ended June 30, 2022, NJ TRANSIT recognized pension expense of $1.8 million and revenue of $1.8 million for support provided by the State to PFRS, on behalf of NJ TRANSIT.

Actuarial Assumptions. *PERS*: The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The actuarial valuation used the following actuarial assumptions for the June 30, 2021 measurement date:

Inflation:	
Price	2.75%
Wage	3.25%
Salary increase:	Based on years of service
Through 2026	2.0% – 6.0%
Thereafter	3.0% – 7.0%
Investment rate of return:	7.00%

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 improvements are based on Scale MP-2021 for 2021.

PFRS: The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The actuarial valuation used the following actuarial assumptions for the June 30, 2021 measurement date:

Inflation:	
Price	2.75%
Salary increase:	
Based on years of service	3.25-15.25%
Investment rate of return:	7.00%

For the year ended June 30, 2021, pre-retirement mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

Discount Rate. *PERS:* The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 benefit payments of current plan members. Therefore, the long-term expected rates of return on plan investments were applied to all projected benefit payments to determine the total pension liability.

PFRS: The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on plan investments were applied to all projected benefit payments to determine the total pension liability.

Expected Rate of Return on Investments. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the plans' target asset allocations as of June 30, 2021 are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
PERS/PFRS:		
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
US Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents NJ TRANSIT's proportionate share of the net pension liability measured as of June 30, 2021, using the discount rate of 7.00 percent for PERS and PFRS, as well as the proportionate share of the net pension liability using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate *(in millions):*

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
PERS	$12.0	$8.8	$6.1
PFRS	87.2	57.4	32.6

Fiduciary Plan Net Position. Detailed information about the PERS and PFRS fiduciary net position is available in the separately issued Annual Comprehensive Financial Report of State of New Jersey, Division of Pensions and Benefits, available on the State's website *www.nj.gov/treasury/pensions/financial-reports.shtml.*

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Single-Employer and Cost-Sharing Multiple-Employer Plans). For the year ended June 30, 2022, NJ TRANSIT recognized pension expense of $52.9 million.

At June 30, 2022, NJ TRANSIT reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources *(in millions)*:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$—	$296.8
Changes of assumptions or other inputs	56.3	27.2
Changes in proportion	15.9	1.1
Differences between expected and actual experience	9.4	28.0
NJ TRANSIT contributions subsequent to the measurement date	117.3	—
Total	**$198.9**	**$353.1**

Deferred outflows of resources of $117.3 million resulted from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows *(in millions)*:

	TOTAL
Year 1 (2023)	($62.1)
Year 2 (2024)	(60.8)
Year 3 (2025)	(67.4)
Year 4 (2026)	(78.7)
Year 5 (2027)	(2.4)
Thereafter	(0.1)
Total	**($271.5)**

**Note that additional future deferred inflows and outflows of resources may impact these numbers.*

DEFINED CONTRIBUTION PLANS

In addition to the defined benefit plans, NJ TRANSIT provides an employee savings and protection plan 401(k) for all eligible non-agreement employees. NJ TRANSIT provides a maximum 50 percent matching contribution on the first six percent contributed by the employees. This plan permits employees to contribute up to 50 percent of their salary not to exceed $20,500 annually on a pre-tax basis.

NJ TRANSIT also provides money purchase pension plans 401(a) and employee savings/deferred compensation plans (457) for eligible agreement and non-agreement employees. NJ TRANSIT contributed 1 to 6 percent of annual compensation to certain employees' accounts in the 401(a) Plan. Effective 1/1/09, newly hired employees in the Rail Conductors union get a 1 percent contribution in their first year of employment, with an additional contribution of 1 percent per year up to a maximum of 5 percent. The 457 plan permits employees to contribute up to 50 percent of their salary not to exceed $20,500 annually on a pre-tax basis.

Beginning in 2002, a pre-tax contribution was added for participants of the 401(k) and 457 plans. The Economic Growth and Tax Relief Act of 2001 permits individuals who are age 50 (or older) by the end of the calendar year to elect to make additional "catch up" contributions to the plan. This is in addition to the pre-tax employee contribution limit. Pursuant to the act, participants in the 401(k) and 457 plans who are over 50 years of age can contribute an additional $6,500 above the $20,500 limit.

NJ TRANSIT's expense for the defined contribution plans totaled $30.1 million in fiscal year 2022.

7. OTHER POSTEMPLOYMENT BENEFITS ("OPEB")

Employees of NJ TRANSIT participate in either the NJ TRANSIT sponsored single employer defined benefit OPEB plan or the Health Benefit Local Government Retirement Employees Plan administered by the State of New Jersey, Division of Pensions and Benefits, which is a cost-sharing multiple-employer plan.

NJ TRANSIT SPONSORED OPEB PLAN

General Information about the Plan

Plan Descriptions. NJ TRANSIT's OPEB plan, a single employer defined benefit plan, provides OPEB for all eligible retirees and their spouses. The contribution and benefit requirements are negotiated between NJ TRANSIT and union representatives for Rail and Bus agreement employees. NJ TRANSIT establishes and may amend the provisions for non-agreement employees. NJ TRANSIT's required contribution is based on projected pay-as-you-go financing requirements and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. NJ TRANSIT provides postemployment medical, dental, vision and life insurance benefits for eligible retirees and their spouses. The benefit terms are as follows:

Bus Agreement: Benefit terms cover ATU and UWUA union employee retirees who are earlier of 1) age 55 with 10 years of service, 2) Rule of 80, or 3) Hired after age 50 with 5 years of service. Medical benefits vary for retirees who are pre-age 65 and post-age 65. Dental benefits cover pre-age 65 only, while life insurance benefits cover eligible retirees with flat $7,500 and $8,000 for regular Mercer retirees and supervisors.

Rail Agreement: Benefit terms cover certain group retirees who are age 60 with 30 years of railroad service. Medical benefits vary for retirees who are pre-age 65 and post-age 65. There are no dental and vision benefit coverage. Life insurance benefits cover eligible retirees in an amount of $2,000 per retiree.

Non-Agreement: Benefit terms covers retirees not covered by a collective bargaining agreement who are earlier of 1) age 55 with 10 years of service, 2) Rule of 80, or 3) Hired after age 50 with 5 years of service.

Medical benefits vary for retirees who are pre-age 65 and post-age 65. Dental benefits cover pre-age 65 and post 9/1/08 pre/post-age 65 retirees, while life insurance benefits cover eligible retirees with flat $5,000 for pre-1/1/94 retirees. All other retirees' life insurance remains at $10,000.

Employees Covered by Benefit Terms. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	525
Inactive employees entitled to but not yet receiving benefit payments	5,479
Active employees	11,039
Total Membership	17,043
Spouses of Retirees	**1,887**

OPEB Funding. NJ TRANSIT pays for OPEB benefits on a pay-as-you-go basis. Since NJ TRANSIT is not pre-funding these benefits, no actuarially determined contribution is determined.

Total OPEB Liability. NJ TRANSIT's total OPEB liability of $1,427.6 million was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions. The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of July 1, 2021, calculated based on the discount rate and actuarial assumptions below, and were then projected forward to the measurement date. Covered payroll reflects pay during the fiscal year for all employees, excluding police employees.

For fiscal year 2022, the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	July 1, 2021
Measurement date	June 30, 2022
Salary increases, varies by age	3.16% - 4.84%
Inflation rate	3.00%
Discount rate	3.54%
Healthcare cost trend rates	
Pre-65	5.8% for 2022, decreasing to 3.7% by 2081
Post-65	Non-agreement: 5.6% for 2022, decreasing to 3.7% by 2081 Bus: 4.0% for 2022, decreasing to 3.7% by 2081
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality. All mortality rates are projected on a generational basis using MP-2021 mortality improvement scale. As a generational table, it reflects mortality improvements both before and after the measurement date.

Preretirement: PRI-2012 Employee Mortality Table for Males and Females with blue collar adjustments for Bus and Rail members. A 50/50 blend of white collar and blue-collar adjustments were used for Non-Agreement members. Headcount-weighted version of the table is used.

Postretirement Healthy Lives: PRI-2012 Healthy Annuitant Mortality Table for Males and Females with blue collar adjustments. A 50/50 blend of white collar and blue-collar adjustments were used for Non-Agreement members. Headcount-weighted version of the table is used.

Postretirement Disabled Lives: PRI-2012 Disabled Annuitant Mortality Table for Males and Females. Headcount-weighted version of the table is used.

For the year ended June 30, 2022, the changes in the total OPEB liability *(in millions)* are as follows:

	YEAR ENDED JUNE 30, 2022
Beginning Balance	**$1,699.6**
Changes for the year:	
Service cost	81.6
Interest	37.8
Plan Changes	(11.5)
Economic/demographic gains or losses	9.2
Changes of assumptions or other inputs	(330.2)
Benefit payments	(58.9)
Net changes	**(272.0)**
Ending Balance	**$1,427.6**

**Total OPEB liability comprised of short-term and long-term liabilities of $58.9 million and $1,368.7 million, respectively.*

Sensitivity of the Total OPEB Liability to Change in the Discount Rate. The following presents the total OPEB liability of NJ TRANSIT at June 30, 2022, calculated using the discount rate of 3.54 percent, as well as what NJ TRANSIT's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (2.54%)	**Discount Rate (3.54%)**	**1% Increase (4.54%)**
Total OPEB liability *(in millions)*	$1,629.9	$1,427.6	$1,261.7

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of NJ TRANSIT at June 30, 2022, calculated using the current healthcare cost trend rates as well as what the NJ TRANSIT's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	**Current Trend Rate**	**1% Increase**
Total OPEB liability *(in millions)*	$1,231.9	$1,427.6	$1,673.4

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, NJ TRANSIT recognized OPEB expense of $110.7 million.

At June 30, 2022, NJ TRANSIT reported $252.8 million of deferred outflows and $308.1 million of deferred inflows of resources related to OPEB from changes of assumptions or other inputs, which will be recognized in OPEB expense as follows *(in millions)*:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$63.9	$3.9
Changes of assumptions or other inputs	188.9	304.2
Total	**$252.8**	**$308.1**

The deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows *(in millions)*:

	TOTAL
Year 2023	$2.8
Year 2024	2.8
Year 2025	10.5
Year 2026	10.5
Year 2027	(2.5)
Thereafter*	(79.4)
Total	**$55.3**

**Note that additional future deferred inflows and outflows of resources may impact these numbers.*

STATE OF NEW JERSEY HEALTH BENEFIT LOCAL GOVERNMENT RETIREMENT EMPLOYEES PLAN

General Information about the Plan

Plan Descriptions. The State of New Jersey sponsors and administers the post-retirement health benefit program covering employees of NJ TRANSIT who are in the Police and Firemen's System (PFRS). The State Health Benefit Local Government Retired Employees Plan (the "Plan") is a cost-sharing multiple-employer defined benefit other postemployment benefit plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The State grants the authority to establish and amend the benefit terms to the PFRS.

The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75 ("GASB 75"); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey, Division of Pensions and Benefits' Annual Comprehensive Financial Report, which can be found at *https://www.state.nj.us/treasury/pensions/financial-reports.shtml*. In accordance with GASB 75, the Plan is a cost-sharing multiple-employer plan with a special funding situation. There are 282 members from NJ TRANSIT.

Benefits Provided. In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

At the time of issuance of this report, the State of New Jersey Pension Department has not issued the GASB 75 Audit Reports for the State of New Jersey State Health Benefits Local Government Retired Employees Plan for fiscal year 2022. As a result, the schedule of employer and nonemployer allocations and schedules of OPEB amounts by employer and nonemployer as of June 30, 2022 are not available for NJ TRANSIT to update the information related to fiscal year 2022. NJ TRANSIT's management believes the effects of the omitted disclosures are quantitatively and qualitatively immaterial, both individually and in the aggregate, to the consolidated financial statements as a whole.

Total OPEB Liability. Under Chapter 300, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. As defined by GASB 75, these employers are considered to be in a special funding situation, and the State is treated as a nonemployer contributing entity. Since NJ TRANSIT does not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to be reported in NJ TRANSIT's consolidated financial statements.

OPEB Expense. For the year ended June 30, 2022, NJ TRANSIT recognized negative OPEB expense and related revenue of $3.6 million for support provided by the State to PFRS on behalf of NJ TRANSIT.

8. OTHER CURRENT LIABILITIES

Other current liabilities totaling $172.3 million at June 30, 2022 consist of the following *(in millions):*

	AS OF JUNE 30, 2022
Current	
Advance funds-State/Port Authority	$10.5
NEC Obligations	2.6
Injury and damage claims (Note 15)	59.7
Retainage on construction projects	25.6
Pollution remediation obligations (Note 13)	8.0
OPEB Liability	58.9
Other	7.0
Total	**$172.3**

The advanced funds represent funds received for capital projects for which expenditures have not yet been incurred and/or will be subsequently paid back to the State Transportation Trust Fund. Other current liabilities include fees related to the NEC Service and unearned passenger revenue for bulk ticket and monthly sales related to future periods.

9. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities totaling $201.0 million as of June 30, 2022, primarily relate to unearned rent and permit revenues, reserves for future environmental clean-up costs, funds designated for future asset and spare part purchases, as well as capital project advances as follows *(in millions)*:

	AS OF JUNE 30, 2022
Rent and permits	$9.3
Federal and State interests on capital assets	6.1
Federal and State interests on capital spare parts	14.2
Non-Federal capital project advances	120.6
Other	10.3
Total unearned revenue	**160.5**
Sick leave	5.3
Pollution remediation obligations (Note 13)	35.2
Total other non-current liabilities	**40.5**
Total	**$201.0**

10. DEBT AND OTHER OBLIGATIONS

Revolving Line of Credit. In October 2019, NJ TRANSIT ("NJT") entered into a Revolving Credit Agreement with Bank of America ("BofA") for the purpose of obtaining a $300.0 million Line of Credit ("Line"). The Revolving Credit Agreement and Line are secured by an NJT Corporation Federally Taxable Grant Anticipation Note, Series 2019 (the "Series 2019 Note") dated October 2, 2019. The Series 2019 Note evidences the revolving loans made by BofA to NJT and were issued to BofA in anticipation of the receipt of certain grant funds from the FTA. The Revolving Credit Agreement and Line will terminate on November 2, 2022. As of June 30, 2022, the outstanding balance on the Line was $185.0 million. The Line will assist NJ TRANSIT in meeting its operating cash requirements for expenditures that are eligible for reimbursement from the FTA, Section 5307 and 5337 Formula Funds.

NJ TRANSIT will pay a commitment fee of 25 basis points (based upon NJ TRANSIT's current ratings) on undrawn amounts and a floating interest rate based upon LIBOR plus 49 basis points (based upon the current rating) on drawn amounts. NJ TRANSIT is required to repay all outstanding amounts within 45 days of the end of the federal fiscal year.

Bonds Payable. In January 2020, the New Jersey Economic Development Authority ("NJEDA") issued $500.0 million of 2020 Series A NJ TRANSIT Transportation Project Bonds. The 2020 Series A Bonds were issued to (i) finance the costs of a project (the "2020 Series A Project") consisting of the acquisition of commuter buses and locomotives by NJ TRANSIT, (ii) pay capitalized interest on the 2020 Series A Bonds through and including November 1, 2022, and (iii) pay Cost of Issuance of the 2020 Series A Bonds. The 2020 Series A were issued bearing interest at the rate of 5.00% per annum with a final maturity of November 2044. As of June 30, 2022, the entire $500.0 million of 2020 Series A remain outstanding.

In January 2017, the NJEDA issued $627.7 million of Series 2017 Transportation Project Sublease Revenue and Refunding Bonds. This issue consisted of $64.1 million of 2017 Series A; Transportation Project Sublease Revenue Bonds and $563.6 million of 2017 Series B; Transportation Project Sublease Revenue Refunding Bonds. The Series 2017A Bonds were issued to finance the cost of "New Money Projects" related to the Traction Power High Voltage Substation Circuit Breaker Replacement Project, Long Slip Fill and Rail Enhancement Project and the Bus Radio System Replacement Project as well as the payment of capitalized interest and the payment of the cost of issuance of the 2017 Series A Bonds. The Series 2017B Bonds were issued to finance the refunding advance of prior obligations specifically the Series 2004A Certificates of Participation, dated April 1, 2004, the Series 2008A, Certificates of Participation, dated April 1, 2008 and Series 2009A Certificates of Participation, dated April 1, 2009 as well as the payment of cost of issuance of the 2017 Series B Bonds. As a result of this refunding, NJ TRANSIT increased its total debt service requirements over the life of the issue by $13.7 million, which resulted in a net present value loss of $5.6 million. As of June 30, 2022, $64.1 million of 2017 Series A remain outstanding. As of June 30, 2022, $369.9 million of 2017 Series B remain outstanding.

The 2014 GANs were issued as two series. The $381.8 million Series 2014A tax-exempt Notes refunded all of the outstanding 2000B, 2002B and 2005A COPs as well as certain maturities of the 2002A and 2003A COPs. The $101.9 million Series B taxable Notes refunded certain maturities of the 2002A and 2003A COPs. During fiscal year 2022, the balance of the 2014A GANs of $68.6 million was paid in full.

The following schedule summarizes notes payable and other obligations, by issue, as of June 30, 2022 *(in millions):*

	Inception Date	Balance June 30, 2021	Additions	Payments/ Reductions	Balance June 30, 2022	Due Within One Year
Federal						
GANS 2014A	09/15	$68.6	$—	($68.6)	$—	$—
State of NJ						
NJEDA 2017A	01/17	64.1	—	—	64.1	—
NJEDA 2017B	01/17	432.9	—	(63.0)	369.9	66.2
NJEDA 2020A	01/20	500.0	—	—	500.0	—
Other						
Revolving Line of Credit		—	185.0	—	185.0	185.0
Total		**1,065.6**	**185.0**	**(131.6)**	**1,119.0**	**$251.2**
Unamortized Bond Premium		84.4	—	(8.9)	75.5	
Total Notes Payable and Other Obligations		**$1,150.0**	**$185.0**	**($140.5)**	**$1,194.5**	

Long-term notes payable maturities subsequent to June 30, 2022 *(in millions):*

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	$66.2	$42.5	$108.7
2024	69.6	39.1	108.7
2025	73.1	35.5	108.6
2026	76.7	31.9	108.6
2027	80.5	28.2	108.7
2028-2032	135.2	112.8	248.0
2033-2037	137.1	83.1	220.2
2038-2042	172.2	48.0	220.2
2043-2045	123.4	8.6	132.0
Total	**$934.0**	**$429.7**	**$1,363.7**

11. LEASES

NJ TRANSIT entered into various lease agreements that convey control of the right to use other entities' nonfinancial assets. The initial measurement of NJ TRANSIT's leased asset and lease liability for those agreements was July 1, 2021. The lease liability was reduced as payments were made, and an outflow of resources for interest on the liability was also recognized. NJ TRANSIT also recognized a lease receivable and a deferred inflow of resources.

As Lessor. NJ TRANSIT leases its building, station space, cell tower space and right of way to other entities. These leases have terms between 1 year to 35 years, with payments required monthly, quarterly, semi-annually, or annually. In addition, NJ TRANSIT also receives various payments for percentage of sales, pro-rata operating expenses associated with the spaces that are not included in the measurement of lease receivable.

The total amount of inflows of resources recognized for the fiscal year ended June 30, 2022 *(in millions)*:

	Year Ended June 30, 2022
Lease Revenue	$3.8
Interest Revenue	0.2
Other Variable	1.2

The balance of lease receivable as of June 30, 2022 was $22.9 million, of which, $3.6 million was included in other current assets and $19.3 million was included in other non-current assets in the Consolidated Statement of Net Position. NJ TRANSIT recognized $0 revenue associated with residual value guarantees and termination penalties.

As Lessee. NJ TRANSIT leases parking lot, office space, cell tower space and copiers from other entities. These leases have terms between 1 year to 39 years, with payments required monthly, quarterly, or annually.

The amount of lease expense recognized for variable payment not included in the measurement of lease liability was $0.0 for the year ended June 30, 2022. NJ TRANSIT recognized $0 expense attributable to residual value guarantees and termination penalties.

The principal and interest requirements to maturity for the lease liability subsequent to June 30, 2022, are as follows *(in millions)*:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	$5.5	$0.9	$6.4
2024	3.9	0.8	4.7
2025	3.3	0.8	4.1
2026	3.3	0.8	4.1
2027	4.0	0.7	4.7
2028-2032	21.5	2.5	24.0
2033-2037	21.6	0.8	22.4
2038-2042	1.9	0.1	2.0
Total	**$65.0**	**$7.4**	**$72.4**

12. FINANCED PURCHASE

NJ TRANSIT has entered into a number of tax advantaged agreements with certain domestic and foreign lenders. These transactions entail the sale/leaseback (SILO) or lease/leaseback (LILO) of various NJ TRANSIT commuter and light rail vehicles, buses, equipment, and facilities to third-parties. At the end of agreements, the ownership of assets is transferred to NJ TRANSIT.

In connection with the transactions, NJ TRANSIT has made investment arrangements to meet its payment obligations throughout the term of the respective leases. As these transactions do not meet the definition of an "in-substance defeasance," NJ TRANSIT has recorded Other Borrowings and the related assets as Restricted Deposits in the Consolidated Statement of Net Position (see Note 4).

Risk Exposures. Under the terms of these agreements, a significant portion of the initial amount received by NJ TRANSIT from the third party (approximately 80 percent) is paid to an affiliate of the third party's lender which has the obligation to make an equivalent portion of the sublease rent payments, eliminating the need for NJ TRANSIT to make these payments to the third-party. This portion of the rent payments is equal to the debt service on the related third-party loan.

NJ TRANSIT also pays an amount to and enters into an Equity Payment Undertaking Agreement with a third party whereby that party has the obligation to provide the amounts necessary to make the remainder of the basic rent payments and pay the purchase price due upon exercise by NJ TRANSIT at the end of the agreement. The amount remaining after payment of transaction expenses is NJ TRANSIT's net benefit from these transactions.

Counterparty Risk. Counterparty risk is the risk of a party to an agreement failing to fulfill their contractual obligation. Each transaction involves a variety of parties and counterparties. Counterparty risk is a type of credit risk that closely relates to the credit quality of the parties involved in the transactions. It is reduced by having an organization with good credit act as a guarantor between the two or more parties.

Collateral and Surety Risk. Collateral is a security or guarantee (usually an asset) pledged for the repayment of a loan if one cannot or is unable to repay. In the event of deterioration in the credit ratings of the counterparty, the agreement may require that collateral be posted to secure the party's obligations. Further ratings deterioration below levels agreed to in the Equity Payment Undertaking Agreement could result in additional collateral being posted with a third-party custodian. In most cases, collateral must be cash, U.S. Treasuries, or certain federal agency securities. Additional insurance coverage of possible early termination of payments is provided by separate surety policies in most contracts, which protects the counterparties from financial loss should the guarantors fail to perform in accordance with contract terms and conditions. Furthermore, if the credit ratings of the companies that provide the surety protections fall below the rating trigger associated with the early termination surety, NJ TRANSIT may also be required to replace the surety company. If the required replacement of either a surety or counterparty is not performed, it could trigger a termination event requiring a cash settlement.

Termination Risk. An agreement could be terminated if one party does not fulfill the obligations set forth in the contract. When an Event of Default or a Termination Event has occurred, either NJ TRANSIT or the counterparties could be required to make a termination payment according to the contract terms. Events of Default include non-payment, false or misleading representations, or the bankruptcy of NJ TRANSIT or the counterparties. Termination Events include a downgrade of the counterparty's credit rating to below that stated in the agreement. For example, under a current Equity Payment Undertaking Agreement, with respect to ratings of the equity payment undertaker, the counterparty, which may be a bank or other financial institution, must have a Credit Rating of at least AA by Standard & Poor's and of at least Aa2 by Moody's at all times before the final maturity of a leveraged lease. A party has the right to terminate the lease agreement earlier when there is a downgrading of the counterparty's credit ratings.

Interest Rate Risk. The interest rate risk goes up when the market interest rate goes down and the returns on the investment decline. Accounts initially deposited together with the aforementioned obligation of the third party's lender, result in a financial defeasance of all sublease obligations, including the cost of purchasing the third party's remaining rights at the end of the sublease period if the purchase option is exercised. Should an event occur that changes the initial deposit instruments, it is possible that the amount earned on the deposit account balance may not match the option price stated in the agreement at the end of the lease period. Under the terms of the agreement, should there be less interest earned on deposits than scheduled to make related payments, NJ TRANSIT would be liable for the shortfall.

In total, NJ TRANSIT has recorded obligations of $186.6 million as of June 30, 2022

The cost of assets is summarized as follows and is included in capital assets (see Note 5) as of June 30, 2022 *(in millions):*

Railcars and Locomotives	$360.5
Less Accumulated Depreciation	(256.4)
Net Assets	**$104.1**

The following schedule summarizes financed purchase obligations, as of June 30, 2022 *(in millions):*

	Inception Date	Balance June 30, 2021	Additions	Payments/ Reductions	Balance June 30, 2022	Due Within One Year
Comet IV Coaches	09/03	$26.4	$—	$—	$26.4	$—
Diesel Locomotives	12/05	55.0	—	6.3	48.7	6.7
Multilevel Railcars	12/06	13.9	—	0.8	13.1	0.9
Multilevel Railcars	06/07	27.5	—	1.4	26.1	1.5
Multilevel Railcars	12/07	47.1	—	2.5	44.6	2.8
Multilevel Railcars	01/08	29.9	—	2.2	27.7	27.7
Total		**$199.8**	**$—**	**$13.2**	**$186.6**	**$39.6**

Minimum principal and interest maturities subsequent to June 30, 2022 *(in millions)* are as follows:

Fiscal Year Ending in June 30,	Principal	Interest	Total
2023	$39.6	$8.1	$47.7
2024	12.9	6.9	19.8
2025	21.9	8.3	30.2
2026	46.9	22.7	69.6
2027	16.4	15.9	32.3
2028-2029	48.9	0.2	49.1
Total	**$186.6**	**$62.1**	**$248.7**

13. POLLUTION REMEDIATION OBLIGATIONS

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations,* establishes standards for determining when expected pollution remediation outlays should be accrued as a liability or, if appropriate, capitalized. In 2022, an operating expense and corresponding liability, measured at their current value using the expected cash flow method, have been recognized for certain pollution remediation obligations. Pollution remediation obligations, which are estimates and subject to changes in price, technology, or applicable laws and regulations, occur when any one of the following obligating events takes place:

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

As of June 30, 2022, the net pollution remediation reserves totaling $43.2 million were measured at its current value utilizing the expected cash flow method. The total liability of $45.9 million as of June 30, 2022 was reduced by $2.7 million, for expected recoveries from other responsible parties, potentially responsible parties and insurers. The cumulative liability increased by $4.5 million in 2022, attributable primarily to the costs for additional liabilities related to fiscal year 2022.

The following table summarizes the changes in NJ TRANSIT's liability for pollution remediation as of June 30, 2022 *(in millions)*:

Balance, Beginning of Year	**$38.7**
Current year costs	7.2
Payments made during the year	(2.7)
Balance, End of Year	**$43.2**

The pollution remediation liability of $43.2 million at June 30, 2022 essentially consists of future remediation activities associated with asbestos removal, cleanup of contamination, and wastewater treatment at NJ TRANSIT stations, garages, and other facilities. Of this amount, $8.0 million represents the current portion of the liability, which is included in other current liabilities, and $35.2 million represents the noncurrent obligation, which is included in other noncurrent liabilities in the Consolidated Statement of Net Position.

The estimated outlays include costs of: (a) $3.4 million associated with pre-cleanup activities including engineering studies, site investigation, corrective measures feasibility study, and the design of a remediation plan; (b) $35.1 million related to cleanup activities, such as neutralization, containment, removal and disposal of pollutants, and restoration; (c) $4.7 million for the external government oversight and enforcement-related activities; and (d) $1.1 million for the post-remediation monitoring.

14. OTHER OPERATING REVENUES

Other operating revenues comprise the following for the year ended June 30, 2022 *(in millions)*:

Lease and rental	$20.0
Advertising	17.2
Metro-North operations	7.6
Other	24.7
Subtotal	**$69.5**
Less bad debt expense	(2.3)
Net Other Operating Revenues	**$67.2**

15. INJURY AND DAMAGE CLAIMS

As of June 30, 2022, NJ TRANSIT maintained $323.0 million excess commercial general liability program with a self-insured retention of $15.0 million. Additionally, NJ TRANSIT maintains an excess workers' compensation program with a self-insured retention of $2.0 million. Employment-practice claims exceeding $500,000 up to $10.0 million are covered by a stand-alone commercial insurance policy. On October 14, 2004, ARH, a wholly-owned subsidiary of NJ TRANSIT, was formed. This captive insurance company provides coverage for FELA and Third-Party Rail and Bus and Property, Certified Terrorism Risk Insurance Act ("TRIA") casualty exposures, and workers' compensation consequently reducing NJ TRANSIT's self-insured retention and transferring the agency's financial liability in these areas (see Note 17).

NJ TRANSIT has recorded an estimated liability of $369.9 million as of June 30, 2022 for outstanding public liability, property damage, FELA, workers' compensation, and employment practice claims. Of this amount, $59.7 million is included in other current liabilities as of June 30, 2022 (see Note 8).

The liability is based on NJ TRANSIT's past loss experience. NJ TRANSIT believes the liability established is reasonable and appropriate to provide for settlement of losses and related loss expenses. Management believes that its reserves for claims incurred but not reported is determined in accordance with generally accepted actuarial principles and practices. However, estimating the ultimate liability is a complex and judgmental process inasmuch as the amounts are based on management's informed estimates and judgments using data currently available. As additional experience and data become available regarding claim payments and reporting patterns, legislative developments and economic conditions, the estimates are revised accordingly, and the impact is reflected currently in NJ TRANSIT's consolidated financial statements.

The injury and damage claims liability activities for fiscal year 2022 were as follows *(in millions)*:

Beginning Balance	**$351.1**
Changes for the year:	
Claims expense	97.5
Claims payments	(78.7)
Net Changes	**18.8**
Ending Balance	**$369.9**

16. FEDERAL GRANTS

The Urban Mass Transportation Act of 1964, as amended by Intermodal Surface Transportation Efficiency Act ("ISTEA"), Transportation Equity Act for the 21st Century ("TEA-21"), Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users ("SAFETEA-LU"), MAP-21, the Fixing America's Surface Transportation ("FAST") Act, and under the IIJA, provide funding to NJ TRANSIT primarily for capital needs, based upon a defined formula grant program. Generally, such funds may be utilized for no more than 80 percent of the project costs for capital assistance or 50 percent for operating assistance. Funds are apportioned to NJ TRANSIT annually, and generally are available until expended.

NJ TRANSIT receives operating assistance and capital funds from the State of New Jersey by legislative appropriation; the Federal Government by defined formula; discretionary grants under the Federal Urban Mass Transportation Act of 1964 as most recently amended by MAP-21 of 2012; the FAST Act; the IIJA and, local sources. Most federal grants are administered by the FTA. These grants are used to support construction, acquisition and operation of public transportation facilities, equipment, and services.

The Coronavirus Disease 2019 (COVID-19) public health emergency has significantly impacted public transportation operations throughout the nation. During fiscal year 2022, NJ TRANSIT was awarded additional funding from CRRSAA and ARPA, in addition to the CARES Act grant. In the current fiscal year, NJ TRANSIT drew down $83.8 million, $118.1 million, and $828.8 million from the CARES Act, CRRSAA and ARPA funds, respectively.

17. BLENDED COMPONENT UNIT – ARH III INSURANCE COMPANY, INC.

ARH III Insurance Company, Inc. ("ARH") is a non-profit special purpose captive insurance company domiciled in the State of South Carolina. ARH is a wholly-owned subsidiary of NJ TRANSIT (the "Parent"), a unit of the State of New Jersey crated by the New Jersey Public Transportation Act of 1979.

ARH limit of liability for each line of coverage since inception are as follows:

Casualty – FELA, Third Party Rail and Bus

Policy Year(s)	Limits of Liability
July 1, 2004 – July 1, 2014	$5 million excess $5 million – FELA and Rail
July 1, 2014 – July 1, 2017	$5 million excess $10 million – Buses; $5 million excess $5 million – FELA and Rail
July 1, 2017– July 1, 2018	$2.5 million excess $10 million – Buses; $7.5 million excess $5 million – FELA and Rail
July 1, 2018– July 1, 2020	$5 million excess $10 million – Buses; $10 million excess $5 million – FELA and Rail

Effective July 1, 2020, the casualty lines of coverage were not renewed.

Property

Policy Year(s)	Limits of Liability
July 1, 2006 – July 1, 2007	20% of $125 million excess $275 million
July 1, 2007 – July 1, 2009	16% of $125 million excess $275 million 25% of $50 million excess $50 million
July 1, 2009 – July 1, 2013	12% of $125 million excess $275 million
July 1, 2021 – July 1, 2022	15% of $25 million primary layer and 25% of $25 million-layer excess $25 million

There was no property coverage from July 1, 2013 through July 1, 2021.

TRIA

Policy Year(s)	Limits of Liability
July 1, 2004 – July 1, 2018	$9 million excess $1 million
July 1, 2018 – July 1, 2022	$14 million excess $1 million

Excess Liability

Policy Year(s)	Limits of Liability
July 1, 2016 – July 1, 2018	$15 million excess $25 million
July 1, 2018 – July 1, 2019	$10 million part of $15 million excess $25 million
July 1, 2019 – July 1, 2020	$2 million excess $183 million $3 million excess $275 million
	$22.5 million excess $300 million
July 1, 2020 – July 1, 2021	$25 million part of $35 million excess $65 million; $195 million excess $100 million
July 1, 2021 – July 1, 2022	$43 million excess $280 million

Workers Compensation

Policy Year(s)	Limits of Liability
July 1, 2008 – July 1, 2022	$3 million excess $2 million

Under the TRIA coverage, reinsurance is provided by the United States Government on an 80% quota share basis of any certified loss as provided by TRIA, as amended. If, at any time during the policy period, TRIA is cancelled or not renewed, ARH's policy will be automatically cancelled at the same date and time.

In a prior year, ARH entered into a loss portfolio transfer with Liberty Mutual Insurance Company ("Liberty") assuming reserves related to claims for the Parent's workers' compensation policy with Liberty for the policy year July 1, 2007 through July 1, 2008. This transfer of liability included certain open claims, which remain open, from prior to the beginning of the policy period although no claims have entered ARH's coverage layer. ARH's limits under the contract are $2.5 million excess $5 million per employee.

The financial results for ARH as of and for the year ended June 30, 2022 are set forth below. Since ARH prepares the financial statements under FASB guidance, the amounts and format of financial statements have been adjusted to reflect GASB requirements. The condensed statement of net position and the statement of revenues, expenses, and changes in net position as of and for the year ended June 30, 2022 are as follows *(in millions):*

CONDENSED STATEMENT OF NET POSITION

	AS OF JUNE 30, 2022
Current assets	$63.2
Total Assets	**63.2**
Non-current liabilities	31.4
Total Liabilities	**31.4**
Total Net Position	**$31.8**

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	YEAR ENDED JUNE 30, 2022
Operating revenues	$2.1
Operating expenses	(9.9)
Operating loss	(7.8)
Non-operating expenses	(7.3)
Change in Net Position	**(15.1)**
Total Net Position, Beginning	**46.9**
Total Net Position, Ending	**$31.8**

CONDENSED STATEMENT OF CASH FLOWS

	YEAR ENDED JUNE 30, 2022
Cash Flows from Operating Activities	
Operating loss	($7.8)
Changes in assets and liabilities	8.2
Net Cash Provided by Operating Activities	**0.4**
Cash Flows from Investing Activities	
Sales and maturities of investments	9.6
Purchases of investments	(2.1)
Interest on investments	(7.3)
Net Cash Provided by Investing Activities	**0.2**
Net Increase in Cash and Cash Equivalents	**0.6**
Cash and Cash Equivalents Beginning of Year	**2.9**
End of Year	**$3.5**

18. COMMITMENTS AND CONTINGENCIES

NJ TRANSIT is a defendant in a number of lawsuits arising from claims for personal injury, property damage, breach of contract, civil rights, and personnel matters. Management believes that the ultimate resolution of these matters will not have a material adverse impact on the financial position, results of operations and cash flows of NJ TRANSIT.

NJ TRANSIT is addressing environmental issues at several locations within the State where, by virtue of ownership or use, NJ TRANSIT has a remediation responsibility. Management has analyzed all of these matters and has provided for amounts, which it currently believes are adequate. In management's opinion, the ultimate liability, if any, will have no material effect on the results of operations, cash flows and financial position of NJ TRANSIT (see Note 13).

NJ TRANSIT receives Federal (including CARES Act) and State grants and appropriations for capital projects and other reimbursable activities that are subject to audit by the grantor agency. Although the outcome of any such audits cannot be predicted, it is management's opinion that these audits will not have a material effect on the results of operations, cash flows and financial position of NJ TRANSIT.

As of June 30, 2022, NJ TRANSIT committed to future purchases under the following capital projects and special services which will be funded from federal, state, local or other capital sources *(in millions):*

	AS OF JUNE 30, 2022
Casino Revenue Transportation Program	$35.3
Rail Intrastructure	1,839.9
Bus Rolling Stock	424.7
Rail Rolling Stock	665.0
Rail Passenger Facilities	120.8
Other, for commitments less than $10 million	566.8
Total Capital Projects and Special Service Commitments	**$3,652.5**

19. ACCOUNTING FOR DERIVATIVES AND HEDGING ACTIVITIES

During the fiscal year, NJ TRANSIT had three multiple commodity swap agreements with financial institutions to protect against market fluctuations in the price of diesel fuel and heating oil. These fuel-related derivative transactions are executed in accordance with the policies and procedures established by NJ TRANSIT's Swap Management Plan ("SMP"). The primary objective of the SMP Policy was to set forth policies and procedures for the execution and management of interest rate swaps, fuel swaps and related agreements, provide for security and payment provisions and set forth certain other provisions related to swap agreements between NJ TRANSIT and qualified swap counterparties.

The SMP policy explicitly prohibits NJ TRANSIT from entering into new interest or payment swaps. Existing swaps may be amended or terminated as determined by senior management of NJ TRANSIT. Under the terms of this plan, NJ TRANSIT will only enter into new fuel swaps.

NJ TRANSIT will competitively bid fuel swaps to financial institutions subject to compliance with applicable state and federal laws with the assistance of its Qualified Independent Representative.

NJ TRANSIT may enter into one or more fuel swaps from time to time to protect itself from uncontrolled variations in the price of diesel fuel. NJ TRANSIT will not enter into fuel swaps for speculative purposes.

The following risks are generally associated with commodity swap agreements:

Counterparty Risk – The risk that the swap counterparty will not fulfill its obligations under the swap contract. To mitigate such exposure, NJ TRANSIT will consider limiting exposure to any one counterparty.

Termination Risk – The risk that the underlying swap transactions will not run to maturity due to a counterparty event. To minimize this risk, NJ TRANSIT will not enter into swaps where the counterparty has an option to terminate absent a default by NJ TRANSIT.

If a swap does terminate prior to maturity because of a counterparty default or ratings event, a mark-to-market termination payment may be required. Prior to NJ TRANSIT making any termination payment, NJ TRANSIT will examine all options to eliminate or reduce the amount of the termination payment.

The procedure for the posting of collateral including the acceptable securities and ratings for the third-party Trustee, to the extent practicable, shall be detailed in the Credit Support Annex agreed upon in advance of entering into the swap transaction.

As a counterparty, NJ TRANSIT will be required to post collateral should the calculated amount of all open positions exceed an agreed upon "Threshold" level.

Basis Risk – Refers to the risk that price fluctuations of the indexed product do not correlate perfectly to those of the physical product. To minimize this risk, the price index upon which the diesel fuel swaps will be based will be the monthly average settlement price for diesel fuel futures on the New York Mercantile Exchange for the delivery of physical diesel fuel in New York Harbor.

Cash Flow Risk – Refers to the risk that NJ TRANSIT may (in the short term) experience a cash flow outflow even though fuel prices are falling. Should there be a very significant drop in the price of all open contracts (exceeding the threshold amount), NJ TRANSIT would have to post collateral for all contracts but would only see the benefits of falling prices on current deliveries.

As of June 30, 2022, the fair value of NJ TRANSIT's commodity swaps, which are within the Level 2 category of the fair value hierarchy, are as follows:

Notional Amount (Gallons)	Effective Date	Maturity Date	Fair Value 06/30/22	Terms (Per Gallon) Receive	Terms (Per Gallon) Pay
Counterparty: Goldman Sachs					
3,108,000	02/01/22	07/08/22	$8,197,304	Floating	1.6640
Counterparty: Bank of America Merrill Lynch					
3,024,000	08/01/22	08/31/22	$5,478,699	Floating	3.7649
2,982,000	07/01/22	07/31/22	5,609,405	Floating	3.8305
2,856,000	09/01/22	09/30/22	4,975,941	Floating	3.6986
2,394,000	11/01/22	11/30/22	4,896,858	Floating	3.5491
2,604,000	04/01/23	04/30/23	13,722	Floating	3.1932
			20,974,625		
Counterparty: Cargill					
126,000	08/19/21	07/29/22	$239,127	Floating	383.05
168,000	08/19/21	08/31/22	307,193	Floating	376.49
168,000	08/19/21	09/30/22	295,419	Floating	369.86
3,192,000	08/19/21	10/31/22	5,367,303	Floating	362.57
420,000	12/06/21	11/30/22	613,388	Floating	354.91
2,940,000	12/06/21	12/30/22	4,087,351	Floating	348.27
2,982,000	12/06/21	01/31/23	3,927,421	Floating	341.27
2,688,000	03/29/22	02/28/23	1,637,311	Floating	333.43
2,856,000	03/29/22	03/31/23	1,509,796	Floating	325.40
			17,984,309		
Total Commodity Swaps			**$47,156,238**		

20. SUBSEQUENT EVENTS

Management has evaluated subsequent events for NJ TRANSIT through October 28, 2022, the date the consolidated financial statements were available to be issued. No events, beyond those described below, have occurred which would require adjustment to or disclosure in the consolidated financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Changes in Net Pension Liability and Related Ratios for NJ TRANSIT (UNAUDITED)
Sponsored Single-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions)*

Amalgamated Transit Union Employees Retirement Plan

For the years ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	$40.4	$34.7	$33.0	$31.4	$29.3	$25.5	$25.3	$23.4
Interest	122.4	120.1	114.6	111.1	95.1	88.7	85.9	80.2
Change of benefit terms	—	—	18.7	—	102.3	45.0	—	—
Differences between expected and actual experience	(15.5)	(7.0)	3.2	(12.2)	15.0	2.6	(9.2)	32.0
Change of assumptions	2.9	81.7	(9.1)	—	14.6	31.4	—	—
Benefit payments, including refunds of employee contributions	(97.6)	(94.3)	(88.6)	(83.2)	(79.8)	(69.5)	(63.7)	(58.9)
Net change in total pension liability	**52.6**	**135.2**	**71.8**	**47.1**	**176.5**	**123.7**	**38.3**	**76.7**
Total pension liability – beginning	**1,701.2**	**1,566.0**	**1,494.2**	**1,447.1**	**1,270.6**	**1,146.9**	**1,108.6**	**1,031.9**
Total pension liability – ending (a)	**$1,753.8**	**$1,701.2**	**$1,566.0**	**$1,494.2**	**$1,447.1**	**$1,270.6**	**$1,146.9**	**$1,108.6**
Plan fiduciary net position								
Contributions – employer	$58.3	$54.1	$54.4	$49.1	$45.8	$44.9	$44.0	$44.8
Contributions – employee	15.3	14.6	13.5	12.6	11.9	11.0	6.9	6.5
Net investment income	347.0	59.8	54.9	90.5	109.3	4.0	33.0	134.5
Benefit payments, including refunds of employee contributions	(97.6)	(94.3)	(88.6)	(83.2)	(79.8)	(69.5)	(63.7)	(58.9)
Administrative expense	(0.3)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(3.2)	(3.0)
Others	0.2	0.2	—	—	70.5**	—	—	—
Net change in plan fiduciary net position	**322.9**	**34.2**	**34.0**	**68.7**	**157.4**	**(9.9)**	**17.0**	**123.9**
Plan fiduciary net position – beginning	**1,226.7**	**1,192.5**	**1,158.5**	**1,089.8**	**932.4**	**942.3**	**925.3**	**801.4**
Plan fiduciary net position – ending (b)	**$1,549.6**	**$1,226.7**	**$1,192.5**	**$1,158.5**	**$1,089.8**	**$932.4**	**$942.3**	**$925.3**
Net pension liability – ending (a) – (b)	**$204.2**	**$474.5**	**$373.5**	**$335.7**	**$357.3**	**$338.2**	**$204.6**	**$183.3**
Plan fiduciary net position as a percentage of the total pension liability	**88.37%**	**72.11%**	**76.15%**	**77.53%**	**75.31%**	**73.38%**	**82.16%**	**83.46%**
Covered payroll	**$371.7**	**$367.8**	**$350.5**	**$334.2**	**$321.2**	**$268.2**	**$268.9**	**$268.4**
Net pension liability as percentage of covered payroll	**54.94%**	**129.01%**	**106.56%**	**100.45%**	**111.24%**	**126.10%**	**76.09%**	**68.33%**

**The Schedules of Changes in Net Pension Liability and Related Ratios were based on management's expert actuarial valuation reports for each of the years ended June 30. Historical information prior to implementation of GASB 67/68 is not required.*
***Includes the accretion of Mercer and TWU-UTU Retirement Plans effective April 2, 2016 and July 30, 2016, respectively, which were merged into the ATU Plan in fiscal year 2018.*
See Notes to Supplementary Schedules.

Schedules of Changes in Net Pension Liability and Related Ratios for NJ TRANSIT (UNAUDITED)
Sponsored Single-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions):*

Non-Agreement Transit Employees Retirement Plan

For the years ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	$6.4	$6.1	$6.3	$6.7	$7.2	$6.7	$7.2	$6.6
Interest	61.2	61.2	58.4	56.8	54.1	53.5	51.1	48.4
Differences between expected and actual experience	16.3	4.1	10.9	7.7	11.8	0.5	11.6	16.4
Change of assumptions	(5.6)	41.8	16.5	—	1.1	35.2	—	—
Benefit payments, including refunds of employee contributions	(57.4)	(54.9)	(50.7)	(47.4)	(44.1)	(41.5)	(38.1)	(34.8)
Net change in total pension liability	**20.9**	**58.3**	**41.4**	**23.8**	**30.1**	**54.4**	**31.8**	**36.6**
Total pension liability – beginning	**899.2**	**840.9**	**799.5**	**775.7**	**745.6**	**691.2**	**659.4**	**622.8**
Total pension liability – ending (a)	**$920.1**	**$899.2**	**$840.9**	**$799.5**	**$775.7**	**$745.6**	**$691.2**	**$659.4**
Plan fiduciary net position								
Contributions – employer	$44.9	$39.2	$34.9	$35.6	$33.9	$30.7	$29.5	$19.3
Contributions – employee	1.3	1.4	1.5	1.5	1.6	1.6	1.8	1.8
Net investment income	174.2	23.7	24.8	42.4	47.0	4.1	9.2	65.4
Benefit payments, including refunds of employee contributions	(57.4)	(54.9)	(50.7)	(47.4)	(44.1)	(41.5)	(38.1)	(34.8)
Administrative expense	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(1.8)	(1.9)
Net change in plan fiduciary net position	**162.7**	**9.2**	**10.3**	**31.9**	**38.2**	**(5.4)**	**0.6**	**49.8**
Plan fiduciary net position – beginning	**573.3**	**564.1**	**553.8**	**521.9**	**483.7**	**489.1**	**488.5**	**438.7**
Plan fiduciary net position – ending (b)	**$736.0**	**$573.3**	**$564.1**	**$553.8**	**$521.9**	**$483.7**	**$489.1**	**$488.5**
Net pension liability – ending (a) – (b)	**$184.1**	**$325.9**	**$276.8**	**$245.7**	**$253.8**	**$261.9**	**$202.1**	**$170.9**
Plan fiduciary net position as a percentage of the total pension liability	**79.99%**	**63.76%**	**67.08%**	**69.27%**	**67.29%**	**64.87%**	**70.76%**	**74.08%**
Covered payroll	**$69.5**	**$68.2**	**$73.4**	**$77.1**	**$81.3**	**$86.9**	**$92.3**	**$97.2**
Net pension liability as percentage of covered payroll	**264.89%**	**477.86%**	**377.11%**	**318.68%**	**312.18%**	**301.38%**	**218.96%**	**175.82%**

**The Schedules of Changes in Net Pension Liability and Related Ratios were based on management's expert actuarial valuation for each of the years ended June 30. Historical information prior to implementation of GASB 67/68 is not required.*
See Notes to Supplementary Schedules.

Schedules of Changes in Net Pension Liability and Related Ratios for NJ TRANSIT (UNAUDITED)
Sponsored Single-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions):*

Utility Workers' Union of America Employees Retirement Plan

For the years ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	$—	$—	$—	$—	$0.1	$0.1	$0.1	$0.1
Interest	0.6	0.5	0.6	0.5	0.6	0.6	0.6	0.6
Change of benefit terms	—	0.1	—	—	—	—	—	—
Differences between expected and actual experience	—	0.1	0.2	0.1	—	—	0.1	0.3
Change of assumptions	(0.1)	0.4	—	—	—	0.3	—	—
Benefit payments, including refunds of employee contributions	(0.7)	(0.7)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.5)
Net change in total pension liability	**(0.2)**	**0.4**	**0.1**	**—**	**0.1**	**0.4**	**0.2**	**0.5**
Total pension liability – beginning	**8.8**	**8.4**	**8.3**	**8.3**	**8.2**	**7.8**	**7.6**	**7.1**
Total pension liability – ending (a)	**$8.6**	**$8.8**	**$8.4**	**$8.3**	**$8.3**	**$8.2**	**$7.8**	**$7.6**
Plan fiduciary net position								
Contributions – employer	$0.3	$0.2	$0.2	$0.2	$0.2	$0.2	$0.2	$0.2
Net investment income	1.9	0.2	0.5	0.4	0.6	0.1	0.1	1.0
Benefit payments, including refunds of employee contributions	(0.7)	(0.7)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.5)
Net change in plan fiduciary net position	**1.5**	**(0.3)**	**—**	**—**	**0.2**	**(0.3)**	**(0.3)**	**0.7**
Plan fiduciary net position – beginning	**6.4**	**6.7**	**6.7**	**6.7**	**6.5**	**6.8**	**7.1**	**6.4**
Plan fiduciary net position – ending (b)	**$7.9**	**$6.4**	**$6.7**	**$6.7**	**$6.7**	**$6.5**	**$6.8**	**$7.1**
Net pension liability – ending (a) – (b)	**$0.7**	**$2.4**	**$1.7**	**$1.6**	**$1.6**	**$1.7**	**$1.0**	**$0.5**
Plan fiduciary net position as a percentage of the total pension liability	**91.86%**	**73.86%**	**79.76%**	**80.72%**	**80.72%**	**79.27%**	**87.18%**	**93.42%**
Covered payroll	**$0.4**	**$0.4**	**$0.5**	**$0.5**	**$0.5**	**$0.5**	**$1.0**	**$1.1**
Net pension liability as percentage of covered payroll	**175.00%**	**575.00%**	**340.00%**	**320.00%**	**320.00%**	**340.00%**	**100.00%**	**45.45%**

**The Schedules of Changes in Net Pension Liability and Related Ratios were based on management's expert actuarial valuation reports for each of the years ended June 30. Historical information prior to implementation of GASB 67/68 is not required.*
See Notes to Supplementary Schedules.

Schedules of Changes in Net Pension Liability and Related Ratios for NJ TRANSIT (UNAUDITED)
Sponsored Single-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions):*

Transport Workers' Union Employees Retirement Plan

For the years ended June 30,	2017	2016	2015
Total pension liability			
Service cost	$1.1	$1.1	$1.1
Interest	3.8	3.8	3.5
Differences between expected and actual experience	(0.5)	(1.3)	1.5
Change of assumptions	1.2	—	—
Benefit payments, including refunds of employee contributions	(3.0)	(2.9)	(2.8)
Net change in total pension liability	**2.6**	**0.7**	**3.3**
Total pension liability – beginning	**49.3**	**48.6**	**45.3**
Total pension liability – ending (a)	**$51.9**	**$49.3**	**$48.6**
Plan fiduciary net position			
Contributions – employer	$1.8	$1.3	$1.3
Contributions – employee	0.3	0.3	0.3
Net investment income	0.5	0.6	6.0
Benefit payments, including refunds of employee contributions	(3.0)	(2.9)	(2.8)
Administrative expense	—	(0.2)	(0.2)
Net change in plan fiduciary net position	**(0.4)**	**(0.9)**	**4.6**
Plan fiduciary net position – beginning	**41.9**	**42.8**	**38.2**
Plan fiduciary net position – ending (b)	**$41.5**	**$41.9**	**$42.8**
Net pension liability – ending (a) – (b)	**$10.4**	**$7.4**	**$5.8**
Plan fiduciary net position as a percentage of the total pension liability	**79.96%**	**84.99%**	**88.07%**
Covered payroll	**$12.0**	**$11.9**	**$11.2**
Net pension liability as percentage of covered payroll	**86.67%**	**62.18%**	**51.79%**

This schedule is intended to show information for 10 years. Historical information prior to implementation of GASB 67/68 is not required.

NJ TRANSIT's total pension liability was measured one year prior to the fiscal year-end for each year noted.

Mercer and TWU-UTU Retirement Plans were accreted effective April 2, 2016 and July 30, 2016, respectively, which were merged into the ATU Plan in fiscal year 2018. Therefore, only three years are presented in this schedule.

Schedules of Changes in Net Pension Liability and Related Ratios for NJ TRANSIT (UNAUDITED) Sponsored Single-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions):*

Mercer Employees Retirement Plan

For the years ended June 30,	2017	2016	2015
Total pension liability			
Service cost	$1.0	$1.0	$0.9
Interest	3.4	3.3	3.1
Change of benefit terms	(0.8)	—	—
Differences between expected and actual experience	—	(0.4)	1.3
Change of assumptions	1.0	—	—
Benefit payments, including refunds of employee contributions	(2.5)	(2.5)	(2.4)
Net change in total pension liability	**2.1**	**1.4**	**2.9**
Total pension liability – beginning	**43.8**	**42.4**	**39.5**
Total pension liability – ending (a)	**$45.9**	**$43.8**	**$42.4**
Plan fiduciary net position			
Contributions – employer	$2.5	$2.1	$1.8
Contributions – employee	0.2	0.2	0.2
Net investment income	0.4	0.5	3.9
Benefit payments, including refunds of employee contributions	(2.5)	(2.5)	(2.4)
Administrative expense	—	(0.1)	(0.1)
Net change in plan fiduciary net position	**0.6**	**0.2**	**3.4**
Plan fiduciary net position – beginning	**28.5**	**28.3**	**24.9**
Plan fiduciary net position – ending (b)	**$29.1**	**$28.5**	**$28.3**
Net pension liability – ending (a) – (b)	**$16.8**	**$15.3**	**$14.1**
Plan fiduciary net position as a percentage of the total pension liability	**63.40%**	**65.07%**	**66.75%**
Covered payroll	**$9.6**	**$9.5**	**$9.5**
Net pension liability as percentage of covered payroll	**175.00%**	**161.05%**	**148.42%**

This schedule is intended to show information for 10 years. Historical information prior to implementation of GASB 67/68 is not required.

NJ TRANSIT's total pension liability was measured one year prior to the fiscal year-end for each year noted.

Mercer and TWU-UTU Retirement Plans were accreted effective April 2, 2016 and July 30, 2016, respectively, which were merged into the ATU Plan in fiscal year 2018. Therefore, only three years are presented in this schedule.

Schedule of Pension Contributions for NJ TRANSIT (UNAUDITED) Sponsored Single-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions):*

Amalgamated Transit Union Employees Retirement Plan

Years Ended June 30	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contribution as a Percentage of Covered Employee Payroll
2022	$68.7	$72.1	$(3.4)	$371.7	19.40%
2021	72.1	58.3	13.8	367.8	15.85
2020	58.3	54.4	3.9	350.5	15.52
2019	54.1	49.1	5.0	334.2	14.69
2018	54.4	45.8	5.1	321.2	14.26
2017	45.2	41.7	3.5	290.3	14.36
2016	41.7	44.9	(3.2)	268.2	16.74
2015	44.9	44.0	0.9	268.9	16.36
2014	44.0	44.8	(0.8)	268.4	16.69
2013	44.8	44.8	—	266.2	16.82

Non-Agreement Transit Employees Retirement Plan

Years Ended June 30	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contribution as a Percentage of Covered Employee Payroll
2022	$43.4	$44.9	$(1.5)	$69.5	64.60%
2021	44.9	44.9	—	68.2	65.84
2020	39.2	34.9	4.3	73.4	47.55
2019	34.9	35.6	(0.7)	77.1	46.17
2018	35.6	33.9	1.7	81.2	41.70
2017	33.9	33.9	—	81.3	41.70
2016	30.7	30.7	—	86.9	35.33
2015	29.5	29.5	—	92.3	31.96
2014	36.4	19.3	17.1	97.2	19.84
2013	36.7	36.7	—	102.9	35.69

Utility Workers' Union of America Retirement Plan

Years Ended June 30	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contribution as a Percentage of Covered Employee Payroll
2022	$0.3	$0.3	$—	$0.4	75.00%
2021	0.3	0.3	—	0.4	75.00
2020	0.3	0.2	0.1	0.5	40.00
2019	0.2	0.2	—	0.5	40.00
2018	0.2	0.2	—	0.5	40.00
2017	0.2	0.2	—	0.5	40.00
2016	0.2	0.2	—	1.0	20.00
2015	0.2	0.2	—	1.0	20.00
2014	0.2	0.2	—	1.1	18.18
2013	0.2	0.2	—	1.0	20.00

Note: The schedules of contributions were based on management's expert actuarial valuation reports for each of the years ended June 30.

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Amalgamated Transit Union Employees Retirement Plan

Fiscal Year End	June 30, 2022	June 30, 2021	June 30, 2020
Actuarial Valuation	As of July 1, 2021	As of July 1, 2020	As of July 1, 2019
Actuarial Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method
Amortization Method	Amortize change in unfunded liabilities established after July 1, 2016 each over a 15-year period from date of origination	Amortize the change in unfunded liabilities established after July 1, 2016 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2016 each over a 15-year period from date of origination.
Remaining Amortization Period	10 years remaining as of July 1, 2021 of the initial unfunded liability established as of July 1, 2016. Each subsequent change in the unfunded liability has one more year remaining.	11 years remaining as of July 1, 2020 of the initial unfunded liability established as of July 1, 2016. Each subsequent change in the unfunded liability has one more year remaining.	12 years remaining as of July 1, 2019 of the initial unfunded liability established as of July 1, 2016. Each subsequent change in the unfunded liability has one more year remaining.
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation	7.25%, net of pension plan investment expense, including inflation	7.75%, net of pension plan investment expense, including inflation
Inflation	3.00%	3.00%	3.00%
Salary Increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases
Mortality	The mortality tables projected to July 1, 2021 under Scale MP-2021 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2021 to reflect future mortality improvement. The mortality assumption is set by the plan sponsor.	The mortality tables projected to July 1, 2020 under Scale MP-2019 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2019 to reflect future mortality improvement.	The mortality tables projected to July 1, 2019 under Scale MP-2019 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2019 to reflect future mortality improvement.
Plan Changes	None	None	Effective January 1, 2019, the monthly benefit amount for those who have a retirement date effective on or before November 1, 2018, was increased by 2.5%.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Amalgamated Transit Union Employees Retirement Plan

Fiscal Year End	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Actuarial Valuation	As of July 1, 2018	As of July 1, 2017	As of July 1, 2016	As of July 1, 2015
Actuarial Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method
Amortization Method	Amortize the change in unfunded liabilities established after July 1, 2016 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2016 each over a 15-year period from date of origination.	Amortize change in unfunded liabilities established after July 1, 2016 each over a 15-year period from date of origination	Level percentage of payroll, closed
Remaining Amortization Period	13 years remaining as of July 1, 2018 of the initial unfunded liability established as of July 1, 2016. Each subsequent change in the unfunded liability has one more year remaining.	14 years remaining as of July 1, 2017 of the initial unfunded liability established as of July 1, 2016. Each subsequent change in the unfunded liability has one more year remaining.	15 years remaining as of July 1, 2016	15 Years as of July 1, 2014
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	The actuarial value of assets will be the sum of (i) the prior year's actuarial value, (ii) net new money (i.e., contributions less benefit payments less administrative expenses), (iii) expected investment return on a market value basis, and (iv) 20% of each of the previous 5 years' gain/(loss) due to actual investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 80% nor greater than 120% of market value.	5-year smoothed market
Investment Rate of Return	7.75%, net of pension plan investment expense, including inflation	7.75%, net of pension plan investment expense, including inflation	7.75%, net of pension plan investment expense, including inflation	8.00%, net of pension plan investment expense, including inflation
Inflation	3.00%	3.00%	3.00%	3.00%
Salary Increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases
Mortality	The mortality tables projected to July 1, 2018 under Scale MP-2017 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2017 to reflect future mortality improvement.	The mortality tables projected to July 1, 2017 under Scale MP-2017 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2017 to reflect future mortality improvement.	The mortality tables projected to July 1, 2016 under one-half Scale MP-2014 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality table was then further adjusted to future years using generational projection under one-half Scale MP-2014 to reflect future mortality improvement.	Based on the RP-2014 Blue Collar Mortality Tables for annuitants and non-annuitants. These tables are adjusted to future years using generational projection under one-half Scale MP-2014 to anticipate future mortality improvement
Plan Changes	None	No changes in the plan provisions, however, the accretion of the TWU-UTU effective July 30, 2016 and the arbitration award for those active participants are reflected in this valuation.	The plan provisions reflected in this valuation include the arbitration award effective December 1, 2015 and the accretion of Mercer effective April 2, 2016. The arbitration award also increased employee contributions from 2% of salary for existing employees and 4% for new employees as of March 31, 2007.	None

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Non-Agreement Employees Retirement Plan

Fiscal Year End	June 30, 2022	June 30, 2021	June 30, 2020
Actuarial Valuation	As of July 1, 2021	As of July 1, 2020	As of July 1, 2019
Actuarial Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method
Amortization Method	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.
Remaining Amortization Period	8 years remaining as of July 1, 2021 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	9 years remaining as of July 1, 2020 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	10 years remaining as of July 1, 2019 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation.	7.00%, net of pension plan investment expense, including inflation.	7.50%, net of pension plan investment expense, including inflation.
Inflation	3.00%	3.00%	3.00%
Salary Increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases
Mortality	The mortality tables were projected to July 1, 2021 under Scale MP-2021. The mortality tables were further adjusted to future years using generational projection under Scale MP-2021 to reflect future mortality improvement. The mortality assumption was set by the plan sponsor.	The mortality tables were projected to July 1, 2020 under Scale MP-2019. The mortality tables were further adjusted to future years using generational projection under Scale MP-2019 to reflect future mortality improvement. The mortality assumption was set by the plan sponsor.	The mortality tables were projected to July 1, 2019 under Scale MP-2019. The mortality tables were further adjusted to future years using generational projection under Scale MP-2019 to reflect future mortality improvement. The mortality assumption was set by the plan sponsor.
Plan Changes	None	None	None

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Non-Agreement Employees Retirement Plan

Fiscal Year End	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Actuarial Valuation	As of July 1, 2018	As of July 1, 2017	As of July 1, 2016	As of July 1, 2015
Actuarial Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method
Amortization Method	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Level percentage of payroll, closed
Remaining Amortization Period	11 years remaining as of July 1, 2018 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	12 years remaining as of July 1, 2017 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	13 years remaining as of July 1, 2016 of initial unfunded liabilities established as of July 1, 2014. Each subsequent change in unfunded has one more year remaining.	15 Years as of July 1, 2014
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	The actuarial value of assets will be the sum of (i) the prior year's actuarial value, (ii) net new money (i.e., contributions less benefit payments less administrative expenses), (iii) expected investment return on a market value basis, and (iv) 20% of each of the previous 5 years' gain/(loss) due to actual investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 80% nor greater than 120% of market value	5-year smoothed market
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation.	7.50%, net of pension plan investment expense, including inflation.	7.50%, net of pension plan investment expense, including inflation	8.00%, net of pension plan investment expense, including inflation
Inflation	3.00%	3.00%	3.00%	3.00%
Salary Increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases
Mortality	The mortality tables were projected to July 1, 2018 under Scale MP-2017. The mortality tables were further adjusted to future years using generational projection under Scale MP-2017 to reflect future mortality improvement. The mortality assumption was set by the plan sponsor.	The mortality tables were projected to July 1, 2017 under Scale MP-2017. The mortality tables were further adjusted to future years using generational projection under Scale MP-2017 to reflect future mortality improvement. The mortality assumption was set by the plan sponsor.	The mortality tables projected to July 1, 2016 under one-half Scale MP-2014 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality table was then further adjusted to future years using generational projection under one-half Scale MP-2014 to reflect future mortality improvement.	Based on the RP-2014 Blue Collar Mortality Tables for annuitants and non-annuitants. These tables are adjusted to future years using generational projection under one-half Scale MP-2014 to anticipate future mortality improvement
Plan Changes	None	None	None	None

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Utility Workers' Union of America Employees Retirement Plan

Fiscal Year End	June 30, 2022	June 30, 2021	June 30, 2020
Actuarial Valuation	As of July 1, 2021	As of July 1, 2020	As of July 1, 2019
Actuarial Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method
Amortization Method	Amortize the annual change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.
Remaining Amortization Period	8 years as of July 1, 2021 of the initial unfunded liabilities as of July 1, 2014. Each subsequent change in unfunded liability has one more year remaining.	9 years remaining as of July 1, 2020 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	10 years remaining as of July 1, 2019 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation.	7.00%, net of pension plan investment expense, including inflation	7.50%, net of pension plan investment expense, including inflation.
Inflation	3.00%	3.00%	3.00%
Salary Increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases
Mortality	The mortality tables projected to July 1, 2021 under Scale MP-2021 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2021 to reflect future mortality improvement. The mortality assumption is set by the plan sponsor.	The mortality tables projected to July 1, 2020 under Scale MP-2019 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2019 to reflect future mortality improvement.	The mortality tables projected to July 1, 2019 under Scale MP-2019 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2019 to reflect future mortality improvement.
Plan Changes	None	Effective July 25, 2019, the monthly benefit amount for participants who have a retirement date effective on or before November 1, 2018 was increased by 2.5%.	None

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Utility Workers' Union of America Employees Retirement Plan

Fiscal Year End	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Actuarial Valuation	As of July 1, 2018	As of July 1, 2017	As of July 1, 2016	As of July 1, 2015
Actuarial Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method	Projected Unit Credit Cost Method
Amortization Method	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize the change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Amortize change in unfunded liabilities established after July 1, 2014 each over a 15-year period from date of origination.	Level percentage of payroll, closed
Remaining Amortization Period	11 years remaining as of July 1, 2018 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	12 years remaining as of July 1, 2017 of the initial unfunded liabilities established as of July 1, 2014. Each subsequent change in the unfunded liability has one more year remaining.	13 years remaining as of July 1, 2016 of initial unfunded liabilities established as of July 1, 2014. Each subsequent change in unfunded has one more year remaining	15 Years as of July 1, 2014
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.	The actuarial value of assets will be the sum of (i) the prior year's actuarial value, (ii) net new money (i.e., contributions less benefit payments less administrative expenses), (iii) expected investment return on a market value basis, and (iv) 20% of each of the previous 5 years' gain/(loss) due to actual investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 80% nor greater than 120% of market value.	5-year smoothed market
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation.	7.50%, net of pension plan investment expense, including inflation.	7.50%, net of pension plan investment expense, including inflation	8.00%, net of pension plan investment expense, including inflation
Inflation	3.00%	3.00%	3.00%	3.00%
Salary Increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases	3.00% plus age and service-based merit increases
Mortality	The mortality tables were projected to July 1, 2018 under Scale MP-2017. The mortality tables were further adjusted to future years using generational projection under Scale MP-2017 to reflect future mortality improvement. The mortality assumption was set by the plan sponsor.	The mortality tables projected to July 1, 2017 under Scale MP-2017 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality tables were further adjusted to future years using generational projection under Scale MP-2017 to reflect future mortality improvement.	The mortality tables projected to July 1, 2016 under one-half Scale MP-2014 reasonably reflect the projected mortality experience of the Plan as of the measurement date. The mortality table was then further adjusted to future years using generational projection under one-half Scale MP-2014 to reflect future mortality improvement.	Based on the RP-2014 Blue Collar Mortality Tables for annuitants and non-annuitants. These tables are adjusted to future years using generational projection under one-half Scale MP-2014 to anticipate future mortality improvement.
Plan Changes	None	None	None	None

Schedule of NJ TRANSIT's Proportionate Share of the Net Pension Liability
For Cost-Sharing Multiple-Employer Defined Benefit Plans
Last Ten Fiscal Years *($ in millions):*

Public Employees Retirement System

For the years ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
The Proportion of Net Pension Liability	0.08%	0.08%	0.06%	0.06%	0.05%	0.05%	0.05%	0.05%
The Proportionate Share of Net Pension Liability	$8.8	$12.5	$11.1	$11.7	$12.7	$15.1	$11.3	$9.4
Covered Payroll	$5.9	$5.9	$5.5	$5.5	$4.6	$4.1	$3.8	$3.5
Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	149.5%	213.8%	201.8%	212.7%	276.1%	368.3%	297.4%	268.6%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	51.52%	42.90%	42.04%	40.44%	36.78%	31.20%	38.21%	42.74%

Police and Firemen's Retirement System

For the years ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015
The Proportion of Net Pension Liability	0.79%	0.73%	0.74%	0.66%	0.67%	0.63%	0.65%	0.65%
The Proportionate Share of Net Pension Liability	$57.4	$94.4	$90.1	$89.9	$102.9	$121.1	$107.6	$81.6
The State's Proportionate Share of the Net Pension Liability Associated with NJ TRANSIT	16.1	14.6	14.2	12.2	11.5	10.1	9.4	8.8
Total	$73.5	$109.0	$104.3	$102.1	$114.4	$131.2	$117.0	$90.4
Covered Payroll	$30.0	$28.3	$27.6	$25.4	$25.1	$22.7	$21.7	$20.6
Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	245.20%	384.8%	377.9%	402.0%	455.7%	578.0%	539.2%	438.8%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	71.41%	58.78%	60.20%	57.91%	54.52%	48.55%	52.84%	58.86%

This schedule is intended to show information for 10 years. Historical information prior to implementation of GASB 67/68 is not required.

Schedule of Contributions for Cost-Sharing Multiple-Employer Defined Benefit Plans (UNAUDITED)
Last Ten Fiscal Years *($ in millions):*

Public Employees Retirement System

Years Ended June 30	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2022	$0.9	$0.9	$—	$5.9	15.25%
2021	0.8	0.9	(0.1)	5.9	15.25
2020	0.6	0.7	(0.1)	5.5	12.73
2019	0.6	0.7	—	5.5	12.73
2018	0.6	0.6	—	4.6	13.04
2017	0.6	0.6	—	4.1	14.63
2016	0.5	0.5	—	3.8	13.16
2015	0.5	0.5	—	3.6	13.89
2014	0.4	0.4	—	3.5	11.43
2013	0.4	0.4	—	3.5	11.43

Police and Firemen's Retirement System

Years Ended June 30	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2022	$9.2	$9.6	($0.4)	$30.0	32.00%
2021	8.2	8.5	(0.3)	28.3	30.04
2020	7.4	8.4	(1.0)	27.6	30.43
2019	6.5	6.8	(0.3)	25.4	26.77
2018	6.2	6.2	—	25.1	24.70
2017	5.7	5.7	—	22.7	25.11
2016	5.5	5.5	—	21.7	25.35
2015	5.2	5.2	—	20.3	25.62
2014	4.8	4.8	—	20.6	23.30
2013	4.9	4.9	—	20.6	23.79

Changes in benefit terms: None
Changes in assumptions: None
See Notes to Supplementary Schedules.

Schedule of Changes in Total OPEB Liability and Related Ratios for NJ TRANSIT's (UNAUDITED)
Sponsored Single-Employer Plan
Last Ten Fiscal Years *($ in millions):*

	FOR THE YEARS ENDED JUNE 30,				
	2022	2021	2020	2019	2018
Beginning Balance, June 30, as previously reported	**$1,699.6**	**$1,637.9**	**$1,296.6**	**$1,098.5**	**$1,108.9**
Prior period adjustment (unaudited)	—	—	—	49.4	—
Beginning Balance, June 30, as restated	**$1,699.6**	**$1,637.9**	**$1,296.6**	**$1,147.9**	**$1,108.9**
Changes for the year:					
Service cost	$81.6	$71.9	$55.6	$55.9	56.6
Interest	37.8	37.2	46.5	45.5	38.7
Plan changes	(11.5)	—	—	—	—
Economic/demographic gains(losses)	9.2	(5.1)	89.4	—	—
Changes of assumptions or other inputs	(330.2)	12.2	204.2	104.2	(48.2)
Benefit payments	(58.9)	(54.5)	(54.4)	(56.9)	(57.5)
Net changes	**(272.0)**	**61.7**	**341.3**	**148.7**	**(10.4)**
Balance End, June 30	**$1,427.6**	**$1,699.6**	**$1,637.9**	**$1,296.6**	**$1,098.5**
Covered payroll	**$947.3**	**$892.4**	**$854.2**	**$889.2**	**$859.4**
Total OPEB liability as a percentage of covered payroll	**150.70%**	**190.45%**	**191.75%**	**145.82%**	**127.82%**

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule

Changes in benefit terms: None

Changes in assumptions: The discount rate increased from 2.16% as of June 30, 2021 to 3.54% as of June 30, 2022, due to changes in the applicable municipal bond index.

Actuarial Assumptions and Methods for Sponsored Single-Employer OPEB Plan

Fiscal Year End	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Valuation Date	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Salary increases, varies by age	3.16% - 4.84%	3.16% - 4.84%	3.16% - 4.84%	3.00%	3.00%
Inflation rate	3.00%	3.00%.	3.00%	2.20%	2.20%
Discount rate	3.54%	2.16%	2.21%	3.51%	3.87%
Healthcare cost trend rates					
Pre-65	5.80% for 2022, decreasing to 3.70% by 2081	6.3% for 2021, decreasing to 3.7% by 2094	6.7% for 2020, decreasing to 3.8% by 2042	5.40% for 2019 decreasing to an ultimate rate of 3.84% by 2075	5.50% for 2018 decreasing to an ultimate rate of 3.84% by 2075
Post-65	Non-agreement: 5.60% for 2022, decreasing to 3.70% by 2081 Bus: 4.00% for 2022, decreasing to 3.70% by 2081	Non-agreement: 6.2% for 2021, decreasing to 3.7% by 2094;	Non-agreement: 6.4% for 2020, decreasing to 3.8% by 2074;	5.40% for 2019 decreasing to an ultimate rate of 3.84% by 2075	5.50% for 2018 decreasing to an ultimate rate of 3.84% by 2075
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedule of NJ TRANSIT's Proportionate Share of Net OPEB Liability (UNAUDITED)
For Cost-Sharing New Jersey Health Benefit Program
Last Ten Fiscal Years *($ in millions):*

	FOR THE YEARS ENDED JUNE 30,			
	2021	**2020**	**2019**	**2018**
NJ TRANSIT's proportion (percentage) of the collective net OPEB liability	0%	0%	0%	0%
NJ TRANSIT's proportionate share (amount) of the collective net OPEB liability	$—	$—	$—	$—
The State's proportionate share of the collective net OPEB liability associated with NJ TRANSIT	$72.2	$55.9	$63.9	$80.9
Total	**$72.2**	**$55.9**	**$63.9**	**$80.9**
Covered payroll	28.3	27.6	25.4	25.1
Proportionate share of the collective net OPEB Liability as a percentage of the employer's covered payroll	0%	0%	0%	0%
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability	0.91%	1.98%	1.97%	1.03%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Fiscal year 2022 information is not included in the schedule. At the time of this report, the State of New Jersey Pension Department has not issued its Fiscal year 2022 State of New Jersey State Health Benefits Local Government Retired Employees Plan Schedule of Employer and Nnonemployer Allocations and Schedule of OPEB Amounts by Employer and Nonemployer as of June 30, 2021.*
NJ TRANSIT Management has determined that the omitted information is not material for placing the basic financial statements in an appropriate operational, economic, or historical context.

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Fiscal Year End	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarial Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Measurement Period	June 30, 2019 to June 30, 2020	June 30, 2018 to June 30, 2019	June 30, 2017 to June 30, 2018	June 30, 2016 to June 30, 2017
Census Data	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Discount rate	2.21%	3.50%	3.87%	3.58%
Expected Rate of Return	2.21%	3.50%	3.87%	3.58%
Inflation (CPI)	2.50%	2.50%	2.50%	2.50%
Municipal Bond Rate Basis	Bond Buyer General Obligation 20-Bond Municipal Bond Index	Bond Buyer General Obligation 20-Bond Municipal Bond Index	Bond Buyer General Obligation 20-Bond Municipal Bond Index	Bond Buyer General Obligation 20-Bond Municipal Bond Index
Salary Increases	3.25% to 15.25% based on years of service	3.25% to 15.25% based on years of service	FYE 2016 to FYE 2026 - 2.10% to 8.98% based on age; FYE 2026 and later - 3.10% to 9.98% based on years of age	FYE 2016 to FYE 2026 - 2.10% to 8.98% based on age; FYE 2026 and later - 3.10% to 9.98% based on years of age
Healthcare Cost Trend				
Pre-65	5.6% decreasing to 4.5% long-term trend rate after 7 years	5.7% decreasing to 4.5% long-term trend rate after 8 years	Pre-Medicare PPO - 5.8% decreasing to 5.0% long- term trend rate after 8 years	Pre-Medicare PPO - 5.9% decreasing to 5.0% long- term trend rate after 9 years
Post-65				
Medical Trend	4.5% for all future years	4.5% for all future years	Self-insured PPO - 4.5%; HMO - 5.8% decreasing to 5.0% long-term trend rate after 8 years	Self-insured PPO - 4.5%; HMO - 5.9% decreasing to 5.0% long-term trend rate after 9 years
Prescription Drug Benefits	7.0% decreasing to 4.5% long-term trend rate after 7 years	7.5% decreasing to 4.5% long-term trend rate after 8 years	8.0% decreasing to 5.0% long-term trend rate after 7 years	10.5% decreasing to 5.0% long-term trend rate after 8 years; Medicare Part B reimbursement, trend rate is 5%
Pre-Retirement Healthy Mortality	PUB-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020	PUB-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019	RP-2006 headcount-weighted healthy employee male/ female mortality table with fully generational mortality improvement projections from the central year using Scale MP-2017	RP-2006 headcount-weighted healthy employee male/ female mortality table with fully generational mortality improvement projections from the central year using Scale MP-2017
Post-Retirement Healthy Mortality	PUB-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020	PUB-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019	RP-2006 headcount-weighted healthy annuitant male/ female mortality table with fully generational mortality improvement projections from the central year using Scale MP-2017	RP-2006 headcount-weighted healthy annuitant male/ female mortality table with fully generational mortality improvement projections from the central year using Scale MP-2017
Disabled Retiree Mortality	PUB-2010 "Safety" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020	PUB-2010 "Safety" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019	RP-2006 headcount-weighted disabled male/female mortality table with fully generational improvement projections from the central year using MP-2017	RP-2006 headcount-weighted disabled male/female mortality table with fully generational improvement projections from the central year using MP-2017

NOTES TO SUPPLEMENTARY SCHEDULES

Actuarial Assumptions and Methods

Fiscal Year End	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Spouse Coverage Election Rate	Spouses are assumed to lose coverage upon the death of the former employee. While spouses may participate in the SHBP at an unsubsidized rate, we have assumed they will not participate. The State provided data for spouses of police officers who died in the line of duty who are assumed to receive retiree health care benefits for life.	Spouses are assumed to lose coverage upon the death of the former employee. While spouses may participate in the SHBP at an unsubsidized rate, we have assumed they will not participate. The State provided data for spouses of police officers who died in the line of duty who are assumed to receive retiree health care benefits for life.	Spouses are assumed to lose coverage upon the death of the former employee. While spouses may participate in the SHBP at an unsubsidized rate, it is assumed they will not participate. The State provided data for spouses of police officers who died in the line of duty who are assumed to receive retiree health care benefits for life.	Spouses are assumed to lose coverage upon the death of the former employee. While spouses may participate in the SHBP at an unsubsidized rate, it is assumed they will not participate. The State provided data for spouses of police officers who died in the line of duty who are assumed to receive retiree health care benefits for life.
Future Retirees	It is assumed that 55% are married. Future retirees who are assumed to be married are assumed to choose family coverage at retirement. Males are assumed to be three years older than their female spouses.	It is assumed that 55% are married. Future retirees who are assumed to be married are assumed to choose family coverage at retirement. Males are assumed to be three years older than their female spouses.	It is assumed that 55% are married. Future retirees who are assumed to be married are assumed to choose family coverage at retirement. Males are assumed to be three years older than their female spouses.	It is assumed that 55% are married. Future retirees who are assumed to be married are assumed to choose family coverage at retirement. Males are assumed to be three years older than their female spouses.
Current Retirees	Spousal coverage is based on actual retiree coverage elections. Males are assumed to be three years older than their female spouses.	Spousal coverage is based on actual retiree coverage elections. Males are assumed to be three years older than their female spouses.	Spousal coverage is based on actual retiree coverage elections. Males are assumed to be three years older than their female spouses.	Spousal coverage is based on actual retiree coverage elections. Males are assumed to be three years older than their female spouses.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SUPPLEMENTARY INFORMATION

New Jersey Transit Corporation
Combining Statements of Fiduciary Net Position
Pension Trust Funds *(in thousands):*
As of June 30, 2022

	ATU	TERP	UWUA	TOTAL
Assets:				
Investments at Fair Value or NAV	$1,360,805	$630,791	$6,555	$1,998,151
Receivables				
Accrued Interest and Dividends	2,115	1,339	16	3,470
Employee Contributions	302	113	1	416
Medicare Reimbursements	195	—	1	196
Others	—	—	1	1
Total Receivables	2,612	1,452	19	4,083
Total Assets	**1,363,417**	**632,243**	**6,574**	**2,002,234**
Liabilities:				
Due to Other Plan	1	—	—	1
Accounts Payable and Accrued Expenses	8,549	6,705	81	15,335
Total Liabilities	**8,550**	**6,705**	**81**	**15,336**
Fiduciary Net Position:				
Net Position Restricted for Pensions	**$1,354,867**	**$625,538**	**$6,493**	**$1,986,898**

New Jersey Transit Corporation
Combining Statements of Changes in Fiduciary Net Position
Pension Trust Funds *(in thousands):*
Year Ended June 30, 2022

	ATU	TERP	UWUA	TOTAL
Additions:				
Investment Income (Loss):				
Net Depreciation in Fair				
Value of Investments	($201,093)	($109,662)	($1,150)	($311,905)
Interest and Dividend Income	23,433	13,911	147	37,491
Investment fees	(3,075)	(1,339)	(15)	(4,429)
Total Investment Income (Loss)	(180,735)	(97,090)	(1,018)	(278,843)
Contributions:				
Employer	72,104	44,869	341	117,314
Employees	15,840	1,358	12	17,210
Total Contributions	87,944	46,227	353	134,524
Other Receipts	251	130	—	381
Total Additions	**(92,540)**	**(50,733)**	**(665)**	**(143,938)**
Deductions:				
Benefits Paid to Participants	101,974	59,777	697	162,448
Actuarial and Professional Fees	224	201	28	453
Total Deductions	**102,198**	**59,978**	**725**	**162,901**
Net Decrease	**(194,738)**	**(110,711)**	**(1,390)**	**(306,839)**
Fiduciary Net Position:				
Beginning of Year	1,549,605	736,249	7,883	2,293,737
Net Position Restricted for Pensions	**$1,354,867**	**$625,538**	**$6,493**	**$1,986,898**

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