2008 Annual Summary Report
of the New York State Bridge Authority

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Our Mission & Purpose
The New York State Bridge Authority operates five mid-Hudson region bridges:

- the Rip Van Winkle Bridge between Hudson and Catskill;
- the Kingston-Rhinecliff Bridge;
- the Mid-Hudson Bridge between Poughkeepsie and Highland;
- the parallel Newburgh-Beacon Bridges; and
- the Bear Mountain Bridge.

The Authority’s mandate imposes a responsibility to provide reliable, safe and convenient access across the river to all lawful traffic and to achieve that goal within the framework of a sound long-term financial policy. The elements of that policy are:

- An unqualified commitment to meet all obligations to the bondholders in the full letter and spirit of the Authority’s General Revenue Bond Resolution and the covenants made therein;
- A vigorous, integrated program of inspection, maintenance, repair and rehabilitation to insure the structural integrity of its facilities and the safety of its patrons;
- Control of expenditures to the extent consistent with prudent stewardship and responsible administration; and
- The lowest possible toll rates which at the same time enable the Authority to meet its obligations and responsibilities as well as provide for adequate financial reserves.

This annual report of operations which includes the Authority’s audited financial statements for the year ending December 31, 2008, reflects the Authority’s efforts to meet its organizational and financial goals.

Detailed Reports and Complete Financial Information
The NYS Bridge Authority reports to several reviewing agencies in New York State in order to provide an accurate picture of the Authority’s finances and to enable complete transparency in its operations. Many of these reports are new in the last few years.

The Public Authority Reform Act requires the Bridge Authority to make a number of reports to the state Authority Budget Office under the Public Authorities Law Section 2800.

The Bridge Authority also makes reports to the State Comptroller under the Public Authorities Reporting Information System (PARIS).

The Bridge Authority issues an annual report that includes an independent auditor’s review of Authority finances as well as a narrative about the previous year’s goals and accomplishments.

Each of these reports can be found at www.NYSBA.net and include the following:

- NYSBA By-Laws
- Code of Ethics
- Investment Policy Guidelines
- Prompt Payment Guidelines
- Property Disposal Guidelines
- Procurement Guidelines
- Budget & Financial Plans
- Capital Improvement Plans
- Budget Certifications
- Independent Audit of Finances
- Investment Reports
- Report on Operations
- Reports on Internal Controls
- Real Property Report
The NYSBA Response to Financial Challenges

The Bridge Authority has endeavored to operate as efficiently and be as cost-effective as possible. As a smaller public benefit corporation with a very limited bureaucracy between those who set policy and those who implement in the field, NYSBA is able to take advantage of up to date best practices and operate with little waste.

All NYSBA operating funds are derived from toll revenue collected at NYSBA facilities and Authority received no tax dollars for operation and maintenance. While NYSBA is not part of the state budget process, we are keenly aware of the current economic situation and pressures at all levels of government.

NYSBA is affected by changes in commerce. Prior to 2008, bridge traffic had been relatively steady for the past four years, varying less than 1% per year. Revenues, however, followed a different pattern.

Total revenue peaked in 2004 and has shown slight declines from 2005 – 2007. This can primarily be attributed to a slow reduction in commercial traffic, which pays higher tolls and are a greater percentage of revenue relative to all traffic.

This steady decline changed in 2008. The Bridge Authority faces a particularly acute issue resulting from a substantial decline in toll revenue and bridge traffic in the past year.

The combination of high fuel prices in early 2008 and the economic tribulations of late 2008 have resulted in a significant problem.

Leadership at NYSBA ordered an immediate review of all expenditures and a top to bottom evaluation of every aspect of NYSBA operation. In addition, a department by department review was conducted to document the effect of past practices and look for new ways to cut costs without jeopardizing the integrity of the operation.

The results of these reviews and actions necessary to keep NYSBA on a sound fiscal basis will continue to be addressed in 2009.

Looking Forward

In addition to the financial challenges, 2009 will be a year of opportunity.

The 400th Anniversary Hudson Fulton Champlain Quadricentennial will highlight business, tourism, heritage and culture from New York Harbor to the Canadian border and NYSBA will be part of the action.

In addition to events on every bridge, we will unveil “Bridge Music”, a public arts project that makes the Mid-Hudson Bridge a musical instrument, watch as the 2009 Riverfest flotilla of more than a 1,000 vessels makes its way along the river and witness the rejuvenation of the historic Poughkeepsie Railroad Bridge as it becomes the longest elevated walkway in the world.
Leading the Way in Maintenance
Suspension bridge cables hold up the roadway, so fighting corrosion and keeping them in the best shape possible is an obvious priority.
Now, thanks to a seven-year trial run and a product developed with the guidance of Chief Engineer Bill Moreau, the Bear Mountain and Mid-Hudson bridges can expect an even longer life.
“People may not realize it, but we have a true expert in bridge maintenance and safety right here in the Hudson Valley,” Bridge Authority Chairman James P. Sproat said. “Bill Moreau is one of the best in the business and we’re proud that he’s making sure our bridges are in great shape.”

The new product, Grykote-Z, replaces lead-based red paste with a safer and more effective product.
The project has earned recognition across the Atlantic as well since Moreau’s work was recently cited in the UK based Bridge Design & Engineering Magazine.

New Web Site adds to Transparency and Public Information
NYSBA utilizes its website to provide a substantial level of public access to information. The web site features a history and brief engineering summary of each of our bridges as well as a wealth of detail about the Bridge Authority.
In addition to new features on the culture, heritage and tourism opportunities in the Hudson Valley the web site also acts as a conduit to cut down on paper and deliver more timely information to the public about NYSBA business, finance and operations.

Bridge Authority Finances Strong
Declining traffic and revenues has a substantial effect on day to day finances, but the overall management of NYSBA remains stable and strong – that’s the way Standard & Poor’s described the NYS Bridge Authority’s finances recently.

The Bridge Authority’s AA- rating was reaffirmed in a December 2008 profile compiled by the credit rating company. Standard & Poor’s Rating Service cited stable demand for the bridge system, despite recent declines due to rising fuel prices, and an “experienced and proactive management team” which have kept the bridges in great shape.
The high rating confirms a previously awarded rating of Aa2 from Moody’s Investor Service. Moody’s Bridge Authority rating is the highest given to any toll-supported public transportation agency in the United States.

Get the 511
An e-mail about severe weather approaching ..... a text message about a traffic jam on the commute home .... NYSBA is pleased to be a part of TransAlert and 511NY.
511NY provides useful information about traffic conditions, ways to cut travel time and severe weather road conditions.
TransAlert provides real-time alerts about significant road closures or major transportation related problems.
The system is customizable, you can request information for just a single town, a county or as many areas as you choose. Then you decide how you want the info, i.e. an email, a text message to a phone, etc.

2008 Highlights and Milestones