



Laying the Cornerstone for Our Next Century

2024 ANNUAL REPORT

*Annual Comprehensive Financial Report for
the Year Ended December 31, 2024*

**PORT
AUTHORITY
NY NJ**
AIR LAND RAIL SEA

Our Mission

The Port Authority strives to meet the critical transportation infrastructure needs of the bistate region's people, businesses, and visitors by providing the highest-quality and most efficient transportation and port commerce facilities and the services to move people and goods within the region, provide access to the nation and the world, and promote the region's economic development.

Our mission is simple: to keep the region moving.

The Port District includes the cities of New York and Yonkers in New York state; the cities of Newark, Jersey City, Bayonne, Hoboken, and Elizabeth in the state of New Jersey; and more than 200 other municipalities, including all or part of 17 counties, in the two states.



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Construction worker progresses work to create world-class airports.



Introductory Section

Letter of Transmittal to the Governors

Dear Governors Kathy Hochul and Phil Murphy,

On behalf of the Board of Commissioners, we are pleased to present to you and the legislatures of New York and New Jersey the 2024 Annual Comprehensive Financial Report of The Port Authority of New York and New Jersey.

The theme of this year's report — "Laying the Cornerstone of Our Next Century" — appropriately highlights the significant accomplishments of the Port Authority in 2024.

The Port Authority, guided by the vision of the Board of Commissioners, the dedication and commitment of its workforce, and the leadership of the 23 unions representing the majority of Port Authority employees, achieved remarkable progress in 2024 on its ambitious agenda:

- to deliver world-class infrastructure across the region while operating its facilities at a high standard,
- to maintain its focus on public safety and security,
- to advance a range of major initiatives and projects,
- and to advance its commitment to a net-zero future and to resiliency initiatives that mitigate the effects of climate change on its facilities and infrastructure.

In 2024, the Port Authority commercial airports recorded their busiest year ever for the second consecutive year. The Port of New York and New Jersey, the second-busiest port in the nation, handled 8.7 million TEUs, marking the Seaport's third-busiest year on record with a strong 11 percent jump from 2023. PATH achieved strong growth in 2024 as it continues to recover from COVID ridership declines, climbing to 70 percent of pre-pandemic ridership levels and nearly matching pre-pandemic activity on weekends. And the agency's bridges and tunnels maintained robust performance, with volumes matching or exceeding levels recorded in both the prior year and pre-pandemic 2019.

ACCLAIM, MILESTONES AT MAJOR AIRPORTS

2024 marked the busiest year ever at the Port Authority's three major airports, with passenger volumes surpassing pre-pandemic highs.

In 2024, the new Terminal A at Newark Liberty International Airport was named the Best New Airport Terminal in the World by leading airport rating organization, SkyTrax, and was also awarded SkyTrax's coveted 5-star rating. Additionally, the Port Authority awarded a \$1.1 billion contract for the design and construction



KATHY HOCHUL
Governor
State of New York



PHIL MURPHY
Governor
State of New Jersey

of the stations and guideway for the 2.5-mile new Newark AirTrain. To outline the next steps in the world-class transformation of Newark Liberty, the Port Authority released the Newark Vision Plan which sets out the master plan for the creation of a world-class aviation gateway.

The Port Authority continued to advance the historic \$19 billion redevelopment of John F. Kennedy International Airport (JFK) with the completion of structural steel at both the New Terminal One and Terminal Six. The Port Authority also continued to make meaningful progress to completely rebuild the roadway network at JFK.

In 2024, the globally acclaimed LaGuardia Airport received a new recognition when the Airport Council International named LaGuardia Airport the Best Airport in the United States in its size class based on the direct feedback from thousands of travelers who use our facilities. In October 2024, the Forbes Travel Guide, surveying 5,000 travel experts and frequent flyers, named LaGuardia the Best Airport in the United States.

MIDTOWN BUS TERMINAL REPLACEMENT PROJECT ADVANCES

In 2024, the Midtown Bus Terminal replacement project cleared significant hurdles

with respect to the federal NEPA environment review process and the local ULURP permitting process. By year's end, all federal and local approvals were secured, and the first early works construction contracts were awarded.

95 PERCENT OF THE GWB SUSPENDER ROPES REPLACED

In 2024, the Port Authority reached a significant milestone in the \$2 billion Restore the George program at the George Washington Bridge with the replacement of approximately 95 percent of the bridge's 592 suspender ropes by year's end, with the rest completed in early 2025.

LAUNCHING PATH FORWARD PROGRAM, EXPANDING TAPP

In 2024, the Agency announced the \$430 million PATH Forward program to invest in and upgrade PATH stations, tracks, and other critical equipment in the 116-year-old system. Additionally, the TAPP contactless payment system expanded to all PATH stations across the system, and by year's end, more than 60 percent of all transactions were being processed by the TAPP system.

INVESTING IN THE GROWTH OF THE SEAPORT

In 2024, The Port of New York and New Jersey continued holding its position as the second-busiest port in the nation and the busiest port on the East Coast. Continuing the agency's commitment to investing in the future growth of the Seaport, in 2024 the Port Authority acquired full title to the Howland Hook facility in Staten Island, setting the stage for expansion of the facility that will add capacity, resiliency, and efficiency to the Seaport's portfolio and align the Seaport's future with a facility focused on long-term growth of cargo.

ADVANCING NET-ZERO AGENCY SUSTAINABILITY GOALS

With respect to the Port Authority's Net-Zero sustainability commitment, the agency is on track to reach greenhouse gas emission reduction goals of a 35 percent reduction by 2025, 50 percent reduction of direct emissions by 2030, and Net Zero for all emissions by 2050.

In 2024 at JFK, work commenced on a 12 MW solar array solar project at the New Terminal One at JFK, which, at completion, will be the biggest solar array in the city of New York

while also providing subsidized, clean energy to communities surrounding the airport. Additionally, the Port Authority broke ground on the solar canopy installation at long-term parking lot 9 at JFK. These two solar projects will add approximately 24 MW of solar capacity to the agency's portfolio.

The above and the following sections of the 2024 Annual Report are but a snapshot of the extraordinary achievements of the Port Authority and its 8,000-person workforce this past year.

In closing, in 2024, across all Agency departments, facilities, and infrastructure, the Port Authority executed on its agenda to deliver 21st century transportation infrastructure in support of its mission, "to keep the region moving."

Sincerely,

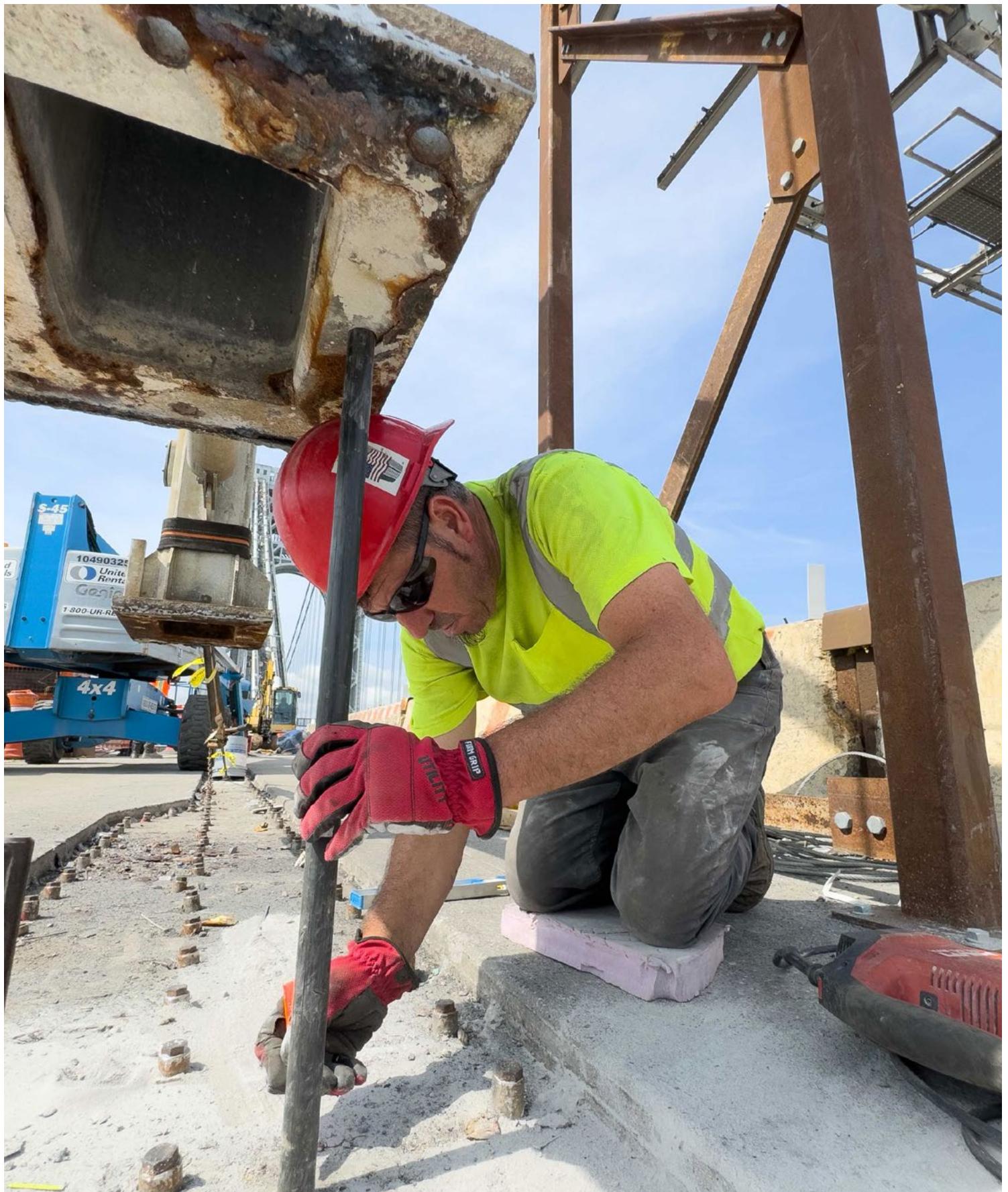


Kevin J. O'Toole
Chairman
Director



Rick Cotton
Executive

Progress on the new south sidewalk at the George Washington Bridge.



Leadership of the Port Authority

BOARD OF COMMISSIONERS OF THE PORT AUTHORITY

As of March 10, 2025

The governor of each state appoints six members to the agency's Board of Commissioners for overlapping six-year terms; each appointment is subject to the approval of the respective State Senate. Commissioners serve as public officials of their respective states, and without remuneration. The governors retain the right to veto the actions of Commissioners from their respective states.



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Managing Partner
O'Toole/Scrivo, LLC



VICE CHAIRMAN
JEFFREY H. LYNFORD
President and CEO
Educational Housing Services, Inc.



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Mayor
City of Elizabeth,
New Jersey



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Consultant
Ichor Strategies



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Owner and Principal,
Liz Fine Advisory LLC



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GEORGE HELMY
Executive Vice President,
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and Policy Officer
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CHA Partners, Inc.



GARY LABARBERA
President
Building and Construction Trades Council of Greater New York



KEVIN P. MCCABE
Partner
River Crossing Strategy Group

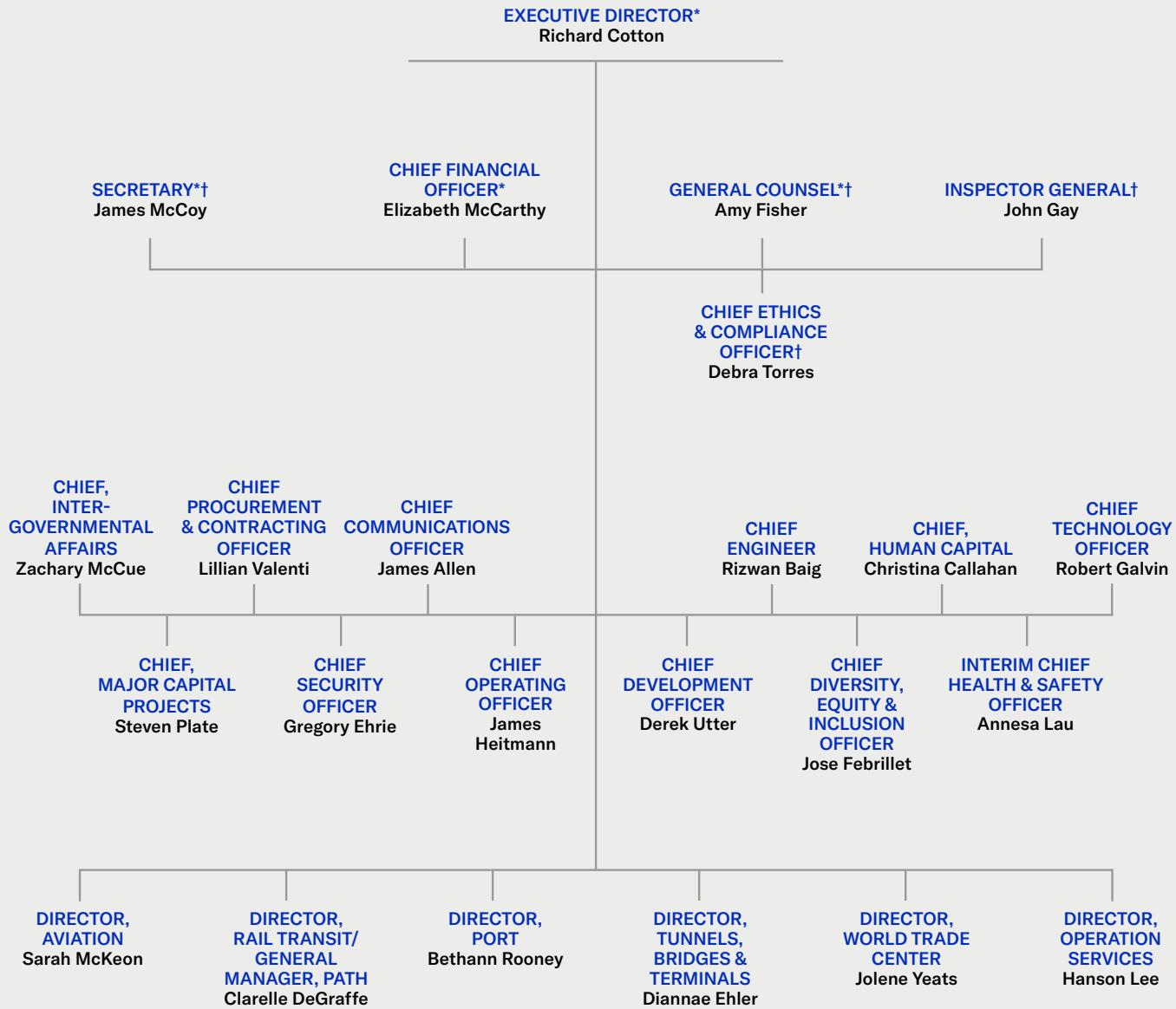


MICHELLE E. RICHARDSON
Executive Director
Hudson County Economic Development Corporation



ROSSANA ROSADO
Commissioner
NYS Division of Criminal Justice Services

OFFICERS AND EXECUTIVE MANAGEMENT



* Officers of the Port Authority. In addition to those listed here, pursuant to the by-laws of the Port Authority, the following also serve as officers: a Chairman (Kevin J. O'Toole), a Vice Chairman (Jeffrey H. Lynford), a Deputy Executive Director (Vacant), a Comptroller (Daniel McCarron), and a Treasurer (Sherien Khella)

† Also has reporting line to the Board of Commissioners

Organizational Chart as of March 31st, 2025

Launching an Ambitious Vision Plan for Newark Liberty

In 2024, the Port Authority launched the [EWR Vision Plan](#), a wide-ranging blueprint which will set the course for Newark Liberty International Airport's continued development over the coming decades.

The EWR Vision Plan, developed in partnership with design firm Arup and architecture firm Skidmore, Owings & Merrill, charts a comprehensive reimagining of the airport, complete with modern terminals and infrastructure, a more intuitive roadway network, and a redesigned taxiway network to accommodate more aircraft and reduce delays. And, as with other Port Authority major airport redevelopment projects, the plan was developed following extensive outreach to airport tenants, operational partners, and the public.

Much of Newark Liberty's current infrastructure dates to the 1970s, when terminals B and C and the original Terminal A were built. Today, critics and travelers alike cheer the new Terminal A, but the airport's legacy infrastructure struggles to meet the needs of modern air travel.

This is especially true as the airport's passenger volume continues to grow. Major recurring issues, including insufficient terminal capacity, congested roadways, and airside delays have led to inefficient operations and a sub-par passenger experience.

Through the EWR Vision Plan, the Port Authority aims to accommodate future growth, while delivering a world-class experience from curb to gate. The Vision Plan pursues a phased approach, minimizing the impact on airport operations, while fostering new business opportunities for the local community. The

enhancements would also provide new opportunities for the Port Authority to advance the agency's industry-leading sustainability efforts, furthering its commitment to reach [net-zero carbon emissions](#) by 2050 while also assisting its operational partners in achieving the same goal.

The Vision Plan will build on the success of Newark Liberty's 1 million-square-foot Terminal A which opened in phases throughout 2023, and is the recipient of continuous acclaim from the aviation industry, including being named [the best new airport terminal in the world](#) by the preeminent global airport evaluation firm Skytrax in April 2024. This major recognition was in addition to Terminal A being awarded a prestigious five-star rating by Skytrax. Terminal A joined LaGuardia Airport's Terminal B as the only two airport terminals in North America awarded the highest rating by Skytrax.

Terminal A features state-of-the-art passenger amenities, local artwork, children's play space, digital technology and dozens of local dining and retail options. It also includes a [new sensory room](#) that offers travelers with disabilities and their families a calm space away from the bustle of the airport. The room has soft lighting, comfortable seating and a tactile-based activity area, designed in consultation with the Anderson Center for Autism. Travelers with special needs can be accommodated in the space through a partnership with the Transportation Security Administration's [TSA Cares](#) program to assist people who would benefit from extra help navigating security checkpoints. A second sensory room past airport security subsequently opened in March 2025.

The EWR Vision Plan also incorporates ongoing modernization projects at the airport, including the replacement of the airport's AirTrain system with a state-of-the-art automated system and a new access point to the Newark Liberty International Airport Rail Station (see separate section on EWR Rail Station) for underserved neighborhoods in the cities of Newark and Elizabeth.

Major elements of the EWR Vision Plan include:

- **Terminal development:** Modern, engaging, and comfortable terminals that reflect their communities are at the heart of the EWR Vision Plan. The plan calls for building a new, world-class international terminal to replace the current Terminal B, while enhancing Terminal C to improve the customer experience.
- **Airside development:** The plan envisions improving the airport's operations with a more efficient and resilient taxiway network, while accommodating the industry trend toward larger aircraft. The new network would increase parking capacity and flexibility for aircraft, while creating redundancies to minimize delays during irregular operations. It incorporates additional deicing facilities, allowing aircraft to push off from gates more quickly.
- **Landside development:** The blueprint looks to transform the airport's vehicular and multi-modal access, prioritizing efficiency and convenience for all users. Alongside terminal buildings, frontages would be expanded to meet industry standards, providing ample space for passenger waiting, loading and unloading while minimizing walking distances. AirTrain Newark access would be simplified, while connectivity and amenities for cyclists,

pedestrians, and service vehicles would be improved. The roadway network would also be streamlined to reduce decision points and separate major flows with independent circulation for each terminal.

The Port Authority is in the midst of a multi-year planning process for major elements of the redevelopment, including cost projections and project delivery alternatives.

REPLACEMENT OF AGING AIRTRAIN NEWARK ADVANCED

In November 2024, the Port Authority announced the selection of the joint-venture firm Tutor Perini/O&G to design and build a new 2.5-mile elevated rail structure and three new stations to replace the existing AirTrain Newark on-airport mass transit system. The agency has now completed 80 percent of the procurement process needed to deliver a new modern, reliable automated train system.

In December 2023 after a rigorous review process, the Port Authority selected Doppelmayr, a market leader in cable-propelled transport systems, for the design, construction, operation, and maintenance of the automated people mover system and its vehicles. And in the summer of 2024, engineering firm Stantec was selected to design the new maintenance and control facility and the pedestrian connectors, and to decommission the existing AirTrain.

The existing AirTrain Newark opened for service in 1996 and is outdated and unable to accommodate growing air travel demand at the airport. Construction is expected to begin on the new AirTrain Newark system in 2025, with passenger service expected in 2030.

LaGuardia Is Recognized as Best Airport in the Nation

The Port Authority's \$8 billion transformation of LaGuardia Airport from worst to first in the nation reached new heights in 2024, with LaGuardia's selection as the best airport in the United States by Forbes Travel Guide.

Forbes Travel Guides' first Verified Air Travel Awards were based on a survey of 5,000 hospitality and travel experts and the guide's most well-traveled fliers. The recognition was the latest in a long list of accolades given to the now-world-class, globally acclaimed LaGuardia Airport.

LaGuardia has been winning national and international accolades since the first new passenger facilities opened, including the coveted 2021 Prix Versailles from UNESCO, recognizing LaGuardia as the best new airport in the world. Additional awards have included Skytrax World's Best New Airport Terminal: LaGuardia Terminal B in 2023, and the Airport Service Quality [ASQ] Award for Best North American Airport in the 25 million to 40 million passenger-category for 2023, based on direct assessments from those who count most: passenger opinions.

The ASQ passenger survey, a program of the Airports Council International (ACI), was conducted in 2023 after the substantial completion of new passenger facilities at LaGuardia. The airport earned an overall passenger satisfaction score of 4.24 out of 5, which was 20 percent higher than in its score in 2018, when passengers rated LaGuardia as the worst airport in North America.

Additionally, LaGuardia was awarded a prestigious five-star rating by Skytrax. LaGuardia's Terminal B is one of two airport terminals in North America awarded the

highest rating by Skytrax – the other, is Newark Liberty International Airport's new Terminal A.

LAGUARDIA RECEIVES SECOND LEED RECOGNITION

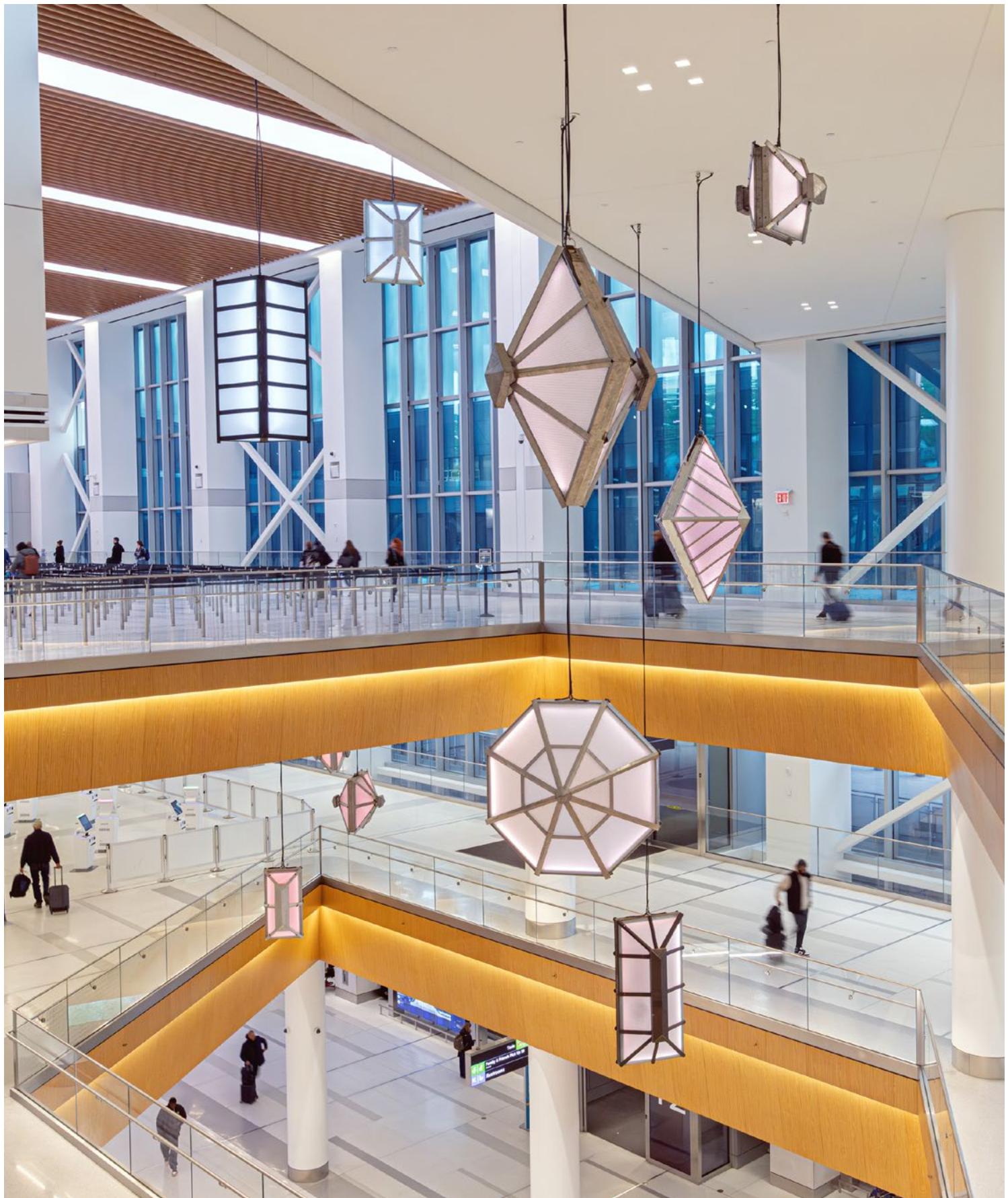
In April 2024, the Port Authority and LaGuardia Gateway Partners (LGP), the private manager and developer of LaGuardia Terminal B, announced that Terminal B was awarded its second Leadership in Energy and Environmental Design (LEED) Gold certification, this time for its operations and maintenance (O&M) practices.

This prestigious achievement serves as an important step toward the Port Authority's goal of reaching net zero greenhouse gas emissions by 2050 and it represents LGP's commitment to sustainability and environmental stewardship in aviation infrastructure.

LEED certification by the U.S. Green Building Council is the most widely used rating system worldwide that recognizes excellence in sustainability and design construction, and it represents the standard to which the Port Authority's airport redevelopment projects are being held.

Buildings may earn one of four LEED rating levels: Certified, Silver, Gold or Platinum. Terminal B's attainment of LEED Gold v4.1 for O&M complements its 2021 achievement of LEED Gold v4 certification for design and construction. LEED O&M evaluates the actual performance of a facility over a one-year period following substantial completion, with rigorous criteria covering energy and water usage, waste management, transportation options, human experience, and indoor air quality.

The new Terminal C at LaGuardia Airport.



\$19 Billion Transformation of JFK Reaches Milestones in 2024

In 2024, the Port Authority continued to advance the historic \$19 billion redevelopment of John F. Kennedy International Airport (JFK) with the completion of structural steel at the New Terminal One in March and at the new Terminal Six in October.

The historic redevelopment of JFK includes \$15 billion in private investment for terminals and \$3.9 billion in Port Authority funding for roadway and infrastructure improvements.

NEW TERMINAL ONE

The \$9.5 billion New Terminal One is being built on sites now occupied by JFK's Terminal 1 and the former Terminals 2 and 3, where it will anchor the airport's south side. Scheduled to open in phases starting in 2026, the New Terminal One will transform the international travel experience to and from New York. When complete in 2030, it will be the largest terminal at JFK, with 23 gates and more than 300,000 square feet of retail, dining and lounge space over a total footprint of 2.6 million square feet filled with light-filled spaces, floor-to-ceiling windows, and world-class public art.

The New Terminal One is privately financed by a consortium of labor, operating and financial partners. The new terminal's construction is creating more than 10,000 jobs and includes participation goals for local, minority and women-owned business enterprises in all categories of work.

In September 2024, the Port Authority and the New Terminal One consortium announced construction had begun on a massive solar array of more than 13,000 solar panels on the terminal's roof that will cover an area the size of six-and-a-half football fields, the largest solar array in New York City, and the largest at any airport terminal in the country. (Please see separate section on this and other solar initiatives at JFK.)

TERMINAL 6

The 1.2 million square-foot, world-class new Terminal 6 will feature expansive, naturally lit public spaces, cutting-edge technology, inspiring public art, and an array of amenities designed to enhance the customer experience. Terminal 6, which is being built by the consortium JFK Millennium Partners, is scheduled to open in phases, beginning with the completion of the arrivals and departures hall and the first gates in 2026. The terminal's second phase, with five additional gates, will open in 2028. Terminal 6 construction is creating 4,000 jobs, including 1,800 union jobs in construction.

The new Terminal 6 will seamlessly connect to Terminal 5 to create an anchor terminal on the airport's north side. Terminal 5, which is managed by JetBlue and Fraport USA, will announce plans for its terminal's dynamic redesign in 2025.

TERMINAL 4

In 2024, the \$1.5 billion expansion of Terminal 4, led by Delta Air Lines and JFKIAT, was substantially completed. The addition of 10 new gates allowed Delta to consolidate all flights into a single terminal.

The latest phase of the terminal redevelopment included an updated check-in hall, new gate finishes, added curb drop-off space, additional digital signage, restroom modernizations, continued technology enhancements, and the transformation of regional jet gate areas to accommodate larger aircraft.

TERMINAL 8

In September 2024, the Port Authority in partnership with American Airlines and Unibail-Rodamco-Westfield (URW) Airports announced 21 new dining, retail, entertainment, and amenity brands powered by 13 local and

diverse businesses were among the first selected as part of the \$125 million commercial redevelopment program of Terminal 8.

The commercial redevelopment program by JFK T8 Innovation Partners, a joint venture led by URW and certified minority-business enterprise (MBE) equity partner Phoenix Infrastructure Group, follows the \$400 million expansion of Terminal 8.

As part of that \$400 million investment completed in November 2022, British Airways was able to relocate from Terminal 7 to Terminal 8. With the investment made by American Airlines and British Airways, Terminal 8 — now featuring five new widebody gates — offers an improved passenger experience and expanded capacity for transatlantic travel to and from JFK.

A 21ST CENTURY ROADWAY NETWORK TO SUPPORT THE NEW JFK

The transformation of JFK extends beyond creating 21st century, world-class terminals; it includes a redesign and reconstruction of the entire roadway network supporting the airport.

The new on-airport roadway system will feature a simplified roadway network with fewer decision points for drivers, enhanced traffic technologies, intuitive wayfinding, and critical infrastructure like retaining walls, bridges, and upgraded utilities.

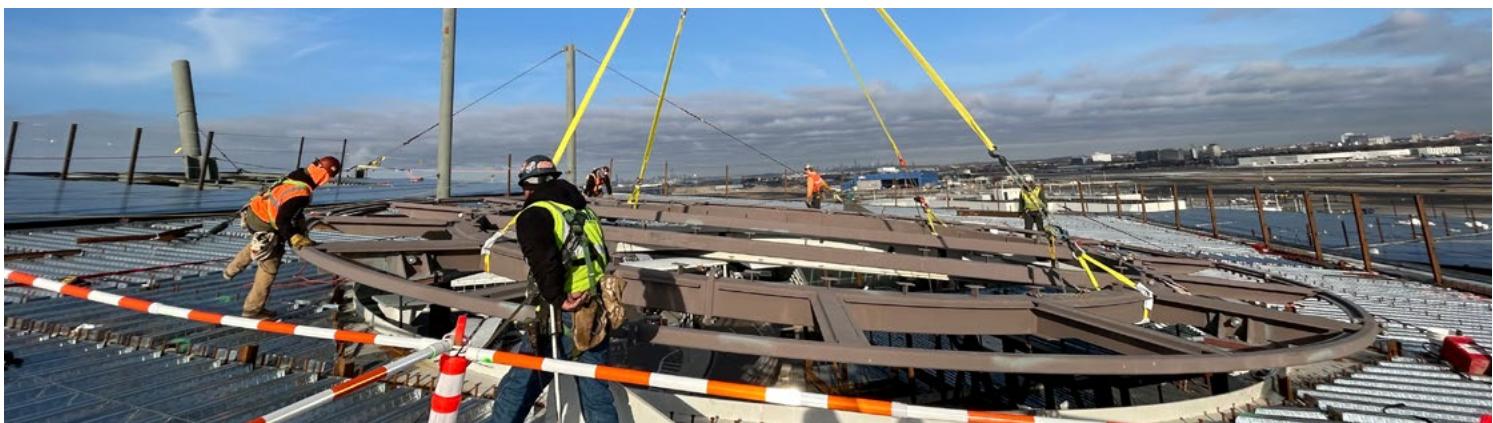
Additionally, a modern, eco-conscious new Ground Transportation Center will house 1,950 parking spaces, electric vehicle charging stations, and a 400-foot elevated pedestrian bridge that will provide seamless connectivity to new Terminal 1.

These upgrades will improve airport access and enhance the overall travel experience while supporting uninterrupted operations throughout construction, as was the case during the construction of the globally acclaimed reinvention of LaGuardia Airport.

The new roadway and ground transportation center project will open in phases, with full completion in 2027.

For a more comprehensive look at all the components of the historic \$19 billion transformation of JFK into a 21st century aviation gateway, please go to the [JFK Rebuild website](#).

Installation of the Oculus Skylight at John F. Kennedy Airport's Terminal 6.



EWR Rail Station to Become Accessible to Public and Ground Transportation

In March 2024, the Port Authority Board of Commissioners approved \$160 million for design and construction of the EWR Station Access Project, which will add a new, community accessible entry point to the Newark Liberty International Airport Rail Station and its connections to Newark Liberty International Airport (EWR) via the AirTrain, and to NJ Transit and Amtrak rail services. The Board previously authorized funding for project planning and preliminary design work in March 2023.

The EWR Station Access Project will greatly improve transit accessibility for underserved Newark and Elizabeth neighborhoods, enabling far easier commutes and streamlined airport access. The current rail station was originally designed solely as a rail transfer station, with no public street access.

The EWR Station Access Project will add a new, community accessible entry point to the Newark Liberty International Rail Station and its connections to Newark Liberty International Airport via the AirTrain, and to NJ Transit and Amtrak rail services.

Better access to Newark Liberty has been a vocal request of community members for many years, most recently expressed during the agency's EWR Vision Plan community outreach sessions. That plan will serve as a framework for future development through 2065 and makes recommendations for both short- and long-term projects while realizing Newark Liberty as a world-class gateway for New Jersey.

The new EWR Station Access facility will dramatically transform transit access for residents of North Elizabeth and Newark's South Ward. From these neighborhoods, transit trips to both Newark Liberty and Newark Penn Station will take under 10 minutes from the new facility. Currently, the same journey via existing transit options from these neighborhoods can take 40 minutes.

Once completed, the new EWR Station Access facility will also improve connections to PATH train service from Newark Penn Station, which will enhance access to job centers in Jersey City and Manhattan, while spurring transit-oriented development around the rail station serving the airport, consistent with local community-driven planning efforts.

The project scope includes a westward extension of the rail station's existing above-grade pedestrian bridge to a new public access facility built off Frelinghuysen Avenue. Additionally, the new facility will provide elevators and escalators between the bridge and street level. It also will be ADA-accessible and will display real-time bus and train arrival information alongside ticket vending machines.

The new public access area will also provide accessibility for pedestrians and bicyclists. Dedicated lanes will allow for streamlined pick-up/drop-off access for buses, private vehicles, taxis, and for-hire vehicles. The new facility will also include a cellphone lot for autos.

The EWR Station Access Project is anticipated to generate 675 total jobs directly and indirectly, \$125 million in direct wages, and nearly \$300 million in economic activity over the life of the project.

Construction is expected to be completed in 2026.

Rendering of the new Terminal B with AirTrain access.



Expanding and Modernizing the Port for the 21st Century

In 2024, the Port of New York and New Jersey continued to show its strength, maintaining its position as the busiest seaport on the East Coast, and for the majority of 2024, the second busiest in the United States. Additionally, for one month in 2024, it was the busiest seaport in the nation, surpassing the Port of Los Angeles.

In 2024, the Port handled 8.7 million TEUs, a level that far exceeded the Port Master Plan's projections for 2024. Additionally, nearly 70 percent of that cargo arriving at the Port in 2024 was carried on ships that would have not fit under the Bayonne Bridge six years ago. The Port Authority's investment in raising the roadbed of the nearly 100-year-old bridge has enabled the Port of the New York and New Jersey to remain competitive.

The Port of New York and New Jersey exceeded the Port Master Plan's 2024 projections and maintains its position as the busiest seaport on the East Coast and the second busiest in the United States.

PLANNING FOR THE FUTURE AT HOWLAND HOOK

In 2024, the Port Authority acquired full title to the Howland Hook Marine Terminal in Staten Island in a deal with the New York City Economic Development Corporation that will add capacity, resiliency, and efficiency to the Port's portfolio and align the Port of New York and New Jersey's future with a facility focused on long-term growth of cargo.

The acquisition of 225 acres at Howland Hook that had previously been owned by the City of New York gives the Port complete control of all 345 acres of the site and will spur impactful development. The deal complements the \$200 million commitment announced in 2023 by the terminal's operator, CMA CGM, which represents the biggest investment in Howland Hook's history.

That private investment will fund reconstruction and rehabilitation of the wharves, as well as upgrades to cargo-handling equipment and expansion of yard capacity. It also will enable CMA CGM to follow through on its commitment to boost the facility's capacity by 50 percent over the next six years, allowing it to handle up to 750,000 container lifts each year.

In the deal to acquire Howland Hook, the City of New York gained control of the Port Authority's ownership stake in the Brooklyn Port Authority Marine Terminal in Red Hook, giving the city full ownership of the property and allowing the city to reimagine the waterfront.

ADVANCING THE PORT STREET CORRIDOR IMPROVEMENT PROJECT

In 2024, the Port Authority continued to advance the \$220 million Port Street Corridor Improvement Project to redesign and rebuild Port Newark's northern entrance at Port and Corbin streets.

This redesign will feature a more efficient roadway configuration with a wider turning radius, allowing for safer trucking operations to and from the Port Newark complex. The improvements will additionally offer truck drivers significant time savings while they navigate the complex, enhancing efficiency and reliability across the supply chain, as well as significantly reducing carbon emissions each year.

The ramp from Port Street to Corbin Street serves nearly 1,500 trucks during a typical peak hour. The improvements to lane capacity, turning radius, and other safety features from the Port Street Corridor Improvement Project are expected to reduce vehicular crashes by 37 percent.

The initiative is projected to generate 260 additional direct jobs during construction. Additionally, the work is anticipated to generate \$25 million in direct wages and \$171 million in regional economic activity. The port complex will maintain full operational capacity during construction, with work scheduled to be completed in 2028.

MAINTAINING SMOOTH OPERATIONAL ACTIVITY THROUGH CRISIS

The Port of New York and New Jersey played an essential role in keeping the supply chain moving during two disruptions in 2024. When the Baltimore Key Bridge collapsed, the Port stepped up and, within a matter of two days, was able to absorb a portion of the Baltimore cargo to keep goods flowing.

In October 2024, the Port and the Port Authority Police Department worked in tandem to maintain safety during demonstrations by the International Longshoremen's Association (ILA) while upholding the right to free speech. After a tentative labor agreement was reached between the two negotiating parties, the Port was able to quickly resume the flow of goods.

Aerial view of the Howland Hook Marine Terminal in Staten Island, NY.



Launching PATH Forward Program to Further Modernize Rail System

In 2024, the PATH commuter rail system saw strong year-over-year growth as it recovers from the sharp ridership declines during COVID. Overall ridership reached its highest levels since February 2020, and weekend ridership approached or met pre-pandemic levels. The system welcomed 57.2 million passengers over 2024, 13 percent higher than 2023's total, and 70 percent of the total from pre-pandemic 2019.

As PATH ridership continues to recover to pre-Covid levels, investment in the 117-year-old system is critical. In April of 2024, the Port Authority announced the two-year PATH Forward program. This comprehensive, \$430 million agency investment funds upgrades to stations, tracks, and other critical equipment. The PATH Forward program focuses on improving reliability and modernizing stations on one of the busiest transit systems in the United States.

In 2024, PATH ridership reached its highest levels since February 2020, demonstrating the crucial need for the two-year PATH Forward program, which will improve reliability and modernize one of the busiest transit systems in the United States.

Critical infrastructure throughout the system, including railcars, bridges, tracks and track switches, will be repaired or replaced. And at four PATH stations, major renovation work through PATH Forward will upgrade floors, ceilings, stairways, electrical systems and more.

To minimize the impact on PATH riders while this ambitious program rehabilitates and modernizes stations, tracks, and electrical systems, PATH provided notice of anticipated service impacts months ahead of time. Throughout 2024, PATH conducted robust outreach with riders, elected officials, community leaders, and other stakeholders ahead of upcoming service changes or disruptions.

PATH Forward, which continues the Port Authority's efforts to address the damage caused by Superstorm Sandy, builds on the Port Authority's \$1 billion PATH Improvement Plan, which was completed in 2022. That plan addressed some of the most pressing issues facing PATH, including outdated signals, switch failures, and outdated railcar equipment. It also resulted in the debut in 2023 of nine-car trains on the Newark-World Trade Center line.

NEW STATION HOUSE AT HARRISON STATION

In February of 2024, PATH opened a new \$47.2 million station house at the Harrison PATH station, part of the Port Authority's \$256 million investment in the PATH Harrison station complex that has turned an outmoded nearly-century old facility into an ultra-modern 21st century, accessible transit hub.

The 3,200-square-foot new station house features amenities such as an elevator, a public plaza with seating, and 82 bicycle parking spots along a 17,800-square-foot concourse. This new facility was built with particular focus on resiliency and sustainability in adherence to the Port Authority's rigorous standards. It was designed with enhanced flood protection from the nearby Passaic River, with the station house's first level located above the flood plain. Water runoff will be collected and stored in water retention tanks for landscape irrigation.

TAPP SYSTEM FULLY EXPANDED TO ALL PATH STATIONS

In 2024, TAPP, PATH's contactless fare payment system, expanded to all stations systemwide in both New York and New Jersey with the activation of new TAPP readers at the Christopher Street and 9th Street stations. Around 60 percent of all PATH rides in 2024 utilized TAPP. Turnstiles at all PATH stations continue to accept SmartLink and MetroCards as fare payment, in addition to TAPP payment.

TAPP, which stands for Total Access PATH Payment, is an open-loop contactless payment system, allowing riders to use their own preferred method of contactless payment instead of a specific PATH-issued SmartLink card or a pay-per-ride MetroCard. Existing PATH discounts for SmartLink users remained in effect and will become available when PATH issues a TAPP fare card.

The Port Authority introduced the TAPP contactless fare system in December 2023 during a pilot program at the Journal Square and 33 St stations.

50 PERCENT FARE REDUCTION APPROVED FOR PASSENGERS WITH DISABILITIES

In its continuing efforts to make the PATH system attractive to special-needs riders, in December 2024, the Board approved a new reduced fare program for PATH customers with disabilities. The 50 percent fare reduction will match the reduced fare program currently available for senior riders. Riders will be able to apply for the program in the spring 2025, with the reduced fare targeted to be implemented in the summer of 2025.

Aerial of the PATH Harrison Station complex.



Major Milestone Reached in Restoring the George Program

In 2024, the Port Authority reached a significant milestone in the \$2 billion, 11-project “Restoring the George” program to repair, rehabilitate, and renew the world’s busiest vehicular bridge. More than 95 percent of the George Washington Bridge’s original steel suspender ropes had been replaced by year’s end.

The replacement of every suspender rope and the rehabilitation of the bridge’s four main cables are essential to the bridge’s state of good repair and are the most impactful project of the Restoring the George program.

In addition to the replacement of all the bridge’s suspender ropes, which was completed in early 2025, the Restoring the George program includes the construction of a new sidewalk on the bridge’s south side to improve safety and accessibility while increasing capacity for path users by separating pedestrians on the south sidewalk once completed and bicyclists on the existing north sidewalk.

Work to replace the bridge’s original steel suspender ropes began in September 2018 on the bridge’s north side. The painstaking process of inspecting and cleaning the main cables, as well as the replacement of each steel suspender rope on the bridge’s north side, was completed in 2022.

Once new suspender ropes were in place and the main cable rehabilitation was complete, hi-tech acoustical monitoring and dehumidification systems were installed on the main cables. For the first time since the George Washington Bridge was built in 1931, all its original major components are being replaced or restored with modern technology and best-in-class materials.

Additionally, the replacement of the bridge’s original north side steel suspender ropes

and associated closure of the path below the cables created an opportunity for the Port Authority to overhaul the north side’s pedestrian path. From 2018 to 2023, the Port Authority replaced the north side’s steel suspender ropes while also building a new 1.5-mile-long sidewalk.

The renovation of the northside path widened known chokepoints around the bridge’s towers, added enhanced security and safety features, and replaced 171 access steps with gentler sloping, widened accessible approach paths to allow seamless connection from adjacent city streets.

Those stairs had previously inhibited direct bike access and prevented users with mobility challenges from reaching the span. The new widened accessible approach paths were built from street level to the bridge main span to provide much easier and more convenient access for bicyclists and pedestrians as well as to meet modern accessibility standards with grades that do not exceed 5 percent.

The newly renovated and fully accessible North Walk of the George Washington Bridge opened in February 2023, allowing bistrate access for bicyclists, pedestrians, and users with mobility challenges. The new North Walk also featured two new open-air viewing platforms, known architecturally as belvederes, to provide a meeting or resting space for bicyclists, pedestrians, and tourists; on the New York side, one offers expansive uninterrupted views of the Hudson River and the Palisades, and on the New Jersey side, the belvedere provides head-on views of the bridge’s upper level and New Jersey tower.

Since the closure of the south sidewalk in February 2023 for similar work to the steel suspender ropes above and sidewalk

improvements, the Port Authority has reached 35 percent completion of the new sidewalk on the bridge span.

The entire new southside sidewalk will include a new crosswalk at Hudson Terrace, a spacious entry plaza, a 14-foot-wide accessible ramp onto the bridge, and a viewing platform similar to those installed on the north sidewalk. Work on the south sidewalk is currently scheduled for completion by the end of 2026.

The other projects in the Restoring the George program include:

- The rehabilitation of steel main cable strands in the bridge's New York and New Jersey anchorages (completed in 2017)
- The pavement rehabilitation of the lower level's eastbound roadway on the main span and access roads (completed in 2016)
- Replacement of the Palisades Interstate Parkway helix ramp and rehabilitation of the upper-level roadway over Hudson Terrace and the New Jersey anchorage (completed in 2020)
- Rehabilitation of the Trans-Manhattan Expressway's median barrier and water

system, and repair of concrete fire-proofing encasement on steel columns (completed in 2023)

- Rehabilitation of the 178th and 179th street ramps, bus ramps and bus turnaround, and construction of new street-level sidewalks on Cabrini Boulevard to the New York anchorage (ongoing)
- Rehabilitation of Main Span Upper-Level Structure Steel (ongoing) — including replacement of roadway finger joints and 32 deck panels at the two towers.
- Rehabilitation of upper-level eastbound roadway pavement (completed in 2024)
- Rehabilitation of the Center Avenue and Lemoine Avenue bridges (ongoing)
- Rehabilitation of lower-level steel, Removal of lead-based paint and Travelers replacement (ongoing)
- Rehabilitation of the Trans-Manhattan Expressway Overpasses — Fort Washington Avenue, Broadway, Wadsworth Avenue, St. Nicholas Avenue, Audubon Avenue, and Amsterdam Avenue bridges. (yet to begin)

Westbound traffic view of the George Washington Bridge.



Milestones Reached in Advancing Replacement of Midtown Bus Terminal

The Port Authority's plan to completely replace the outdated 75-year-old Midtown Bus Terminal with a new, iconic, and world-class facility achieved two milestones in December 2024 with both the Federal Transit Administration's positive Record of Decision and full ULURP approval by the City of New York.

These two key approvals allow for early works construction to begin on this transformational Port Authority project in 2025.

The agency's plan for a world-class transportation hub includes a new main bus terminal with an iconic atrium entrance on 41st Street and 8th Avenue, a separate storage and staging facility, and new ramps leading directly into and out of the Lincoln Tunnel.

The new Midtown Bus Terminal will: add capacity, allowing curbside inter-city buses that currently pick up and drop off on city streets surrounding the bus terminal to move their operations inside the bus terminal and off the streets, reducing road congestion and vehicle emissions; be designed to be net zero, capable of serving an all-electric bus fleet and implementing 21st century technology throughout; and also create 3.5 acres of publicly accessible green spaces for the community once construction is complete. There is no taking of public land; all new facilities will be located on Port Authority property.

The Midtown Bus Terminal — the busiest bus terminal in the world — is a crucial transportation hub for the region. Prior to

the COVID-19 pandemic, the Midtown Bus Terminal accommodated an estimated 260,000 passenger trips on an average weekday. The new Midtown Bus Terminal is being designed to meet projected 2040-2050 commuter growth, provide a best-in-class customer experience that serves the region's 21st century public transportation needs, and enhance the integration with the surrounding community.

The Port Authority's plan for the Midtown Bus Terminal replacement reflects public feedback from extensive community outreach, including input from New York City, commuters, local community boards, and elected officials in both states. The project as approved holds unanimous support from all local elected officials and community boards.

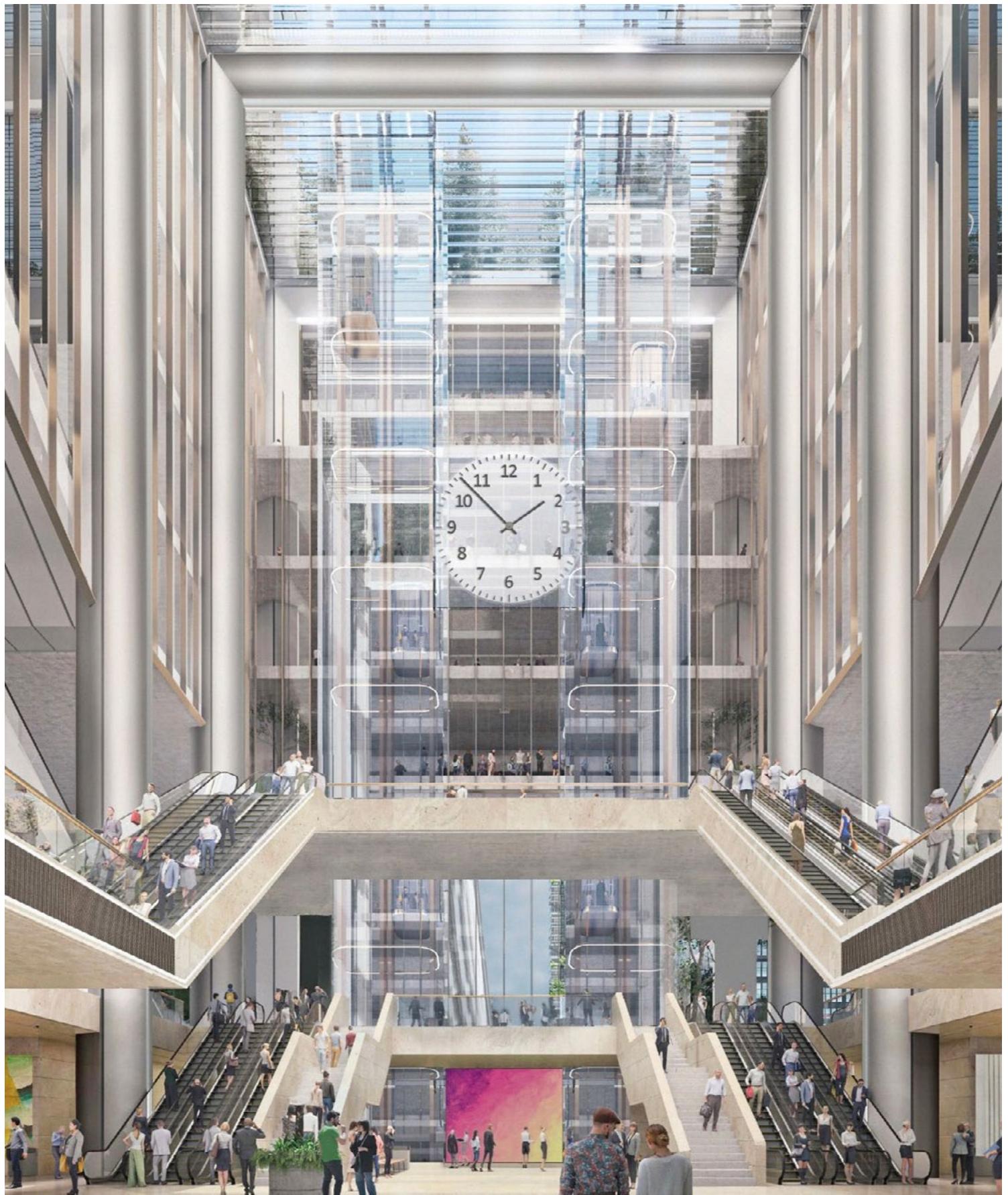
The Board of Commissioners approved \$271 million in construction contracts for the deck-overs in July 2024, which were the first contracts associated with the bus terminal replacement project.

Current plans provide for a phased construction approach. The staging and bus storage facility will be built first and will serve as a temporary terminal while the existing terminal is demolished and rebuilt. All facilities are expected to be completed in the next eight to ten years.

The Midtown Bus Terminal replacement project is expected to create approximately 6,000 good-paying union construction jobs.

The new, iconic, world-class Midtown Bus Terminal will include a new main bus terminal, a separate storage and staging facility, and new ramps leading directly into and out of the Lincoln Tunnel.

Rendering of the new Midtown Bus Terminal.



One World Trade Center Celebrates 10th Anniversary

Rebuilding the World Trade Center after the terrorist attacks on September 11, 2001, was both a high priority and a personal charge for the Port Authority. In the weeks and months following the attacks, there was doubt that workers and residents would return to Lower Manhattan.

The return of an iconic tower to the New York City skyline would become a beacon for renewal and a global symbol of the region's resilience.

Nearly 25 years later, the World Trade Center campus represents not just a rebuild, but a remarkable rebirth. The "core" of the campus is now complete and connects the site to the fabric of lower Manhattan. It is home to new office towers, the World Trade Center Oculus and the St. Nicholas Greek Orthodox Church — both designed by renowned architect Santiago Calatrava, the widely acclaimed Perelman Performing Arts Center (PAC NYC), and of equal importance to all these stunning accomplishments, the National 9/11 Memorial and Museum.

The World Trade Center campus today is a living tribute to the sacrifice and heroism of September 11th and to the months and months of effort made on the recovery by thousands of dedicated individuals. Today, the campus is teeming with activity — workers, commuters, residents, visitors, and tourists. The vibrancy of the campus today is a symbol of the resiliency of the Port Authority and its people.

In November 2024, One World Trade Center, the tallest building in the western hemisphere and the international symbol of the rebirth of the World Trade Center campus, marked its 10th anniversary.

The 1,776-foot tall One World Trade Center was built by the Port Authority and The Durst Organization in a unique public-private partnership. The 104-floor, 3.1 million-square-

foot LEED Gold-certified skyscraper was designed by Skidmore, Owings, and Merrill and set a new standard of design, construction, and prestige when the building opened in 2014, and is now 95 percent leased.

CAMPUS HOSTED FREE MOVIE SCREENINGS & LIVE SCREENINGS OF CRICKET WORLD CUP, WORLD SERIES

In 2024, the World Trade Center campus focused on expanding programming offered to the public. In addition to the ongoing seasonal activations, the campus partnered with major sporting leagues to offer unique viewings of premier sporting events. In June, the United States and West Indies hosted the International Cricket Council (ICC) Men's T20 World Cup 2024.

Free-to-attend outdoor viewings, hosted in partnership with the ICC, took place on 10 game days throughout the month of June on the North Oculus Plaza. The public watched the games on a large screen set up on the plaza, where they could order a wide variety of food and drink options from the nearby Oculus Beer Garden and Westfield World Trade Center shops and restaurants, as well as enjoy fan activities.

The event brought crowds of up to 2,000 people at any given time and was the only licensed watch party for the Cricket World Cup in the New York metropolitan area.

In October, the World Trade Center, in partnership with Major League Baseball, hosted the official viewing of the 2024 World Series. The viewing of the World Series matchup between the New York Yankees and the Los Angeles Dodgers was shown, as was the case with the International Cricket Council (ICC) Men's T20 World Cup 2024, on a large screen on North Oculus Plaza.

Both events received tremendous positive feedback and represent the transition into the next chapter of world-class programming on the World Trade Center campus.

In addition to these two unique events, the campus was active in the warmer months with the return of the popular Smorgasburg food market and the GrowNYC farmers market, along with the Wellness Wednesdays fitness program, the Oculus Beer Garden, and Oculus Outdoors

movie screenings. There were also additional activities for families, including bubble making, chalk drawing and themed giveaways.

In addition to these offerings, many other events are held throughout the year. No matter what month, the World Trade Center campus was alive with a renewed vibrancy in Lower Manhattan.

For a full list of World Trade Center-led events and programming, explorewtc.com/events.

The World Trade Center campus including 1 WTC, 3 WTC, 4 WTC and 7 WTC.



Historic Investment in Solar Energy Part of \$19 Billion JFK Transformation

In September of 2024, the Port Authority and the New Terminal One consortium that was selected to design, build, and operate the new terminal at John F. Kennedy International Airport (JFK) announced construction had begun on a massive solar array of more than 13,000 solar panels on the terminal's roof that will cover an area the size of six-and-a-half football fields.

The New Terminal One solar array will be the largest in New York City and the largest at any airport terminal in the country.

As an all-international terminal, the New Terminal One is a key component of the Port Authority's \$19 billion transformation of JFK into a world-class global gateway that will include two new terminals with evocative public art and locally inspired retail options, two expanded and modernized terminals and an entirely new, efficient roadway network when completed. (See separate JFK section)

The JFK New Terminal One solar array will be the largest in New York City and the largest at any airport terminal in the country.

The 6.63 megawatts of solar array on the New Terminal One's roof are part of a 12-megawatt microgrid that will distribute electric energy from solar, fuel cells, and batteries through a localized and self-contained energy system that can operate independently from or connected to the main power grid.

This microgrid will also include 3.84 megawatts of fuel cells and 1.5 megawatts/3.34 megawatt-hours of battery energy storage, all located in four clusters of electrical generation infrastructure strategically placed around the new terminal to create a single smart, resilient energy system. It will provide power for the terminal's daily operations.

The microgrid will recover heat from the fuel cells to generate chilled and hot water for the terminal. Its capacity will generate enough electricity to power half of the everyday operations of the terminal, or roughly the energy to power more than 3,500 average U.S. homes.

Industry leader AlphaStruxure is financing the microgrid project through an Energy as a Service (EaaS) contract, which is a long-term agreement ensuring predictable operating costs and guaranteed performance without upfront capital expenditures to either the Port Authority or New Terminal One. AlphaStruxure is responsible for the construction, operation, and maintenance of the microgrid over the life of the contract.

MASSIVE SOLAR ARRAY AT LONG-TERM PARKING LOT

Additionally, the Port Authority, in partnership with the New York Power Authority, is constructing a 12-megawatt solar canopy at JFK's long-term parking lot 9 that will consist of 7.5 megawatts of battery storage for airport peak energy use and a 6-megawatt community solar generation facility, as well as provide covered parking for 3,000 vehicles. The long-term parking lot 9 project will be the largest solar carport in New York State and is slated to be completed in 2025.

These extraordinary investments at JFK are consistent with the Port Authority's commitment

to sustainability as it transforms all three of the region's major airports. A 5-megawatt (MW) solar project was installed atop the new Terminal A parking garage at Newark Liberty International Airport, and more than 3,500 solar panels were installed on the rooftop of the parking garage on the western side of the completely transformed LaGuardia Airport.

These airport initiatives support the Port Authority's aggressive sustainability goals, which include reaching net-zero emissions by 2050 and requiring greener operations by its business partners, such as airport terminal operators and airlines.

Rendering of New York State's largest solar carport at JFK International Airport.



Investing in Security and Cybersecurity Remains Agency's Priority

In January of 2024, the Port Authority Police Department (PAPD) graduated 109 new cadets of its police force's 122nd class as the Port Authority continues to reinforce its security priorities.

The incoming class joined the Port Authority just weeks after the Board of Commissioners had approved the agency's 2024 budget, which included a record investment in the Port Authority's safety and security operations totaling nearly \$1 billion.

This funding strengthened the Port Authority's overall security posture and advanced new PAPD and cybersecurity initiatives in response to an evolving threat landscape.

The PAPD Academy is one of the most rigorous police academies in the country, requiring 26 weeks of training and study in New York and New Jersey laws, alongside comprehensive instruction in police procedures, firearms usage, first aid, and counterterrorism techniques. More than 41 percent of the new recruits are joining the PAPD with prior experience in law enforcement and 11 percent have military experience.

The 122nd Academy class joined a total PAPD workforce of more than 2,000 members, who are tasked with securing some of the nation's busiest infrastructure facilities and transportation hubs within the country's most diverse region. Another PAPD Academy class is set to graduate in mid-2025.

INSTALLATION OF LICENSE PLATE READERS TO STRENGTHEN COLLABORATION WITH LAW ENFORCEMENT

In June, the Port Authority announced a \$10 million program to install enhanced license plate readers at its three Staten Island

crossings, where data from vehicular tracking technology associated with stolen vehicles or vehicles linked in other ways to criminal activity will be shared with regional law enforcement agencies for investigations and prosecutions.

Data collected by such technology has assisted with the agency's enforcement of toll evasion. License plate readers incorporated into the region's transportation infrastructure are essential to safety and security by collecting digitally readable images of vehicle license plates that are used to locate stolen vehicles or vehicles used in other criminal activity, or identify vehicles involved with missing persons such as children and the elderly.

The Port Authority's \$10 million investment for the technology at its Staten Island crossings brought the total number of readers at the agency's Staten Island crossings to 40, including 24 new readers at the Bayonne Bridge and Outerbridge Crossing, which are scheduled to be installed by 2026.

The Port Authority and the New York Police Department (NYPD) previously collaborated on the installation of license plate readers at the George Washington Bridge and the Holland and Lincoln tunnels.

Permanent license plate readers at the agency's crossings significantly enhance the PAPD's ability to collaborate with various law enforcement agencies, including the NYPD and New Jersey law enforcement, and share intelligence and coordinate responses to criminal activities. This cross-agency collaboration ensures unified approaches to law enforcement, public safety, toll evasion and security patrols.

WORKING WITH PEER AGENCIES IN THE REGION

In 2024, the PAPD conducted Interagency Operations with NYPD, NY State Police, and other law enforcement partners to combat persistent toll violators and fraudulent or obstructive license plates. During these operations, the Port Authority sought out egregious repeat offenders who often owe the agency tolls in the hundreds of thousands of dollars. By year's end, the PAPD made 200 toll-enforcement-related arrests and issued nearly 7,543 toll evasion-related summonses 2024.

PROTECTING AGAINST THE THREAT OF CYBERATTACKS

We continued to strengthen the Port Authority's cybersecurity posture in 2024 by making investments in sophisticated emerging technologies to prevent, detect, and mitigate attempted cyberattacks. In addition, the agency enhanced its Cybersecurity Awareness program and added additional trainings for employees. Cybersecurity will remain at the forefront of the Port Authority's security planning and preparation in 2025, as threat actors continue to evolve their strategies and techniques.

Shield and ID ceremony for PAPD 122nd class of recruits.



JFK Redevelopment Creates Record Opportunities for Small, Local Businesses

The Port Authority believes it is critical to its ability to efficiently and cost-effectively conduct its business that it develops a broad pool of qualified companies that are interested in the opportunity to work with us as a vendor or contractor. To that end, the Port Authority works together with other regional transportation agencies to conduct vigorous outreach to possible firms (including those led by women, minority and service-disabled veteran owners) and to certify qualified vendors and contractors that have the skills and abilities to work successfully with us. From the pool of interested and qualified companies, the Port Authority selects competitively a vendor or contractor based on low cost or best value proposals.

In April 2024, the Port Authority announced a record \$2.3 billion in contracts to minority and women-owned businesses have been awarded as part of the transformation of John F. Kennedy International Airport (JFK). By year's

end, that number had risen to \$2.7 billion. This represents the largest participation of MWBE firms on any public-private partnership project in New York State history.

With construction of new airport facilities fully underway, MWBE participation at JFK will continue to break records until the redevelopment is substantially completed, which is expected in 2030. The redevelopment of JFK also demonstrates a significant focus on working with local contractors, awarding more than \$1.2 billion in contracts to Queens-based businesses to date.

Through the end of 2024, the Port Authority awarded more than \$5.8 billion to minority-owned business enterprises (MBEs), woman-owned business enterprises (WBEs) businesses, and \$2.5 billion to local business enterprises (LBE) under its ongoing airport redevelopment projects at JFK, LaGuardia, and Newark Liberty International.

In 2024, the Port Authority awarded a record \$2.7 billion in MWBE contracts, representing the largest participation of MWBE firms on any public-private partnership in New York State history.

JFK International Airport event to commemorate the historic \$2.7 billion in MWBE redevelopment contracts awarded.



PATH 33rd Street line at the Hoboken Station.



Financial Section

*The Port Authority of New York and New Jersey Basic Financial Statements
and Appended Notes for the Years Ended December 31, 2024 and 2023*

To The Board Of Commissioners of The Port Authority of New York and New Jersey

The Enterprise and Fiduciary Fund financial statements (the Financial Statements) of The Port Authority of New York and New Jersey (including its component units, collectively referred to herein as the “Port Authority”) as of and for the years ended December 31, 2024 and December 31, 2023, are enclosed.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation in the Financial Statements rests with management of the Port Authority. The Management’s Discussion and Analysis (MD&A) and Required Supplementary Information (RSI) sections of the Financial Statements provide a narrative introduction, overview, and analysis of Port Authority financial activities and are required by the Governmental Accounting Standards Board (GASB). Schedules A, B, and C have been prepared in accordance with Port Authority bond resolutions and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Schedules D, E, F, and G include other statistical information presented for purposes of additional analysis and are not a required part of the Basic Financial Statements.

Port Authority management is also responsible for establishing and maintaining adequate internal controls over financial reporting. 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 in accordance with GAAP. The Port Authority has established a comprehensive framework of internal controls that includes maintaining records that accurately and fairly reflect the transactions of the Port Authority, providing reasonable assurance that transactions are recorded as necessary for financial statement preparation, and providing reasonable assurance that unauthorized use, acquisition, or disposition of company assets that could have a

material impact on the Port Authority’s financial condition would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of the financial statements would be prevented or detected.

Pursuant to Port Authority by-laws, the Port Authority’s Executive Director, Comptroller, and I certified the Financial Statements on March 12, 2025. The Financial Statements certificate is presented herein.

Independent auditors are retained annually by the Port Authority Board of Commissioners’ (Board of Commissioners) Audit Committee to conduct an audit of the Financial Statements in accordance with auditing standards generally accepted in the United States of America. The goal of the independent audits is to provide reasonable assurance that these Financial Statements are free of material misstatement. The audits include obtaining sufficient and appropriate audit evidence supporting the amounts and disclosures in the Financial Statements, an assessment of the accounting principles used and significant estimates made by management, as well as the overall presentation of the Financial Statements. In planning and performing their audit, the independent auditors consider the Port Authority’s comprehensive framework of internal controls in order to determine auditing procedures for purposes of expressing an opinion on the Financial Statements, but not for the purpose of expressing an opinion on the effectiveness of the Port Authority’s internal controls. The independent auditors’ report is presented herein.

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the independent auditors’ report and the audited Financial Statements.

PROFILE OF THE PORT AUTHORITY

The Port Authority is a municipal corporate instrumentality and political subdivision of the states of New York and New Jersey, established in 1921 to provide transportation, terminal, and other facilities of commerce within the Port District, an area of about 1,500 square miles centered about New York Harbor. The Port Authority raises the funds necessary for the operation, maintenance, improvement, construction, or acquisition of its facilities primarily upon the basis of its own credit and has no power to pledge the credit of either state or any municipality, or to levy taxes or assessments.

The Port Authority's financial planning process integrates an annual budget process with multi-year projections. Through the capital plan and budget process, staff identifies strategic, financial, and operational risks that affect resource allocations, and sets forth an expenditure plan for the year that balances priorities across all agency facilities. Each new budget is separately considered and approved by the Board of Commissioners, although such approval does not in itself authorize specific expenditures, which are authorized from time to time by, or as contemplated by, other specific actions of the Board of Commissioners. The approved budget becomes a mechanism that facilitates the systematic review of program expenditures to ensure that they are made consistent with statutory, contractual, and other commitments of the agency, the policies and financial decisions of the Board of Commissioners, and the requirements of the by-laws of the Port Authority. Forecasting models are used to assess the agency's projected long-range financial condition, determine the financial feasibility of future capital investment, and perform financial tests to measure fiscal risk.

This comprehensive approach to planning, budgeting, and forecasting enables the Port Authority to identify, track, and take corrective action with respect to the funding requirements needed to deliver the projects and services that the Port Authority provides.

The Port Authority continually monitors the economic environment in which it operates in order to develop budgets that are fiscally sustainable and responsive to the transportation and economic needs of the region.

REGIONAL ECONOMIC CONDITIONS

Regional economic conditions in the seventeen counties comprising the Port District continue to track closely with the national economy in terms of economic output and employment. 2024 Gross Domestic Product ("GDP") grew 2.6% as compared to initial expectations of 1.0% which assumed that the high-interest rate environment created by the Federal Reserve to fight inflation would slow economic growth. While U.S. trade policy remains dynamic with the possible implementation of tariffs on goods produced outside of the U.S., consumer spending which comprises the largest share of the economy has remained resilient and as of the date of this report is estimated by the Port Authority's chief economist to drive economic growth of 2.0% in 2025. Volatility of fuel prices and potential impacts from the implementation of tariffs on goods originating outside of the U.S. may also create additional inflationary pressures. Despite the Port Authority's best forecasting efforts, the current economic environment continues to remain uncertain and is subject to developments and actions outside of the Port Authority's control. The Port Authority continuously monitors regional, national, and international economic trends to respond to deviations from its forecasts.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Port Authority for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. The Port Authority has received this award since 1984, making this the 40th consecutive year that the Port Authority financial statements have achieved this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. We believe the 2024 Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for certificate.



Elizabeth M. McCarthy
Chief Financial Officer

March 12, 2025



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The Port Authority of New York and New Jersey

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023



Executive Director/CEO

Certificate with Respect to 2024 Financial Statements

We, the undersigned officers of The Port Authority of New York and New Jersey, hereby certify, in connection with the release of the financial statements of The Port Authority of New York and New Jersey (the "Authority") and its component units for the years ended December 31, 2024 and December 31, 2023 (the "Financial Statements") that **a)** to the best of our knowledge and belief, the financial and other information, including the summary of significant accounting policies described in the Financial Statements are accurate in all material respects and reported in a manner designed to present fairly the Authority's enterprise fund and fiduciary fund Net position, Changes in Net position, and Cash flows, in conformity with United States of America generally accepted accounting principles ("U.S. GAAP"); and **b)** on the basis that the cost of internal controls should not outweigh their benefits, the Authority has established a comprehensive framework of internal controls to protect its assets from loss, theft, or misuse, and to provide reasonable (rather than absolute) assurance regarding the reliability of financial reporting and the preparation of the Financial Statements in conformity with U.S. GAAP.

Dated: New York, New York
March 12, 2025



Richard Cotton
Executive Director



Elizabeth M. McCarthy
Chief Financial Officer



Daniel G. McCarron
Comptroller

Emergency Service Unit and K-9 officers.





KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

Board of Commissioners
The Port Authority of New York and New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of The Port Authority of New York and New Jersey (the Port Authority), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements for the years then ended as listed in the table of contents.

In our opinion, based on our audits and the report of the other auditors, 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 Port Authority, as of December 31, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of The Port Authority of New York and New Jersey Retiree Health Benefits Trust (the Trust), which represents 100% of the fiduciary activities as of and for the years ended December 31, 2024 and 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Trust, are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 Port Authority'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.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Auditors' 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 auditors' 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 Port Authority'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 Port Authority'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

U.S. generally accepted accounting principles require that the management's discussion and analysis and the schedules listed under the heading Required Supplementary Information within 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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 audits for the years ended December 31, 2024 and 2023 were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port Authority's basic financial statements.

The supplementary information included in Schedules D-1, D-2, D-3, E and F, as listed in the table of contents, for the years ended December 31, 2024 and 2023 is presented for purposes of additional analysis and is 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 audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information included in Schedules D-1, D-2, D-3, E and F is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the years ended December 31, 2024 and 2023.

We also previously audited, in accordance with GAAS, the basic financial statements of the Port Authority as of and for the years ended December 31, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015 (not presented herein), and have issued our reports thereon dated March 20, 2023, March 2, 2022, March 3, 2021, March 4, 2020, March 6, 2019, March 20, 2018, March 1, 2017, and March 7, 2016, respectively, which contained unmodified opinions on the respective basic financial statements. The supplementary information included in Schedules D-1, D-2, and D-3, as listed in the table of contents, for the years ended December 31, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, 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 related directly to the underlying accounting and other records used to prepare the 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, basic financial statements, as applicable. The information was subjected to the audit procedures applied in the audit of the 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information included in Schedules D-1, D-2, and D-3, related to the years ended December 31, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the years ended December 31, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, as applicable.

Other Information

Our audits were conducted for purposes of forming opinions on the basic financial statements as a whole. The supplementary information included in Schedule G, as listed in the table of contents, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or any form of assurance thereon.

Report on the Audit of Schedules A, B, and C Prepared in Accordance with Port Authority Bond Resolutions

Opinion

We have audited the accompanying Schedules A, B, and C of the Port Authority, which present the assets and liabilities as of December 31, 2024 and revenues and reserves for the year then ended, of the Port Authority prepared in accordance with the requirements of the Port Authority's bond resolution.

In our opinion, the accompanying Schedules A, B, and C referred to above present fairly, in all material respects, the assets and liabilities of the Port Authority as of December 31, 2024, and its revenues and reserves for the year then ended in accordance with the requirements of the Port Authority's bond resolutions.



Basis for Opinion

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 Auditors' Responsibilities for the Audit of Schedules A, B, and C section of our report. We are required to be independent of the Port Authority 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 opinion.

Emphasis of Matter

We draw attention to Note A.4 of the basic financial statements, which describes the basis of accounting. As described in Note A.4 to the basic financial statements, Schedules A, B, and C are prepared by the Port Authority based on the requirements present in its bond resolutions, which is a basis of accounting other than U.S. generally accepted accounting principles. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for Schedules A, B, and C

Management is responsible for the preparation and fair presentation of Schedules A, B, and C in accordance with the requirements of the Port Authority's bond resolutions. Management is also responsible 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.

Auditors' Responsibilities for the Audit of Schedules A, B, and C

Our objectives are to obtain reasonable assurance about whether Schedules A, B, and C as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 Port Authority'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 Port Authority'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.

Report on Summarized Comparative Information

We have previously audited the Port Authority's December 31, 2023 Schedules A, B, and C prepared in accordance with the requirements of the Port Authority's bond resolutions, and we expressed an unmodified audit opinion on those audited Schedules A, B, and C in our report dated March 6, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited Schedules A, B, and C from which they have been derived.

Restriction on Use

Our report on Schedules A, B, and C is intended solely for the information and use of the Port Authority and those who are a party to the Port Authority's bond resolutions, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 12, 2025

Vibrant art at the new Terminal A at Newark Liberty International Airport.



Management's Discussion and Analysis (Unaudited)

Years ended December 31, 2024 and 2023

INTRODUCTION

The following discussion and analysis of business-type and fiduciary activities of The Port Authority of New York and New Jersey (the Port Authority) and its component units described herein (see Note A.1 – *Nature of the Organization and Summary of Significant Accounting Policies*) is intended to provide an introduction to and understanding of the enterprise fund and fiduciary fund financial statements (the financial statements) of the Port Authority for the year ended December 31, 2024, with selected comparative information for the years ended December 31, 2023 and December 31, 2022. This section has been prepared by management of the Port Authority and should be read in conjunction with the financial statements and appended note disclosures that follow the Management's Discussion and Analysis section of this report.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY ENTERPRISE FUND FINANCIAL STATEMENTS COMPARISON FOR THE YEARS ENDED DECEMBER 31, 2024, DECEMBER 31, 2023 AND DECEMBER 31, 2022

The Port Authority of New York and New Jersey Enterprise Fund Statements of Net Position

The Statements of Net Position present the financial position of the Port Authority at the end of the fiscal year and include all Port Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources as applicable. Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. A summarized comparison of the Port Authority's enterprise fund Statements of Net Position follows on the subsequent page:

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) ...continued

	2024	2023	2022 (Restated)
(In thousands)			
ASSETS			
Current assets	\$ 3,009,207	\$ 3,380,465	\$ 3,443,302
Noncurrent assets:			
Facilities, net	41,118,923	40,444,205	40,276,773
Lease assets	6,772,115	6,943,174	7,105,371
LaGuardia Terminal B landlord leasehold investment	1,088,018	1,147,922	1,135,986
Other noncurrent assets*	11,588,468	10,531,148	9,580,823
Total assets	63,576,731	62,446,914	61,542,255
DEFERRED OUTFLOWS OF RESOURCES			
Loss on debt refundings	44,927	51,578	49,769
Pension related amounts	666,380	517,098	774,172
OPEB related amounts	1,074,010	975,122	844,222
Total deferred outflows of resources	1,785,317	1,543,798	1,668,163
LIABILITIES			
Current liabilities*	3,017,852	2,580,205	4,081,460
Noncurrent liabilities:			
Bonds and other asset financing obligations	27,484,776	27,573,527	26,311,943
Other noncurrent liabilities*	11,654,850	11,451,698	10,417,713
Total liabilities	42,157,478	41,605,430	40,811,116
DEFERRED INFLOWS OF RESOURCES			
Gain on debt refundings	287,639	195,067	118,757
Pension related amounts	267,044	70,838	870,614
OPEB related amounts	34,305	110,034	197,735
Leases, as lessor	5,084,512	5,347,802	5,158,110
Total deferred inflows of resources	5,673,500	5,723,741	6,345,216
NET POSITION			
Net investment in capital assets	15,043,573	15,128,051	14,942,315
Restricted	771,346	719,624	851,723
Unrestricted*	1,716,151	813,866	260,048
Net position, December 31st	\$ 17,531,070	\$ 16,661,541	\$ 16,054,086

* In accordance with GASB Statement No. 96 "Subscription-Based Information Technology Arrangements" (GASB Statement No. 96), as described in Note A.3.q, "Nature of the Organization and Summary of Significant Accounting Policies", the cumulative impact of adopting GASB Statement No. 96 has been incorporated as a restatement to the Port Authority's 2022 Statement of Net Position.

2024 vs. 2023

Port Authority assets totaled \$63.6 billion at December 31, 2024, an increase of \$1.1 billion from December 31, 2023. This overall increase was primarily a result of:

Facilities, net of \$41.1 billion increased \$675 million from December 31, 2023 due to continued capital investment in Port Authority facilities as outlined in the 2017-2026 ten-year capital plan, less annual depreciation. For additional information related to capital investment by facility and business segment, see *Schedule F - Information on Capital Investment in Port Authority Facilities* contained in this report.

Receivables, including restricted amounts (excluding lease receivables) of \$1.6 billion increased \$145 million from December 31, 2023 primarily due to: **a**) an increase amounts due from the Federal Transit Administration (FTA) and Federal Emergency Management Agency (FEMA) funding for Port Authority Trans-Hudson (PATH) Superstorm Sandy restoration and resiliency projects; **b**) an increase in amounts due under the America Rescue Plan Act (ARPA) COVID-19 for eligible aviation operating expenses; **c**) an increase in amounts due for flight fees due to timing differences related to the receipt of payments from airlines; **d**) increase in amounts due for John F. Kennedy International Air Terminal 4 (JFKIAT) percentage rent payments; and **e**) an increase in amounts due for John F. Kennedy International (JFK) Airport New Terminal One (NTO) capital contributions.

Lease assets (as lessee) of \$6.8 billion related to lease financings containing fixed rents payable by the Port Authority and subject to GASB Statement No. 87 "Leases" (GASB Statement No. 87) decreased \$171 million primarily due to the scheduled straight-line amortization of long-term leases with the Cities of New York and Newark for the leasing of municipal air and marine terminals. Lease assets are amortized on a straight-line basis over the term of the lease agreement. For additional information related to lease assets, see *Note G - Leasing Activities and Subscription-Based Information Technology Arrangements*.

Lease receivables (as lessor) of \$4.6 billion related to lease financings containing fixed rent payments due the Port Authority and subject to GASB Statement No. 87 decreased \$194 million from December 31, 2023, primarily due to the scheduled amortization of rent payments received from tenants at the World Trade Center (WTC), partially offset by the execution of new and amended unregulated leases at JFK Airport, One WTC and PATH. For additional information related to lease receivables, see *Note G - Leasing Activities and Subscription-Based Information Technology Arrangements*.

Cash and Investment balances of \$6.1 billion increased \$731 million from December 31, 2023, primarily due to: **a**) increased aviation fees and rents from airlines operating at aviation facilities; **b**) an increase in tolls due to scheduled toll rate increases; and **c**) receipts of grants and contributions in aid of construction. These increases were partially offset by: **d**) increased payments to the New York State and Local Retirement System (NYSLRS); **e**) increased payments to contractors related to capital construction projects; and **f**) increased rent payments to the cities of New York and Newark for the leasing of municipal air and marine terminals.

Cash flows from operations of \$3.2 billion increased \$288 million when compared to 2023 primarily due to increases in tolls and fares, activity-based rentals and aviation fees at aviation facilities. These increases were partially offset by pension payments to NYSLRS, payments for other postemployment benefits (OPEB) from available operating funds, increased payments to third-party suppliers for operational and maintenance support services and increase rent payments to municipalities.

Port Authority liabilities totaled \$42.2 billion at December 31, 2024, an increase of \$552 million from December 31, 2023. This increase was primarily due to:

Bonds and other asset financing obligations of \$29.3 billion, including amounts payable associated with Tower 4 Liberty Bonds decreased \$71 million from December 31, 2023, primarily due to the scheduled retirement and refunding of outstanding Consolidated Bonds of \$2.0 billion. Partially offsetting this decrease were increases related to the issuance of: **a**) \$1.2 billion of Consolidated Bonds for purposes of refunding certain Consolidated Bonds to lower future debt service payments and the scheduled retirement of certain outstanding Consolidated Bonds and Notes; **b**) \$618 million of Consolidated Bonds for purposes of funding capital expenditures and **c**) \$150 million of Consolidated Bonds to pay down the revolving lines of credit under the *Special Obligation Institutional Loan Program*.

Lease liabilities (as lessee) of \$6.3 billion for lease financings containing fixed rent payables to third-parties and subject to GASB Statement No. 87 decreased \$89 million from December 31, 2023, primarily due to the scheduled amortization of rent payments paid to the Cities of New York and Newark for the leasing of municipal air and marine terminals. For additional information related to lease liabilities, see *Note G - Leasing Activities and Subscription-Based Information Technology Arrangements*.

Accrued pension and other postemployment benefits (OPEB) of \$3.8 billion increased \$299 million primarily due to an increase in the Port Authority's actuarially determined net OPEB liability due to changes in certain actuarial assumptions partially offset by gains on OPEB plan investments in excess of their actuarially calculated expected rate of return measured at December 31, 2024. Partially offsetting this net increase in OPEB was a net decrease in the Port Authority's proportionate share of the actuarially determined NYSLRS Net Pension Liability (NPL), resulting from gains on plan investments in excess of their actuarially calculated expected rate of return measured at March 31, 2024.

Accounts payable of \$1.2 billion increased \$297 million from December 31, 2023 primarily due to: **a)** amounts due the NYSLRS for employer contributions covering the twelve month period ending March 31, 2025; **b)** an increase in payables related to aviation capital construction contracts; and **c)** higher amounts due third-party for operations and maintenance support contracts at Port Authority facilities.

Accrued payroll and other employee benefits of \$213 million increased \$10 million from December 31, 2023 primarily due to the 2024 adoption and implementation of GASB Statement No. 101 "Compensated Absences" (GASB Statement No. 101). This increase was partially offset by the payment of retro-active wage increases to represented Port Authority and PATH employees stipulated under amended labor agreements.

Accrued interest and other current liabilities of \$913 million increased \$109 million from December 31, 2023 primarily due to: **a)** advanced funding of a JFK Roadway Access rehabilitation capital project by the New York State Department of Transportation (NYSDOT); and **b)** rent relief payables to aviation concessionaires and terminal operators authorized under ARPA federal funding. These increases were partially offset by: **c)** decreased payments to aviation concessionaires for rent relief authorized under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) due to end of program; and, **d)** lower drawdown of funds received from the United States Army Corps of Engineers (USACOE) for harbor maintenance dredging.

Deferred outflows of resources totaled \$1.8 billion at December 31, 2024, a net increase of \$241 million from December 31, 2023. This net increase was primarily due to changes in actuarial assumptions utilized in the 2024 actuarial valuation of the Port Authority's net OPEB liability, partially offset by the amortization of deferred amounts related to Pensions and OPEB recognized in prior years.

Deferred outflows of resources related to Pensions and OPEB are amortized on a straight-line basis as an increase to Pensions and OPEB expense over a closed period of time, generally five years.

Deferred inflows of resources totaled \$5.7 billion at December 31, 2024, a net decrease of \$50 million from December 31, 2023. This net decrease resulted from the scheduled straight-line amortization of leases containing fixed rents due the Port Authority, as lessor, subject to GASB Statement No. 87 and the scheduled amortization of deferred amounts related to Pensions and OPEB recognized in prior years. Partially offsetting this decrease was an increase in deferred inflows related to 2024 gains on NYSLRS and OPEB plan investments in excess of their actuarially calculated expected rate of return.

Deferred inflows of resources related to Pensions and OPEB are amortized on a straight-line basis as a reduction to Pensions and OPEB expense over a closed period of time, generally five years. Deferred inflows of resources related to lease financings, as lessor, are amortized on a straight-line basis as a component of rental income over the term of the lease agreement.

2023 vs. 2022

Port Authority assets totaled \$62.4 billion at December 31, 2023, an increase of \$905 million from December 31, 2022. This overall increase was primarily a result of:

Facilities, net of \$40.4 billion increased \$167 million from December 31, 2022 due to continued capital investment in Port Authority facilities as outlined in the 2017-2026 ten-year capital plan, less annual depreciation and the write off of previously capitalized planning and design costs related to certain capital projects that will not be constructed as originally planned. For additional information related to capital investment by facility and business segment, see *Schedule F - Information on Capital Investment in Port Authority Facilities* contained in this report.

Receivables, including restricted amounts (excluding lease receivables) of \$1.5 billion increased \$120 million from December 31, 2022 primarily due to: **a)** an increase in percentage rents due from tenants at JFK Airport; **b)** an increase in flight fees due the Port Authority due to timing differences related to the receipt of aviation fees due from the airlines; and, **c)** an increase in E-ZPass® tolls due from other tolling agencies. These increases were partially offset by: **d)** the recovery of previously deferred 2020 aviation fees as a result of COVID-19; and, **e)** the receipt of FTA funding for PATH Superstorm Sandy restoration and resiliency capital projects.

Lease assets (as lessee) of \$6.9 billion related to lease financings containing fixed rents payable by the Port Authority and subject to GASB Statement No. 87 decreased \$162 million primarily due to the continued amortization of long-term leases with the Cities of New York and Newark for the leasing of municipal air and marine terminals. Lease assets are amortized on a straight-line basis over the term of the lease agreement. For additional information related to lease assets, see Note G – *Leasing Activities and Subscription-Based Information Technology Arrangements*.

Lease receivables (as lessor) of \$4.8 billion related to lease financings containing fixed rent payments due the Port Authority and subject to GASB Statement No. 87 increased \$266 million from December 31, 2022, primarily due to the execution of new and amended unregulated leases at One WTC, Newark Liberty International (EWR) and JFK Airports. These increases were partially offset by the application of amortization from rent payments received from tenants at One WTC and the WTC Tower 3 and 4 net lessees. For additional information related to lease receivables, see Note G – *Leasing Activities and Subscription-Based Information Technology Arrangements*.

Cash and Investment balances of \$5.4 billion increased \$480 million from December 31, 2022, primarily due to increased cash generated from net operating revenues activities, partially offset by a decrease in consolidated bond proceeds available for construction and unapplied Passenger Facility Charges (PFC)s.

Cash flows from operations of \$2.9 billion increased \$114 million when compared to the same twelve-month period of 2022 primarily due to increases in tolls and fares, activity-based rentals, aviation fees and public parking at aviation facilities, partially offset by the resumption of funding current year benefit payments for OPEB from available operating funds in January 2023 and increased payments to third-party suppliers for operational and maintenance support services.

Port Authority liabilities totaled \$41.6 billion at December 31, 2023, an increase of \$794 million from December 31, 2022. This increase was primarily due to:

Bonds and other asset financing obligations of \$29.4 billion, including amounts payable associated with Tower 4 Liberty Bonds decreased \$301 million from December 31, 2022, primarily due to the scheduled retirement and refunding of outstanding Consolidated Bonds and Consolidated Notes of \$2.5 billion. Partially offsetting this decrease were increases related to the issuance of \$478 million of Consolidated Bonds for purposes of funding capital expenditures and \$1.7 billion of Consolidated Bonds for purposes of refunding certain callable bonds to lower future debt service payments and the retirement of Consolidated Notes.

Lease liabilities (as lessee) of \$6.4 billion for lease financings containing fixed rent payables to third-parties and subject to GASB Statement No. 87 decreased \$73 million from December 31, 2022, primarily due to the application of amortization from rent payments paid to the Cities of New York and Newark for the leasing of municipal air and marine terminals. For additional information related to lease liabilities, see Note G – *Leasing Activities and Subscription-Based Information Technology Arrangements*.

Accrued pension and other postemployment benefits (OPEB) of \$3.5 billion increased \$1.1 billion primarily due to an increase in the Port Authority's actuarially determined net OPEB liability due to changes in certain actuarial assumptions and an increase in the Port Authority's proportionate share of the actuarially determined NYSLRS NPL resulting from losses on NYSLRS plan investments in excess of their expected rate of return, measured at March 31, 2023.

Accounts payable of \$930 million increased \$16 million from December 31, 2022 primarily due to higher capital construction accruals related to aviation capital construction projects and third-party operations and maintenance support contracts at Port Authority facilities.

Accrued payroll and other employee benefits of \$203 million decreased \$52 million from December 31, 2022 primarily due to the payment of retro-active wage increases to represented Port Authority and PATH employees stipulated under amended labor agreements.

Accrued interest and other current liabilities of \$804 million increased \$79 million from December 31, 2022 primarily due to the timing of payables for: **a**) insurance premium payments; **b**) percentage rent payments due to the cities of New York and Newark; **c**) payments due aviation concessionaires for rent relief authorized under the CRRSAA federal funding; and, **d**) electronic tolls due other tolling agencies.

Deferred outflows of resources totaled \$1.5 billion at December 31, 2023, a decrease of \$124 million from December 31, 2022. This net decrease was primarily due to the amortization of previously recognized deferred outflows resulting from changes in actuarial assumptions used in the actuarial valuation of the Port Authority's proportionate share of the NYSLRS NPL. These decreases were partially offset by an increase in 2023 deferred outflows resulting from changes in actuarial assumptions utilized in the actuarial valuation of the Port Authority's net OPEB liability. Deferred outflows of resources related to Pensions and OPEB are amortized on a straight-line basis as an increase to Pensions and OPEB expense over a closed period of time.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) ...continued

Deferred inflows of resources totaled \$5.7 billion at December 31, 2023, a net decrease of \$621 million from December 31, 2022. This net decrease resulted from the amortization of previously recognized deferrals related to gains on NYSLRS and OPEB plan investments in excess of their expected rate of return and the scheduled amortization of lease financings containing fixed rents due the Port Authority, as lessor and subject to GASB Statement No. 87.

Deferred inflows of resources related to Pensions and OPEB are amortized on a straight-line basis as a reduction to Pensions and OPEB expense over a closed period of time. Deferred inflows of resources related to lease financings are amortized as a component of rental income on a straight-line basis over the term of the lease agreement.

The Port Authority of New York and New Jersey Enterprise Fund Statements of Revenues, Expenses and Changes in Net Position

The year-to-year change in net position is an indicator of whether the overall fiscal condition of an organization has improved or worsened during the year.

Net operating income, before consideration of expenses related to employer provided retiree healthcare and retirement benefits totaled \$1.0 billion in 2024, an increase of \$97 million from 2023, primarily as a result of a \$373 million or 6% increase in gross operating revenues, partially offset by higher operating expenses of \$235 million or 6% as described more fully below. After consideration of expenses related to employer provided retiree healthcare and retirement benefits net operating income for 2024 increased \$97 million or 11% as compared to 2023, primarily due to increases in activity-based revenues at aviation and marine terminal facilities, a toll rate increase in January 2024, higher aviation cost recovery fees primarily as a result of a new cost recovery formula that became effective on January 1, 2024, and additional fixed rentals at aviation facilities.

When compared to 2024 budgeted amounts, Net Operating Revenues (NOR) excluding the non-cash portion of employer provided fringe benefits of \$293 million, for 2024 was \$45 million or 2% higher than plan, primarily driven by higher than planned aviation cost recovery fees and percentage rental income, as described above.

The following is a summary of the Statements of Revenues, Expenses and Changes in Net Position:

	2024	2023	2022 (Restated)
		(In thousands)	
Gross operating revenues	\$ 6,936,358	\$ 6,563,287	\$ 5,977,356
Operating expenses ¹	(3,969,817)	(3,735,087)	(3,120,919)
Depreciation and amortization	(1,958,724)	(1,917,543)	(1,908,692)
Income from operations	1,007,817	910,657	947,745
Nonoperating revenues/(expenses), net			
Grants, in connection with operating activities and pass-through grant program payments	186,662	99,730	160,290
Financial income/(loss), including changes in fair value of investments	245,595	269,373	(83,167)
Interest expense in connection with bonds and other asset financings, net ^{1,2}	(1,157,143)	(1,148,038)	(1,077,365)
Interest income, as lessor	158,610	155,290	140,978
Interest expense, as lessee	(211,305)	(213,973)	(220,654)
Loss on disposition of assets, including lease terminations	(160)	(2,281)	—
Capital contributions and PFCs	639,453	536,697	564,905
Increase in net position ¹	869,529	607,455	432,732
Net position, January 1st	16,661,541	16,054,086	15,621,354
Net position, December 31st ¹	\$ 17,531,070	\$ 16,661,541	\$ 16,054,086

1 In accordance with GASB Statement No. 96, as described in Note A.3.q, "Nature of the Organization and Summary of Significant Accounting Policies," 2022 amounts have been restated.

2 Includes \$32.5 million in 2024, 2023 and 2022 related to Tower 4 Liberty Bonds debt service payments due the Port Authority from the WTC Tower 4 net lessee.

Financial results of an individual facility and business segment for 2024 can be found in *Schedule E – Information on Port Authority Operations* located in the Statistical and Other Supplemental Information section of this report.

Gross Operating Revenues

A summary of gross operating revenues by source and business segment follows:

	2024	2023	2022
(In thousands)			
Rentals*	\$ 2,363,621	\$ 2,187,837	\$ 1,978,706
Bridge and tunnel tolls	2,015,934	1,936,355	1,829,220
Aviation fees	1,719,025	1,606,056	1,395,424
Parking and other	530,812	549,780	478,337
Utilities	154,505	148,952	182,163
PATH fares	152,461	134,307	113,506
Total	\$ 6,936,358	\$ 6,563,287	\$ 5,977,356

* Includes the straight-line amortization of deferred inflows of resources related to lease financings containing fixed rents due the Port Authority, as lessor recognized under GASB Statement No. 87.

	2024	2023	2022
(In thousands)			
Aviation	\$ 3,941,040	\$ 3,653,830	\$ 3,223,841
Tunnels, Bridges & Terminals	2,068,245	1,987,504	1,879,336
Port	387,633	371,279	396,977
World Trade Center	340,580	380,593	331,699
PATH*	165,624	147,947	124,003
Other**	33,236	22,134	21,500
Total	\$ 6,936,358	\$ 6,563,287	\$ 5,977,356

Note: Amounts include the amortization of deferred inflows of resources related to lease financings containing fixed rents due the Port Authority, as lessor recognized under GASB Statement No. 87.

* Includes PATH Fare Revenue at the PATH station located at the WTC Transportation Hub.

** Includes Development Facilities and Ferry Transportation.

2024 vs. 2023

Gross operating revenues, excluding PFCs totaled \$6.9 billion in 2024, an increase of \$373 million, or 6% as compared to 2023.

Rentals, including the straight-line amortization of deferred inflows of resources related to lease financings containing fixed rents due the Port Authority, as lessor and subject to GASB Statement No. 87 totaled \$2.4 billion in 2024, an increase of \$176 million or 8% as compared to 2023 primarily due to: **a**) an increase in activity-based rental income at aviation facilities due to increased passenger activity; **b**) an increase in common use gate charges at EWR Airport Terminals A and B and added gate availability; **c**) increased fixed rents at aviation facilities as a result of the addition of new facilities and scheduled rent increases; and, **d**) higher cargo container throughput revenues at Port Authority Marine Terminals due to increased cargo container activity.

Bridge and Tunnel Tolls of \$2.0 billion increased \$80 million or 4% as compared to 2023 primarily due to a Consumer Price Index (CPI) based toll rate increase of \$0.63, effective January 6, 2024, partially offset by a slight increase in net toll violations.

Aviation fees of \$1.7 billion increased \$113 million, or 7% as compared to 2023 primarily due to: **a**) an increase in recoveries due under amended cost recovery agreements with airlines that became effective January 1, 2024; **b**) an increase in AirTrain fares due to a fare increase in March 2024 and increased passenger activity, partially offset by a discounted summer fare at JFK Airport; **c**) an increase in rental car contributions due to a rate increase in April 2024; and, **d**) an increase in for-hire-vehicle (FHV) airport access fee revenues due to increased activity.

Parking and other fees of \$531 million decreased \$19 million, or 3% as compared to 2023 primarily due to a decline in public parking activity at JFK and EWR Airports due to ongoing construction, partially offset by an increase in Port Authority Marine Terminal Cargo Facility Charges (CFCs) due to an increase in billing rates and a 11% increase in cargo container activity in 2024 when compared to 2023.

PATH fares of \$152 million increased \$18 million or 14% compared to 2023, primarily due to a 13% increase in PATH passenger ridership as compared to ridership levels in 2023. PATH ridership for 2024 was 70% of pre-COVID-19 passenger levels.

2023 vs. 2022

Gross operating revenues, excluding PFCs totaled \$6.6 billion in 2023, an increase of \$586 million, or 10% as compared to 2022.

Rentals, including the straight-line amortization of deferred inflows of resources related to lease financings containing fixed rents due the Port Authority, as lessor, and subject to GASB Statement No. 87 totaled \$2.2 billion in 2023, an increase of \$209 million or 11% as compared to 2022 primarily due to: **a**) an increase in activity-based rental income at Aviation facilities due to increased passenger activity in 2023 compared to 2022; **b**) an increase in fixed rents at JFK Airport NTO and Terminals 6 and 7 that commenced in June 2022 and December 2022, respectively; **c**) increased fixed rents at EWR Airport Terminal A, commencing in January 2023; and, **d**) an increase in fixed rent at Aviation facilities due to scheduled rent increases. These increases were partially offset by a decrease in activity-based rentals at Port Authority Marine Terminals due to decreased container activity in 2023 compared to 2022 as a result of macro-economic trends.

Bridge and Tunnel Tolls of \$1.9 billion increased \$107 million or 6% as compared to 2022 primarily due to a CPI toll rate increase of \$1.00, effective in January 2023 and a 2% increase in vehicular activity at the Port Authority's six vehicular crossings, partially offset by an increase in toll violations.

Aviation fees of \$1.6 billion increased \$211 million, or 15% as compared to 2022 primarily due to: **a**) an increase in recoverable operating and maintenance expenses, security costs and capital investment placed into service in 2023 when compared to 2022; **b**) an increase in FHV airport access fees due to increased activity; **c**) an increase in AirTrain fare revenues due to increased passenger activity and a fare increase effective in March 2022; and, **d**) an increase in fees for the usage of the federal inspection facility at EWR Airport, Terminal B due to increased international passenger activity.

Parking and other fees of \$550 million increased \$71 million, or 15% as compared to 2022 primarily due to: **a**) increased public parking activity at Aviation facilities due to increased aviation passenger activity levels, increased parking rates and longer average stays when compared to 2022; **b**) the recovery of WTC site insurance premiums procured by the Port Authority from the WTC retail premise operator for the years covering 2016 through 2023; **c**) increased recovery of operating expenses at the cogeneration facility at JFK Airport from the operator; and, **d**) an increase in recoverable tenant service charges at One WTC due to higher occupancy and activity. Partially offsetting these increases is a decrease in Port Authority Marine Terminal CFCs due to a decrease in cargo container activity in 2023 when compared to 2022 as a result of macro-economic trends.

PATH fares of \$134 million increased \$21 million or 18.3% compared to 2022, primarily due to a 18.5% increase in PATH passenger ridership as compared to ridership levels in 2022. PATH ridership for 2023 was 61% of pre-COVID-19 passenger levels.

Operating Expenditures

A summary of operating expenditures by type and business segment follows:

	2024	2023	2022 (Restated)
(In thousands)			
Employee compensation, including benefits	\$ 1,995,896	\$ 1,801,019	\$ 1,438,403
Contract services	1,261,199	1,200,165	1,054,605
Rents and payments in-lieu-of taxes (PILOT)*	114,028	84,878	47,434
Materials, equipment, and other	387,283	446,055	336,727
Utilities	211,411	202,970	243,750
Total	\$ 3,969,817	\$ 3,735,087	\$ 3,120,919

* Amounts exclude the straight-line amortization of lease assets recognized under GASB Statement No. 87.

	2024	2023	2022 (Restated)
(In thousands)			
Aviation	\$ 2,048,948	\$ 1,995,247	\$ 1,603,391
Tunnels, Bridges & Terminals	752,413	668,427	568,085
PATH*	598,828	552,255	481,163
World Trade Center	386,579	360,917	295,907
Port Department	209,895	176,769	160,737
Other**	(26,846)	(18,528)	11,636
Total	\$ 3,969,817	\$ 3,735,087	\$ 3,120,919

Note: Amounts exclude the straight-line amortization of lease assets recognized under GASB Statement No. 87.

* Includes PATH operating expenses related to the PATH station located at the WTC Transportation Hub.

** Includes Development Facilities, Ferry Transportation and Other Programs. Operating Expenses include GASB Statement No. 87 contra rent expense amounts related to leases entered into for the purposes of providing centralized support services to Port Authority facilities.

2024 vs. 2023

Operating expenses totaled \$4.0 billion in 2024, an increase of \$235 million or 6% from 2023.

Employee compensation, including employer provided healthcare and retirement benefits of \$2.0 billion increased approximately \$195 million, or 11% from 2023 primarily due to: **a**) an increase in the actuarially determined OPEB retiree healthcare expense due to changes in actuarial assumptions used in the 2024 actuarial valuation; **b**) increased healthcare costs related to active employees; **c**) general wage increases and additional headcount, **d**) heightened security at Port Authority facilities; **e**) increase in snow and ice removal activity due to harsher weather conditions in 2024 compared to 2023; and, **f**) PATH operational expenses to improve service. Partially offsetting these increases was a decrease to NYSLRS pension expense due to 2024 gains on plan investments in excess of their actuarially calculated expected rate of return.

Contract services of \$1.3 billion increased \$61 million, or 5% as compared to 2023 primarily due to: **a**) an increase in ground transportation services at JFK Airport due to added traffic mitigation measures due to ongoing construction and AirTrain outages; **b**) increased share of maintenance costs of All-Electronic Tolling (AET) open-road tolling (ORT) system at tunnel and bridge facilities; **c**) increased maintenance dredging at New Jersey Marine Terminals; **d**) an increase in contract security services at JFK Airport due to increased billing rates and heightened security; and **e**) an increase in concession management fees at EWR Terminal A due to an increase concessions sales.

Rents and payments in-lieu-of-taxes (PILOT), excluding the straight-line amortization of lease assets subject to GASB Statement No. 87, of \$114 million increased \$29 million, or 34% when compared to 2023 primarily due to an increase in percentage rent due the City of Newark and the City of New York for the leasing of marine and air terminals due to increased air terminal and marine terminal operating revenues and an increase in PILOT payments to the City of New York for the WTC Campus as a result of higher assessed property values and increased tax rates.

Materials, equipment, and other of \$387 million decreased \$59 million, or 13% from 2023 primarily due to: **a**) a decrease in write offs related to capitalized planning and design costs related to capital projects that will not be constructed; and **b**) a decrease in environmental pollution remediation expense provisions at Port Authority facilities. These decreases were partially offset by: **c**) an increase in public liability self-insured loss reserves and increased property damage and public liability insurance premiums; **d**) an increase in materials for snow and ice removal due to harsher weather conditions in 2024 compared to 2023; and, **e**) the demolition of an obsolete building structure at Howland Hook Marine Terminal.

Utilities of \$211 million increased \$8 million, or 4% as compared to 2023 primarily due to an increase in: **a**) PATH metered electricity due to retroactive billing; **b**) water expense at LGA due to retractive billing; and, **c**) electricity expense and EWR Airport due to increased billing rates and consumption.

2023 vs. 2022

Operating expenses totaled \$3.7 billion in 2023, an increase of \$614 million or 20% from 2022.

Employee compensation of \$1.8 billion increased approximately \$363 million from 2022 primarily due to: **a**) \$321 million increase in the actuarially determined pension expense resulting from losses on NYSLRS plan investments measured at March 31, 2023 and actuarially determined OPEB expense related to retirement healthcare costs resulting from changes in certain actuarial assumptions measured at December 31, 2023; **b**) additional headcount to address vacancies; **c**) general wage increases; and, **d**) the hiring and training of additional police officers to address attrition.

Contract services of \$1.2 billion increased \$146 million, or 14% as compared to 2022 primarily due to increased payments to third-party contractors for operational, contract security and maintenance services at Port Authority facilities resulting from increased activity levels and scheduled billing rate increases, increased costs related to EWR AirTrain state of good repair work and increased repair work at the cogeneration facility at JFK Airport. These increases were partially offset by a decrease in contracted snow and ice removal activities due to milder weather conditions in the first quarter of 2023.

Rents and payments in-lieu-of taxes (PILOT), excluding the straight-line amortization of lease assets recognized under GASB Statement No. 87, of \$85 million increased \$37 million when compared to 2022 primarily due to an increase in 2023 percentage rent payable to the City of Newark and the City of New York for the leasing of marine and air terminals resulting from increased airport revenues and an increase in PILOT payments to the City of New York for the WTC Campus as a result of higher assessed property values.

Materials, equipment, and other of \$446 million increased \$109 million from 2022 primarily due to: **a**) the write off of certain previously capitalized planning and design costs related to capital projects that will not be constructed; **b**) an increase in public liability self-insured loss reserves and increased property damage and public liability insurance premiums; and **c**) an increase in materials and supplies for mechanical, structural and electrical repair work at Port Authority's facilities. These increases were partially offset by a decrease in environmental pollution remediation expense provisions at Port Authority facilities.

Utilities of \$203 million decreased \$41 million, or 17% as compared to 2022 primarily due to a decrease in billing rates and usage at Port Authority Aviation facilities and decreased billing rates at PATH.

Amortization of Lease Assets, (Port Authority as Lessee)

In 2022, the Port Authority adopted GASB Statement No. 87. Under this statement, a lessee is required to recognize a lease asset, measured at the present value of expected fixed rent payments to be made to lessors. Lease assets are amortized on a straight-line basis over the lease term, as described in Note A.3.p, *Nature of the Organization and Summary of Significant Accounting Policies*. For additional information related to lease liabilities see Note G – *Leasing Activities and Subscription-Based Information Technology Arrangements*.

2024 vs. 2023

Amortization of leases (as lessee) of approximately \$174 million decreased \$3 million, or 2% from 2023 primarily due to lower straight-line amortization of lease agreements for corporate office space in Jersey City, New Jersey.

2023 vs. 2022

Amortization of leases (as lessee) of approximately \$177 million increased \$4 million from 2022 due to the extension of lease agreements for corporate office space in Jersey City and Hoboken.

A summary of amortization of lease assets related to lease financings containing fixed rents payable by the Port Authority as lessee and subject to GASB Statement No. 87 by business segment follows:

	2024	2023	2022
(In thousands)			
Aviation	\$ 155,208	\$ 155,058	\$ 155,704
Other*	10,110	13,101	8,340
Port Authority Marine Terminals	8,443	8,434	8,434
Tunnels, Bridges & Terminals	93	162	137
PATH	64	—	161
Total	\$ 173,918	\$ 176,755	\$ 172,776

* Includes Development facilities, Ferry Transportation and leases entered into for the purpose of providing centralized support services to Port Authority facilities.

Depreciation and Amortization

A summary of depreciation and amortization of capital infrastructure assets by business segment follows:

	2024	2023	2022
(In thousands)			
Aviation*	\$ 692,945	\$ 696,143	\$ 696,130
World Trade Center	380,177	376,779	373,944
Tunnels, Bridges & Terminals	339,892	315,240	307,961
PATH**	260,947	239,007	228,069
Port Department	91,258	84,781	88,697
Other***	19,587	28,838	41,115
Total	\$ 1,784,806	\$ 1,740,788	\$ 1,735,916

* Includes LGA Terminal B landlord depreciation of \$66 million in 2024, \$62 million in 2023, and \$63 million in 2022.

** Includes WTC Transportation Hub and Hudson Tunnel Project.

*** Includes Regional Facilities and Other Programs, Development Facilities, Access to the Regions Core, Ferry Transportation and Moynihan Station Transportation Program.

2024 vs. 2023

Depreciation and amortization of \$1.8 billion related to capital infrastructure investments increased \$44 million, or 3% as compared to 2023 primarily due to the scheduled completion of approximately \$4.5 billion of capital construction projects in 2024 and 2023. These capital infrastructure assets have been placed into operational service and are being depreciated over their estimated useful lives, including, elements of the: **a**) PATH rail car fleet expansion program; **b**) EWR Airport Redevelopment Program; **c**) LGA Airport Redevelopment Program; and **d**) the scheduled retirement of certain George Washington Bridge Suspender Rope related capital assets that have been replaced under the Restore the George Program.

2023 vs. 2022

Depreciation and amortization of \$1.7 billion related to capital infrastructure investments increased \$5 million, as compared to 2022 primarily due to a year over year decrease related to a 2022 non-recurring accelerated depreciation charge for the scheduled retirement of certain legacy LGA Airport Central Terminal Building (CTB) capital assets that have been taken out of service and now replaced under the LGA Airport Redevelopment Program. This decrease was partially offset by the completion of approximately \$5.4 billion of capital construction projects in 2022 and 2023. These capital infrastructure assets have been placed into operational service and are now being depreciated over their estimated useful lives, including elements of the: **a**) EWR Airport Redevelopment Program; **b**) PATH rail car fleet expansion and overhaul program; and **c**) the LGA Airport Redevelopment Program.

Additional information related to capital investment in Port Authority facilities can be found in *Note B – Facilities, net, Schedule D-3 – Selected Statistical Financial Data by Business Segment* and *Schedule F – Information on Capital Investment in Port Authority Facilities* located in this report.

Income/(Loss) from Operations

Income/(Loss) from operations is comprised of gross operating revenues, less the sum of: **a**) operating expenses; and, **b**) depreciation and amortization.

A summary of income/(loss) from operations by business segment follows:

	2024	2023 ⁴	2022 (Restated) ⁴
(In thousands)			
Aviation ¹	\$ 1,043,939	\$ 807,382	\$ 768,616
Tunnels, Bridges & Terminals	975,847	1,003,675	1,003,153
Port Department	78,037	101,295	139,109
Other ²	30,385	(1,277)	(39,591)
World Trade Center	(426,176)	(357,103)	(338,152)
PATH ³	(694,215)	(643,315)	(585,390)
Income	\$ 1,007,817	\$ 910,657	\$ 947,745

1 Includes LGA Terminal B landlord depreciation of \$66 million in 2024, \$62 million in 2023, and \$63 million in 2022.

2 Includes Regional Facilities and Programs, Development Facilities, Moynihan Station Transportation Program and Ferry Transportation.

3 Includes WTC Transportation Hub.

4 In accordance with GASB Statement No. 96 as described in *Note A.3.q, Nature of the Organization and Summary of Significant Accounting Policies*, the cumulative impact of adopting GASB Statement No. 96 has been incorporated as a restatement to the Port Authority's 2022 Statement of Revenues, Expenses and Changes in Net Position.

2024 Income from operations of \$1.0 billion increased \$97 million from 2023 primarily due to: **a**) increased activity-based revenues at Aviation and Marine terminals; **b**) increased rentals and aviation fees at aviation facilities; and, **c**) toll rate increases effective in January 2024. Partially offsetting these increases was an increase in operating expenses, including the actuarially determined OPEB expense due to changes in actuarial assumptions.

2023 Income from operations of \$911 million increased \$37 million from 2022 primarily due to a \$321 million year over year increase in the actuarially determined Pensions and OPEB expenses. Partially offsetting these decreases were revenue increases related to increased activity volumes across most Port Authority facilities, toll rate increases effective in January 2023, and additional rentals and aviation fees at aviation facilities.

Nonoperating Revenues and Expenses

A summary of nonoperating revenues and expenses follows:

	2024	2023	2022 (Restated)
	(In thousands)		
Financial income	\$ 164,336	\$ 136,290	\$ 55,000
Net increase/(decrease) in fair value of investments	81,259	133,083	(138,167)
Interest expense in connection with bonds and other asset financings, net ^{1,2}	(1,157,143)	(1,148,038)	(1,077,365)
Interest income, as lessor	158,610	155,290	140,978
Interest expense, as lessee	(211,305)	(213,973)	(220,654)
Loss on disposition of assets, including lease terminations	(160)	(2,281)	—
Pass-through grant program payments	(48,206)	(12,156)	—
Grants, in connection with operating activities	234,868	111,886	160,290
Nonoperating expenses, net	\$ (777,741)	\$ (839,899)	\$ (1,079,918)

1 Includes amounts related to Tower 4 Liberty Bonds debt service payments due the Port Authority from the WTC Tower 4 net lessee.

2 In accordance with GASB Statement No. 96 as described in Note A.3.q, *Nature of the Organization and Summary of Significant Accounting Policies*, 2022 Nonoperating Revenue and Expenses have been restated for comparison purposes.

2024 vs. 2023

Financial income, comprised of interest income and the net change in fair value of investments totaled \$246 million in 2024, a decrease of \$24 million, or 9% when compared to 2023. This decrease was primarily due to the recognition of unrealized losses related to decreases in the fair value of United States securities held in Port Authority investment accounts in 2024 due to the fluctuation of interest rates, partially offset by increased earnings from securities due to higher realized rates of return.

Interest expense in connection with bonds and other asset financings, net of \$1.2 billion, increased \$9 million, or 1% from 2023 primarily due to increased interest payments resulting from the issuance of additional consolidated bonds to fund capital construction. These increases were partially offset by decreased interest payments resulting from the refunding of certain consolidated bonds for purposes of achieving future debt service savings.

Interest income (as lessor) related to lease financings containing fixed rents due the Port Authority as lessor and subject to GASB Statement No. 87 of \$159 million remained constant when compared to 2023.

Interest expense (as lessee) primarily related to lease financings that are subject to GASB Statement No. 87, of \$211 million remained constant when compared to 2023.

Grants, in connection with operating activities of \$235 million increased \$123 million from 2023 primarily due to: **a**) an increase in the federal funding under the COVID-19 ARPA for eligible aviation expenses; and, **b**) an increase in federal funding from the United States Army Corps of Engineers for dredging at Port Newark. These increases were partially offset by a year-over-year decrease in FEMA funding for COVID-19 testing which reached its maximum obligation amount in 2023.

Pass-through grant program payments to sub-grantees of \$48 million increased \$36 million when compared to 2023 due to an increase in funding for ARPA rent relief to airport concessionaires and terminal operators.

Pass-through grant program payments are offset in their entirety by either a **Contribution in aid of construction** or a **Grant, in connection with an operating activity**.

2023 vs. 2022

Financial income, comprised of interest income and the net change in fair value of investments totaled \$269 million in 2023, an increase of \$353 million when compared to 2022. This increase was primarily due to the recognition of unrealized gains related to increases in the fair value of United States securities held in Port Authority investment accounts in 2023 due to the fluctuation of interest rates and increased earnings from securities due to higher realized rates of return.

Interest expense in connection with bonds and other asset financings, net of \$1.2 billion, increased \$71 million from 2022 primarily due to increased interest payments resulting from the issuance of additional consolidated bonds for purposes of funding capital construction at higher interest rates. These increases were partially offset by decreased interest payments resulting from the refunding of certain consolidated bonds for purposes of achieving debt service savings.

Interest income (as lessor) related to lease financings containing fixed rents due the Port Authority as lessor and subject to GASB Statement No. 87 totaled \$155 million in 2023, an increase of \$14 million when compared to 2022. This year over year increase was primarily due to new and modified non-regulated space leases at One WTC and EWR and JFK airports.

Interest expense (as lessee) primarily related to lease financings that are subject to GASB Statement No. 87, of \$214 million remained constant when compared to 2022.

Grants, in connection with operating activities of \$112 million decreased \$48 million from 2022 primarily due to a decrease in ARPA COVID-19 federal funding as a result of a decrease in eligible aviation operating expenses.

Pass-through grant program payments to sub-grantees of \$12 million increased \$12 million when compared to 2022 due to an increase in funding for Airport Coronavirus Response Grant Program (ACRGP) concessions funding for eligible airport concessionaires.

Pass-through grant program payments are offset in their entirety by either a **Contribution in aid of construction** or a **Grant, in connection with an operating activity**.

Capital Contributions and Passenger Facility Charges (PFCs)

A summary of Capital Contributions and PFCs follows:

	2024	2023	2022
(In thousands)			
Contributions in aid of construction	\$ 346,455	\$ 227,574	\$ 290,491
PFCs	\$ 292,998	\$ 309,123	\$ 274,414
Total	\$ 639,453	\$ 536,697	\$ 564,905

2024 vs. 2023

Contributions in aid of construction of \$346 million increased \$119 million from 2023 primarily due to: **a**) increases in capital contributions from the New York State Department of Transportation for certain roadway work at JFK Airport; **b**) increased federal funding of eligible expenses for FTA PATH Superstorm Sandy restoration and resiliency capital projects; **c**) increased federal funding from the Federal Aviation Administration (FAA) for runway rehabilitation at New York Stewart International Airport; and **d**) an increase in capital contributions from third parties related to the redevelopment of Terminal One at JFK Airport. These increases were partially offset by a year-to-year decrease in capital contributions related to the redevelopment of JFK Airport Terminals 6 and 7.

PFCs of \$293 million decreased \$16 million from 2023 due to a 2022 PFC revenue under accrual that was increased in 2023, partially offset by an increase in 2024 PFC collections due to a 1% increase in passenger activity.

2023 vs. 2022

Contributions in aid of construction of \$228 million decreased \$63 million from 2022 primarily due to lower capital spending on capital projects eligible for federal funding, including: **a**) decreased expenses in FTA PATH Superstorm Sandy restoration and resiliency capital projects; and, **b**) a decrease in capital contributions from terminal operators and developers related to the redevelopment of JFK Airport. These decreases were partially offset by increases in Airport Improvement Program (AIP) funding related to the reconstruction of certain runways at JFK and FTA funding related to flood mitigation and resiliency improvements at WTC.

PFCs of \$309 million increased \$35 million from 2022 due to a 13% increase in passenger activity compared to 2022. PFCs collections, in 2023 were 106% of pre-COVID-19 levels.

Capital Construction Activities

Port Authority capital investment, including capital investment funded with third-party capital contributions, accrued amounts related to capital construction activities and landlord leasehold improvements in LGA Terminal B totaled \$2.4 billion in 2024, \$1.9 billion in 2023 and \$1.9 billion in 2022.

A summary of capital investment by business segment follows:

	2024	2023	2022
(In millions)			
Aviation*	\$ 1,315	\$ 883	\$ 1,251
Tunnels, Bridges & Terminals	555	510	298
PATH**	357	380	257
WTC (including WTC Transportation Hub)	92	89	92
Port Department	77	52	30
Total	\$ 2,396	\$ 1,914	\$ 1,928

* Includes LGA Terminal B landlord leasehold capital investment of \$6 million in 2024, \$74 million in 2023, and \$164 million in 2022.

** Includes amounts related to the Hudson Tunnel Project, including capital investment amounts previously reported in the Gateway Early Work Program.

Capital Funding Sources 2024*

	(In thousands)	
Port Authority Consolidated Bond Reserve Funds**	\$ 944,197	42%
Consolidated bonds**	538,622	24%
Passenger Facility Charges	532,750	23%
Other contributions in aid of construction	245,457	11%
Total	\$ 2,261,026	

* Capital funding sources exclude accrued amounts in connection with capital construction activities.

** Includes funding for LGA Terminal B landlord leasehold capital investment.

Additional information related to capital investment in Port Authority facilities can be found in **Note B – Facilities, net, Schedule D-3 – Selected Statistical Financial Data by Business Segment**, and **Schedule F – Information on Capital Investment in Port Authority Facilities**.

Capital Financing and Debt Management

As of December 31, 2024, bonds and other asset financing obligations of the Port Authority, including \$1.2 billion associated with Tower 4 Liberty Bonds for which the Port Authority is a co-borrower/obligor totaled \$29.3 billion. For additional information related to bonds and other asset financing obligations of the Port Authority see **Note D – Outstanding Financing Obligations**.

During 2024, the Port Authority issued approximately \$2.0 billion of Consolidated Bonds, including \$198 million in premiums received at issuance. Of this amount, \$1.2 billion was utilized to refund outstanding Consolidated Bonds to achieve savings on future debt service payments, \$618 million was allocated for purposes of funding capital construction projects at Port Authority facilities and \$150 million was used to pay down lines of credit under the *Special Obligation Institutional Loan Program*.

During 2024, the Port Authority drew approximately \$24 million from its revolving lines of credit authorized under the *Special Obligation Institutional Loan Program* for purposes of funding capital construction projects.

Credit Ratings

Listed below is a summary of credit ratings assigned to outstanding debt obligations of the Port Authority as of December 31, 2024.

Debt Obligation	Standard & Poor's	Fitch Ratings	Moody's Ratings
Consolidated Bonds	AA-	AA-	Aa3

Note: No revisions were made to Port Authority credit ratings in 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) ...continued

Each rating reflects only the view of the ratings service issuing such rating and is not a recommendation by such ratings service to purchase, sell, or hold any maturity of Port Authority obligations or as to market price or suitability of any maturity of the obligations for a particular investor. An explanation of the significance of a rating may be obtained from the ratings service issuing such rating. There is no assurance that any rating will continue for any period of time or that it will not be revised or withdrawn. A revision or withdrawal of a rating may have an effect on market price. Additional information on Port Authority debt obligations can be found in *Note D – Outstanding Financing Obligations*.

Other Activities

TOLL AND FARE INCREASES

On December 12, 2024, the Port Authority's Board of Commissioners authorized certain adjustments to the schedule of tolls at Port Authority vehicular crossings (Revised Toll Schedule). The Revised Toll Schedule, effective January 5, 2025, includes an increase of \$0.25 to bridge and tunnel toll rates for all auto, motorcycles and truck classes, and additional annual increases of \$0.25 per year for the three-year period covering 2026-2028, beyond the automatic, inflation-based adjustments that were authorized in 2019. The Revised Toll Schedule preserves lower rates and discounts for E-ZPass® users and the Staten Island Bridges Plan. In addition, two added toll adjustments designed to incentivize non-E-ZPass® users to enroll in the E-ZPass® program and encourage the proper positioning of the E-ZPass® transponder will become effective on July 6, 2025, to help offset the higher processing and collection costs for vehicles not enrolled in the E-ZPass® payment program or whose transponder cannot be read. The toll rate for automobiles and motorcycles not enrolled in the E-ZPass® payment program will be raised to \$22.38. A new "mid-tier" rate of \$18.72 (a blend of the E-ZPass® and Tolls by Mail rates) would be established for all vehicles classes when an E-ZPass transponder cannot be read, and will be adjusted in the future as the Tolls by Mail and E-ZPass® rates are adjusted.

As cashless toll collection has commenced at all of the Port Authority vehicular crossings, automatic annual CPI inflation-based adjustments that were authorized in 2019 took effect in January 2024. As a result of the annual CPI inflation-based adjustments, the E-ZPass® and Toll by Mail toll rates across vehicle classes increased \$0.43 effective January 5, 2025. For additional information related to tolling rates, E-ZPass® discounts and designated user programs, please refer to the following link: <http://www.panynj.gov/bridges-tunnels/tolls.html>.

PATH fares are indexed to inflation, based on CPI, with increases occurring when the cumulative increase in CPI, as measured from the last fare increase, is applied to the single ride fare and results in an adjustment of at least \$0.25. For additional information related to PATH fares please refer to the following link: <http://www.panynj.gov/path/fares.html>.

CASHLESS TOLLING

Cashless toll collection is in effect at all of the Agency's bridges and tunnels. Implementation of cashless tolling provides the most efficient and reliable form of collection, reduces travel times, enhances safety, improves traffic flow and provides environmental benefits by limiting idling and reducing delays, as vehicles no longer have to stop at a toll plaza. Over time, implementation of cashless tolling may impact toll revenues previously collected in cash, by, among other things, shifting customers to E-ZPass® tags (which provide for toll discounts), and requiring additional collection efforts for customers that are billed by mail. The Port Authority is committed to increasing delinquent toll collection, together with related fees, and will closely monitor any changes in overall toll recovery at facilities with cashless tolling but does not expect the implementation of cashless tolling to have a material impact on Port Authority revenues.

AIRPORT USER FEES

The Port Authority recovers its costs to build, operate and maintain its three major commercial airports through various fees imposed upon the airlines which use the airports. These fees include some or all of the following: flight fees, which are imposed upon each departing aircraft for the use of Port Authority airport infrastructure, fuel fees which are charged for each gallon of fuel delivered into aircraft and ground access charges, including costs of the airtrains at JFK and Newark Airports. Charges are either assessed under formulations and methodologies embodied in contracts entered into by certain airlines (Flight Fee Agreements) or under a rates and charges tariff promulgated by the Port Authority at each airport for the non-signatory airlines. A series of Flight Fee Agreements and the corresponding tariff expired on December 31, 2023.

Effective January 1, 2024, newly executed Flight Fee Agreements and a new corresponding tariff are in effect through 2034. The new fee arrangements include revised formulations and methodologies that are estimated to provide for higher cost recovery (and therefore higher annual revenues) to the Port Authority than the fees and charges in effect through December 31, 2023.

2025 BUDGET

On December 12, 2024, the Board of Commissioners approved a 2025 budget that provides for capital and operating expenditures during calendar year 2024 totaling \$9.4 billion. To obtain a copy of the 2025 budget, please refer to the following link: <https://www.panynj.gov/corporate/en/financial-information/budget.html>.

The Port Authority of New York and New Jersey Retiree Health Benefit Trust Fiduciary Fund Financial Statements Comparison for the Years Ended December 31, 2024 and December 31, 2023

The year-to-year change in fiduciary net position is an indicator of whether the overall financial condition of The Port Authority of New York and New Jersey Retiree Health Benefit Trust (the Trust) has improved or worsened during the year. A comparison of the Port Authority's Fiduciary Net Position follows:

	2024	2023	2022
(In thousands)			
Financial position			
Total assets	\$ 1,839,969	\$ 1,673,451	\$ 1,508,099
Total liabilities	8,028	13,621	40,221
Net position, December 31	\$ 1,831,941	\$ 1,659,830	\$ 1,467,878

A comparison of the Port Authority's Fiduciary Fund Statements of Changes in Fiduciary Net Position follows:

	2024	2023	2022
(In thousands)			
Total contributions*	\$ 228,251	\$ 200,832	\$ —
Total net investment income/(loss)	172,212	211,782	(310,021)
Total deductions**	(228,352)	(220,662)	(189,787)
Increase/(decrease) in net position	172,111	191,952	(499,808)
Net position – January 1	1,659,830	1,467,878	1,967,686
Net position – December 31	\$ 1,831,941	\$ 1,659,830	\$ 1,467,878

* The Port Authority did not make advanced funding contributions to the Trust in 2022 - 2024. 2024 and 2023 contributions are comprised of OPEB benefit payments totaling \$228 million and \$201 million, respectively, made from available Port Authority operating funds.

** 2024 and 2023 amounts include OPEB benefit payments totaling \$228 million and \$201 million, respectively, paid from available Port Authority operating funds. 2022 OPEB benefits payments were paid in their entirety out of Trust funds.

2024 vs. 2023

Net position of the Trust totaled approximately \$1.8 billion at December 31, 2024, an increase of approximately \$172 million when compared to December 31, 2023. This year-to-year increase in the Trust's fiduciary net position was comprised of approximately: **a**) \$122 million of unrealized gains on Trust investments measured at December 31, 2024; and, **b**) \$52 million from interest and dividend income. These increases were offset by approximately \$2 million of investment expense.

Trust assets totaled approximately \$1.8 billion at December 31, 2024, an increase of approximately \$167 million from December 31, 2023. This increase in Trust assets is primarily due to a \$166 million increase in the fair value of Trust investments.

Trust liabilities totaled approximately \$8 million on December 31, 2024, a decrease of approximately \$6 million from December 31, 2023. This decrease in Trust liabilities is due to decreased payables to brokers for investment purchases.

Net investment income totaled approximately \$172 million in 2024, a decrease of approximately \$40 million from 2023, primarily due to lower unrealized gains on Trust investments. The money-weighted rate of return on the Trust investments was a gain of 10.38% in 2024 and a gain of 14.52% in 2023.

2023 vs. 2022

Net position of the Trust totaled approximately \$1.7 billion at December 31, 2023, an increase of approximately \$192 million when compared to December 31, 2022. This year-to-year increase in the Trust's fiduciary net position was comprised of approximately \$212 million in investment gains on Trust investments measured at December 31, 2023.

Trust assets totaled approximately \$1.7 billion at December 31, 2023, an increase of approximately \$165 million from December 31, 2022. This increase in Trust assets is primarily due to a \$275 million increase in the fair value of Trust investments, partially offset by a \$110 million decrease in cash and receivables.

Trust liabilities totaled approximately \$14 million on December 31, 2023, a decrease of approximately \$27 million from December 31, 2022. This decrease in Trust liabilities is due to decreased payables to brokers for investment purchases.

Steel topping out ceremony at JFK International Airport's Terminal 6.



The Port Authority of New York and New Jersey (Enterprise Fund)

STATEMENTS OF NET POSITION

	December 31, 2024	December 31, 2023
ASSETS	(In thousands)	
Current assets:		
Cash	\$ 136,497	\$ 170,410
Restricted cash	130,146	105,843
Investments	871,784	1,335,243
Restricted investments – PAICE	7,599	8,356
Restricted investments – PFC	6,432	5,315
Lease receivables, as lessor	212,683	213,573
Current receivables, net	1,398,129	1,251,921
Other current assets	155,787	170,063
Restricted receivables and other assets	90,150	119,741
Total current assets	3,009,207	3,380,465
Noncurrent assets:		
Restricted cash	4,316	4,452
Investments	4,775,264	3,636,589
Restricted investments – PAICE	184,889	119,603
Lease receivables, as lessor	4,431,666	4,625,190
Other amounts receivable, net	163,663	164,748
Other noncurrent assets	788,332	734,847
Restricted noncurrent assets – PAICE	5,066	4,785
Amounts receivable – Tower 4 Liberty Bonds	1,230,305	1,232,505
Lease assets	6,772,115	6,943,174
Unamortized costs for regional programs	4,967	8,429
Landlord leasehold investment – LGA Terminal B	1,088,018	1,147,922
Facilities, net	41,118,923	40,444,205
Total noncurrent assets	60,567,524	59,066,449
Total assets	63,576,731	62,446,914
DEFERRED OUTFLOWS OF RESOURCES		
Loss on debt refundings	44,927	51,578
Pension-related amounts	666,380	517,098
OPEB-related amounts	1,074,010	975,122
Total deferred outflows of resources	1,785,317	1,543,798
LIABILITIES		
Current liabilities:		
Accounts payable	1,227,135	929,749
Accrued interest and other current liabilities	913,181	803,950
Restricted other liabilities – PAICE	7,421	7,620
Accrued payroll and other employee benefits	213,493	203,106
Lease liabilities, as lessee	70,701	69,794
Current portion bonds and other asset financing obligations	585,921	565,986
Total current liabilities	3,017,852	2,580,205
Noncurrent liabilities:		
Accrued pension and other postemployment benefits	3,833,864	3,534,546
Other noncurrent liabilities	304,902	304,918
Restricted other noncurrent liabilities – PAICE	20,867	24,780
Amounts payable – Tower 4 Liberty Bonds	1,230,305	1,232,505
Lease liabilities, as lessee	6,264,912	6,354,949
Bonds and other asset financing obligations	27,484,776	27,573,527
Total noncurrent liabilities	39,139,626	39,025,225
Total liabilities	42,157,478	41,605,430
DEFERRED INFLOWS OF RESOURCES		
Gain on debt refundings	287,639	195,067
Pension-related amounts	267,044	70,838
OPEB-related amounts	34,305	110,034
Leases, as lessor	5,084,512	5,347,802
Total deferred inflows of resources	5,673,500	5,723,741
NET POSITION	\$ 17,531,070	\$ 16,661,541
Net position is comprised of:		
Net investment in capital assets	\$ 15,043,573	\$ 15,128,051
Restricted:		
Passenger Facility Charges	52,595	52,446
Port Authority Insurance Captive Entity, LLC	627,499	572,511
Minority Interest in Tower 1 Joint Venture	91,252	94,667
Unrestricted	1,716,151	813,866
NET POSITION	\$ 17,531,070	\$ 16,661,541

See Notes to Financial Statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Year ended December 31,	
	2024	2023
(In thousands)		
Gross operating revenues:		
Tolls and fares	\$ 2,168,395	\$ 2,070,662
Rentals	2,363,621	2,187,837
Aviation fees	1,719,025	1,606,056
Parking and other	530,812	549,780
Utilities	154,505	148,952
Total gross operating revenues	6,936,358	6,563,287
Operating expenses:		
Employee compensation, including benefits	1,995,896	1,801,019
Contract services	1,261,199	1,200,165
Rents and payments in-lieu-of taxes (PILOT)	114,028	84,878
Materials, equipment and other	387,283	446,055
Utilities	211,411	202,970
Total operating expenses before depreciation, amortization, and other operating expenses	3,969,817	3,735,087
Depreciation of facilities and landlord leasehold investment	(1,781,344)	(1,734,310)
Amortization of lease assets, as lessee	(173,918)	(176,755)
Amortization of costs for regional programs	(3,462)	(6,478)
Income from operations	1,007,817	910,657
Nonoperating revenues and (expenses):		
Financial income	164,336	136,290
Net increase in fair value of investments	81,259	133,083
Interest expense in connection with bonds and other asset financing	(1,189,660)	(1,180,570)
Interest income, as lessor	158,610	155,290
Interest expense, as lessee	(211,305)	(213,973)
Loss on disposition of assets, including lease terminations	(160)	(2,281)
Pass-through grant program payments	(48,206)	(12,156)
4 WTC associated payments	32,517	32,532
Grants, in connection with operating activities	234,868	111,886
Nonoperating expenses, net	(777,741)	(839,899)
Increase before capital contributions and passenger facility charges	230,076	70,758
Capital contributions and Passenger Facility Charges:		
Contributions in aid of construction	346,455	227,574
Passenger facility charges	292,998	309,123
Total capital contributions and passenger facility charges	639,453	536,697
Increase in net position	869,529	607,455
Net position, January 1	16,661,541	16,054,086
Net position, December 31	\$ 17,531,070	\$ 16,661,541

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2024	2023
(In thousands)		
1. Cash flows from operating activities:		
Cash received from operations	\$ 6,631,212	\$ 6,120,138
Cash paid to or on behalf of employees	(1,634,745)	(1,435,369)
Cash paid to suppliers	(1,710,026)	(1,727,765)
Cash paid to municipalities	(89,880)	(48,198)
Net cash provided by operating activities	3,196,561	2,908,806
Cash flows from noncapital financing activities:		
Grants received in connection with operating activities	160,289	105,038
Pass-through grant payments	(56,688)	(12,849)
Net cash provided by noncapital financing activities	103,601	92,189
Cash flows from capital and related financing activities:		
Proceeds from capital obligations issued for refunding purposes (including Special Obligation Institutional Loan Program)	1,383,692	2,317,790
Proceeds from sales of capital obligations allocated for construction	641,241	532,544
Proceeds from passenger facility charges	293,050	294,495
Contributions in aid of construction	281,191	245,198
Amortization of lease financings, as lessor	234,236	241,481
Interest received for lease financings, as lessor	106,016	102,075
Proceeds associated with Tower 4 Liberty Bonds	32,517	32,517
Financial income allocated to capital projects	2,230	7,342
Investment in facilities and construction of capital assets	(2,291,952)	(2,025,969)
Principal paid through capital obligation refundings (including commercial paper and Special Obligation Institutional Loan Program)	(1,383,692)	(2,317,790)
Principal paid on consolidated bonds and notes	(515,545)	(666,512)
Interest paid on consolidated bonds and notes	(1,166,215)	(1,086,579)
Principal paid on special obligations	(8,041)	(5,048)
Interest paid on special obligations	(118,313)	(164,160)
Interest and Principal on Hudson Tunnel Project Obligation	—	—
Debt issuance costs	(5,297)	(9,698)
Amortization of lease financings, as lessee	(91,989)	(87,627)
Interest paid for lease financings, as lessee	(211,641)	(207,160)
Interest paid for SBITA financings	(89)	(215)
Amortization of SBITA financings, as subscriber	(5,199)	(11,277)
Net cash (used for) capital and related financing activities	(2,823,800)	(2,808,593)
Cash flows from investing activities:		
Purchase of investment securities	(163,905,269)	(219,606,611)
Proceeds from maturity and sale of investment securities	163,255,589	219,212,852
Interest received on investment securities	152,442	112,514
Other interest income	11,130	28,299
Net cash (used for) investing activities	(486,108)	(252,946)
Net (decrease) in cash	(9,746)	(60,544)
Cash at beginning of year	280,705	341,249
Cash at end of year	\$ 270,959	\$ 280,705

See Notes to Financial Statements.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (ENTERPRISE FUND) ...continued

STATEMENTS OF CASH FLOWS ...continued

	Year ended December 31,	
	2024	2023
(In thousands)		
2. Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 1,007,817	\$ 910,657
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation of facilities and landlord leasehold investment	1,781,344	1,734,310
Amortization of costs for regional programs	3,462	6,478
Amortization of other assets	83,417	159,625
Amortization of lease assets	173,918	176,755
Amortization of deferred inflows of resources related to leases	(301,579)	(307,737)
Change in operating assets and operating liabilities:		
Increase in receivables	(5,628)	(204,725)
Increase in deferred charges and other assets	(34,765)	(35,437)
Increase in payables	7,637	3,234
Increase in other liabilities	119,786	99,997
Increase in accrued payroll, pension and other employee benefits	361,152	365,649
Total adjustments	2,188,744	1,998,149
Net cash provided by operating activities	\$ 3,196,561	\$ 2,908,806

3. Capital obligations:

Consolidated bonds and notes, Commercial Paper, Special Obligation Institutional Loan Program, Variable Rate Master Notes, Marine Ocean Terminal at Bayonne Peninsula (MOTBY) Obligation, World Trade Center (WTC) Tower 4 Liberty Bonds, Goethals Bridge Replacement Developer Financing Agreement and Hudson Tunnel Project (HTP) Support Obligation.

4. Noncash investing, capital, and financing activities:

Noncash activity includes the change in fair value of investments of \$81 million in 2024 and \$133 million in 2023 and the amortization of discount and premium on outstanding debt obligations of \$(91) million in 2024 and \$(92) million in 2023.

Noncash leasing activities include additions of: **a**) lease receivables of \$40 million and \$508 million in 2024 and 2023, respectively; **b**) deferred inflows of \$38 million and \$497 million in 2024 and 2023, respectively; and, **c**) lease assets and lease liabilities of \$3 million and \$15 million in 2024 and 2023, respectively.

Noncash SBITA activities include additions of subscription assets and subscription liabilities of \$2 million in 2024 and \$0 in 2023.

Noncash capital financing includes the addition of \$5 million related to the HTP Support Obligations in 2024.

Noncash capital financing did not include activities that required a change in fair value. In 2024 the WTC Tower net lessee did not make any contributions towards construction of WTC Tower 3. In 2023, the WTC Tower net lessee contributed \$2 million.

Noncash capital asset write-offs totaled \$22 million in 2024 and \$90 million in 2023.

See Notes to Financial Statements.

The Port Authority of New York and New Jersey Retiree Health Benefits Trust (Fiduciary Fund)

STATEMENTS OF FIDUCIARY NET POSITION

	December 31, 2024	December 31, 2023
(In thousands)		
ASSETS		
Cash and cash equivalents	\$ 21,345	\$ 23,453
Receivables:		
Due from broker for investments sold	2,587	844
Investment income	5,600	4,385
Total receivables	8,187	5,229
Investments, at fair value:		
Domestic equities	643,058	597,312
Fixed income	685,500	580,004
International equities	368,814	368,473
Real estate	113,065	98,980
Total investments	1,810,437	1,644,769
Total assets	1,839,969	1,673,451
LIABILITIES		
Payables:		
Due to broker for investments purchased	8,028	13,621
Total liabilities	8,028	13,621
Net position restricted for other postemployment benefits	\$ 1,831,941	\$ 1,659,830

See Notes to Financial Statements.

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

	Year ended December 31, 2024	2023
(In thousands)		
Additions:		
Employer contributions*	\$ 228,251	\$ 200,832
Investment income:		
Net increase in fair value of investments	122,200	165,668
Interest and dividends	52,057	47,887
(Less) investment expense	(2,045)	(1,773)
Net investment income	172,212	211,782
Total additions	400,463	412,614
Deductions:		
Benefit payments**	228,251	220,561
Administrative expense	101	101
Total deductions	228,352	220,662
Net increase in net position	172,111	191,952
Net position restricted for other postemployment benefits:		
Beginning of year	\$ 1,659,830	\$ 1,467,878
End of year	\$ 1,831,941	\$ 1,659,830

* The Port Authority did not make advanced funding contributions to the Trust in 2024 and 2023. 2024 and 2023 contributions are comprised of other postemployment benefits (OPEB) benefit payments totaling \$228 million and \$201 million, respectively, made from available Port Authority operating funds.

** 2024 and 2023 amounts include OPEB benefit payments totaling \$228 million and \$201 million paid from available Port Authority operating funds.

See Notes to Financial Statements.

Note A – Nature of the Organization and Summary of Significant Accounting Policies

1. Reporting Entity

- a.** The Port Authority of New York and New Jersey (the Port Authority) was created in 1921 by Compact between the States of New York and New Jersey with the consent of the United States Congress. The Compact envisions the Port Authority as being financially self-sustaining. As such, the agency must raise the funds necessary for the improvement, construction, or acquisition of its facilities and their operation generally upon the basis of its own credit. Cash derived from Port Authority operations and other cash received may be disbursed only for specific purposes in accordance with provisions of various statutes and agreements with holders of its obligations and others. The costs of providing facilities and services to the general public on a continuing basis are recovered primarily from operating revenue sources, including rentals, tolls, fares, aviation and port fees, and other charges.
- b.** The Governor of each State, with the consent of the respective State Senate, appoints six of the twelve members of the governing Board of Commissioners. The Commissioners serve without remuneration for six-year overlapping terms. Meetings of the Commissioners of the Port Authority are open to the public in accordance with policies adopted by the Commissioners. The actions taken by the Commissioners at Port Authority meetings are subject to gubernatorial review and may be vetoed by the Governor of their respective State. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *“The Financial Reporting Entity,”* as amended, for financial reporting purposes, the Port Authority is a joint venture between the States of New York and New Jersey.
- c.** The Audit Committee, which consists of four members of the Board of Commissioners other than the Chairman and Vice Chairman of the Port Authority, provides oversight of the quality and integrity of the Port Authority’s framework of internal controls, compliance systems and the accounting, auditing, and financial reporting processes. The Audit Committee retains independent auditors and reviews their performance and independence. The independent auditors are required to provide written disclosure of, and discuss with the Audit Committee, any significant relationships or issues that would have a bearing on their independence. The Audit Committee meets directly, on a regular basis, with the independent auditors, general counsel of the Port Authority, and management of the Port Authority. The Audit Committee retained KPMG LLP to perform the independent audit of the Port Authority’s financial statements and Mitchell Titus, LLP to perform the independent audit of the Port Authority of New York and New Jersey Retiree Health Benefits Trust financial statements for the year ended December 31, 2024.
- d.** Enterprise fund financial statements and schedules include the accounts of the Port Authority and its blended component units, including:

Port Authority Blended Component Units*	Establishment or Acquisition Date
Port Authority Trans-Hudson Corporation	May 10, 1962
Newark Legal and Communications Center Urban Renewal Corporation	May 12, 1988
New York and New Jersey Railroad Corporation (inactive)	April 30, 1998
WTC Retail LLC	November 20, 2003
Port District Capital Projects LLC, (inactive)	July 28, 2005
Tower 5 LLC (formerly known as 1 WTC LLC)	September 21, 2006
Port Authority Insurance Captive Entity, LLC	October 16, 2006
New York New Jersey Rail, LLC	September 18, 2008
Tower 1 Member LLC	April 19, 2011
Tower 1 Joint Venture LLC	April 19, 2011
Tower 1 Holdings LLC	April 19, 2011
WTC Tower 1 LLC	April 19, 2011
PA Retail Newco LLC	May 7, 2012
Tower 1 Rooftop Holdings LLC	June 8, 2012

* The blended component units listed are included as part of the Port Authority’s reporting entity because: **a)** the Port Authority’s Board of Commissioners serves as the overall governing body of these related entities; and, **b)** there is a fiscal dependency and a financial benefit or burden relationship between the Port Authority and the respective component unit listed.

e. The Port Authority of New York and New Jersey Retiree Health Benefits Trust (the Trust) was established on December 14, 2006 by the Port Authority on behalf of itself and its component unit, Port Authority Trans-Hudson Corporation (PATH) for the exclusive benefit of eligible retired employees of the Port Authority and PATH and eligible dependents of such retired employees to facilitate all or part of the required funding of certain postemployment benefits, including group healthcare, dental, vision, prescription and term life insurance that are provided through healthcare plans administered by the Port Authority. The Trust was created under the common law of the State of New York, and all income derived is excludable from gross income pursuant to Section 115 of the Internal Revenue Code of 1986, as amended. The Port Authority's Board of Commissioners serves as the board of directors of the Trust. In accordance with GASB Statement No. 84, "Fiduciary Activities," the Trust is a fiduciary component unit of the Port Authority.

Audited financial statements of the Trust for the year ended December 31, 2024 are available from the Comptroller's Department of The Port Authority of New York and New Jersey, 2 Montgomery Street, Jersey City, New Jersey 07302.

2. Basis of Accounting

- a.** Port Authority business-type activities are accounted for using the flow of economic resources measurement focus and accrual basis of accounting. All assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, including revenues and expenses, are accounted for in an enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred.
- b.** Port Authority fiduciary activities are accounted for using the flow of economic resources measurement focus and accrual basis of accounting. Assets, liabilities and net position are accounted for in a fiduciary fund with investments reported at fair value, advance fundings reported when paid and contributions related to pay-as-you go benefit payments reported when benefit payments come due.
- c.** The Port Authority follows accounting principles generally accepted in the United States of America as prescribed by the GASB.

3. Significant Accounting Policies

- a.** *Facilities, net* are carried at cost. Generally, projects in excess of \$100,000 for additions, asset replacements, and/or asset improvements that benefit future periods or are expected to prolong the service life of the asset are capitalized (see Note B – *Facilities, net*). *Facilities, net* does not include regional programs undertaken at the request of the Governor of the State of New Jersey or the Governor of the State of New York (see Note H – *Regional Facilities and Programs*) and the LaGuardia Terminal B landlord leasehold investment.

Prior to 2021, the cost of facilities included interest incurred during the period that related to the construction or production of the capital asset. The amount of capitalized interest was calculated by offsetting interest expense incurred with financial income earned on invested debt proceeds, from the date of the borrowing until the project is ready for its intended use. In accordance with GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period," effective January 1, 2021 the Port Authority prospectively discontinued the capitalization of interest expense incurred during the construction period.

- b.** Depreciation of facilities is computed using the straight-line method during the estimated useful lives of the related assets (see Note B – *Facilities, net*). Estimated useful lives are reviewed periodically for each type of asset class. Asset lives used in the calculation of depreciation are generally as follows:

> Buildings, bridges, tunnels, and other structures	25 to 100 years
> Machinery and equipment	5 to 35 years
> Runways, roadways, and other paving	7 to 40 years
> Utility infrastructure	10 to 100 years

Assets at facilities leased by the Port Authority are depreciated over the lesser of: **i**) the remaining lease term of the facility; or, **ii**) the estimated useful life of the asset.

Costs of regional facilities and programs are amortized on a straight-line basis over the period benefited up to a maximum of 15 years (see Note H – *Regional Facilities and Programs*).

The LaGuardia Airport Terminal B leasehold investment is amortized on a straight-line basis over the period benefited up to a maximum of 36 years.

Costs related to the purchase of ancillary equipment, including: **i**) operation and maintenance vehicles; and, **ii**) corporate information technology software and hardware, each providing benefits for periods exceeding one year, are reported as a component of *Other noncurrent assets* and amortized over the period benefited, generally 3 to 15 years, depending on the useful life of the equipment or vehicle.

- c.** Cash consists of cash on hand and short-term cash equivalents. Cash equivalents are made up of negotiable order of withdrawal accounts, money market accounts and money market funds.

d. Restricted cash and investments are primarily comprised of Passenger Facility Charges (PFCs), cash restricted for use by the Port Authority Insurance Captive Entity, LLC (PAICE), and insurance proceeds that are restricted to business interruption and redevelopment expenditures.

e. Enterprise fund net position is comprised of:

- > *Net investment in capital assets*, which consists of capital assets, net of accumulated depreciation, less the outstanding balances related to payables, bonds, notes, or other liabilities that are attributable to the acquisition, construction, or improvement of those assets.
- > *Restricted*, which consists of net resources that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Port Authority's policy to use restricted resources first.
- > *Unrestricted*, which consists of net resources that do not meet the definition of Restricted or Net investment in capital assets.

f. Statutorily mandated reserves held by PAICE are restricted for purposes of insuring certain Port Authority risk exposures.

g. Inventories are valued using an average cost method, which prices items on the basis of the average cost of all similar goods remaining in stock. Inventory is reported as a component of *Other noncurrent assets* on the Statements of Net Position.

h. Operating revenues are derived principally from rentals, tolls, fares, aviation and port fees, and other charges for the use of, and privileges at, Port Authority facilities. Operating expenses include those costs incurred for the operation, maintenance, and security of Port Authority facilities. All other revenues, including financial income, PFCs, contributions in aid of construction, grants in connection with operating activities, insurance proceeds and gains resulting from the disposition of assets, if any, are reported as nonoperating revenues, and all other expenses, such as interest expense, losses resulting from the disposition of assets, and pass-through grant program payment costs are reported as nonoperating expenses.

i. Amounts attributable to the collection and investment of PFCs are restricted and can only be used for Federal Aviation Administration (FAA) approved airport-related projects. Revenues derived from the collection of PFCs, net of the air carriers' handling charges, are recognized as capital contributions when the passenger activity occurs and the fees are due from the air carriers. Capital investment funded by PFCs is reflected as a component of *Facilities, net* and *Landlord Leasehold Investment-LGA Terminal B*.

j. Required capital contributions due the Port Authority from the World Trade Center (WTC) Tower 2, 3 and 4 net lessees related to the replacement of the net leased premises owned by the Port Authority that were destroyed on September 11, 2001 are recognized as a component of *Facilities, net* on the Statements of Net Position and a *Contributions in aid of construction* on the Statements of Revenues, Expenses and Changes in Net Position as the construction occurs. WTC Tower 4 and WTC Tower 3 were placed into service in November 2014 and June 2018, respectively, and are being depreciated over their estimated useful life.

k. All Port Authority investment values that are affected by interest rate changes have been reported at their fair value, using published market prices. The Port Authority uses a variety of financial instruments to assist in the management of its financing and investment objectives and may also employ hedging strategies to minimize interest rate risk. The Port Authority may enter into various derivative instruments, including options on United States Treasury securities, repurchase and reverse repurchase (yield maintenance) agreements and United States Treasury and municipal bond futures contracts (see Note C – *Cash and Investments*).

l. In accordance with GASB Statement No. 23, "Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities," as amended, when issuing new debt for refunding purposes, the difference between the reacquisition price and the net carrying amount of the refunded debt is recognized as either a deferred outflow of resources or deferred inflow of resources and amortized on a straight-line basis as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

m. Bond premiums received or discounts provided at issuance are deferred and amortized on a straight-line basis as a component of interest expense over the term of the bond, as this approximates the effective interest of the bond issuance. Unamortized premiums received or discounts provided are classified as a reduction of (discounts) or an addition to (premiums) the par value of the *Bonds and other asset financing obligations* on the Statements of Net Position.

n. The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management, where necessary, to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Such estimates and assumptions are subject to various uncertainties, the occurrence of which may cause differences between those estimates and assumptions and actual results.

o. For presentation purposes, certain amounts in fiscal year 2023 financial statements have been reclassified to conform to fiscal year 2024 financial statements, presented herein. These reclassifications have no impact on total assets, liabilities, net position or cash flows.

p. In 2022, the Port Authority adopted GASB Statement No. 87, “Leases” (GASB Statement No. 87). The objective of GASB Statement No. 87 is to better meet the informational needs of financial statement users by improving accounting and financial reporting for leases entered into by government entities.

The adoption of GASB Statement No. 87 resulted in the Port Authority classifying certain lease agreements containing “fixed” lease payments as financing arrangements for the right to use a third party’s asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset (herein referred to as lease asset) and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Receivables and liabilities related to lease agreements subject to GASB Statement No. 87 are measured at the present value of fixed lease payments expected to be made or received during the lease term. For leases that were in place at adoption (January 1, 2021), fixed lease payments were measured over the remaining lease term. Discount rates utilized in the valuation of lease agreements subject to GASB Statement No. 87 are based on the Port Authority’s incremental cost of borrowing at the time of valuation. Lease assets and deferred inflows of resources related to leases are amortized on a straight-line basis over the remaining lease term.

In accordance with GASB Statement No. 87, certain lease agreements are excluded from the measurement of the lease receivable or liability, including regulated lease agreements (lessor exclusion only) at Port Authority aviation and marine terminal facilities, lease agreements with variable lease payments that are activity based, lease agreements with lease terms of less than twelve months and leases that transfer ownership of the underlying asset. For additional information related to leasing activities see *Note G – Leasing Activities and Subscription-Based Technology Arrangements*.

q. In 2023, the Port Authority adopted GASB Statement No. 96, “Subscription-Based Information Technology Arrangements” (SBITAs) (GASB Statement No. 96). The objective of GASB Statement No. 96 is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements.

The adoption of GASB Statement No. 96 resulted in the Port Authority classifying certain subscription information technology arrangements containing “fixed” payments as financing arrangements for the right to use a third party’s technological asset. Under this statement, a user is required to recognize a subscription liability and an intangible right-to-use asset (herein referred to as subscription asset). Liabilities related to subscription arrangements subject to GASB Statement No. 96 are measured at the present value of fixed subscription payments expected to be made during the subscription term. For subscriptions in place at the time of adoption (January 1, 2022), fixed subscription payments were measured over the remaining lease term. Discount rates utilized in the valuation of lease agreements subject to GASB Statement No. 96 are based on the Port Authority’s incremental cost of borrowing at the time of valuation.

In accordance with GASB Statement No. 96, “Subscription-Based Information Technology Arrangements” (GASB Statement No. 96) with terms less than twelve months are excluded from the measurement of the subscription liability. For additional information related to leasing activities see *Note G - Leasing Activities and Subscription-Based Information Technology Arrangements*.

r. In April 2022, GASB issued Statement No. 99, “Omnibus 2022.” The statement includes clarification of Statement No. 87 “Leases,” and Statement No. 96, “Subscription-Based Information Technology Arrangements.” The Port Authority implemented the provisions of this statement during its adoption of GASB Statements No. 87 and 96.

s. In 2024, the Port Authority adopted GASB Statement No. 100, “Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62”. The objective of GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The adoption of GASB Statement No. 100 had no material impact on the Port Authority’s 2024 financial statements.

t. In 2024, the Port Authority adopted GASB issued Statement No. 101, “Compensated Absences.” The objective of GASB Statement No. 101 is to modify guidance on the accounting and financial reporting for compensated absences. The adoption of GASB Statement No. 101 had no material impact on the Port Authority’s 2024 financial statements.

u. In December 2023, GASB issued Statement No. 102, “Certain Risk Disclosures.” The requirements of GASB Statement No. 102 are effective for financial statements with periods beginning after June 15, 2024. The objective of GASB Statement No. 102 is to provide users of government financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The Port Authority is in the process of evaluating the impact, if any, of adopting GASB Statement No. 102.

v. In April 2024, GASB issued Statement No. 103, “Financial Reporting Model Improvements.” The requirements of GASB Statement No. 103 are effective for financial statements with periods beginning after June 15, 2025. The objective of GASB Statement No. 103 is to improve key components of the financial reporting model. The Port Authority is in the process of evaluating the impact, if any, of adopting GASB Statement No. 103.

w. In September 2024, GASB issued Statement No. 104, “Disclosure of Certain Capital Assets.” The requirements of GASB Statement No. 104 are effective for financial statements with periods beginning after June 15, 2025. The objective of GASB Statement No. 104 is to provide users of government financial statements with essential information about certain types of capital assets. The Port Authority is in the process of evaluating the impact, if any, of adopting GASB Statement No. 104.

4. Reconciliation of the Financial Statements Prepared in Accordance with Accounting Principles Generally Accepted in the United States of America to Schedules Prepared Pursuant to Port Authority Bond Resolutions

Schedules A, B, C and D-2 which follow the Required Supplementary Information section of this report, have been prepared in accordance with Port Authority bond resolutions, which differ in some respects from accounting principles that are generally accepted in the United States of America, as follows:

- a.** Revenues and expenses of facilities are accounted for in the operating fund. The financial resources received and expended for the construction or acquisition of certified Port Authority facilities or capital infrastructure improvements are accounted for in the capital fund. Transactions involving the application of net revenues are accounted for in the reserve funds.
- b.** Port Authority bond resolutions provide that net operating revenues shall not include an allowance for depreciation on facilities other than depreciation of ancillary equipment. Thus, depreciation is not a significant factor in determining the net revenues and reserves of the Port Authority or their application as provided for in the Port Authority's bond resolutions. Instead, capital expenditures are provided for through deductions from net revenues available for debt service in amounts equal to principal payments on debt outstanding or through the application of monies previously deposited in the Consolidated Bond Reserve Fund for the purposes of funding capital investment in facilities. These amounts are credited at par to *Net Position – Facility infrastructure investment* in the capital fund on *Schedule B – Assets and Liabilities*.
- c.** Debt service in connection with operating asset obligations is paid from the same revenues and in the same manner as operating expenses of the Port Authority.
- d.** Capital costs for Regional Facilities and Programs are included in *Invested in facilities* in accordance with Port Authority bond resolutions.
- e.** Consolidated Bonds and Consolidated Notes are recorded as outstanding at their par value commencing on the date that the Port Authority is contractually obligated to issue and sell such obligations. Bond premiums received or discounts provided at issuance related to bonds issued for the purpose of funding capital construction or refunding existing capital debt obligations are recorded as either a reduction of (discount) or addition to (premium) *Net Position – Facility infrastructure investment* in the capital fund on *Schedule B – Assets and Liabilities* at the time of issuance.
- f.** To reflect the cumulative amount invested by the Port Authority since 1921 in connection with its facilities, the historical cost of capital assets removed from service due to retirement is not deducted from *Invested in facilities*. However, if a capital asset is sold, the proceeds received from the sale are deposited in the capital fund for purposes of funding future capital investment or retiring existing debt obligations and deducted from cumulative *Invested in facilities* on *Schedule B – Assets and Liabilities* at the time of the sale.
- g.** Contributed capital amounts resulting from non-exchange transactions, including contributions in aid of construction where the Port Authority does not receive a cash reimbursement for prior cash outlays, are included in *Invested in facilities*, and credited to *Net Position – Facility infrastructure investment* in the capital fund.
- h.** Amounts attributable to the collection and investment of PFCs are restricted and can only be used for FAA approved airport-related projects. Revenues derived from the collection and investment of PFCs, net of the air carriers' handling charges, are initially deferred as *Unapplied Passenger Facility Charges* on *Schedule B – Assets and Liabilities* and applied as revenue on *Schedule A – Revenues and Reserves* for the reimbursement of previous capital cash outlays by the Port Authority when the PFCs become available for application. Capital investment funded by PFCs is reflected as a component of *Invested in facilities* on *Schedule B – Assets and Liabilities*.
- i.** Amounts received in connection with the March 18, 2014 transfer of the Port Authority's interests in the WTC Retail Joint Venture to Westfield are recognized as revenue in their entirety when they are received and are recorded on that basis on *Schedule A – Revenues and Reserves*.
- j.** The cumulative impact of adopting GASB Statement No. 68, "Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions" was recognized as an increase or decrease to the operating fund's net position in the year of adoption and is being amortized as an application from the Consolidated Bond Reserve Fund over a closed 30-year period.
- k.** In accordance with Port Authority bond resolutions, operating expenses provide for contingencies related to the application of future operating and maintenance expenses.
- l.** In accordance with Port Authority bond resolutions, rental income received and rent paid related to leases, including leases that contain fixed-rent payments and subject to GASB Statement No. 87 are recognized as rental revenue or rent expense in accordance with the rental terms contained in their respective lease agreements.
- m.** Rent payments paid or received in advance are deferred and reported *Other current assets* or *Other current* or *Other noncurrent liabilities*, respectively. Advance payments are amortized on a straight-line basis over the term of the lease agreement.
- n.** Payments for SBITAs, including SBITAs that contain fixed-rent payments and subject to GASB Statement No. 96 are recognized in accordance with the subscription terms contained in their respective subscription agreements.

NOTES TO FINANCIAL STATEMENTS ...continued

A reconciliation of the *Statements of Net Position* to *Schedule B – Assets and Liabilities* and the *Statements of Revenues, Expenses, and Changes in Net Position* to *Schedule A – Revenues and Reserves* follows:

STATEMENTS OF NET POSITION TO SCHEDULE B – ASSETS AND LIABILITIES

	Years ended December 31,	
	2024	2023
	(In thousands)	
Net position reported on <i>Statements of Net Position</i> (pursuant to U.S. GAAP)	\$ 17,531,070	\$ 16,661,541
Add: U.S. GAAP only liabilities and deferred inflows of resources		
Accumulated depreciation of facilities and landlord leasehold investment	25,056,270	23,712,444
GASB Statement No. 87 lease liabilities	6,335,613	6,424,743
GASB Statement No. 96 SBITA liabilities	1,567	4,438
GASB Statement No. 87 deferred inflows of resources, leases	5,084,512	5,347,802
Accumulated retirements and gains and losses on disposition of assets	4,903,102	4,465,584
Cumulative unamortized discount and premium	2,058,561	1,950,793
Cumulative amortization of costs for regional programs	1,531,392	1,527,930
GASB Statement No. 87 lease interest payable	21,915	22,252
Less: U.S. GAAP only assets		
GASB Statement No. 87 lease assets	(6,772,115)	(6,943,174)
GASB Statement No. 96 SBITA assets	(6,519)	(12,188)
GASB Statement No. 87 lease receivables	(4,644,349)	(4,838,763)
GASB Statement No. 87 lease interest receivable	(217,874)	(165,281)
Total U.S. GAAP adjustments	33,352,075	31,496,580
Add: Bond Resolution only assets		
Prepaid rent payments and deferred rent receivables*	1,029,536	1,043,632
Application of WTC joint venture payments	16,968	16,968
Less: Bond Resolution only liabilities		
Deferred income PFCs	(52,595)	(52,446)
Operating and maintenance contingencies	(50,000)	(50,000)
Total Bond Resolution adjustments	943,909	958,154
Total	\$ 51,827,054	\$ 49,116,275
Net position reported on <i>Schedule B – Assets and Liabilities</i> (pursuant to Port Authority bond resolutions)	\$ 51,827,054	\$ 49,116,275

* Related to lease agreements that are subject to GASB Statement No. 87.

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
TO SCHEDULE A – REVENUES AND RESERVES**

	Years ended December 31,	
	2024	2023
(in thousands)		
Increase in Net position reported on <i>Statements of Revenues, Expenses, and Changes in Net Position</i> (pursuant to U.S. GAAP)	\$ 869,529	\$ 607,455
Less: U.S. GAAP only revenues		
PFC Collections and interest income/fair value adjustment	(293,001)	(309,319)
GASB Statement No. 87 amortization of leases, as lessor	(301,579)	(307,737)
GASB Statement No. 87 interest income, as lessor	(158,610)	(155,290)
Amortization of discount and premium	(90,816)	(91,834)
4 WTC Liberty Bond interest payments	(32,517)	(32,532)
WTC 2,3,4 Net Lessee capital contributions	—	(1,893)
Add: U.S. GAAP only expenses		
Depreciation of facilities and landlord leasehold investment	1,781,344	1,734,310
GASB Statement No. 87 amortization of leases, as lessee	173,918	176,755
GASB Statement No. 96 amortization of SBITAs	7,998	7,759
GASB Statement No. 87 interest expense, as lessee	211,305	213,973
GASB Statement No. 96, SBITA interest expense	89	215
Amortization of costs for regional programs	3,462	6,478
Loss on disposition of assets, including leases	160	2,281
Total U.S. GAAP adjustments	1,301,753	1,243,166
Add: Bond Resolution only increases in reserves		
Fixed rentals received from lessees*	377,274	369,509
Application of PFCs	293,050	488,053
4 WTC Liberty Bond principal and interest payments	34,717	34,732
Less: Bond Resolution only decreases in reserves		
Direct investment in facilities	(1,722,404)	(943,156)
Fixed lease payments paid to lessors*	(356,442)	(360,750)
SBITA payments*	(5,288)	(11,492)
Debt maturities and retirements	(522,414)	(483,964)
Change in accounting principle – Pensions / OPEB	(25,773)	(24,086)
Total Bond Resolution adjustments	(1,927,280)	(931,154)
Total	\$ 244,002	\$ 919,467
Increase in Reserves reported on <i>Schedule A – Revenues and Reserves</i> (pursuant to Port Authority bond resolutions)	\$ 244,002	\$ 919,467

* Related to lease agreements that are subject to GASB Statement No. 87 and SBITAs that are subject to GASB Statement No. 96.

Note B – Facilities, net

	Facilities, net Dec. 31, 2023	Additions	Transfers to Completed Construction	Depreciation**	Retirements/ Dispositions	Facilities, net Dec. 31, 2024
(In thousands)						
Capital assets not being depreciated:						
Land	\$ 1,543,194	\$ —	\$ 7,789	\$ —	\$ —	\$ 1,550,983
Construction in progress*	3,987,579	2,389,848	(1,295,511)	—	—	5,081,916
Total capital assets not being depreciated	5,530,773	2,389,848	(1,287,722)	—	—	6,632,899
Depreciable capital assets:						
Buildings, bridges, tunnels, other structures	26,781,383	—	569,427	—	(87,764)	27,263,046
Machinery and equipment	14,111,295	—	443,217	—	(127,454)	14,427,058
Runways, roadways, and other paving	8,409,737	—	120,609	—	(157,027)	8,373,319
Utility infrastructure	9,112,982	—	154,469	—	(65,273)	9,202,178
Total other capital assets being depreciated	58,415,397	—	1,287,722	—	(437,518)	59,265,601
Accumulated depreciation:						
Buildings, bridges, tunnels, other structures	(7,867,677)	—	—	(630,265)	87,764	(8,410,178)
Machinery and equipment	(6,999,033)	—	—	(480,068)	127,454	(7,351,647)
Runways, roadways, and other paving	(4,438,083)	—	—	(259,518)	157,027	(4,540,574)
Utility infrastructure	(4,197,172)	—	—	(345,279)	65,273	(4,477,178)
Total accumulated depreciation	(23,501,965)	—	—	(1,715,130)	437,518	(24,779,577)
Facilities, net	\$ 40,444,205	\$ 2,389,848	\$ —	\$ (1,715,130)	\$ —	\$ 41,118,923
	Facilities, net Dec. 31, 2022	Additions	Transfers to Completed Construction	Depreciation**	Retirements/ Dispositions	Facilities, net Dec. 31, 2023
(In thousands)						
Capital assets not being depreciated:						
Land	\$ 1,542,429	\$ —	\$ 765	\$ —	\$ —	\$ 1,543,194
Construction in progress*	5,203,504	1,840,084	(3,056,009)	—	—	3,987,579
Total capital assets not being depreciated	6,745,933	1,840,084	(3,055,244)	—	—	5,530,773
Depreciable capital assets:						
Buildings, bridges, tunnels, other structures	25,260,972	—	1,540,364	—	(19,953)	26,781,383
Machinery and equipment	13,361,972	—	849,302	—	(99,979)	14,111,295
Runways, roadways, and other paving	8,228,625	—	193,758	—	(12,646)	8,409,737
Utility infrastructure	8,657,797	—	471,820	—	(16,635)	9,112,982
Total other capital assets being depreciated	55,509,366	—	3,055,244	—	(149,213)	58,415,397
Accumulated depreciation:						
Buildings, bridges, tunnels, other structures	(7,279,902)	—	—	(607,728)	19,953	(7,867,677)
Machinery and equipment	(6,637,369)	—	—	(461,643)	99,979	(6,999,033)
Runways, roadways, and other paving	(4,187,962)	—	—	(262,767)	12,646	(4,438,083)
Utility infrastructure	(3,873,293)	—	—	(340,514)	16,635	(4,197,172)
Total accumulated depreciation	(21,978,526)	—	—	(1,672,652)	149,213	(23,501,965)
Facilities, net	\$ 40,276,773	\$ 1,840,084	\$ —	\$ (1,672,652)	\$ —	\$ 40,444,205

* Additions to construction in progress include deductions related to capital write-offs totaling approximately \$22 million in 2024 and \$90 million in 2023.

** Excludes depreciation related to LaGuardia Terminal B landlord leasehold investment of approximately \$66 million in 2024 and \$62 million in 2023.

Notes:

1. Projects that have been suspended pending determination of their continued viability totaled approximately \$181 million in 2024 and \$137 million in 2023.
2. Depreciation includes accelerated depreciation of approximately \$28 million in 2024 and \$268 thousand in 2023 related to capital assets that were retired and taken out of service.
3. Retirements/Dispositions include the book value, if any, related to capital assets that have been sold or otherwise disposed.

Note C – Cash and Investments

The components of Port Authority and PAICE cash and investments are:

Cash	December 31,				
	2024		2023		
	Port Authority	PAICE	Total	Total	
(In thousands)					
Cash	\$ 182,618	\$ 20,579	\$ 203,197	\$ 185,946	
Cash equivalents	38,723	29,039	67,762	94,759	
Total cash	221,341	49,618	270,959	280,705	
Less restricted cash	84,844	49,618	134,462	110,295	
Unrestricted cash	\$ 136,497	\$ —	\$ 136,497	\$ 170,410	

Investments, at fair value*	December 31,				
	2024		2023		
	Fair Value Hierarchy Levels**	Port Authority [†]	PAICE	Total	Total
(In thousands)					
United States Treasury notes	Level 1	\$ 4,846,141	\$ 83,208	\$ 4,929,349	\$ 3,941,826
United States Treasury obligations held pursuant to repurchase agreements***	—	538,686	—	538,686	910,565
United States Treasury bills	Level 1	129,423	—	129,423	86,042
United States government agency obligations	Level 2	100,000	—	100,000	69,960
Municipal bonds	Level 2	4,785	40,640	45,425	5,393
Corporate bonds	Level 2	—	31,129	31,129	29,946
Mortgage-backed securities	Level 2	—	29,999	29,999	18,609
Asset-backed securities	Level 2	—	5,961	5,961	17,601
Accrued interest receivable		34,445	1,551	35,996	25,164
Total investments		5,653,480	192,488	5,845,968	5,105,106
Less current investments		878,216	7,599	885,815	1,348,914
Noncurrent investments		\$ 4,775,264	\$ 184,889	\$ 4,960,153	\$ 3,756,192

* Cash and investments of approximately \$1.8 billion and \$1.7 billion held in The Port Authority of NY and NJ Retiree Health Benefits Trust are not included in the Port Authority's Enterprise Fund Statements of Net Position as of December 31, 2024 and 2023, respectively.

** Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

Level 3 inputs are unobservable inputs for the asset; they should be used only when relevant Level 1 and Level 2 inputs are unavailable.

Port Authority investments are valued at the closing price on the last business day of the fiscal year or last trade reported on the major market exchange on which the individual securities are traded.

*** Investments are valued at unamortized cost.

† Port Authority investments includes PFC restricted investments of approximately \$6 million and \$5 million in 2024 and 2023, respectively.

Port Authority cash equivalents, excluding PAICE, at December 31, 2024 and 2023 of \$38.7 million and \$39.2 million, respectively, consist of negotiable order of withdrawal accounts.

PAICE cash equivalents at December 31, 2024 and 2023 of \$29.0 million and \$55.6 million, respectively, consist of money market accounts of \$21.2 million and \$48.9 million, respectively, and money market funds of \$7.8 million and \$6.7 million, respectively. The money market funds have ratings of AAA and Aaa-mf by Standard & Poor's and Moody's Ratings, respectively.

Port Authority Investment Policies

Port Authority policy provides for cash funds of the Port Authority to be deposited in banks with offices located in the Port District, provided that the total funds on deposit in any bank do not exceed 50% of the bank's combined capital and permanent surplus. These funds must be fully secured by deposit of collateral having a minimum fair value of 110% of actual daily balances in excess of that part of the deposits secured through the Federal Deposit Insurance Corporation (FDIC) and the New Jersey Governmental Unit Deposit Protection Act (GUDPA).

NOTES TO FINANCIAL STATEMENTS ...continued

The collateral must consist of obligations of the United States of America, the Port Authority, the State of New York or the State of New Jersey held in custodial bank accounts in banks in the Port District having combined capital and surplus in excess of \$1 million.

Total actual bank balances, excluding amounts held by third-party trustees, were \$220 million at December 31, 2024. Of that amount, \$2 million was secured through the basic FDIC deposit insurance and/or pursuant to the GUDPA. The balance of \$218 million was fully collateralized with collateral held by a third-party custodian acting as the Port Authority's agent and held by such custodian in the Port Authority's name.

At December 31, 2023, total actual bank balances, excluding amounts held by third-party trustees, were \$202 million. Of that amount, \$2 million was secured through the basic FDIC deposit insurance and/or pursuant to the GUDPA. The balance of \$200 million was fully collateralized with collateral held by a third-party custodian acting as the Port Authority's agent and held by such custodian in the Port Authority's name.

The investment policies of the Port Authority are established in conformity with its agreements with the holders of its obligations, generally through resolutions of the Board of Commissioners or its Committee on Finance. For the Port Authority, but not necessarily its component units, individual investment transactions are executed with recognized and established securities dealers and commercial banks. Investment securities are maintained, in the Port Authority's name, by a third-party financial institution acting as the Port Authority's agent. Securities transactions are conducted in the open market at competitive prices. Transactions are completed when the Port Authority's securities custodian, in the Port Authority's name, makes or receives payment upon receipt of confirmation that the securities have been transferred at the Federal Reserve Bank of New York or other repository in accordance with the Port Authority's instructions. The notable exception is the execution of Tri-Party Repurchase Agreements. These transactions are completed when the Tri-Party custodian posts collateral to the Port Authority's account in exchange for investment funds.

Proceeds received in connection with Consolidated Bonds and other asset financing obligation issuances may be invested, on an interim basis, in conformance with applicable federal laws and regulations, in obligations of (or fully guaranteed by) the United States of America (including such securities held pursuant to repurchase agreements) and collateralized time deposit accounts.

Consolidated Bond Reserve Fund and General Reserve Fund amounts may be invested in obligations of (or fully guaranteed by) the United States of America. Additionally, amounts in the Consolidated Bond Reserve Fund and the General Reserve Fund (subject to certain limitations) may be invested in obligations of the State of New York or the State of New Jersey, collateralized time accounts, and Port Authority bonds actually issued and secured by a pledge of the General Reserve Fund.

Operating funds may be invested in various items including: **a**) direct obligations of the United States of America, obligations of United States government agencies, and sponsored enterprises that have the highest short-term ratings by two nationally recognized firms; **b**) investment-grade negotiable certificates of deposit and negotiable Bankers' Acceptances with banks having AA or better long-term debt rating, and with issues actively traded in secondary markets; **c**) commercial paper obligations having only the highest short-term ratings separately issued by two nationally recognized rating agencies; **d**) United States Treasury and municipal bond futures contracts; **e**) certain interest rate exchange contracts with banks and investment firms; and, **f**) certain interest rate options contracts that are limited to \$50 million of underlying securities with a maturity of no greater than five years with primary dealers in United States Treasury securities. The Board of Commissioners has from time-to-time authorized other investments of operating funds.

It is the general policy of the Port Authority to limit exposure to declines in fair values by limiting the weighted average maturity of the investment portfolio to less than two years. Extending the weighted average maturity beyond two years requires explicit written approval of the Chief Financial Officer of the Port Authority. Committee on Finance authorization is required to extend the weighted average maturity beyond five years.

The fair value and weighted average maturity of investments held by the Port Authority, excluding PAICE, at December 31, 2024 and 2023, follows:

Port Authority Investment Type	2024		2023	
	Fair Value (In thousands)	Weighted Average Maturity (In days)	Fair Value	Weighted Average Maturity (In days)
			(In thousands)	(In days)
United States Treasury notes	\$ 4,846,141	604	\$ 3,881,685	636
United States Treasury obligations held pursuant to repurchase agreements	538,686	2	910,565	2
United States Treasury bills	129,423	5	86,042	3
United States government agency obligations	100,000	2	69,960	2
Municipal bonds	4,785	439	4,698	805
Total fair value of investments*	\$ 5,619,035		\$ 4,952,950	
Investment weighted average maturity		521		499

* Excludes accrued interest receivable amounts of approximately \$34 million in 2024 and \$24.2 million in 2023.

The Port Authority has, from time to time, entered into reverse repurchase (yield maintenance) agreements under which the Port Authority contracted to sell a specified United States Treasury security to a counterparty and simultaneously agreed to purchase it back from that party at a predetermined price and future date. All reverse repurchase agreements sold are matched to repurchase agreements (REPO) bought, thereby minimizing market risk. The credit risk is managed by a daily evaluation of the fair value of the underlying securities and periodic cash adjustments, as necessary, in accordance with the terms of the repurchase agreements. There were no investments in reverse repurchase agreements at December 31, 2024 and 2023, respectively.

PAICE Investment Policies

The investment policies of PAICE have been established and approved by the PAICE Board of Directors, which is comprised of Port Authority executive staff. Consistent with the Port Authority Board of Commissioners' authorization with respect to the establishment of PAICE as a wholly owned entity of the Port Authority, PAICE provides the Port Authority Board of Commissioners' Committee on Finance with periodic updates on PAICE's investment activities.

PAICE's investment policies consist of a three-tier set of investment accounts. First, PAICE is required to set aside assets equal to the actuarial loss reserve estimates in a "Minimum Reserve Account." Once this is satisfied, PAICE may establish a "Reserve Account" equal to the balance of all possible losses, less amounts invested in the Minimum Reserve Account. Finally, any excess funds that remain after both the Minimum Reserve Account and Reserve Account requirements are satisfied may be used to establish a "Reserve Surplus Account."

Allowable investments in the Minimum Reserve Account may consist of: **a**) United States Treasury notes and United States Federal Agency debt; **b**) repurchase agreements collateralized by United States Government securities or; **c**) money market funds investing in United States Treasuries or United States Government Agency securities. The maximum maturity of any single investment is limited to 10 years from the date of purchase, and the duration of the Minimum Reserve Account is limited to 1 to 5 years.

Reserve Account allowable investments are the allowable investments in the Minimum Reserve Account, plus the following types of investments: **a**) United States dollar-denominated issues of sovereigns, supranationals, and foreign government sponsored agencies; **b**) money market instruments; **c**) investment grade corporate obligations issued by United States domestic issuers and United States dollar-denominated issues of foreign issuers; **d**) municipal notes and bonds; **e**) agency mortgage backed securities and agency collateralized mortgage obligations; and, **f**) AAA rated asset-backed securities (ABS). The maximum permissible maturity of any single investment in the Reserve Account is 30 years at time of purchase and the duration of the Reserve Account is limited to 1 to 8 years. The average credit rating of the Reserve Account investments may not fall below AA-.

Under conditions outlined above, PAICE may establish a Reserve Surplus Account comprised of all of the allowable investments in the Minimum Reserve Account and the Reserve Account, plus passive equity index investments that are traded on major exchanges.

In December 2018, the PAICE Board of Directors authorized PAICE to make intercompany loans as a permitted investment for the purpose of efficiently allocating capital resources among the Port Authority and its component units. As of December 31, 2024 and 2023, PAICE had \$360 million in intercompany loans due from the Port Authority.

The fair value and weighted average maturity of investments held by PAICE at December 31, 2024 and 2023, follows:

PAICE Investment Type	2024		2023	
	Fair Value	Weighted Average Maturity	Fair Value	Weighted Average Maturity
	(In thousands)	(In days)	(In thousands)	(In days)
United States Treasury notes	\$ 83,208	1,034	\$ 60,141	953
Municipal bonds	40,640	1,356	25,248	1
Corporate bonds	31,129	582	18,609	474
Mortgage-backed securities	29,999	499	17,601	435
Asset-backed securities	5,961	25	5,393	28
Total fair value of investments*	\$ 190,937		\$ 126,992	
Investment weighted average maturity		3,497		2,894

* Excludes accrued interest receivable amounts of approximately \$2 million and \$967 thousand in 2024 and 2023, respectively, and \$360 million in intercompany loans due from the Port Authority in both 2024 and 2023.

NOTES TO FINANCIAL STATEMENTS ...continued

As of December 31, 2024, PAICE's investments had the following credit ratings from Standard and Poor's:

Ratings*	Municipal bonds	Corporate bonds	Mortgage-backed securities**	Asset-backed securities	Total
(In thousands)					
AAA	\$ 5,596	\$ —	\$ —	\$ 2,181	\$ 7,777
AA+/AA/AA-	22,107	1,335	29,999	—	53,441
A+/A/A-	9,031	10,989	—	—	20,020
BBB+/BBB/BBB-	—	17,822	—	—	17,822
N/A***	3,906	983	—	3,780	8,669
Total	\$ 40,640	\$ 31,129	\$ 29,999	\$ 5,961	\$ 107,729

* Excludes guaranteed U.S. Treasury notes totaling \$83 million.

** Investments in mortgage-backed securities include fixed maturity investments from the Federal National Mortgage Association.

*** N/A represents securities that were not rated.

As of December 31, 2023, PAICE's investments had the following credit ratings from Standard and Poor's:

Ratings*	Municipal bonds	Corporate bonds	Mortgage-backed securities**	Asset-backed securities	Total
(In thousands)					
AAA	\$ 4,195	\$ —	\$ —	\$ 3,103	\$ 7,298
AA+/AA/AA-	15,054	2,565	17,601	—	35,220
A+/A/A-	5,434	6,608	—	—	12,042
BBB+/BBB/BBB-	—	9,436	—	—	9,436
N/A***	565	—	—	2,290	2,855
Total	\$ 25,248	\$ 18,609	\$ 17,601	\$ 5,393	\$ 66,851

* Excludes guaranteed U.S. Treasury notes totaling \$60 million.

** Investments in mortgage-backed securities include fixed maturity investments from the Federal National Mortgage Association.

*** N/A represents securities that were not rated.

The Port Authority of New York and New Jersey Retiree Health Benefits Trust

INVESTMENT POLICIES

The Port Authority, acting through or by authority of its Board of Commissioners, establishes investment guidelines consistent with the purpose of The Port Authority of New York and New Jersey Retiree Health Benefits Trust (the Trust). Such investment guidelines are written and may be changed from time to time only by means of a written document adopted by the Port Authority, acting through or by the authority of its Board of Commissioners.

An Investment Committee was established to provide oversight and management of the policies and procedures of the Trust. The Investment Committee is comprised of the: **a**) Chief Financial Officer; **b**) Chief, Human Capital; **c**) Comptroller; and, **d**) Treasurer of the Port Authority. Periodic updates on the portfolio structure, rate of return performance as compared to the benchmark indexes, and any changes to investment strategy are provided to the Committee on Finance of the Port Authority's Board of Commissioners.

The Trust's investment policy statement, approved by the Executive Director of the Port Authority, permits the Trust to invest in equities, fixed-income assets, real estate investment trusts (REITs) and cash equivalents. The main investment objective of the Trust is to achieve long-term growth of Trust assets by maximizing the long-term rate of return on investments and minimizing risk of loss to fulfill the long-term Other Postemployment Benefits (OPEB) obligations of the Port Authority and PATH. The investment objectives are based on a 15-year investment horizon so interim fluctuations should be viewed with appropriate perspective. Investments are managed in a style that seeks to minimize principal fluctuations over the established time horizon and that is consistent with the Trust's investment objectives. Investments are diversified with the intent to minimize the risk of investment losses.

NOTES TO FINANCIAL STATEMENTS *...continued*

RATE OF RETURN

The annual money-weighted rate of return on Trust investments, net of investment expense, was a gain of 10.38% in 2024 and a gain of 14.52% in 2023, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

DIVERSIFICATION

The Trust's investment policy requires that Trust assets be invested using the following diversification percentages for each fund classification:

	Range
Cash and cash equivalents	0%-20%
Fixed income securities	25%-65%
Mutual fund asset classes:	
Equity mutual funds:	
Domestic equity	23%-43%
International equity	11%-31%
Real estate investment trusts	0%-12%

MARKET RISK

The Trust's investment policy is currently targeted to 60% equity and 40% fixed-income asset weighting. The equity portion of the investments is in four funds focused on the international equity market, the broad domestic equity market, and publicly traded REITs. The primary risk associated with this portion of the portfolio is volatility within the equity financial markets. However, dollar cost averaging provides a measure of risk mitigation by limiting the amount of investment on any one day at any particular valuation level.

Investment Type, at fair value	Fair Value Hierarchy Levels*	December 31,		2023
		2024	(In thousands)	
Cash and cash equivalents	Level 1	\$ 21,345	\$ 23,453	
Investment at fair value:				
Fixed-income securities:				
Corporate bonds	Level 2	133,872	126,542	
Foreign bonds	Level 2	29,123	23,211	
U.S. Treasury securities	Level 1	179,899	154,056	
Municipal bonds	Level 2	44,602	35,168	
Mortgage and asset-backed securities**	Level 2	286,549	230,098	
Bond mutual funds	Level 1	11,455	10,929	
Equity and real estate mutual funds:				
Equity mutual funds:				
Domestic mutual funds	Level 1	643,058	597,312	
International mutual funds	Level 1	368,814	368,473	
Real estate mutual funds	Level 1	113,065	98,980	
Total investments		\$ 1,810,437	\$ 1,644,769	
Total cash, cash equivalents and investments		\$ 1,831,782	\$ 1,668,222	

* Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

Level 3 inputs are unobservable inputs for the asset and should be used only when relevant Level 1 and Level 2 inputs are unavailable.

The Trust investments are valued at the closing price on the last business day of the fiscal year or last trade reported on the major market exchange on which the individual securities are traded.

** December 31, 2024 and December 31, 2023 includes U.S. Government agency securities totaling \$193 million and \$156 million, respectively.

NOTES TO FINANCIAL STATEMENTS *...continued*

CREDIT RISK

The Trust's investment policy statement generally requires the overall rating of fixed-income assets to have an average credit quality rating of at least 'A' and was in compliance with the investment policy in 2024 and 2023.

As of December 31, 2024, fixed-income investment types had the following credit ratings (in thousands):

Ratings**	Corporate bonds	Foreign bonds	Municipal bonds	Mortgage and Asset-backed securities	Bond mutual funds	Total
AAA	\$ 3,184	\$ —	\$ 5,358	\$ 29,411	\$ —	\$ 37,953
AA+/AA/AA-	10,312	221	27,883	2,614	—	41,030
A+/A/A-	34,848	2,655	9,135	4,923	—	51,561
BBB+/BBB/BBB-	65,832	2,243	1,560	4,856	—	74,491
BB+/BB/BB-	11,521	909	—	1,091	—	13,521
B+/B/B-	5,197	680	—	379	—	6,256
CC/CCC+/CCC/CCC-	221	18	—	3,029	—	3,268
N/A*	2,757	22,397	666	47,702	11,455	84,977
Total	\$ 133,872	\$ 29,123	\$ 44,602	\$ 94,005	\$ 11,455	\$ 313,057

* N/A represents securities that were not rated.

** Fixed-income investments exclude guaranteed U.S. Treasury and U.S. Government agency securities totaling \$180 million and \$193 million, respectively.

As of December 31, 2023, fixed-income investment types had the following credit ratings (in thousands):

Ratings**	Corporate bonds	Foreign bonds	Municipal bonds	Mortgage and Asset-backed securities	Bond mutual funds	Total
AAA	\$ 388	\$ —	\$ 3,564	\$ 18,107	\$ —	\$ 22,059
AA+/AA/AA-	4,416	214	22,177	3,449	—	30,256
A+/A/A-	41,220	1,785	8,159	7,482	—	58,646
BBB+/BBB/BBB-	64,830	4,326	—	6,532	—	75,688
BB+/BB/BB-	8,980	345	—	2,955	—	12,280
B+/B/B-	3,955	592	—	217	—	4,764
CC/CCC+/CCC/CCC-	—	14	—	3,549	—	3,563
N/A*	2,753	15,935	1,268	31,977	10,929	62,862
Total	\$ 126,542	\$ 23,211	\$ 35,168	\$ 74,268	\$ 10,929	\$ 270,118

* N/A represents securities that were not rated.

** Fixed-income investments exclude guaranteed U.S. Treasury and U.S. Government agency securities totaling \$154 million and \$156 million, respectively.

Cash and cash equivalents held in the Trust, at December 31, 2024 of \$21.3 million primarily consists of \$8.4 million of short-term U.S. Government Treasury securities and \$12.7 million of commercial paper. Cash and cash equivalents held in the Trust, at December 31, 2023 of \$23 million consist of \$12 million of short-term U.S. Government Treasury securities and \$11 million of commercial paper. The commercial paper has credit ratings of A2 and P2 from Standard & Poor's and Moody's Ratings, respectively and a range of F1 to F2 from Fitch Ratings.

CONCENTRATION OF CREDIT RISK

Investments of Trust funds are diversified in accordance with the Trust's investment policy statement that defines guidelines for the portfolio, including holding no individual company stock that exceeds 5% of the portfolio weighting, holding no more than 2% of the outstanding shares of an individual stock, and holding no more than 25% of the portfolio in any one industry. As of December 31, 2024, the Trust had no investments of more than 5% of its fiduciary net position with a single organization.

CUSTODIAL CREDIT RISK

For investments, custodial credit risk is the risk that in the event of the failure of a counterparty, the Trust will not be able to recover the value of its investments or collateral securities. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the Trust. The Trust manages custodial credit risk by limiting its investments to highly rated institutions and/or requiring high-quality securities be held by the Trustee in the name of the Trust.

INTEREST RATE RISK

Interest rate risk associated with the Trust is confined to the fixed-income portion of the portfolio. The fixed-income component of the portfolio is subject to interest rate risk due to the nature of the underlying securities. To mitigate fair value losses associated with the fluctuation of interest rates, the duration of the fixed-income fund positions of the portfolio are monitored and adjusted accordingly.

The following is a listing of the Trust's fixed-income investments and related maturity schedule as of December 31, 2024:

Investment Type	<1 Year	1 to 5 Years	5 to 10 Years	10+ Years	Total
(In thousands)					
Corporate bonds	\$ 905	\$ 38,887	\$ 67,611	\$ 26,469	\$ 133,872
Foreign bonds	379	9,131	14,193	5,420	29,123
U.S. Treasury securities	5,254	40,387	86,129	48,129	179,899
Municipal bonds	707	3,684	6,921	33,290	44,602
Mortgage and asset-backed securities	—	10,200	20,596	255,753	286,549
Bond mutual funds	—	—	—	11,455	11,455
Total	\$ 7,245	\$ 102,289	\$ 195,450	\$ 380,516	\$ 685,500

The following is a listing of the Trust's fixed-income investments and related maturity schedule as of December 31, 2023:

Investment Type	<1 Year	1 to 5 Years	5 to 10 Years	10+ Years	Total
(In thousands)					
Corporate bonds	\$ 1,181	\$ 29,677	\$ 64,295	\$ 31,389	\$ 126,542
Foreign bonds	—	6,841	10,922	5,448	23,211
U.S. Treasury securities	4,232	28,589	78,528	42,707	154,056
Municipal bonds	—	3,691	7,071	24,406	35,168
Mortgage and asset-backed securities	—	9,450	13,238	207,410	230,098
Bond mutual funds	—	—	—	10,929	10,929
Total	\$ 5,413	\$ 78,248	\$ 174,054	\$ 322,289	\$ 580,004

Note D – Outstanding Financing Obligations

OUTSTANDING BONDS AND OTHER ASSET FINANCING OBLIGATIONS

		at December 31, 2024		
	Current		Noncurrent	Total
(In thousands)				
A. Consolidated Bonds	\$ 534,060		\$ 26,020,973	\$ 26,555,033
B. Special Obligation Institutional Loan Program	—		413,114	413,114
C. Variable Rate Master Notes	44,600		—	44,600
D. Port Authority Equipment Notes	—		—	—
E. MOTBY Obligation	3,155		31,992	35,147
F. Tower 4 Liberty Bonds	—		1,230,305	1,230,305
G. Goethals Bridge Replacement Developer Financing Arrangement	4,106		1,013,350	1,017,456
H. Hudson Tunnel Project Support Obligation	—		5,347	5,347
Total	\$ 585,921		\$ 28,715,081	\$ 29,301,002

		at December 31, 2023		
	Current		Noncurrent	Total
(In thousands)				
A. Consolidated Bonds	\$ 515,545		\$ 25,981,469	\$ 26,497,014
B. Special Obligation Institutional Loan Program	—		539,455	539,455
C. Variable Rate Master Notes	44,600		—	44,600
D. Port Authority Equipment Notes	—		—	—
E. MOTBY Obligation	2,997		35,147	38,144
F. Tower 4 Liberty Bonds	—		1,232,505	1,232,505
G. Goethals Bridge Replacement Developer Financing Arrangement	2,844		1,017,456	1,020,300
Total	\$ 565,986		\$ 28,806,032	\$ 29,372,018

A. Consolidated Bonds and Consolidated Notes

	December 31, 2023		Issued		Refunded/ Retired	December 31, 2024
(In thousands)						
Consolidated Bonds and Consolidated Notes – par value	\$ 24,653,960		\$ 1,809,340		\$ 1,757,880	\$ 24,705,420
Add unamortized premium and (discount)	1,843,054		198,389		191,830	1,849,613
Consolidated Bonds and Consolidated Notes – at cost	\$ 26,497,014		\$ 2,007,729		\$ 1,949,710	\$ 26,555,033

	December 31, 2022		Issued		Refunded/ Retired	December 31, 2023
(In thousands)						
Consolidated Bonds and Consolidated Notes – par value	\$ 24,971,430		\$ 2,177,250		\$ 2,494,720	\$ 24,653,960
Add unamortized premium and (discount)	1,860,124		143,106		160,176	1,843,054
Consolidated Bonds and Consolidated Notes – at cost	\$ 26,831,554		\$ 2,320,356		\$ 2,654,896	\$ 26,497,014

Consolidated Bond Series One Hundred Ninety-Ninth, Two Hundred Fourth, and Two Hundred Twenty-Eighth (A, B, C, D) were direct placements with unrelated parties.

For information related to the payment of Consolidated Bonds and Consolidated Notes, see Note E- General and Consolidated Bond Reserve Fund (pursuant to Port Authority bond resolutions).

NOTES TO FINANCIAL STATEMENTS ...continued

Debt service requirements to maturity for Consolidated Bonds and Consolidated Notes outstanding at December 31, 2024 are as follows:

Year ending December 31:	Principal	Interest	Debt Service
(In thousands)			
2025	\$ 534,060	\$ 1,134,701	\$ 1,668,761
2026	553,475	1,109,676	1,663,151
2027	577,950	1,084,965	1,662,915
2028	598,075	1,059,101	1,657,176
2029	646,485	1,032,793	1,679,278
2030-2034	3,746,975	4,637,059	8,384,034
2035-2039	4,213,650	3,672,529	7,886,179
2040-2044	3,989,940	2,710,052	6,699,992
2045-2049	3,716,825	1,808,140	5,524,965
2050-2054	2,586,940	1,052,337	3,639,277
2055-2059	2,029,115	544,324	2,573,439
2060-2064	961,240	180,440	1,141,680
2065-2069	450,690	67,919	518,609
2070-2074	—	30,624	30,624
2075-2094	100,000	94,122	194,122
	\$ 24,705,420	\$ 20,218,782	\$ 44,924,202

The most recent information, as of the date of this report, related to a specific consolidated bond series can be found in *Section V. Schedules of Outstanding Debt* in the Port Authority's Official Statement for Consolidated Bonds, Two Hundred Forty Fifth – Two Hundred Forty-Sixth Series dated September 25, 2024, which can be located in the corporate information section on the Port Authority's website at: <https://www.panynj.gov/corporate/en/financial-information/consolidated-bonds-and-notes.html>.

During 2024, the Port Authority used proceeds and investment earnings from the sale of Consolidated Bonds, to refund \$1.2 billion of outstanding Consolidated Bonds. As a result of these refundings, the Port Authority decreased its aggregate debt service payments by approximately \$148 million over the life of the refunded Consolidated Bonds. The economic gain resulting from the 2024 debt refundings (the difference between the present value of the cash flows required to service the old debt and the present value of the cash flows required to service the new debt) totaled approximately \$102 million in net present value savings, or 8.2% of the refunded par amount.

On December 14, 2023, the Board of Commissioners approved a plan of finance for Consolidated Bonds and Consolidated Notes sold during the period beginning January 1, 2024 through December 31, 2024 (the "2024 Consolidated Bonds Authorization"). The 2024 Consolidated Bonds Authorization authorizes the issuance of Consolidated Bonds and Consolidated Notes in a total aggregate principal amount not to exceed \$4.8 billion (including any issuance of indebtedness sold in 2024 under the Port Authority's Versatile Structure Obligations resolution). The 2024 Consolidated Bonds Authorization provided that as of December 31, 2023, any authority to issue and sell Consolidated Bonds and Consolidated Notes under the previous December 15, 2022 authorization was deemed extinguished.

On December 12, 2024, the Board of Commissioners approved a plan of finance for Consolidated Bonds and Consolidated Notes sold during the period beginning January 1, 2025 through December 31, 2025 (the 2025 Consolidated Bonds Authorization). The 2025 Consolidated Bonds Authorization authorizes the issuance of Consolidated Bonds and Consolidated Notes in a total aggregate principal amount not to exceed \$4.3 billion (including any issuance of indebtedness sold in 2025 under the Port Authority's Versatile Structure Obligations resolution). The 2025 Consolidated Bonds Authorization provided that as of December 31, 2024, any authority to issue and sell Consolidated Bonds and Consolidated Notes under the previous December 14, 2023 authorization was deemed extinguished.

On January 13, 2025, the United States Department of Transportation (acting by and through the Executive Director of the Build America Bureau) purchased a consolidated bond of the Port Authority (the TIFIA Bond) with an initial principal amount of \$1,897,273,235 (excluding accrued interest) through a private sale by the Port Authority pursuant to the Transportation Infrastructure Finance and Innovation Act of 1988 (TIFIA). The TIFIA Bond is designated as "The Port Authority of New York and New Jersey Consolidated Bond Two Hundred Forty-Seventh Series", bears interest at 4.95% (the statutorily set rate equal to the 30-year State and Local Government Series (SLGS) securities issued by the U.S. Department of Treasury, plus one basis point), and is a senior obligation of the Port Authority paid equally and ratably with the Port Authority's other consolidated bonds. The proceeds will be used toward construction of the first phase of the Midtown Bus Terminal Replacement Project (MBTR). The TIFIA Bond matures on the earlier of the 35th anniversary of the Substantial Completion Date of Phase I of MBTR or (b) November 15, 2064. The TIFIA Bond was rated by Fitch Ratings as AA- and Moody's Ratings as Aa3.

B. Special Obligation Institutional Loan Program and Commercial Paper Obligations

SPECIAL OBLIGATION INSTITUTIONAL LOAN PROGRAM

On November 17, 2022, the Board of Commissioners adopted a resolution establishing the Special Obligation Institutional Loan Program, which provides for the issuance of alternative debt instruments to borrow funds from financial institutions (including banks) **a)** when and so long as a line of credit or revolving credit facility (together with any loan deemed to have been entered into in the event of the failure to repay any drawing thereunder, a Bank Line) is determined by the Treasurer to be more efficient and cost effective than the Port Authority's commercial paper program in providing liquidity support for the Port Authority's capital program and, **b)** when and so long as a term loan (Bank Loan), is determined by the Treasurer to be more efficient and cost effective than issuing a like amount of Consolidated Bonds. Any Bank Line would be limited to five years. No Bank Loan would have a term in excess of fifteen years and could bear interest at a fixed or variable rate (or either, from time to time, during the term.)

Under the November 17, 2022 resolution, the total maximum amount that may be outstanding at any time under the Special Obligation Institutional Loan Program is limited to \$1.25 billion, calculated by adding the following items in existence at the time of calculation (without duplication): **a)** the principal amount of outstanding commercial paper notes; plus **b)** outstanding amount under liquidity facilities pertaining to commercial paper notes; plus **c)** outstanding amounts drawn under Bank Lines; plus **d)** the outstanding principal amount of any Bank Loans.

On January 20, 2023, the Port Authority entered into two separate revolving credit agreements, each establishing a Bank Line, for a combined total of \$750 million to draw thereunder. As of December 31, 2024 there was \$337 million available to draw upon. The revolving credit agreement with Wells Fargo that originally expired on January 31, 2025 was extended to January 28, 2027 while the Bank of America line expires on February 2, 2026.

	December 31, 2023	Issued	Refunded/ Repaid	December 31, 2024
(In thousands)				
Obligation outstanding	\$ 539,455	\$ 23,659	\$ 150,000	\$ 413,114
(In thousands)				
	December 31, 2022	Issued	Refunded/ Repaid	December 31, 2023
Obligation outstanding	\$ —	\$ 539,455	\$ —	\$ 539,455

In 2024, interest rates for revolving lines of credit ranged from 3.88% to 5.79%.

COMMERCIAL PAPER OBLIGATIONS

Commercial paper obligations are special obligations of the Port Authority generally issued to provide interim financing for authorized capital projects. Port Authority commercial paper obligations were issued under the resolution of the Board of Commissioners adopted on October 29, 2020, which authorized their issuance through December 31, 2025. Under the commercial paper program, the maximum aggregate principal amount that may be outstanding at any one time is \$250 million for series A, \$250 million for series B, and \$250 million for series C. For additional information related to the payment of special obligations of the Port Authority, see *Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)*.

To increase the availability of sufficient liquidity for the Port Authority to pay the maturing principal amounts and the interest due at maturity, the Port Authority entered into liquidity facilities for each of Series A, Series B, and Series C. The liquidity facilities expired in January 2023. There were no outstanding commercial paper obligations as of December 31, 2024 and 2023.

C. Variable Rate Master Notes

Variable Rate Master Notes are direct placements and special obligations of the Port Authority and may be issued in aggregate principal amounts outstanding at any one time not to exceed \$400 million (see *Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)*) for additional information related to the payment of special obligations of the Port Authority).

	December 31, 2023	Issued	Refunded/ Repaid	December 31, 2024
(In thousands)				
Agreements 1989-1995*	\$ 19,900	\$ —	\$ —	\$ 19,900
Agreements 1989-1998	24,700	—	—	24,700
	\$ 44,600	\$ —	\$ —	\$ 44,600

* Obligations are subject to the alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended with respect to individuals and corporations.

	December 31, 2022	Issued	Refunded/ Repaid	December 31, 2023
(In thousands)				
Agreements 1989-1995*	\$ 19,900	\$ —	\$ —	\$ 19,900
Agreements 1989-1998	24,700	—	—	24,700
	\$ 44,600	\$ —	\$ —	\$ 44,600

* Obligations are subject to the alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended with respect to individuals and corporations.

Interest rates are determined weekly, based upon a spread added to a specific industry index (the Securities Industry and Financial Markets Association rate) as stated in each master note agreement, and ranged from 1.95% to 4.63% in 2024.

Annual debt service requirements on outstanding Variable Rate Master Notes, determined for presentation purposes at the rate in effect at December 31, 2024, would be as follows:

Year ending December 31:	Principal	Interest	Debt Service
(In thousands)			
2025	\$ 19,900	\$ 1,138	\$ 21,038
2026	—	604	604
2027	24,700	32	24,732
	\$ 44,600	\$ 1,774	\$ 46,374

Variable Rate Master Notes are subject to prepayment at the option of the Port Authority or upon demand of the holders.

D. Port Authority Equipment Notes

Port Authority Equipment Notes may be issued in aggregate principal amounts outstanding at any one time not to exceed \$250 million. Equipment Notes are special obligations to the Port Authority and are payable in the same manner and from the same sources as operating expenses. For additional information related to the payment of obligations of the Port Authority, see Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions).

There were no outstanding Port Authority Equipment Notes as of December 31, 2024 and December 31, 2023.

E. Marine Ocean Terminal at Bayonne Peninsula (MOTBY) Obligation

On August 3, 2010, the Port Authority acquired approximately 131 acres of the former MOTBY from the Bayonne Local Redevelopment Authority (BLRA) for \$235 million. The acquired property is comprised of three parcels on the southern side of the peninsula and has been incorporated into the Port Jersey – Port Authority Marine Terminal for future marine terminal purposes. The \$235 million total purchase price is payable to the BLRA in twenty-four annual installment payments through 2033.

The total purchase price of \$235 million was discounted to a present value of \$178.4 million at an implicit interest rate of 5.25% per annum and recognized as a special obligation of the Port Authority in 2010 (see Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions), for additional information related to the payment of special obligations of the Port Authority).

	December 31, 2023	Accretion	Amortization	December 31, 2024
(In thousands)				
Obligation Outstanding	\$ 38,144	\$ —	\$ 2,997	\$ 35,147
(In thousands)				
	December 31, 2022	Accretion	Amortization	December 31, 2023
Obligation Outstanding	\$ 40,992	\$ —	\$ 2,848	\$ 38,144

NOTES TO FINANCIAL STATEMENTS ...continued

Payment requirements for the MOTBY obligation outstanding at December 31, 2024 are as follows:

Year ending December 31:	Amortization	Implicit Interest	Total
(In thousands)			
2025	\$ 3,155	\$ 1,845	\$ 5,000
2026	3,320	1,680	5,000
2027	3,495	1,505	5,000
2028	3,678	1,322	5,000
2029	3,871	1,129	5,000
2030-2033	17,628	2,372	20,000
	\$ 35,147	\$ 9,853	\$ 45,000

F. Tower 4 Liberty Bonds

The Port Authority is a co-borrower/obligor with respect to the New York Liberty Development Corporation, Liberty Revenue Bonds, Series 2011 (4 World Trade Center Project) issued by the New York Liberty Development Corporation on November 15, 2011 in the aggregate principal amount of approximately \$1.2 billion. In connection with the issuance of such Tower 4 Liberty Bonds by the New York Liberty Development Corporation, the Port Authority entered into a Tower 4 Bond Payment Agreement with the Tower 4 bond trustee to make certain debt service payments of principal and interest on the bonds (net of fixed rent paid or payable under the City of New York's Tower 4 space lease, which has been assigned by the Tower 4 Silverstein net lessee directly to the Tower 4 bond trustee for the payment of a portion of the debt service on the Tower 4 Liberty Bonds).

On September 14, 2021, the New York Liberty Development Corporation issued \$1.2 billion Tax-Exempt Liberty Revenue Refunding Bonds Series 2021A (4 World Trade Center Project) (Green Bonds) and \$11.4 million Taxable Liberty Revenue Refunding Bonds Series 2021B (4 World Trade Center Project) (Green Bonds) to redeem all of the outstanding Liberty Bonds issued in 2011 and to pay certain issuance costs. The material terms of the original November 2011 Tower 4 financing remain unchanged, including, the Port Authority remaining co-borrower/obligor for the refunding bonds. The Port Authority's payment of debt service on the Tower 4 Liberty Bonds is a special obligation of the Port Authority to the trustee from May 11, 2012, through November 15, 2051 (see Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions), for additional information related to the payment of special obligations of the Port Authority).

Port Authority debt service payments related to Tower 4 Liberty Bonds in whole or in part are reimbursable to the Port Authority from Tower 4 cash flow and to the extent Tower 4 cash flow is not sufficient, would accrue interest until reimbursed or paid with an overall term for such reimbursement or payment not in excess of 40 years from the issuance date of the original Tower 4 Liberty Bond financing (see Note L – Information with Respect to the Redevelopment of the World Trade Center Campus for additional information related to the redevelopment of WTC Tower 4).

	December 31, 2023	Issued	Repaid/ Amortized	December 31, 2024
(In thousands)				
Series 2021A	\$ 1,223,320	\$ —	\$ —	\$ 1,223,320
Series 2021B	9,185	—	2,200	6,985
Total Tower 4 Liberty Bonds	\$ 1,232,505	\$ —	\$ 2,200	\$ 1,230,305

	December 31, 2022	Issued	Repaid/ Amortized	December 31, 2023
(In thousands)				
Series 2021A	\$ 1,223,320	\$ —	\$ —	\$ 1,223,320
Series 2021B	11,385	—	2,200	9,185
Total Tower 4 Liberty Bonds	\$ 1,234,705	\$ —	\$ 2,200	\$ 1,232,505

NOTES TO FINANCIAL STATEMENTS ...continued

Annual debt service payment requirements on outstanding Tower 4 Liberty Bonds at December 31, 2024 are as follows:

Year ending December 31:	Principal	Interest	Debt Service
(In thousands)			
2025	\$ 2,200	\$ 32,499	\$ 34,699
2026	2,585	32,474	35,059
2027	25,370	32,437	57,807
2028	26,635	32,196	58,831
2029	27,970	31,877	59,847
2030-2034	162,310	151,494	313,804
2035-2039	207,435	130,655	338,090
2040-2044	265,155	99,240	364,395
2045-2049	343,840	56,880	400,720
2050-2051	166,805	7,577	174,382
Total	\$ 1,230,305	\$ 607,329	\$ 1,837,634

G. Goethals Bridge Replacement Developer Financing Arrangement

On August 30, 2013, the Port Authority and a private developer entered into an agreement (the Project Agreement) for the design, construction, financing, and maintenance of a replacement Goethals Bridge (the Replacement Bridge). Substantial completion of the Replacement Bridge was achieved on June 30, 2018 (Substantial Completion) and project completion, including the demolition of the existing bridge, occurred on December 31, 2018. Pursuant to the Project Agreement, which has a scheduled expiration date of June 30, 2053, the thirty-fifth anniversary of Substantial Completion, the private developer performs certain operation and maintenance work relating to the Replacement Bridge, and the Port Authority retains control over the toll collection system, including its operation and maintenance, and receives toll revenues. The Port Authority controls all tolling activities, including the determination and approval of toll rates.

Pursuant to the Goethals Bridge Replacement Developer Financing Arrangement (DFA) contained within the Project Agreement, upon Substantial Completion of the Replacement Bridge the private developer became entitled to receive from the Port Authority, fixed payments in the principal amount of approximately \$1.02 billion, subject to certain adjustments, to be paid in monthly payments of principal and interest (DFA payments) over the term of the Project Agreement. The Port Authority's obligation to make DFA payments is memorialized as an interest-bearing loan from the private developer to the Port Authority. Monthly DFA payments commenced in July 2018. DFA payments are subject to certain deductions for non-compliance and/ or lane unavailability by the private developer pursuant to the terms of the Project Agreement. DFA payments are a special obligation of the Port Authority, payable over a thirty-five-year term (see Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions), for additional information related to the payment of special obligations of the Port Authority).

	December 31, 2023	Issued	Amortization	December 31, 2024
	(In thousands)			
Goethals Bridge Replacement Developer Financing Arrangement	\$ 1,020,300	\$ –	\$ 2,844	\$ 1,017,456
(In thousands)				
	December 31, 2022	Issued	Amortization	December 31, 2023
Goethals Bridge Replacement Developer Financing Arrangement	\$ 1,022,275	\$ –	\$ 1,975	\$ 1,020,300

NOTES TO FINANCIAL STATEMENTS ...continued

In accordance with the Project Agreement, DFA payments to the private developer commenced in July 2018. Annual DFA payments required to be made to the private developer are as follows:

Year ending December 31:	Amortization	Implicit Interest*	Total DFA Payments
(In thousands)			
2025	\$ 4,106	\$ 58,111	\$ 62,217
2026	5,290	57,860	63,150
2027	6,558	57,540	64,098
2028	7,752	57,307	65,059
2029	9,353	56,682	66,035
2030-2034	71,988	273,344	345,332
2035-2039	125,775	246,245	372,020
2040-2044	199,325	201,446	400,771
2045-2049	299,629	132,116	431,745
2050-2053	287,680	34,069	321,749
Total	\$ 1,017,456	\$ 1,174,720	\$ 2,192,176

* DFA loan implicit interest rate equals 5.64% per annum.

H. Hudson Tunnel Project (HTP) Support Obligation

On July 8, 2024, the approximately \$16 billion HTP sponsored by the Gateway Development Commission, a bi-state agency of the States of New York and New Jersey (GDC), reached financial close. In 2018, the Port Authority's Board of Commissioners had formally committed support for the HTP in an aggregate principal amount not to exceed \$2.7 billion (Principal Amount), so long as the Port Authority had no additional liability for construction completion, cost overrun or project funding risk. The support would be provided as funding of the debt service on federal low interest loans for a portion of the local share of the HTP cost. As part of the HTP, two new railroad tubes will be constructed by GDC connecting the States of New York and New Jersey between the Bergen Palisades in New Jersey and Manhattan, New York (the New Tunnel).

The Port Authority's funding agreement with GDC obligates the Port Authority to make periodic "Contract Payments" to a collateral agent as directed by GDC (Support Obligation) to be applied against payments under a corresponding federal Railroad-Rehabilitation Improvement Program (RRIF) loan, the proceeds of which will be used to fund the construction of the New Tunnel (New Tunnel RRIF Loan). The total estimated principal amount of the New Tunnel RRIF Loan is \$2.47 billion, of which \$1.87 billion will fund construction. The interest rate on the New Tunnel RRIF Loan was set at financial close at a rate of 4.48% per annum. Payment of the HTP Support Obligation contract payments corresponding debt service components is currently anticipated to begin in October 2034 (or earlier, if the New Tunnel is completed earlier) in an annual amount of approximately \$110 million, rising to an annual amount of approximately \$151 million in the period 2040-2069.

The HTP Support Obligation is a *Special obligation* of the Port Authority that will be recognized as New Tunnel RRIF Loan proceeds are drawn upon for purposes of constructing two new railroad tubes. (See Note E - *General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)*, for additional information related to the payment of special obligations of the Port Authority).

	December 31, 2023	Issued	Repaid/ Amortized	December 31, 2024*
(In thousands)				
HTP Support Obligation	\$ —	\$ 5,347	\$ —	\$ 5,347

* Includes approximately \$19 thousand of accrued interest.

Note E – General and Consolidated Bond Reserve Funds

(pursuant to Port Authority bond resolutions)

The Port Authority has no power to levy taxes or assessments. Port Authority bonds, notes and other debt obligations are not obligations of the States of New York and New Jersey or of either of them and are not guaranteed by said States or by either of them.

Consolidated Bonds and Consolidated Notes

Consolidated Bonds and Consolidated Notes are direct and general obligations of the Port Authority and the full faith and credit of the Port Authority are pledged to the payment of debt service thereon. Consolidated Bonds and Consolidated Notes are secured equally and ratably with all other Consolidated Bonds and Consolidated Notes heretofore or hereafter issued by a pledge of: **a**) the net revenues (as defined in the Consolidated Bond Resolution of 1952 (Consolidated Bond Resolution) of all existing facilities of the Port Authority and any additional facilities which may hereafter be financed or refinanced in whole or in part through the medium of Consolidated Bonds and Consolidated Notes; **b**) the General Reserve Fund of the Port Authority equally with other obligations of the Port Authority secured by the General Reserve Fund; and, **c**) the Consolidated Bond Reserve Fund established by the Consolidated Bond Resolution.

The General Reserve Fund is pledged in support of Consolidated Bonds and Consolidated Notes. Statutes, which require the Port Authority to create and maintain the General Reserve Fund (General Reserve Fund Statutes), established the principle of pooling revenues from all facilities and require the Port Authority to apply surplus revenues from all of its existing facilities to maintain the General Reserve Fund in an amount equal to at least 10% of the par value of outstanding bonds legal for investment. At December 31, 2024, the General Reserve Fund balance was \$2,516,313,000 and met the prescribed statutory amount (see *Schedule C – Analysis of Reserve Funds*).

The balance remaining of all net revenues (as defined in the Consolidated Bond Resolution) of the Port Authority's existing facilities after deducting payments for debt service upon all Consolidated Bonds and Consolidated Notes and the amount necessary to maintain the General Reserve Fund at its statutorily required amount is to be paid into the Consolidated Bond Reserve Fund, which is pledged as additional security for all outstanding Consolidated Bonds and Consolidated Notes. Consolidated Bonds and Consolidated Notes have a first lien upon the net revenues (as defined in the Consolidated Bond Resolution) of all existing facilities of the Port Authority and any additional facility financed by Consolidated Bonds and Consolidated Notes.

Amounts deposited into the General Reserve Fund may be accumulated or applied only to purposes set forth in the General Reserve Fund Statutes and agreements with the holders of such Port Authority bonds secured by a pledge of the General Reserve Fund. Amounts deposited into the Consolidated Bond Reserve Fund may be accumulated or applied only to the purposes stated in the Consolidated Bond Resolution. At December 31, 2024, the Port Authority met the requirements of the Consolidated Bond Resolution to maintain both reserve funds in cash and specified securities.

In addition, the Port Authority has a long-standing policy of maintaining the aggregate amount of both reserve funds in an amount equal to at least the next two years' bonded debt service on outstanding debt secured by a pledge of the General Reserve Fund.

Special Obligations

Commercial paper obligations, Variable Rate Master Notes, the MOTBY obligation, Tower 4 Liberty Bonds, the Goethals Bridge Replacement DFA, Special Obligation Institutional Loan Program and the HTP Support Obligation are *Special Obligations* to the Port Authority. The Port Authority is also a special limited co-obligor on the senior debt issued for WTC Tower 3, with a capped amount to debt service shortfalls payable as a special obligation of the Port Authority (see *Note L – Information with Respect to the Redevelopment of the World Trade Center Campus*, for additional information related to certain contingent obligations of the Port Authority with respect to the development of WTC Tower 3).

Special obligations of the Port Authority are payable from the proceeds of obligations of the Port Authority issued for such purposes, including Consolidated Bonds and Consolidated Notes issued in whole or in part for such purposes, or from net revenues (as defined below) deposited into the Consolidated Bond Reserve Fund, and in the event such net revenues are insufficient therefore, from other moneys of the Port Authority legally available for such payments when due.

Net revenues for purposes of special obligations of the Port Authority are defined, with respect to any date of calculation, as the revenues of the Port Authority pledged under the Consolidated Bond Resolution, and remaining after: **i**) payment or provision for payment of debt service on Consolidated Bonds and Consolidated Notes as required by the applicable provisions of the Consolidated Bond Resolution; **ii**) payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes; and, **iii**) applications to the authorized purposes under Section 7 of the Consolidated Bond Resolution.

Special obligations of the Port Authority are subject in all respects to payment of debt service on Consolidated Bonds and Consolidated Notes as required by the applicable provisions of the Consolidated Bond Resolution and payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes.

Special obligations of the Port Authority are not secured by or payable from the General Reserve Fund. Additionally, special obligations of the Port Authority do not create any lien on, pledge of or security interest in any revenues, reserve funds or other property of the Port Authority.

Equipment Notes and the *Fund buy-out obligation* (fully amortized as of December 31, 2021) are *Special Obligations* to the Port Authority, payable in the same manner and from the same sources as operating expenses.

Note F – Grants and Contributions in Aid of Construction

During 2024 and 2023, the Port Authority received reimbursements related to certain policing activities as well as federal, state, and local funding for operating and capital construction activities:

Policing programs

Amounts received in connection with the Port Authority Police Department providing services to a third-party are exchange transactions and recognized as operating revenues on the Statements of Revenues, Expenses and Changes in Net Position.

U.S. Department of State (USDOS) – In both 2024 and 2023, the Port Authority recognized approximately \$1 million per year from the USDOS to fund costs incurred by Port Authority police personnel for the United Nations General Assembly.

K-9 Program – The FAA and the Transportation Security Administration (TSA) provided limited funding for operating costs associated with the training and care of explosive detection dogs. Amounts received in connection with this program were approximately \$400 thousand in 2024 and \$1.5 million in 2023.

Grants, in connection with operating activities

America Rescue Plan Act (ARPA) – In 2024 and 2023, the Port Authority recognized approximately \$117 million and \$60 million, respectively, in ARPA federal funding related to Port Authority aviation operating expenditures.

Superstorm Sandy – In 2024 and 2023, the Port Authority recognized approximately \$24 million and \$1 million, respectively, from the Federal Emergency Management Agency and the Federal Transit Administration (FTA) for Superstorm Sandy immediate repair efforts.

Security Programs – In 2024 and 2023, the Port Authority recognized approximately \$18 million and \$21 million, respectively, from the Department of Homeland Security for security-related Urban Area Security Initiatives programs.

Department of the Army (U.S. Army Corps of Engineers) – In 2024 and 2023, the Port Authority recognized approximately \$16 million and \$7 million, respectively, in contributions due from the Department of the Army for funding related to federal channel maintenance dredging at Port facilities.

Concessions Rent Relief Airport Rescue Grant – In 2024, the Port Authority recognized approximately \$12 million in federal funding related to rent relief to eligible airport concession.

Federal Emergency Management Agency (FEMA) – In 2023, the Port Authority recognized approximately \$7 million primarily from COVID-19 relief funding.

Airport Coronavirus Response Grant Program (ACRGP) concessions – In 2023, the Port Authority recognized approximately \$3 million in ACRGP federal funding related to rent relief eligible airport concessionaires.

Contributions in Aid of Capital Construction

Superstorm Sandy – In 2024 and 2023, the Port Authority recognized approximately \$134 million and approximately \$120 million, respectively, in FTA and FEMA funding related to Superstorm Sandy permanent repairs and resiliency capital projects, primarily at PATH.

John F. Kennedy International (JFK) Airport New Terminal One (NTO) – In 2024 and 2023, the Port Authority recognized approximately \$82 million and \$63 million, respectively, from the JFK NTO net lessee for the construction of JFK Terminal One.

JFK Airport Roadway Access – In 2024, the Port Authority recognized approximately \$74 million from State of New York Department of Transportation (NYSDOT) to better interconnect Airport roadways with the state highway System.

AIP – In 2024 and 2023, the Port Authority recognized approximately \$36 million and \$16 million, respectively, in AIP funding primarily related to rehabilitation of taxiways and runways at Port Authority Aviation facilities.

JFK Millennium Partners (JMP) – The Port Authority recognized approximately \$7 million in 2024 and \$15 million in 2023 from JMP for the construction of JFK Terminal Six.

Federal Highway Administration (FHWA) – In both 2024 and 2023, the Port Authority recognized approximately \$4 million per year in FHWA funding for the Cross Harbor Freight Movement Program at Greenville Yard, Port Authority Marine Terminal.

United States Economic Development Administration (EDA) – In both 2024 and 2023, the Port Authority recognized \$3 million per year from the EDA for the stabilization and repairs at MOTBY.

Security Programs – In 2024 the Port Authority recognized approximately \$1 million mainly from the Department of Homeland Security for transit security grant programs.

State of New Jersey Department of Transportation (NJDOT) – The Port Authority recognized approximately \$404 thousand in 2024 and \$244 thousand in 2023 in NJDOT funding under the Rail Freight Assistance Program for planning related to the Express Rail Southbound Connector at the Elizabeth Port Authority Marine Terminal.

WTC Tower 3 – In 2023, the Port Authority recognized approximately \$2 million in required capital contributions due from the WTC Tower 3 net lessee for the construction of WTC Tower 3.

Note G – Leasing Activities and Subscription-Based Information Technology Arrangements

Property leased to third-parties (Port Authority as lessor)

The Port Authority enters into lease arrangements with lessees for use of space at Port Authority facilities, including the World Trade Center, George Washington Bus Station, Air Terminals, Marine Terminals, Waterfront Development facilities, Industrial Development facilities, Journal Square Transportation Center and Port Authority Bus Terminal.

LEASE RECEIVABLE AND DEFERRED INFLOW OF RESOURCES

In accordance with GASB Statement No. 87, the Port Authority, as lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for excluded leases. The lease receivable is measured at the present value of “fixed” lease payments, including escalations and minimum guarantees that are fixed in substance and expected to be received during the lease term. Rent escalations are defined in the respective lease agreements and are generally based on a fixed rate or referenced indexes, including the Consumer Price Index (CPI). Lease terms range from 1 to 77 years. Discount rates applied to expected fixed lease payments are based on the Port Authority’s incremental cost of borrowing at the commencement of the lease term. Discount rates applied to expected fixed lease payments for purposes of present valuing lease receivables for all unexpired leases in effect during 2024 and 2023 valuations ranged from 0.33% to 5.23%. Renewal and termination options are included in the lease valuation if the option is reasonably certain of being exercised. Deferred inflows of resources are measured at the amount of the initial measurement of the lease receivable, plus any payments received at or before the commencement of the lease term that relate to future periods and are amortized on a straight-line basis over the lease term as a component of *Rentals*. The Port Authority continually monitors changes in circumstances that would require the remeasurement of a lease agreement.

A summary of the change in the lease receivables follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
(In thousands)			
\$ 4,838,763	\$ 39,822	\$ 234,236	\$ 4,644,349
Dec. 31, 2022			
(In thousands)			
\$ 4,572,733	\$ 507,511	\$ 241,481	\$ 4,838,763

* Lease receivables has been reduced by \$751 million at December 31, 2024 and \$768 million at December 31, 2023 of lease payables related to the Port Authority’s leaseback of space in WTC Tower 4, which are netted against receivables due from the WTC Tower 4 net lessee, Silverstein Properties, Inc.

A summary of the change in the deferred inflows of resources follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
(In thousands)			
\$ 5,347,802	\$ 38,289	\$ 301,579	\$ 5,084,512
Dec. 31, 2022			
(In thousands)			
\$ 5,158,110	\$ 497,429	\$ 307,737	\$ 5,347,802

* Deferred inflows of resources have been reduced by \$683 million at December 31, 2024 and \$716 million at December 31, 2023 of lease assets related to the Port Authority’s leaseback of space in WTC Tower 4, which are netted against deferred inflows of resources related to the WTC Tower 4 net lessee, Silverstein Properties, Inc.

NOTES TO FINANCIAL STATEMENTS ...continued

Fixed lease payments expected to be received by the Port Authority included in the measurement of the lease receivable are as follows:

Year ending December 31:	Amortization	Interest	Total
(In thousands)			
2025	\$ 233,300	\$ 125,049	\$ 358,349
2026	238,691	119,802	358,493
2027	226,414	115,790	342,204
2028	191,380	112,226	303,606
2029	176,707	112,203	288,910
2030-2034	640,691	532,834	1,173,525
2035-2039	545,322	506,065	1,051,387
2040-2044	64,254	513,587	577,841
2045-2049	60,691	544,381	605,072
2050-2054	95,788	565,892	661,680
2055-2059	97,935	522,283	620,218
2060-2064	66,443	575,668	642,111
2065-2069	87,116	711,819	798,935
2070-2074	56,476	1,096,593	1,153,069
2075-2079	56,808	1,227,930	1,284,738
2080-2084	68,608	1,380,043	1,448,651
2085-2089	103,823	1,535,058	1,638,881
2090-2094	246,750	1,610,025	1,856,775
2095-2099	1,870,844	226,445	2,097,289
2100-2104	253,495	6,122	259,617
2105-2109	11,023	1,520	12,543
2110-2113	2,529	56	2,585
Total	\$ 5,395,088	\$ 12,141,391	\$ 17,536,479

Note: Amortization includes \$751 million of lease payables related to the Port Authority's leaseback of space in WTC Tower 4 (discussed further below), which are netted against receivables due from the WTC Tower 4 net lessee.

LEASE-LEASEBACK TRANSACTIONS

In accordance with GASB Statement No. 87, lease-leaseback transactions are accounted for as a "net" transaction. Under the terms of the December 2010 World Trade Center Amended and Restated Master Development Agreement (MDA), Silverstein Properties, Inc (Silverstein net lessee) is the WTC Tower 4 net lessee. In December 2010, the Port Authority, as tenant, entered into a space lease with the WTC Tower 4 Silverstein net lessee, as landlord, for approximately 600,000 square feet of office space for use as the Port Authority's corporate offices with an initial term of 30 years and four 5-year renewal options. In November 2014, such space lease was amended to provide for the surrender by the Port Authority of two floors to the Tower 4 Silverstein net lessee. For additional information related to the redevelopment of the WTC see Note L – *Information with Respect to the Redevelopment of the World Trade Center Campus*.

NOTES TO FINANCIAL STATEMENTS ...continued

Fixed lease payments expected to be received and paid by the Port Authority for lease-leaseback transactions, included in the measurement of the lease receivable are as follows:

Year ending December 31:	WTC Tower 4 Net-Lease			WTC Tower 4 Port Authority Office Space Leaseback			Net Receivable		
	Amortization	Interest	Amortization		Interest	Amortization		Interest	
			(In thousands)						
2025	\$ —	\$ 34,885	\$ 20,617	\$ 20,643	\$ (20,617)	\$ 14,242			
2026	—	35,718	21,201	20,059	(21,201)	15,659			
2027	—	36,576	21,801	19,458	(21,801)	17,118			
2028	—	37,460	22,419	18,840	(22,419)	18,620			
2029	—	41,273	23,916	18,203	(23,916)	23,070			
2030-2034	—	223,909	148,655	79,229	(148,655)	144,680			
2035-2039	—	258,387	195,362	55,306	(195,362)	203,081			
2040-2044	—	303,059	250,380	24,218	(250,380)	278,841			
2045-2049	—	349,155	46,388	529	(46,388)	348,626			
2050-2054	—	391,563	—	—	—	391,563			
2055-2059	—	368,726	—	—	—	368,726			
2060-2064	—	433,694	—	—	—	433,694			
2065-2069	—	581,090	—	—	—	581,090			
2070-2074	—	976,412	—	—	—	976,412			
2075-2079	—	1,113,948	—	—	—	1,113,948			
2080-2084	—	1,273,747	—	—	—	1,273,747			
2085-2089	—	1,459,358	—	—	—	1,459,358			
2090-2094	117,695	1,557,195	—	—	117,695	1,557,195			
2095-2099	1,714,538	210,571	—	—	1,714,538	210,571			
2100	223,187	2,563	—	—	223,187	2,563			
Total	\$ 2,055,420	\$ 9,689,289	\$ 750,739	\$ 256,485	\$ 1,304,681	\$ 9,432,804			

A summary of the lease-leaseback transaction for the WTC Tower 4 net lease for 2024 and 2023 follows:

	2024			2023		
	WTC Tower 4 Net-Lease	Port Authority Office Space Leaseback	Net	WTC Tower 4 Net-Lease	Port Authority Office Space Leaseback	Net
Lease receivable/ (liability)	\$ 2,055,420	\$ (750,739)	\$ 1,304,681	\$ 2,055,420	\$ (767,541)	\$ 1,287,879
(Deferred inflows of resources, leases)/ lease asset	(1,954,475)	683,011	(1,271,464)	(1,980,348)	715,730	(1,264,618)
Lease amortization (revenue)/expense	(25,873)	32,719	6,846	(25,873)	32,719	6,846
Interest (income)/ expense	(80,930)	21,175	(59,755)	(79,218)	21,626	(57,592)

REGULATED LEASE AGREEMENTS

In accordance with GASB Statement No. 87, *regulated leases* are lease agreements regulated by a governmental entity and subject to external laws, regulations or legal rulings. Lease agreements with third parties at Port Authority Aviation facilities regulated by the FAA and are aeronautical in nature, including air terminals are excluded from the measurement of the lease receivable. Lease agreements with third parties at Port Authority Marine terminals regulated by the Federal Maritime Committee (FMC) and are connected with the movement of cargo through the leasing of a marine terminal, wharf, dock and warehouse space are excluded from the measurement of the lease receivable. Lease payments received in connection with regulated lease agreements are recognized as *Rentals* based on the rental terms contained in their respective lease agreement.

NOTES TO FINANCIAL STATEMENTS *...continued*

The Port Authority was lessor to approximately 300 regulated lease agreements and recognized rental revenue of approximately:

2024		2023	
Fixed Rent Regulated Leases	Variable Rent Regulated Leases	Fixed Rent Regulated Leases	Variable Rent Regulated Leases
(In thousands)			
\$ 1,089,816	\$ 491,123	\$ 1,031,945	\$ 419,531

Future minimum lease payments related to “regulated” leases at Port Authority Aviation and Marine Terminal facilities are as follows:

Year ending December 31:	Total Regulated Lease Payments
	(In thousands)
2025	\$ 1,024,394
2026	965,759
2027	956,606
2028	751,109
2029	703,314
2030-2034	2,662,248
2035-2039	2,009,546
2040-2044	1,968,123
2045-2049	1,404,275
2050-2054	1,279,364
2055-2059	1,347,676
2060-2064	351,728
2065-2069	87,411
2070-2073	13,112
Total	\$ 15,524,665

VARIABLE RENT LEASE (EXCLUDING CERTAIN REGULATED LEASES)

In accordance with GASB Statement No. 87, lease agreements in which the lease payment paid by the lessee to the lessor is based on activity (excluding minimum guaranteed lease payments) are not included in the measurement of the lease receivable because they do not contain fixed lease payments. The Port Authority recognized rental revenue from non-fixed-variable leases of \$477 million and \$388 million in 2024 and 2023, respectively.

Property leased by the Port Authority from third-parties (Port Authority as lessee)

The Port Authority enters into lease arrangements for land and office space with municipalities and other lessors in support of operating Port Authority facilities, including the Cities of New York and Newark for the leasing of the New York City Municipal Air Terminals and Newark Municipal Air and Marine Terminals.

LEASE LIABILITY AND LEASE ASSET

In accordance with GASB Statement No. 87, the Port Authority, as lessee, recognizes a lease liability and lease asset at the commencement of the lease term. The lease liability is measured at the present value of “fixed” rent payments, including escalations based on fixed rates, indexes and minimum guarantees that are fixed in substance and expected to be paid during the lease term. Discount rates applied to these expected fixed lease payments are based on the Port Authority’s incremental cost of borrowing at the commencement of the lease term. Lease terms range from 1 to 76 years. Discount rates applied to expected fixed lease payments for purposes of present valuing lease liabilities for all unexpired leases in effect during 2024 ranged from 0.57% to 5.79%. Renewal and termination options are included in the lease valuation if the option is reasonably certain of being exercised. Lease assets are measured at the amount of the initial measurement of the lease liability, plus any payments made at or before the commencement of the lease term that relate to future periods and any ancillary costs to place the asset into service and are amortized on a straight-line basis over the lease term. The Port Authority continually monitors changes in circumstances that would require a remeasurement of a lease agreement.

NOTES TO FINANCIAL STATEMENTS *...continued*

A summary of changes in the lease liabilities follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
(In thousands)			
\$ 6,424,743	\$ 2,859	\$ 91,989	\$ 6,335,613
(In thousands)			
Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023*
\$ 6,497,812	\$ 14,558	\$ 87,627	\$ 6,424,743

* Lease liabilities exclude \$751 million at December 31, 2024 and \$768 million at December 31, 2023 of payables related to the Port Authority's leaseback of space in WTC Tower 4, which are netted against lease receivables due from the WTC Tower 4 net lessee, Silverstein Properties, Inc.

A summary of changes in the lease assets follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
(In thousands)			
\$ 6,943,174	\$ 2,859	\$ 173,918	\$ 6,772,115
(In thousands)			
Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023*
\$ 7,105,371	\$ 14,558	\$ 176,755	\$ 6,943,174

* Lease assets exclude \$683 million at December 31, 2024 and \$716 million at December 31, 2023 of lease assets related to the Port Authority's leaseback of space in WTC Tower 4, which are netted against deferred inflows of resources from the WTC Tower 4 net lessee, Silverstein Properties, Inc.

Future rent payments included in the measurement of the lease liabilities, including amortization follows:

Year ending December 31:	Amortization	Interest	Total
(In thousands)			
2025	\$ 70,701	\$ 208,345	\$ 279,046
2026	94,564	205,305	299,869
2027	95,986	202,198	298,184
2028	97,801	199,084	296,885
2029	101,047	195,851	296,898
2030-2034	540,575	927,795	1,468,370
2035-2039	591,988	834,024	1,426,012
2040-2044	652,759	733,238	1,385,997
2045-2049	765,047	617,224	1,382,271
2050-2054	851,200	484,670	1,335,870
2055-2059	994,879	333,577	1,328,456
2060-2064	494,765	199,823	694,588
2065-2069	402,426	134,619	537,045
2070-2074	476,473	60,120	536,593
2075-2079	105,402	1,917	107,319
Total	\$ 6,335,613	\$ 5,337,790	\$ 11,673,403

Note: Amortization excludes \$751 million of payables related to the Port Authority's leaseback of space in WTC Tower 4 which are netted against receivables due from the WTC Tower 4 net lessee, Silverstein Properties, Inc.

Subscription-Based Information Technology Agreements (SBITAs)

A SBITA is defined as a contractual agreement that conveys control of SBITA vendor's software technology alone or in combination with tangible information technology capital assets to a third party as specified in the contract for a minimum contractual period of greater than one year. The Port Authority, as a third party utilizes certain SBITA enterprise wide through cloud computing arrangements, including Software as a Service (SaaS), Platforms as a Service (PaaS) and Infrastructure as a Service (IaaS).

In accordance with GASB Statement No. 96, the Port Authority recognizes a subscription-based liability (subscription liability) and a corresponding subscription-based right to use asset (subscription asset) at the commencement of the subscription term. The subscription liability is measured at the present value of "fixed" subscription payments payable during the remaining subscription term. Discount rates applied to these expected fixed subscription payments are based on the Port Authority's incremental cost of borrowing at the commencement of the subscription term. Subscription terms range from 1 to 5 years. Discount rates applied to expected fixed subscription payments in the 2024 and 2023 subscription liability valuations ranged from 1.56% to 5.02%. Renewal and termination options are included in the subscription valuation if the option is reasonably certain of being exercised. Subscription assets are measured at the date the subscription asset is placed into service, plus subscription payments made at or before the commencement of the subscription term that relate to future periods and any implementation costs needed to place the asset into service and are amortized on a straight-line basis over the subscription term. The Port Authority continually monitors changes in circumstances in SBITAs that would require remeasurement if it could materially affect the amount of the subscription liability and related subscription asset to be recognized.

A summary of changes in the subscription liabilities follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024
(In thousands)			
\$ 4,438	\$ 2,328	\$ 5,199	\$ 1,567
Dec. 31, 2022			
Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023
(In thousands)			
\$ 15,713	\$ —	\$ 11,275	\$ 4,438

A summary of changes in the subscription assets follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024
(In thousands)			
\$ 12,189	\$ 2,328	\$ 7,998	\$ 6,519
Dec. 31, 2022			
Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023
(In thousands)			
\$ 19,947	\$ —	\$ 7,758	\$ 12,189

Future subscription payments included in the measurement of the subscription liabilities, including amortization follows:

Year ending December 31:	Amortization	Interest	Total
(In thousands)			
2025	\$ 760	\$ 52	\$ 812
2026	807	14	821
Total	\$ 1,567	\$ 66	\$ 1,633

Note H – Regional Facilities and Programs

At the request of the Governors of the States of New York and New Jersey, the Port Authority participates in certain programs that are deemed essential to the continued economic viability of the two states and the region. These programs, which are generally non-revenue producing to the Port Authority, are addressed by the Port Authority in its budget and business planning process in the context of the Port Authority's overall financial capacity. To the extent not otherwise associated with an existing Port Authority facility, these projects are effectuated through the certification of an additional Port Authority facility established solely for these purposes. The Port Authority does not expect to derive any revenues from regional development facilities and programs described below.

Regional Facilities

Regional Economic Development Program (certified in 1989) – This facility is comprised of up to \$400 million for certain transportation, economic development and infrastructure renewal projects. Funds allocated under this program have been fully allocated.

New York Transportation, Economic Development and Infrastructure Renewal Program (certified in 2002) – This facility was established to provide up to \$250 million for certain transportation, economic development and infrastructure renewal projects in the State of New York. All funds under this program have been fully allocated.

Regional Transportation Program (certified in 2002) – This facility was established in conjunction with a program to provide up to \$500 million for regional transportation initiatives. All funds under this program have been fully allocated.

Hudson-Raritan Estuary Resources Programs (certified in 2002 and 2014) – These facilities were established to acquire certain real property in the Port District area of the Hudson-Raritan Estuary for environmental enhancement/ancillary economic development purposes, in support of the Port Authority's capital program. The cost of real property acquired under these programs is not to exceed \$120 million. As of December 31, 2024, approximately \$54 million has been allocated under these programs.

Meadowlands Passenger Rail Facility (certified in 2006) – This facility, which links New Jersey Transit's (NJT) Pascack Valley Rail Line to the Meadowlands Sports Complex, encourages greater use of PATH service since NJT runs shuttle bus service at peak times to Hoboken. The improved level of passenger rail service provided by the facility also serves to ease traffic congestion on the Port Authority's interstate tunnel and bridge crossings. The Port Authority is authorized to provide up to \$150 million toward the project's capital costs. All funds under this program have been fully allocated.

Costs for these programs are deferred and amortized over the period benefited, up to a maximum of 15 years. The unamortized costs of the regional programs are as follows:

	December 31, 2023	Project Expenditures	Amortization	December 31, 2024
(In thousands)				
Hudson-Raritan Estuary Resources Program	\$ 4,511	\$ –	\$ 1,924	\$ 2,587
New York Transportation, Economic Development, and Infrastructure Renewal Program	1,892	–	299	1,593
Regional Economic Development Program	631	–	128	503
Regional Transportation Program	1,358	–	1,074	284
Meadowlands Passenger Rail Facility	37	–	37	–
Total unamortized costs of regional programs	\$ 8,429	\$ –	\$ 3,462	\$ 4,967

Interstate Transportation Network Programs

Moynihan Station Transportation Program (certified in 2017) – On September 26, 2016, the Board of Commissioners authorized the Executive Director, on behalf of the Port Authority to provide, at the request of the State of New York, a one-time financial contribution of \$150 million to the State of New York to advance the Moynihan Station Transportation Program, a project to redevelop the James A. Farley United States Post Office Building together with its Western Annex into a new transportation facility serving the New York and New Jersey region, to be known as Moynihan Station. Funds under this program have been fully allocated. See *Schedule F - Information on Capital Investment in Port Authority Facilities* for additional information on costs related to this program.

Gateway Early Work Program (Gateway Funding Facility) (certified in 2018) – On February 15, 2018, the Board of Commissioners certified: *i*) up to \$35 million in funds authorized by the Board in March 2016; and, *ii*) up to \$44 million in funds authorized by the Board in February 2018, for a total of \$79 million (collectively, the Gateway Funding Facility), as an additional facility of the Port Authority for purposes of funding capital expenditures in connection with the HTP. On June 27, 2024 the Board of Commissioners rescinded the February 15, 2018 facility certification and amounts previously paid to be accounted for on the books and records of the PATH rapid transit system as an intangible improvement. Accordingly, approximately \$75 million of cumulative capital costs incurred by the Gateway Funding Facility was transferred to HTP at PATH in 2024. See *Schedule F - Information on Capital Investment in Port Authority Facilities* for additional information on costs related to this program.

Note I – Pension Plans

Port Authority and PATH employees participate in different retirement plans, as described below.

Port Authority Employees

Generally, full-time employees of the Port Authority (but not its component units) are required to join one of two cost-sharing, multiple-employer defined benefit pension plans administered by the New York State Comptroller's Office, the New York State and Local Employees' Retirement System (ERS) or the New York State and Local Police and Fire Retirement System (PFRS), collectively referred to as the New York State and Local Retirement System (NYSLRS). The New York State Constitution provides that membership in a pension plan or retirement system of the State or of a civil division thereof is a contractual relationship, the benefits of which may not be diminished or impaired.

NYSLRS PLAN BENEFITS

Classes of employees covered under the NYSLRS range from Tiers 1–6. Date ranges determining tier membership follows:

ERS Membership			PFRS Membership	
Tier	On or After:	Before:	On or After:	Before:
1	–	July 1, 1973	–	July 31, 1973
2	July 1, 1973	July 27, 1976	July 31, 1973	July 1, 2009
3	July 27, 1976	September 1, 1983	July 1, 2009	January 9, 2010
4	September 1, 1983	January 1, 2010	N/A	N/A
5	January 1, 2010	April 1, 2012	January 9, 2010	April 1, 2012
6	April 1, 2012	Present	April 1, 2012	Present

Members in Tiers 1–4 need five years of service to be 100% vested. In April 2022, new legislation was passed that reduced the number of years of service credit for Tier 5 and 6 members from ten years to five years. Therefore, all members are 100% vested when they reach five years of service credit.

Participating employers are required under the provisions of the New York State Retirement and Social Security Law (RSSL) to contribute to the NYSLRS at an actuarially determined rate adopted annually by the State Comptroller of New York. The average contribution rate for ERS for the fiscal years ended March 31, 2024 and March 31, 2023 was approximately 13.1% and 11.6% of payroll, respectively. The average contribution rate for PFRS for the fiscal years ended March 31, 2024 and March 31, 2023 was approximately 27.8% and 27.0% of payroll, respectively.

Generally, Tiers 3, 4, and 5 members must contribute 3% of their salary to the respective NYSLRS plans. As a result of Article 19 of the RSSL, eligible Tiers 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the NYSLRS, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tiers 5 and 6 members are required to contribute for all years of service.

Benefits for each NYSLRS plan are established and may be amended under the provisions contained in the New York State RSSL.

Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62. Generally, the benefit for Tier 1 and Tier 2 members is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2% of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months. Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year used in the final average salary calculation is limited to no more than 20% greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% greater than the average of the previous two years.

Tiers 3, 4 and 5 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62. Generally, the benefit for Tier 3, Tier 4 and Tier 5 members is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tiers 3, 4 and 5 members with five or more years of service can retire as early as age 55 with reduced benefits. Tiers 3 and 4 members age 55

NOTES TO FINANCIAL STATEMENTS ...continued

or older with 30 or more years of service can retire with no reduction in benefits. Final average salary is the average of the wages earned in the three highest consecutive years of employment. For ERS Tiers 3, 4 and 5 members, each year used in the final average salary calculation is limited to no more than 10% greater than the average of the previous two years. For PFRS Tier 5 (there are no Port Authority members enrolled in PFRS Tier 3), each year used in the final average salary calculation is limited to no more than 20% greater than the average of the previous two years.

Tier 6 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members. Generally, the benefit for Tier 6 members is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits. Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10% of the average of the previous four years.

Certain Port Authority PFRS members belong to 25-Year Plans, which allow for retirement after 25 years of service with a benefit of one-half of final average salary or 20-Year Plans, which allow for retirement after 20 years of service with a benefit of one-half of final average salary.

Detailed information about the fiduciary net position and valuation methods related to ERS and PFRS can be found in the NYSLRS Annual Report as of and for the years ended March 31, 2024 and March 31, 2023, which is publicly available at the following web address: <https://www.osc.state.ny.us/files/retirement/resources/pdf/financial-statements-2024.pdf>.

NYSLRS – Net Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

NYSLRS NET PENSION LIABILITY – 2024 AND 2023

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions," as amended, defines the Net Pension Liability (NPL) and the Net Pension Asset (NPA) as the difference between the Total Pension Liability (TPL) and the pension plan's fiduciary net position determined as of a measurement date established by the employer. For purposes of measuring the NPL, the plan's fiduciary net position has been determined on the same basis as it is reported for ERS and PFRS. Benefit payments are recognized when due and payable in accordance with the benefit terms and investments are measured at their fair value.

The Port Authority's proportionate share of the NYSLRS plans' NPLs totaled:

NPL	December 31, 2024	December 31, 2023
		(In thousands)
ERS	\$ 207,151	\$ 299,457
PFRS	421,207	467,522
Total Net Pension Liability	\$ 628,358	\$ 766,979

The NPLs at December 31, 2024 and 2023 were measured as of March 31, 2024 and 2023, based on actuarial valuations as of April 1, 2023 and 2022, with update procedures used to roll forward the TPL to March 31, 2024 and 2023, respectively.

Port Authority contributions due NYSLRS for the period covering April 1, 2024 through March 31, 2025 totaling \$179.1 million, including \$69.7 million to ERS and \$109.4 million to PFRS, for purposes of satisfying the Port Authority's proportionate share of the plans NPL were paid on February 3, 2025.

The Port Authority's proportion of the NYSLRS plans' NPL totaled:

	2024	2023
ERS	1.4%	1.4%
PFRS	8.9%	8.5%

The Port Authority's proportionate share of the ERS and PFRS NPLs was actuarially determined based on the projection of the Port Authority's long-term share of contributions to each respective plan relative to the projected long-term contributions of all participating employers of each plan.

NYSLRS PENSION EXPENSE – 2024 AND 2023

The Port Authority's proportionate share of the NYSLRS plans' actuarially determined pension expense totaled:

Pension Expense	2024	2023
(In thousands)		
ERS	\$ 95,425	\$ 117,343
PFRS	154,549	152,349
Total Pension Expense	\$ 249,974	\$ 269,692

NYSLRS DEFERRED INFLOWS/OUTFLOWS OF RESOURCES – 2024 AND 2023

GASB Statement No. 68, as amended, requires certain changes in the NPL to be recognized as deferred outflows of resources or deferred inflows of resources. Deferred outflows and deferred inflows of resources are amortized as either an increase (deferred outflows) or decrease (deferred inflows), to future years' pension expense, using a systematic and rational method over a closed period.

The Port Authority reported deferred outflows of resources and deferred inflows of resources related to NYSLRS from the following sources at December 31, 2024:

Deferred Outflows of Resources	December 31, 2024		
	ERS	PFRS	Total
	(In thousands)		
Differences between expected and actual experience	\$ 66,723	\$ 129,768	\$ 196,491
Changes in actuarial assumptions	78,319	158,880	237,199
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	9,889	32,279	42,168
Subtotal – Deferred Outflows of Resources	154,931	320,927	475,858
Port Authority contributions subsequent to the measurement date*	69,714	109,425	179,139
Total Deferred Outflows of Resources	\$ 224,645	\$ 430,352	\$ 654,997

* Port Authority contributions due NYSLRS for the period covering April 1, 2024 through March 31, 2025 totaling \$179.1 million, including \$69.7 million to ERS and \$109.4 million to PFRS, were paid on February 3, 2025.

Deferred Inflows of Resources	December 31, 2024		
	ERS	PFRS	Total
	(In thousands)		
Differences between expected and actual experience	\$ 5,649	\$ —	\$ 5,649
Net difference between projected and actual earnings on pension plan investments	101,192	114,338	215,530
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	9,898	20,865	30,763
Total Deferred Inflows of Resources	\$ 116,739	\$ 135,203	\$ 251,942

The difference between reported deferred outflows of resources, excluding contributions made by the Port Authority after the measurement date, and deferred inflows of resources will be amortized as either an increase (deferred outflows) or decrease (deferred inflows) to future years' pension expense (benefit) as follows:

Year ended December 31:	ERS	PFRS	Total
(In thousands)			
2025	\$ (37,761)	\$ (23,042)	\$ (60,803)
2026	37,066	133,816	170,882
2027	60,544	65,618	126,162
2028	(21,657)	(10,573)	(32,230)
2029	—	19,905	19,905
Total	\$ 38,192	\$ 185,724	\$ 223,916

NOTES TO FINANCIAL STATEMENTS ...continued

The Port Authority reported deferred outflows of resources and deferred inflows of resources related to NYSLRS from the following sources at December 31, 2023:

Deferred Outflows of Resources	ERS	December 31, 2023		Total
		PFRS		
(In thousands)				
Differences between expected and actual experience	\$ 31,895	\$ 45,696		\$ 77,591
Changes in actuarial assumptions	145,436	227,822		373,258
Net difference between projected and actual earnings on pension plan investments	—	827		827
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	17,551	37,314		54,865
Subtotal – Deferred Outflows of Resources	194,882	311,659		506,541
Port Authority contributions subsequent to the measurement date*	57,832	101,083		158,915
Total Deferred Outflows of Resources	\$ 252,714	\$ 412,742		\$ 665,456

Note: Port Authority contributions due NYSLRS for the period covering April 1, 2023 through March 31, 2024 totaling \$158.9 million, including \$57.8 million to ERS and \$101.1 million to PFRS, were paid on February 1, 2024.

Deferred Inflows of Resources	ERS	December 31, 2023		Total
		PFRS		
(In thousands)				
Differences between expected and actual experience	\$ 8,410	\$ —		\$ 8,410
Changes in actuarial assumptions	1,607	—		1,607
Net difference between projected and actual earnings on pension plan investments	1,759	—		1,759
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	14,560	25,280		39,840
Total Deferred Inflows of Resources	\$ 26,336	\$ 25,280		\$ 51,616

NYSLRS ACTUARIAL ASSUMPTIONS – 2024 AND 2023

The TPL for each plan was determined using an actuarial valuation as of April 1, 2023 for fiscal year 2024 and April 1, 2022 for fiscal year 2023, with update procedures used to roll forward the TPL to the measurement dates of March 31, 2024 and March 31, 2023, respectively. These actuarial valuations used the following actuarial assumptions:

ERS	2024	2023
Investment rate of return	5.9% compounded annually, net of investment expenses, including inflation	5.9% compounded annually, net of investment expenses, including inflation
Salary scale	4.4% indexed by service	4.4% indexed by service
Inflation	2.9%	2.9%
Cost of living adjustment	1.5%	1.5%

PFRS	2024	2023
Investment rate of return	5.9% compounded annually, net of investment expenses, including inflation	5.9% compounded annually, net of investment expenses, including inflation
Salary scale	6.2% indexed by service	6.2% indexed by service
Inflation	2.9%	2.9%
Cost of living adjustment	1.5%	1.5%

Mortality rates for both fiscal years 2024 and 2023 actuarial valuation were based on the experience study for each plan for the period April 1, 2016, through March 31, 2021, with adjustments for mortality improvement based on the Society of Actuaries' Scale MP-2021.

The long-term expected rate of return on pension plan investments for each actuarial valuation for ERS and PFRS was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the determination of the investment rate of return for each actuarial valuation are summarized in the following table:

Asset Class	2024*		2023*	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	32%	4.00%	32%	4.30%
International equity	15%	6.65%	15%	6.85%
Private equity	10%	7.25%	10%	7.50%
Real estate	9%	4.60%	9%	4.60%
Opportunistic/Absolute return strategies**	3%	5.25%	3%	5.38%
Credit	4%	5.40%	4%	5.43%
Real assets	3%	5.79%	3%	5.84%
Fixed Income	23%	1.50%	23%	1.50%
Cash	1%	0.25%	1%	0.00%
Inflation-indexed bonds	0%	0.00%	0%	0.00%
Total	100%		100%	

* The real rate of return is net of the long-term inflation assumption of 2.9% in 2024 and 2.5% in 2023.

** Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity, respectively.

NYSLRS DISCOUNT RATE ANALYSIS – 2024 AND 2023

The discount rate used to calculate the TPL for ERS and PFRS was 5.9% for 2024 and 2023. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rates and that employer contributions will be made at their contractually required rates, as actuarially determined.

Based upon these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for both ERS and PFRS. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL for each plan.

The following tables present the Port Authority's proportionate share of the NPL/NPA for ERS and PFRS calculated for 2024 and 2023 using a discount rate that is 1 percentage point lower or 1 percentage point higher than the discount rate actually used.

	2024		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
(In thousands)			
ERS – Port Authority's proportionate share of the NPL/(NPA)	\$ 651,303	\$ 207,151	\$ (163,809)
PFRS – Port Authority's proportionate share of the NPL/(NPA)	984,461	421,207	(44,122)
Total	\$ 1,635,764	\$ 628,358	\$ (207,931)
	2023		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
(In thousands)			
ERS – Port Authority's proportionate share of the NPL/(NPA)	\$ 723,660	\$ 299,457	\$ (55,013)
PFRS – Port Authority's proportionate share of the NPL/(NPA)	974,572	467,522	47,655
Total	\$ 1,698,232	\$ 766,979	\$ (7,358)

Additional information related to the Port Authority's proportionate share of the NPL for ERS and PFRS and the Port Authority's contributions to ERS and PFRS can be found in the Required Supplementary Information (RSI) section of this report following the appended notes.

NEW YORK STATE VOLUNTARY DEFINED CONTRIBUTION PROGRAM (VDC)

Non-represented New York State public employees hired on or after July 1, 2013 with annual wages of \$75,000 or more are eligible to participate in the VDC by electing out of the ERS defined benefit pension plan. The VDC plan is administered by TIAA-CREF. System benefits and contribution requirements are established and may be amended under provisions of the RSSL.

An electing VDC employee contributes up to 6% of their annual gross wages with an additional employer contribution of 8% of the employee's annual gross wages.

As of December 31, 2024 and 2023, 416 and 395 employees, respectively, were enrolled in the VDC program. The following table shows employee and employer contributions (reported as pension expense):

	2024	2023
(In thousands)		
Employer Contributions	\$ 4,300	\$ 3,811
Employee Contributions	3,207	2,842
Total	\$ 7,507	\$ 6,653

Port Authority Trans-Hudson Corporation (PATH) Employees

FEDERAL RAILROAD RETIREMENT PROGRAM

PATH employees are not eligible to participate in NYSLRS. In accordance with Federal Railroad Retirement legislation enacted in 1935, and amended thereafter, PATH represented and non-represented employees are members of a two-tiered Federal Railroad Retirement Program administered by the United States Railroad Retirement Board. The Federal Railroad Retirement Program is a cost-sharing defined benefit pension plan, providing benefits to employees of governmental and private sector railroad entities. Program benefits are established and may be amended by federal legislation. Under the Federal Railroad Retirement Program, employees are entitled to retirement benefits related to years of railroad service, age and salary. Survivor and disability benefits are also available to members based on program eligibility requirements. Vesting of benefits is determined after a set period of credited railroad service. Funding of the Federal Railroad Retirement Program is legislatively determined through the collection of employer and employee Railroad Retirement Taxes. In 2024 and 2023, 1,295 and 1,285 PATH employees, respectively, participated in the Federal Railroad Retirement Program.

Employer and employee contributions to the Federal Railroad Retirement Program were as follows:

Railroad Retirement Tier I	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
(\$ In thousands)					
2024	7.65%	\$ 11,020	7.65%	\$ 11,020	\$ 22,040
2023	7.65%	\$ 11,799	7.65%	\$ 11,799	\$ 23,598
(\$ In thousands)					
Railroad Retirement Tier II	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
2024	4.9%	\$ 6,137	13.1%	\$ 16,409	\$ 22,546
2023	4.9%	\$ 6,095	13.1%	\$ 16,294	\$ 22,389

Detailed information about the Federal Railroad Retirement Program can be found in the U.S. Railroad Retirement Board Performance and Accountability Report, which is publicly available at the following web address: https://www.rrb.gov/sites/default/files/2024-11/PAR2024_0.pdf.

PATH EMPLOYEES SUPPLEMENTAL PENSION PLANS

In addition to pension benefits provided under the Federal Railroad Retirement Program, PATH employees are eligible to participate in certain supplemental pension plans, as described below.

PATH REPRESENTED EMPLOYEES

For PATH employees covered under collective bargaining agreements, PATH makes defined contributions to supplemental pension plans administered exclusively by trustees comprised of and appointed by union members. Benefits are established and may be amended at the sole discretion of the trustees. PATH is not responsible for funding deficiencies or entitled to funding surpluses related to these supplemental pension plans. PATH's sole responsibility related to these supplemental pension plans are contributions defined in various collective bargaining agreements. Contributions by PATH to these supplemental pension plans totaled approximately \$8.9 million in 2024 and \$8.6 million in 2023.

PATH NONREPRESENTED EMPLOYEES

Employees of PATH who are not covered by collective bargaining agreements (PATH Exempt Employees) are members of the PATH Exempt Employees Supplemental Pension Plan, amended and restated as of January 1, 2011 (the Plan). The Plan is a noncontributory, unfunded, single-employer, defined benefit, qualified governmental pension plan administered by PATH. The Plan provides retirement benefits related to years of service as a PATH Exempt Employee and final average salary, death benefits for active PATH Exempt Employees, vesting of retirement benefits after a set period of credited service as a PATH Exempt Employee, and optional methods of retirement benefit payment. Depending upon the date of membership, retirement benefits differ as to the qualifying age or years of service requirement and the benefit formula used in calculating retirement benefits.

On August 22, 2013, the Port Authority established the PATH Exempt Employees Supplemental Pension Plan Trust with Wells Fargo Bank, N.A. as Trustee. As of December 31, 2024, no amounts have been deposited into the trust to fund future pension payments. In July 2019, Principal Financial Group (Principal) acquired Wells Fargo's Institutional Retirement & Trust business. Migration of the Trust to Principal was completed on February 22, 2022.

PATH Exempt Employee Supplemental Pension Plan – Total Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

PATH EXEMPT EMPLOYEE SUPPLEMENTAL PENSION PLAN TOTAL PENSION LIABILITY – 2024 AND 2023

GASB Statement No. 68, as amended, defines the NPL as the difference between the TPL and the pension plan's fiduciary net position. As the Plan is unfunded and has no plan assets, the TPL and NPL are of equal amounts. Changes in the TPL from the previous measurement date are as follows:

Total Pension Liability	2024*	2023**
(In thousands)		
Beginning Balance	\$ 101,958	\$ 121,653
Changes recognized for the fiscal year:		
Service cost	4,445	6,239
Interest on the total pension liability	3,871	2,593
Differences between expected and actual experience	(1,416)	(754)
Changes in assumptions	5,975	(23,699)
Benefit payments	(4,748)	(4,074)
Net change in TPL	8,127	(19,695)
TPL recognized at December 31	\$ 110,085	\$ 101,958

* The Plan's TPL reported at December 31, 2024 was measured as of January 1, 2024 based on an actuarial valuation as of the same date.

** The Plan's TPL reported at December 31, 2023 was measured as of January 1, 2023 based on an actuarial valuation as of the same date.

PATH EXEMPT EMPLOYEE SUPPLEMENTAL PENSION PLAN PENSION EXPENSE – 2024 AND 2023

Pension expense related to the Plan totaled:

	2024	2023
(In thousands)		
Pension Expense	\$ 7,844	\$ 7,950

PATH EXEMPT EMPLOYEE SUPPLEMENTAL PENSION PLAN DEFERRED OUTFLOWS/INFLOWS OF RESOURCES – 2024 AND 2023

GASB Statement No. 68, as amended, requires certain changes in the TPL to be recognized as deferred outflows of resources or deferred inflows of resources. These deferred outflows and deferred inflows of resources are amortized as either an increase (deferred outflows) or decrease (deferred inflows) to future years' pension expense using a systematic and rational method over a closed period.

At December 31, 2024 and December 31, 2023, the Port Authority reported deferred outflows of resources totaling:

Deferred Outflows of Resources	2024	2023
(In thousands)		
Differences between actual and expected experience	\$ 496	\$ 1,175
Changes in actuarial assumptions	6,225	4,634
Subtotal – Deferred Outflows of Resources		
Contributions subsequent to the measurement date*	4,662	4,748
Total Deferred Outflows of Resources	\$ 11,383	\$ 10,557

* Contributions made by Port Authority to the PATH Exempt Employee Supplemental Pension Plan after the measurement date to satisfy the pension plan's TPL, but before the end of the financial statement period for the employer, are recognized as deferred outflows of resources. These amounts will be recognized as a reduction to the TPL for the fiscal years ended December 31, 2024 and 2025, respectively.

NOTES TO FINANCIAL STATEMENTS ...continued

At December 31, 2024 and December 31, 2023, the Port Authority reported deferred inflows of resources totaling:

Deferred Inflows of Resources	2024	2023
(In thousands)		
Differences between actual and expected experience	\$ 1,542	\$ 593
Changes in actuarial assumptions	13,560	18,629
Total Deferred Inflows of Resources	\$ 15,102	\$ 19,222

The difference between reported deferred outflows of resources, excluding contributions made by the Port Authority after the measurement date, and deferred inflows of resources as of December 31, 2024 will be amortized as either an increase (deferred outflows) or decrease (deferred inflows) to future years' pension expense as follows:

Year ended December 31,	Total Amortization
(In thousands)	
2025	\$ (2,503)
2026	(3,961)
2027	(2,547)
2028	630
Total	\$ (8,381)

PATH EXEMPT EMPLOYEE SUPPLEMENTAL PENSION PLAN ACTUARIAL ASSUMPTIONS – 2024 AND 2023

The TPL measured as of January 1, 2024 and January 1, 2023, based on an actuarial valuation as of the same date was determined using the following actuarial assumptions:

	2024	2023
Inflation	2.30%	2.30%
Salary increases	4.25%	4.25%
Investment rate of return	N/A	N/A

Actuarial assumptions used in the January 1, 2024 and 2023 valuations were based on the results of an actuarial experience study for the period of January 1, 2017 to January 1, 2022. Mortality rates used in the 2024 and 2023 valuations were based on Pub-2010 General Employees mortality table projected on a generational basis with Scale MP-2021 from 2010. Projections of benefits for financial reporting purposes are based on the terms of the Plan as described by PATH to participants and include the types of benefits provided at the time of each valuation.

As of the January 1, 2024 and January 1, 2023 valuation date, Plan participants comprised:

	2024	2023
Retired PATH Exempt Employees (or their beneficiaries)	129	126
Active PATH Exempt Employees	103	97
Terminated but vested employees who are not currently receiving benefits	11	14
Total participants	243	237

PATH EXEMPT EMPLOYEE SUPPLEMENTAL PENSION PLAN DISCOUNT RATE ANALYSIS – 2024 AND 2023

As the Plan is unfunded, the discount rate used in the actuarial valuation is based on the 20-year municipal Bond Buyer Index for general obligations which equaled 3.26% as of the January 1, 2024 measurement date and 3.72% as of the January 1, 2023 measurement date.

The following tables present the 2024 and 2023 Plan's TPL calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the discount rate actually used.

	2024		
	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
(In thousands)			
Total Pension Liability	\$ 125,034	\$ 110,085	\$ 97,716
2023			
	1% Decrease (1.06%)	Discount Rate (2.06%)	1% Increase (3.06%)
(In thousands)			
Total Pension Liability	\$ 115,320	\$ 101,958	\$ 90,854

Total Pension Expense

Pension expense related to Port Authority and PATH employees' totaled:

	2024	2023
NYSLRS - ERS	\$ 95,425	\$ 117,343
NYSLRS - PFRS	154,549	152,349
NYSLRS - VDC Program	4,346	3,841
PATH - Federal Railroad Retirement Program Tier I and Tier II Taxes	27,429	28,093
PATH - Represented Employees Supplemental Plan Defined Contributions	8,874	8,584
PATH - Non-represented Employees Supplemental Plan	7,844	7,950
Total Pension Expense	\$ 298,467	\$ 318,160

Note J – Other Postemployment Benefits (OPEB)

Plan Description and Organization

The Port Authority and PATH, pursuant to Board of Commissioners action or as contemplated thereby, administer a single-employer healthcare plan (the Plan) that provides certain group health care, prescription, dental, vision and term life insurance benefits to eligible retired employees of the Port Authority and PATH (includes eligible dependents and survivors of retired employees). These benefits are often referred to as OPEB. Benefits are provided through a third-party insurer. Benefits are paid: **a)** directly by the Port Authority or PATH from available operating funds; **b)** by insurance companies on the basis of premiums paid by the Port Authority or PATH with or without employee contributions; or, **c)** from a dedicated trust established for such purposes. The Port Authority and PATH also reimburse eligible retirees and dependents for the cost of certain Medicare premiums.

Participants in the Plan at January 1st consisted of the following:

	2024	2023
Retirees and surviving spouses currently receiving benefits	8,685	8,518
Covered spouses of retired employees receiving benefits	4,579	4,632
Active employees plan participants	7,754	7,289
Total plan members	21,018	20,439

Contributions toward OPEB costs are required of certain non-represented and represented participants. In 2019, certain Plan provisions relating to represented employees' contributions toward OPEB were changed due to the amendment of certain collective bargaining agreements. Retiree contributions are dependent on a number of factors including type of benefit, hire date, years of service, pension earnings and retirement date.

On December 14, 2006, the Port Authority on behalf of itself and its component unit, PATH, established The Port Authority of New York and New Jersey Retiree Health Benefits Trust (the Trust) for the exclusive benefit of eligible retired employees of the Port Authority and PATH and the eligible dependents of such retired employees to facilitate all or part of the funding for OPEB benefits, which are provided through the Plan.

Employer contributions in relation to the Trust include advance funding of the Trust as well as pay-as-you-go benefit payments that are made to or on behalf of OPEB plan members or their beneficiaries from available Port Authority operating funds. The Port Authority is not required by law to provide funding for its OPEB obligations, other than the pay-as-you-go amount necessary to provide current benefits to eligible retired employees and the eligible dependents of such retired employees. No advanced funding contributions were made to the Trust in 2024 or 2023. In 2024, all of the year's benefits were paid out of the Port Authority's operating fund. In 2023, \$201 million of the year's benefits were paid from available Port Authority operating funds and \$20 million were paid from Trust funds.

Net OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," (GASB Statement No. 75) defines the Net OPEB Liability (NOL) as the liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit OPEB plan that is administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. For purposes of measuring the NOL, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Trust and additions to/deductions from the Trust's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net OPEB Liability – 2024 and 2023

	Total OPEB Liability (a)	The Trust Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
(In thousands)			
Balance at December 31, 2023	\$ 4,325,439	\$ 1,659,830	\$ 2,665,609
Changes Increase/(Decrease) for the year:			
Service cost	91,689	—	91,689
Interest cost on the total OPEB liability	284,118	—	284,118
Differences between expected and actual experience	16,998	—	16,998
Changes in assumptions	437,369	—	437,369
Benefit payments*	(228,251)	(228,251)	—
Contributions – employer	—	228,251	(228,251)
Net investment income	—	172,212	(172,212)
Administrative expenses	—	(101)	101
Increase	601,923	172,111	429,812
Balance at December 31, 2024	\$ 4,927,362	\$ 1,831,941	\$ 3,095,421

* 2024 benefit payment includes \$228 million from available Port Authority operating funds.

	Total OPEB Liability (a)	The Trust Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
(In thousands)			
Balance at December 31, 2022	\$ 3,750,418	\$ 1,467,878	\$ 2,282,540
Changes Increase/(Decrease) for the year:			
Service cost	84,179	—	84,179
Interest cost on the total OPEB liability	245,921	—	245,921
Changes in benefit terms	(207)	—	(207)
Differences between expected and actual experience	123,420	—	123,420
Changes in assumptions	342,269	—	342,269
Benefit payments*	(220,561)	(220,561)	—
Contributions – employer	—	200,832	(200,832)
Net investment income	—	211,782	(211,782)
Administrative expenses	—	(101)	101
Increase	575,021	191,952	383,069
Balance at December 31, 2023	\$ 4,325,439	\$ 1,659,830	\$ 2,665,609

* 2023 benefit payment includes \$201 million from available Port Authority operating funds and \$20 million paid from the Trust..

The discount rate used to measure the total OPEB liability as of December 31, 2024 and 2023 was 6.6%. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The assumed contributions are based on the Port Authority paying current year benefit payments outside of the trust starting in 2023 and by 2027, recommencing their advance funding of the trust at least equal to the minimum amount projected to ensure the trust can fully pay all future benefit payments. In January and February 2023, the Port Authority re-commenced funding current year benefit payments with available operating funds. Further, the Port Authority continually evaluates the need to make additional contributions in order for the trust to be fully funded in the future.

NOTES TO FINANCIAL STATEMENTS ...continued

The following presents the NOL of the Port Authority, as well as what the Port Authority's NOL would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate for the year ending December 31:

	2024			2023		
	1% Decrease (5.6%)	Discount Rate (6.6%)	1% Increase (7.6%)	1% Decrease (5.6%)	Discount Rate (6.6%)	1% Increase (7.6%)
(In thousands)						
Net OPEB Liability	\$ 3,791,059	\$ 3,095,421	\$ 2,528,633	\$ 3,277,939	\$ 2,665,609	\$ 2,167,333

The following presents the NOL of the Port Authority, as well as what the Port Authority's NOL would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the healthcare cost trend rates used in the January 1 actuarial valuation disclosed above:

	2024			2023		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase	1% Decrease	Healthcare Cost Trend Rate	1% Increase
(In thousands)						
Net OPEB Liability	\$ 2,511,008	\$ 3,095,421	\$ 3,826,330	\$ 2,157,190	\$ 2,665,609	\$ 3,301,719

OPEB EXPENSE

OPEB expense related to the Plan totaled \$483 million in 2024 and \$365 million in 2023.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024 and 2023, the Port Authority reported deferred outflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources	2024	2023
(In thousands)		
Changes in actuarial assumptions	\$ 871,014	\$ 649,556
Net difference between projected and actual earnings on OPEB plan investments	31,215	101,553
Differences between actual and expected experience	171,781	224,013
Total Deferred Outflows of Resources	\$ 1,074,010	\$ 975,122

At December 31, 2024 and 2023, the Port Authority reported deferred inflows of resources related to OPEB from the following sources:

Deferred Inflows of Resources	2024	2023
(In thousands)		
Changes in actuarial assumptions	\$ 31,900	\$ 110,034
Net difference between projected and actual earnings on OPEB plan investments	2,405	—
Total Deferred Inflows of Resources	\$ 34,305	\$ 110,034

The difference between reported deferred outflows of resources and deferred inflows of resources related to OPEB will be amortized as either an increase (deferred outflows) or decrease (deferred inflows) to future year's OPEB expense over a closed period, as follows:

Year ended December 31,	Total Amortization
	(In thousands)
2025	\$ 270,076
2026	307,026
2027	173,875
2028	124,788
2029	116,470
Thereafter	47,471
Total	\$ 1,039,706

Actuarial Methods and Assumptions

The actuarially determined valuation of OPEB is reviewed annually for the purpose of estimating the present value of postemployment benefits earned by plan participants as of the valuation. Projections of benefits for financial reporting purposes are based on the benefit plans as described by the Port Authority and PATH to participants, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrence of events far into the future, including future employment with a salary scale at a rate of 3% per year, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Port Authority's total OPEB liabilities were measured as of December 31, 2024 and 2023 based on actuarial valuations as of January 1, 2024 and 2023 with update procedures used to roll forward the total OPEB liability to the measurement date. The actuarial assumptions used in these valuations were based on the results of an actuarial experience study for the period January 1, 2017 to January 1, 2022. Mortality rates for the January 2024 and 2023 actuarial valuations were based on the PUB-2010 Safety Classification headcount-weighted table projected generationally with Scale MP- 2021 from the central year for Port Authority Police employees and PUB-2010 General Classification headcount-weighted table projected generationally with Scale MP-2021 from the central year for civilian employees, for years 2024 and 2023, respectively.

The entry age normal cost method based on a level percentage of pay was used in both actuarial valuations of the Port Authority and PATH OPEB obligation for all participants. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

	2024	2023
Inflation	2.30%	2.30%
Salary increases	4.47%	4.47%
Discount rate*	6.60%	6.60%
Medical healthcare cost trend rates (Pre-65 year old participant)**	8.00%	6.75%
Medical healthcare cost trend rates (Post-65 year old participant)**	7.00%	5.75%
Pharmacy benefit cost trend rate (Pre-65 year old participant)***	13.00%	7.75%
Pharmacy benefit cost trend rate (Post-65 year old participant)***	12.00%	7.75%
Dental benefit cost trend rate	3.00%	3.00%
Employer Group Waiver Plan savings	11.00%	3.00%
Medicare Part B	5.00%	5.00%

* Represents the expected long-term rate of return on investments expected to be used for the payment of benefits.

** Declining to an ultimate medical healthcare cost trend rate of 4.5% in 2035 (including inflation factors of 2.3% for 2024 and 2023).

*** Decreasing to 4.5% in 2035.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of 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 target asset allocation as of December 31 is summarized in the following table:

Asset Class	Target Asset Allocation		Long-Term Expected Real Rate of Return*	
	2024	2023	2024	2023
Domestic Equity	33%	33%	4.9%	5.4%
International Equity	21%	21%	4.6%	5.2%
Real Estate Investment Trust	6%	6%	4.7%	4.3%
Fixed Income	40%	40%	2.7%	1.7%

* The long-term expected real rate of return is net of the long-term inflation assumption of 2.3% in 2024 and 2023.

Note K – Commitments and Certain Charges to Operations

1. Approval of a budget by the Board of Commissioners does not in itself authorize any specific expenditures, which are authorized from time to time by or as contemplated by other actions by the Board of Commissioners of the Port Authority consistent with statutory, contractual and other commitments of the Port Authority, including agreements with the holders of its obligations.
2. At December 31, 2024, the Port Authority had entered into various construction contracts totaling approximately \$3.5 billion, which are expected to be completed within the next three years.
3. Other amounts receivable, net recognized on the Statements of Net Position at December 31, 2024, is comprised of the following:

	December 31, 2023	Additions	Deductions	December 31, 2024
(In thousands)				
Long-term receivables from tenants	\$ 74,521	\$ 18,881	\$ 21,433	\$ 71,969
Deferred amounts due from WTC Tower 4 and WTC Tower 3 net lessees	46,738	1,469	—	48,207
Amounts due – Goethals Bridge Replacement Bridge Developer	28,238	—	—	28,238
Other receivables	8,877	—	—	8,877
Tower 4 Liberty Bonds debt service	6,374	32,517	32,519	6,372
Total Other amounts receivable, net	\$ 164,748	\$ 52,867	\$ 53,952	\$ 163,663

4. The 2024 balance of Other noncurrent liabilities consists of the following:

	December 31, 2023	Additions	Deductions	December 31, 2024
(In thousands)				
Self-Insured Public Liability Claims	\$ 68,812	\$ 19,906	\$ 13,762	\$ 74,956
Self-Insured Workers' Compensation Claims	90,641	28,244	23,584	95,301
Other payables	76,123	751	56	76,818
Pollution remediation obligation	29,665	4,256	9,302	24,619
Asset forfeiture program	27,248	1,770	1,367	27,651
Reinsurance premium payable	7,982	14,019	22,001	—
Surety and security deposits	4,425	66	188	4,303
WTC Joint Venture Returns	16,130	—	—	16,130
Deferred Gain/Loss on NLCC	4,761	—	—	4,761
GASB Statement No. 96 SBITA liabilities	4,477	1,567	4,477	1,567
Total Liabilities	\$ 330,264	\$ 70,579	\$ 74,737	\$ 326,106
Less: Current workers' compensation liability	20,869	—	—	20,444
Current GASB Statement No. 96 SBITA liabilities	4,477	—	—	760
Total Other noncurrent liabilities	\$ 304,918			\$ 304,902

5. In accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, an operating expense provision and corresponding liability measured at its current value using the expected cash flow method is recognized when an obligating event occurs. In 2024, the Port Authority recognized an additional \$4.3 million in pollution remediation obligations, primarily related to asbestos abatement at certain Aviation facilities and Marine Terminals. Cumulative operating expense remediation provisions through December 31, 2024 totaled \$132.9 million, net of \$2.1 million in recoveries.

As of December 31, 2024, the outstanding pollution remediation liability totaled \$24.6 million, primarily consisting of future remediation activities associated with asbestos removal, lead based paint abatement, groundwater contamination, and soil contamination at Port Authority facilities.

Note L – Information with Respect to the Redevelopment of the World Trade Center Campus

Conceptual Framework for the Redevelopment of the Office, Retail and Other Components of the World Trade Center

The terms of the original July 2001 net leases established both an obligation and concomitant right for the net lessees, at their sole cost and expense, to restore their net leased premises following a casualty whether or not the damage is covered by insurance proceeds in accordance, to the extent feasible, prudent and commercially reasonable, with the plans and specifications as they existed before the casualty or as otherwise agreed to with the Port Authority.

The redevelopment of the WTC site has proceeded pursuant to The World Trade Center Memorial and Cultural General Project Plan adopted in 2004 and amended in 2007 and 2022 (GPP) by Lower Manhattan Development Corporation (LMDC) which provides for approximately 10 million square feet of above-grade office space with associated storage, mechanical, loading, below-grade parking, and other nonoffice space, and was planned to consist of up to five office towers (one of which may instead be a multiuse building, including residential space at a mix of market and affordable rents), space for retail businesses, the World Trade Center Transportation Hub, a memorial and interpretive museum, The St. Nicholas Greek Orthodox Church and National Shrine, The Performing Arts Center at the World Trade Center (now doing business as the “Perelman Performing Arts Center”) and certain related infrastructure. A December 2010 World Trade Center Amended MDA, among the Port Authority, PATH, 1 WTC LLC, WTC Retail LLC, and the Silverstein net lessees, sets forth the respective rights and obligations of the parties thereto with respect to construction on the WTC site, including the allocation of construction responsibilities and costs between the parties to the MDA.

One World Trade Center

On June 13, 2011, the Port Authority and The Durst Organization (Durst) through entities formed by such parties entered into various agreements in connection with the establishment of a joint venture with respect to the construction, financing, leasing, management and operation of One World Trade Center. Pursuant to the 2011 joint venture agreement between the Port Authority and Durst, the parties have calculated that Durst's equity percentage interests in the joint venture, effective 2025, is 15.07%. This calculation is based on Durst's 2011 initial capital contribution of \$100 million, other noncash contributions, and the 2020 stabilized net operating income of the building. One World Trade Center contains 3.0 million square feet of space, comprised of commercial office space and an indoor observation deck. As of December 31, 2024, WTC Tower 1 LLC (the current net lessee of One World Trade Center) has leased: **i**) approximately 2.8 million square feet of office space at One World Trade Center, representing approximately 94% of the leasable office space; **ii**) certain portions of the One World Trade Center rooftop, together with ancillary space, for a broadcasting and communications facility; and, **iii**) the 100th through 102nd floors of One World Trade Center under a lease to Legends OWO, LLC for an observation deck, which opened to the public in 2015.

World Trade Center Tower 2

The MDA requires the Tower 2 Silverstein net lessee to complete subgrade and foundation work for Tower 2, which has been substantially completed by the Port Authority as part of the overall site improvements shared by all of the World Trade Center tenants. Upon closing of any future construction financing and commencement of above-grade construction of Tower 2, the Tower 2 Silverstein net lessee will be required to reimburse the Port Authority for the Tower 2 Silverstein net lessee's allocated costs for the subgrade and foundation work funded by the Port Authority at the site. Under the Tower 2 net lease, ground rent is payable by the Tower 2 Silverstein net lessee upon the earlier of: **i**) commencement of construction of Tower 2; and, **ii**) December 2022, whether or not construction has commenced. As of December 2022, construction of Tower 2 had not commenced and the Port Authority asserts that ground rent is now due under the terms of the Tower 2 net lease. Silverstein Properties has not yet made payment thereof and has requested additional time to arrange financing before beginning to pay ground rent. Ground rent for the site until the commencement of construction is approximately \$2.5 million per month, reducing to approximately \$1.3 million per month when construction begins.

World Trade Center Tower 3

To assist the Silverstein net lessee of Tower 3 in the construction of the Tower 3 office tower following satisfaction of certain private real estate and capital markets triggers, the Port Authority entered into a Tower 3 Tenant Support Agreement in 2010 (as subsequently amended in 2014, the “Tower 3 Tenant Support Agreement”). Under the Tower 3 Tenant Support Agreement, the Port Authority, together with New York State and New York City, was required to provide up to \$600 million in overall support, comprised of: (x) \$210 million for the construction of Tower 3 (paid for as a landlord capital improvement) and (y) backstop funding of \$390 million for construction overruns and certain leasing cost overruns, operating expense deficits and certain leasing cost overruns (provided as a rent deferral under the Tower 3 net lease), and senior debt service shortfalls (which would be paid by the Port Authority if necessary in the future, as a special limited co-obligor on the senior debt issued for Tower 3), with such senior debt service shortfalls payable as a special obligation of the Port Authority, subject in each case to the overall limit of \$390 million for the backstop (see *Note E- General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)* for additional information related to the payment of special obligations of the Port Authority). The State of New York and the City of New York have each agreed to reimburse the Port Authority for up to \$200 million of the \$600 million provided under the Tower 3 Tenant Support Agreement for a combined reimbursement to the Port Authority from the State of New York and the City of New York of up to \$400 million. To date, the Port Authority has applied \$84.5 million of the \$93.4 million received from the State of New York as a capital contribution for the partial reimbursement of the \$210 million landlord capital improvement the Port Authority made in December 2014 toward the construction of Tower 3 and for Tower 3 backstop funding. In addition, under a Public Support Agreement with the City of New York, the Port Authority will receive \$130 million plus accrued interest in WTC PILOT credits as reimbursement for the remaining share of the Port Authority’s landlord capital improvement. WTC payments in lieu of taxes (PILOT) credits from City of New York commenced in July 2019.

Under the Tower 3 Support Agreement, the Tower 3 Silverstein net lessee is responsible for the repayment of any outstanding balance of the \$390 million backstop on a subordinated basis, without interest, from Tower 3 revenues, upon termination of the Tower 3 Support Agreement. All repayments of the Tower 3 backstop received by the Port Authority would be distributed among the Port Authority, the State of New York and the City of New York in accordance with their respective shares of the \$390 million backstop payments. As security for such repayment, the Tower 3 Silverstein net lessee, the Port Authority and a third-party banking institution entered into an account control agreement directing revenues derived from the operation of Tower 3 to be deposited into a segregated lockbox account and administered and disbursed by the banking institution in accordance with the Tower 3 Support Agreement. To provide additional security to the Port Authority, the Tower 3 Silverstein net lessee assigned to the Port Authority various contracts in connection with the development and construction of Tower 3, together with all licenses, permits, approvals, easements and other rights of the Tower 3 Silverstein net lessee, granted a first priority pledge of all of the ownership interests in the Tower 3 Silverstein net lessee to the Port Authority and granted a subordinated mortgage on the leasehold interest created under the Tower 3 net lease. The Tower 3 net lessee exercised its right to defer certain Tower 3 net lease rent payments due the Port Authority effective November 2017.

As of December 31, 2024, deferred rent due from the Tower 3 net lessee totaled approximately \$48.2 million. As of December 31, 2024, the Silverstein Tower 3 net lessee has repaid the approximately \$9.0 million in senior debt service shortfalls previously provided under the WTC Tower 3 Tenant Support Agreement.

Tower 3 was substantially completed in March 2018, and officially opened on June 11, 2018. As of December 31, 2024, 87% of leasable office space has been leased to tenants.

World Trade Center Tower 4

In December 2010, the Port Authority, as tenant, entered into a lease with the Tower 4 Silverstein net lessee, as landlord, for approximately 600,000 square feet of office space for use as the Port Authority’s executive offices with an initial term of 30 years and four 5-year renewal options. In November 2014, such space lease was amended to provide for the surrender by the Port Authority of two floors to the Tower 4 Silverstein net lessee. Tower 4 was substantially completed in October 2013. As of December 31, 2024, approximately 92% of the leasable office space has been leased to tenants.

Also, in December 2010, the Port Authority entered into certain agreements with the Silverstein net lessee of Tower 4, providing for the Port Authority’s support for the construction of Tower 4 (the Tower 4 Support Agreements) by participating in the November 15, 2011 financing for Tower 4 (Debt Service Obligations) and providing additional rent deferrals and other concessions (Tenant Support). In particular, the Port Authority agreed to become a co-borrower/obligor for the Tower 4 Liberty Bonds which were issued on November 15, 2011, in the aggregate principal amount of approximately \$1.2 billion, by the New York Liberty Development Corporation to finance construction and development of WTC Tower 4. On September 14, 2021, the New York Liberty Development Corporation issued Series 2021A bonds for approximately \$1.2 billion and Series 2012B bonds for approximately \$11.4 million to cover issuance costs, to refinance the original Tower 4 Liberty Bonds to achieve interest rate savings, with the material terms of the original November 2011 Tower 4 financing remaining unchanged, including the Port Authority remaining a co-borrower/obligor for the refunding bonds (the original November 2011 Tower 4 financing and the September 2021 refinancing are hereafter referred to herein, interchangeably, as the Tower 4 Liberty Bonds).

The Port Authority's payment of debt service on the Tower 4 Liberty Bonds is a special obligation of the Port Authority, evidenced by a separate Tower 4 Bond Payment Agreement between the Port Authority and the Tower 4 Liberty Bond trustee (see Note E - General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions) for additional information related to the payment of special obligations of the Port Authority).

Originally, the Silverstein net lessee of Tower 4 had the right to defer payment of net lease rent payable to the Port Authority under the Tower 4 net lease, to provide cash flow to pay certain operating expense deficits, certain capital expenditures upon completion of Tower 4 and a limited amount of construction and leasing cost overruns. The Tower 4 net lessee exercised its right to defer certain Tower 4 net lease rent payments due the Port Authority effective November 2016. As of December 31, 2024, no deferred rent was due from the Tower 4 net lessee. The Debt Service Obligations are required to be reimbursed or paid to the Port Authority from Tower 4 cash flow, with interest at a rate of 7.5% annum until paid.

The Tower 4 Silverstein net lessee informed the Port Authority in 2022 that, in accordance with the Tower 4 Support Agreements, it had achieved the debt service coverage threshold which would allow it to terminate the Port Authority's Tenant Support obligations in return for terminating certain account control lockboxes for Tower 4. The termination, which has now been effectuated, resulted in the repayment \$50.7 million of Tower 4 deferred rent plus accrued interest to the Port Authority. Surplus revenues held in a Tower 4 operating account for the benefit of the Port Authority were transferred to a similar account for Tower 3 to cover deferred amounts due to the Port Authority on account of its support for Tower 3. The termination of the Tenant Support obligations did not affect the Port Authority's Debt Service Obligations or the pledge of rents and the leasehold mortgage which serve as security therefor.

The World Trade Center Transportation Hub

On July 28, 2005, the Board of Commissioners of the Port Authority authorized the WTC Transportation Hub project for the construction of a transportation hub and permanent PATH terminal. Construction commenced on September 6, 2005. On October 18, 2012, the Board of Commissioners reauthorized the WTC Transportation Hub project at an estimated total project cost range of approximately \$3.74 billion to \$3.995 billion. The Port Authority reached the maximum funding amount of \$2.872 billion from the FTA toward the construction of the WTC Transportation Hub in 2017. On March 3, 2016, the World Trade Center Transportation Hub Oculus and underground pedestrian connections to certain mass transit lines opened to the public and on August 16, 2016, the retail portions opened to the public.

World Trade Center Infrastructure Projects

In addition to the WTC Transportation Hub, the Port Authority continues to construct various WTC site infrastructure projects toward full buildout of the WTC site. In 2014, certain portions of these infrastructure projects, including portions of the vehicular security center for cars and delivery vehicles to access subgrade loading facilities became operational to support commercial operations and development throughout the WTC site. Other WTC infrastructure projects include street configurations, utilities, a central chiller plant and related electrical distribution systems that support operations of the WTC site.

World Trade Center Retail

Through a series of transactions between the Port Authority and a single-purpose entity formed by an affiliate of Westfield America, Inc., which was acquired by Unibail-Rodamco-Westfield SE (formerly Unibail- Rodamco SE) in June 2018 (such entity, together with its Westfield predecessor, (URW)), the Port Authority has been involved in the planning and construction of the retail components of the World Trade Center. A URW entity has net leased the retail premises from the Port Authority for an upfront payment and a nominal annual amount. The Port Authority continues to be responsible for the construction of additional retail premises at other locations on the World Trade Center site and is obligated to fund the remaining project costs for their construction. Upon completion and lease up of such additional retail premises, the Port Authority expects to receive additional payments for the fair value of such additional retail space, to be determined according to the methodology specified in the agreement with URW, which is not expected to fully compensate the Port Authority for the cost of construction.

As of December 31, 2024, including Westfield's 2012 initial joint venture membership capital contribution of \$100 million, the Port Authority has received \$897 million for the transfer of its interests in the WTC retail joint venture to URW, which is recognized under GASB Statement No. 87 as a deferred inflow of resources related to leases and is being amortized over the remaining term of the net lease.

WTC Memorial and Museum, The St. Nicholas Greek Orthodox Church and National Shrine, and The Perelman Performing Arts Center at the World Trade Center

The Port Authority does not have any responsibility for the operation and maintenance of the WTC Memorial and Museum, The St. Nicholas Greek Orthodox Church and National Shrine, or The Perelman Performing Arts Center at the World Trade Center. The WTC Memorial Plaza opened for public access on September 11, 2011 and the Museum opened to the public on May 21, 2014. The St. Nicholas Greek Orthodox Church and National Shrine opened to the public in December 2022 and The Perelman Performing Arts Center at the World Trade Center, opened to the public in September 2023.

Note M – Risk Financing Activities

The Port Authority carries insurance or requires insurance to be carried (if available) on or in connection with its facilities and those under construction to protect against direct physical loss or damage and resulting loss of revenue and against liability in such amounts as it deems appropriate, considering deductibles, retentions, and exceptions or exclusions of portions of facilities and the scope of insurable hazards. A portion of the insurance under the programs described below is provided by the Port Authority's captive insurer, PAICE (see "Port Authority Insurance Captive Entity, LLC" in this Section). Most policies are renewed annually and therefore will expire during the calendar year.

Property Damage and Loss of Revenue Insurance Program

The property damage and loss of revenue insurance program on Port Authority facilities (which was renewed effective June 1, 2024 and expires on June 1, 2025) covers all Port Authority facilities, excluding the World Trade Center (except for the area of the PATH station inside the fare zone). Portions of the property damage and loss of revenue insurance program on the Port Authority facilities are insured through PAICE and largely reinsured through commercial reinsurers.

Property damage and loss of revenue insurance on the operating portions of the World Trade Center¹ and related infrastructure is provided in a separate program (which was renewed effective June 1, 2024 and expires on June 1, 2025). Portions of the property damage and loss of revenue insurance on the operating portions of the World Trade Center¹ are insured through PAICE and partially reinsured through commercial reinsurers.

The Port Authority also purchased property terrorism insurance with respect to all Port Authority facilities for a two-year term, effective June 1, 2023. The terrorism coverage is insured through PAICE and reinsured through the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA)² and commercial reinsurers.

Public Liability Insurance Programs

The Port Authority's public liability insurance programs (which were renewed effective October 27, 2024 and expires October 27, 2025) include general liability and workers' compensation coverage for Port Authority facilities and components of the World Trade Center and insurance for aviation war risk for aviation facilities.

Terrorism liability insurance with respect thereto is insured through PAICE and reinsured through TRIPRA and commercial reinsurers. The terrorism liability insurance policy was renewed effective October 27, 2023 and expires October 27, 2025.

The Port Authority also carries terrorism and/or malicious acts insurance for losses to property and liability resulting from nuclear, chemical, biological, or radiological material for all Port Authority facilities. The program is insured through a combination of PAICE, commercial reinsurers and TRIPRA and was renewed effective October 27, 2023 and expires October 27, 2025.

Construction Insurance Programs

The Port Authority maintains a rolling owner-controlled or wrap-up insurance program for all Port Authority operated facilities under construction (excluding the World Trade Center), which was renewed effective June 1, 2023, and expires June 1, 2026, including builders' risk, general liability insurance, and statutory workers' compensation coverage. PAICE provides portions of the general liability insurance while statutory workers' compensation insurance is provided through commercial insurance.

The Port Authority began a stand-alone owner-controlled insurance program on March 27, 2018, that expired March 27, 2024, for construction of Terminal A at Newark Liberty International (EWR) Airport, which included builders' risk, general liability insurance, and statutory workers' compensation insurance provided through commercial insurance. PAICE provided portions of the construction general liability insurance while statutory workers' compensation insurance is provided through commercial insurance.

Port Authority Insurance Captive Entity, LLC

In 2006, the Port Authority established a captive insurance company, known as the "Port Authority Insurance Captive Entity, LLC," for insuring certain risk exposures of the Port Authority and its related entities. Under its current Certificate of Authority issued by the District of Columbia, PAICE is authorized to transact insurance business in connection with workers' compensation, general liability, builders' risk, property and terrorism insurance coverages for the Port Authority and its related entities. With the passage of TRIPRA, PAICE assumed coverage for acts of terrorism under the Port Authority's public liability and property damage and loss of revenue insurance programs.

Effective June 1, 2023, PAICE retains the first \$500,000 in general liability coverage of the Port Authority's rolling owner-controlled insurance program. The next \$4.5 million, excess of the primary \$500,000, is reinsured through commercial reinsurers.

- 1 The Port Authority's insurance programs do not provide coverage for World Trade Center Towers 2, 3, 4 (except for the Port Authority's Tower 4 leased space), Tower 5, the World Trade Center Memorial/Museum, the St. Nicholas Greek Orthodox Church and National Shrine, the Perelman Performing Arts Center at the World Trade Center and the net leased retail components (except for certain retail infrastructure) of the World Trade Center site. Coverage for these assets is the responsibility of the net lessees.
- 2 Under TRIPRA, the formula provides that the federal government generally reinsures 80% of certified terrorism losses subject to aggregate industry insured losses of at least \$200 million and a 20% insurance carrier/captive deductible, in an amount not to exceed an annual cap on all such losses payable under TRIPRA of \$100 billion. In the event of a certified act of terrorism, the law allows the United States Treasury to recoup 140% of the amount of federal payments for insured losses during that calendar year.

NOTES TO FINANCIAL STATEMENTS ...continued

Effective June 1, 2023, PAICE provides \$5 billion of property terrorism insurance for World Trade Center facilities for Certified Acts of Terrorism, and \$1.02 billion for Noncertified Acts of Terrorism. In addition, PAICE provides \$2 billion of property terrorism insurance for all other facilities for Certified Acts of Terrorism, and \$420 million for Noncertified Acts of Terrorism. PAICE is fully reinsured for property terrorism by TRIPRA and commercial reinsurers.

In addition, renewed for two years effective October 27, 2023 (expiring October 27, 2025), PAICE provides \$600 million in coverage under the terrorism liability program, which is fully reinsured by TRIPRA and commercial reinsurers.

Further, renewed for two years effective October 27, 2023 (expiring October 27, 2025), PAICE provides \$1.6 billion in coverage under the nuclear, chemical, biological, and radiological terrorism and malicious acts program, up to \$500 million of which is fully reinsured by TRIPRA and commercial reinsurers. The \$1.1 billion in excess of the \$500 million is partially reinsured by TRIPRA.

The financial results for PAICE for the year ended December 31, 2024 are set forth below. As PAICE is a blended component unit of the Port Authority, restricted amounts associated with PAICE recorded on the Port Authority's financial statements have been adjusted to eliminate intercompany transfers related to insurance premiums and intercompany loans paid to or from PAICE and the Port Authority.

	Amounts
	(In thousands)
Financial Position	
Total Assets	\$ 596,852
Total Liabilities	41,726
Net Position, December 31, 2024	\$ 555,126
Operating Results 2024	
Revenues	\$ 45,263
Expenses	2,837
Change in Net Position	\$ 42,426
Net Position at January 1, 2023	\$ 512,700
Net Position at December 31, 2024	\$ 555,126

The audited financial statements as of and for the years ended December 31, 2024 and December 31, 2023 of PAICE, which provides additional information concerning PAICE assets and liabilities, are available from the Comptroller's Department of the Port Authority of New York and New Jersey, 2 Montgomery Street, Jersey City, New Jersey 07302.

Self-Insured Loss Reserves

A liability is recognized when it is probable that the Port Authority has incurred an uninsured loss and the amount of the loss can be reasonably estimated. The liability for self-insured claims is based upon the estimated cost of settling the claim, which includes an actuarial review of estimated claims expenses, estimated recoveries, retention thresholds, and a provision for incurred but not reported (IBNR) claims. Workers' compensation and public liability IBNR self-insured loss reserves were discounted to their present value using a 5.25% discount rate. Changes in the self-insured public liability self-insured loss reserves and self-insured workers' compensation loss reserves are as follows:

Self-insured public liability loss reserves:

Year	Beginning Balance	Changes in Loss Reserves	Payments	Year-End Balance*
2024	\$ 68,812	\$ 19,906	\$ 13,762	\$ 74,956
2023	\$ 70,270	\$ 15,332	\$ 16,790	\$ 68,812

* Loss reserves exclude loss adjustment expenditures.

Self-insured workers' compensation loss reserves:

Year	Beginning Balance	Changes in Loss Reserves	Payments	Year-End Balance*
2024	\$ 90,641	\$ 28,244	\$ 23,584	\$ 95,301
2023	\$ 87,141	\$ 27,575	\$ 24,075	\$ 90,641

* Loss reserves exclude loss adjustment expenditures.

The Goethals Bridge that connects Staten Island, NY and Elizabeth, NJ.



Required Supplementary Information (Unaudited)

New York State and Local Employees Retirement System (ERS)

Schedule of Proportionate Share of Net Pension Liability (Asset)	2024	2023	2022
(\$ In thousands)			
Port Authority's proportion of the net pension liability	1.4%	1.4%	1.4%
Port Authority's proportionate share of the net pension liability (asset)	\$ 207,151	\$ 299,457	\$ (118,530)
Covered payroll (April 1 – March 31)	\$ 492,955	\$ 470,518	\$ 461,420
Port Authority's proportionate share of the net pension liability, as a percentage of its covered payroll	42.0%	63.6%	(25.7)%
Plan fiduciary net position as a percentage of the total pension liability	93.9%	90.8%	103.7%
Schedule of Employer Contributions*	2024	2023	2022
(\$ In thousands)			
Contractually required contribution	\$ 69,713	\$ 57,832	\$ 55,306
Contributions in relation to the contractually required contribution*	\$ 69,713	\$ 57,832	\$ 55,306
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Port Authority's covered payroll (January 1 – December 31)	\$ 522,472	\$ 478,197	\$ 452,650
Contributions as a percentage of covered payroll	13.3%	12.1%	12.2%

* Required employer contributions were paid on February 3, 2025.

New York State and Local Police and Fire Retirement System (PFRS)

Schedule of Proportionate Share of Net Pension Liability	2024	2023	2022
(\$ In thousands)			
Port Authority's proportion of the net pension liability	8.9%	8.5%	8.8%
Port Authority's proportionate share of the net pension liability	\$ 421,207	\$ 467,522	\$ 50,218
Covered payroll (April 1 – March 31)	\$ 359,511	\$ 370,833	\$ 349,395
Port Authority's proportionate share of the net pension liability, as a percentage of its covered payroll	117.2%	126.1%	14.4%
Plan fiduciary net position as a percentage of the total pension liability	89.7%	87.4%	98.7%
Schedule of Employer Contributions*	2024	2023	2022
(\$ In thousands)			
Contractually required contribution	\$ 109,425	\$ 101,083	\$ 92,716
Contributions in relation to the contractually required contribution*	\$ 109,425	\$ 101,083	\$ 92,716
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Port Authority's covered payroll (January 1 – December 31)	\$ 372,582	\$ 358,860	\$ 350,440
Contributions as a percentage of covered payroll	29.4%	28.2%	26.5%

* Required employer contributions were paid on February 3, 2025.

See accompanying independent auditors' report.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

2021	2020	2019	2018	2017	2016	2015
(\$ In thousands)						
1.7%	1.6%	1.3%	1.3%	1.3%	1.3%	1.3%
\$ 1,658	\$ 430,993	\$ 91,792	\$ 41,400	\$ 120,672	\$ 212,555	\$ 44,906
\$ 461,634	\$ 536,527	\$ 515,065	\$ 408,384	\$ 395,378	\$ 392,529	\$ 309,571
0.4%	80.3%	17.8%	10.2%	30.5%	54.2%	14.5%
99.95%	86.4%	96.2%	98.2%	94.7%	90.7%	97.9%
2021	2020	2019	2018	2017	2016	2015
(\$ In thousands)						
\$ 71,150	\$ 77,635	\$ 70,582	\$ 56,866	\$ 56,743	\$ 57,530	\$ 63,072
\$ 71,150	\$ 77,635	\$ 70,582	\$ 56,866	\$ 56,743	\$ 57,530	\$ 63,072
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 461,539	\$ 462,194	\$ 536,454	\$ 500,841	\$ 404,701	\$ 395,725	\$ 409,234
15.4%	16.8%	13.2%	11.4%	14.0%	14.5%	15.4%

2021	2020	2019	2018	2017	2016	2015
(\$ In thousands)						
9.8%	7.7%	7.7%	7.6%	7.4%	8.0%	8.9%
\$ 169,991	\$ 412,870	\$ 129,920	\$ 77,081	\$ 152,806	\$ 236,004	\$ 24,490
\$ 329,673	\$ 467,638	\$ 271,764	\$ 263,292	\$ 256,168	\$ 246,060	\$ 248,631
51.6%	88.3%	47.8%	29.3%	59.7%	95.9%	9.8%
95.8%	84.9%	95.1%	96.9%	93.5%	90.2%	99.0%
2021	2020	2019	2018	2017	2016	2015
(\$ In thousands)						
\$ 91,287	\$ 123,221	\$ 61,277	\$ 59,931	\$ 60,797	\$ 57,807	\$ 53,652
\$ 91,287	\$ 123,221	\$ 61,277	\$ 59,931	\$ 60,797	\$ 57,807	\$ 53,652
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 340,538	\$ 398,506	\$ 393,630	\$ 262,701	\$ 260,867	\$ 253,096	\$ 253,597
26.8%	30.9%	15.6%	22.8%	23.3%	22.8%	21.2%

Federal Railroad Retirement Program

Schedule of Employee and Employer Railroad Contributions

Railroad Retirement Tier I	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
(\$ In thousands)					
2024	7.65%	\$ 11,020	7.65%	\$ 11,020	\$ 22,040
2023	7.65%	11,799	7.65%	11,799	23,598
2022	7.65%	11,191	7.65%	11,191	22,382
2021	7.65%	9,329	7.65%	9,329	18,658
2020	7.65%	9,384	7.65%	9,384	18,768
2019	7.65%	8,466	7.65%	8,466	16,932
2018	7.65%	8,197	7.65%	8,197	16,394
2017	7.65%	8,150	7.65%	8,150	16,300
2016	7.65%	8,086	7.65%	8,086	16,172
2015	7.65%	7,747	7.65%	7,747	15,494
Total Taxes		\$ 93,369		\$ 93,369	\$ 186,738
Railroad Retirement Tier II	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
(\$ In thousands)					
2024	4.9%	\$ 6,137	13.1%	\$ 16,409	\$ 22,546
2023	4.9%	6,095	13.1%	16,294	22,389
2022	4.9%	5,620	13.1%	15,025	20,645
2021	4.9%	5,130	13.1%	13,714	18,844
2020	4.9%	5,170	13.1%	13,823	18,993
2019	4.9%	4,832	13.1%	12,918	17,750
2018	4.9%	4,687	13.1%	12,530	17,217
2017	4.9%	4,659	13.1%	12,455	17,114
2016	4.9%	4,475	13.1%	11,964	16,439
2015	4.9%	4,379	13.1%	11,707	16,086
Total Taxes		\$ 51,184		\$ 136,839	\$ 188,023

See accompanying independent auditors' report.

The World Trade Center campus including the Oculus, 3 WTC and 4 WTC.



REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) ...continued

PATH Exempt Employees Supplemental Pension Plan

Schedule of Changes to Total Pension Liability and Related Ratios	2024	2023	2022
(In thousands)			
Total Pension Liability			
Service cost	\$ 4,445	\$ 6,239	\$ 5,709
Interest cost	3,871	2,593	2,534
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(1,416)	(754)	915
Changes in assumptions	5,975	(23,699)	937
Benefit payments	(4,748)	(4,074)	(4,495)
Net change in total pension liability	8,127	(19,695)	5,600
Total Pension Liability (Beginning)	101,958	121,653	116,053
Total Pension Liability (Ending)	\$ 110,085	\$ 101,958	\$ 121,653
Covered Payroll	\$ 17,710	\$ 16,160	\$ 16,106
Total Pension Liability as a % of Covered Payroll	621.6%	630.9%	755.3%

Note: As of December 31, 2024, there are no plan assets accumulated in a trust for purposes of making future pension payments to members.

See accompanying independent auditors' report.

Other Postemployment Benefits (OPEB) Plan

Schedule of Changes in the Port Authority's Net OPEB Liability and Related Ratios	2024	2023	2022
(In thousands)			
Total OPEB liability:			
Service cost	\$ 91,689	\$ 84,179	\$ 35,107
Interest cost	284,118	245,921	196,063
Changes in benefit terms	—	(207)	6,233
Differences between expected and actual experience	16,998	123,420	116,370
Changes in assumptions	437,369	342,269	557,468
Benefit payments	(228,251)	(220,561)	(189,699)
Net change in total OPEB liability	601,923	575,021	721,542
Total OPEB liability-beginning	4,325,439	3,750,418	3,028,876
Total OPEB liability-ending (a)	4,927,362	4,325,439	3,750,418
Plan fiduciary net position:			
Contributions-employer	228,251	200,832	—
Net investment income/(loss)	172,212	211,782	(310,021)
Benefit payments	(228,251)	(220,561)	(189,699)
Administrative expenses	(101)	(101)	(88)
Net change in plan fiduciary net position	172,111	191,952	(499,808)
Plan fiduciary net position-beginning	1,659,830	1,467,878	1,967,686
Plan fiduciary net position-ending (b)	1,831,941	1,659,830	1,467,878
Net OPEB liability-ending (a) - (b)	\$ 3,095,421	\$ 2,665,609	\$ 2,282,540
Plan fiduciary net position as a percentage of the total OPEB liability	37.18%	38.37%	39.14%
Covered-Employee payroll	\$ 1,042,752	\$ 1,013,683	\$ 975,057
Net OPEB liability as a percentage of Covered-Employee payroll	296.85%	262.96%	234.09%

* Information provided for Required Supplementary Information will be provided for ten years, as the information becomes available in subsequent years.

See accompanying independent auditors' report.

NET INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

	2021	2020	2019	2018	2017	2016	2015
(In thousands)							
\$	3,905	\$ 2,401	\$ 1,720	\$ 1,585	\$ 1,323	\$ 1,280	\$ 900
2,649	3,155	3,070	3,169	2,961	2,850	3,271	
9,607	—	—	—	—	—	—	—
1,082	2,926	1,778	(1,449)	5,478	(945)	51	
8,015	13,667	(15,700)	5,676	(5,496)	3,809	10,632	
(3,925)	(3,927)	(3,751)	(3,691)	(3,563)	(4,701)	(3,389)	
21,333	18,222	(12,883)	5,290	703	2,293	11,465	
94,720	76,498	89,381	84,091	83,388	81,095	69,630	
\$ 116,053	\$ 94,720	\$ 76,498	\$ 89,381	\$ 84,091	\$ 83,388	\$ 81,095	
\$ 16,364	\$ 14,872	\$ 13,052	\$ 13,913	\$ 13,590	\$ 13,187	\$ 12,356	
709.2%	636.9%	586.1%	642.4%	618.8%	632.4%	656.3%	

NET INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

	2021	2020	2019	2018	2017
(In thousands)					
\$	34,851	\$ 32,566	\$ 33,132	\$ 25,442	\$ 23,778
196,750	209,925	213,607	202,303	196,930	
—	(2,928)	(4,046)	(6,948)	—	
31,334	58,916	99,585	90,986	—	
(47,407)	(201,908)	(241,555)	(5,903)	—	
(173,920)	(148,836)	(156,536)	(147,761)	(143,528)	
41,608	(52,265)	(55,813)	158,119	77,180	
2,987,268	3,039,533	3,095,346	2,937,227	2,860,047	
3,028,876	2,987,268	3,039,533	3,095,346	2,937,227	
—	30,061	256,536	247,761	243,528	
235,963	225,006	285,996	(86,274)	175,795	
(173,920)	(148,836)	(156,536)	(147,761)	(143,528)	
(118)	(96)	(106)	(94)	(94)	
61,925	106,135	385,890	13,632	275,701	
1,905,761	1,799,626	1,413,736	1,400,104	1,124,403	
1,967,686	1,905,761	1,799,626	1,413,736	1,400,104	
\$ 1,061,190	\$ 1,081,507	\$ 1,239,907	\$ 1,681,610	\$ 1,537,123	
64.96%	63.80%	59.21%	45.67%	47.67%	
\$ 927,676	\$ 987,081	\$ 1,041,188	\$ 870,525	\$ 772,549	
114.39%	109.57%	119.09%	193.17%	198.97%	

City skylines from Port Jersey Port Authority Marine Terminal.



Schedule A – Revenues and Reserves

(pursuant to Port Authority bond resolutions)

	Year ended December 31, 2024			2023
	Operating Fund	Reserve Funds	Combined Total	Combined Total
(In thousands)				
Gross operating revenues:				
Tolls and fares	\$ 2,168,395	\$ —	\$ 2,168,395	\$ 2,070,662
Rentals	2,439,316	—	2,439,316	2,249,607
Aviation fees	1,719,025	—	1,719,025	1,606,056
Parking and other	530,812	—	530,812	549,780
Utilities	154,505	—	154,505	148,952
Total gross operating revenues	7,012,053	—	7,012,053	6,625,057
Operating expenses:				
Employee compensation, including benefits	1,995,896	—	1,995,896	1,801,019
Contract services	1,258,488	—	1,258,488	1,203,897
Rents and payments in-lieu-of taxes (PILOT)	470,470	—	470,470	445,628
Materials, equipment, and other	387,283	—	387,283	446,055
Utilities	211,411	—	211,411	202,970
Total operating expenses	4,323,548	—	4,323,548	4,099,569
Net operating revenues	2,688,505	—	2,688,505	2,525,488
Financial income:				
Interest income	29,037	135,295	164,332	136,095
Net increase in fair value of investments	10,212	70,851	81,063	126,211
Contributions in aid of construction	346,455	—	346,455	225,680
Application of Passenger Facility Charges	293,050	—	293,050	488,053
Application of 4 WTC associated payments	34,717	—	34,717	34,732
Grants, in connection with operating activities	234,868	—	234,868	111,886
Pass-through grant program payments	(48,206)	—	(48,206)	(12,156)
Net revenues available for debt service and reserves	3,588,638	206,146	3,794,784	3,635,989
Debt service:				
Interest on Consolidated Bonds and Notes	1,008,340	—	1,008,340	1,018,184
Maturities and retirements of Consolidated Bonds and Notes	515,545	—	515,545	478,055
Interest expense incurred during construction	154,341	—	154,341	127,566
Interest on special obligations	—	117,510	117,510	119,566
Maturities and retirements of special obligations	—	6,869	6,869	5,909
Total debt service	1,678,226	124,379	1,802,605	1,749,280
Transfers to reserves	\$ (1,910,412)	1,910,412	—	—
Revenues after debt service and transfers to reserves		1,992,179	1,992,179	1,886,709
Direct investment in facilities		(1,722,404)	(1,722,404)	(943,156)
Change in Accounting Principle – pension/OPEB		(25,773)	(25,773)	(24,086)
Increase in reserves		244,002	244,002	919,467
Reserve balances, January 1		4,807,770	4,807,770	3,888,303
Reserve balances, December 31	\$ 5,051,772		\$ 5,051,772	\$ 4,807,770

See Notes to Financial Statements.

Schedule B – Assets and Liabilities

(pursuant to Port Authority bond resolutions)

	December 31, 2024					2023
	Operating Fund	Capital Fund	Reserve Funds	Combined Total	Combined Total	
ASSETS	(In thousands)					
Current assets:						
Cash	\$ 125,854	\$ —	\$ 10,643	\$ 136,497	\$ 170,410	
Restricted cash:						
Passenger Facility Charges	129	—	—	129	919	
Port Authority Insurance Captive Entity, LLC	49,617	—	—	49,617	75,248	
Harbor Dredging	69,504	—	—	69,504	19,124	
Other, including Asset Forfeiture Funds	10,896	—	—	10,896	10,552	
Investments	341,565	98,862	431,357	871,784	1,335,243	
Restricted Investments – PAICE	7,599	—	—	7,599	8,356	
Restricted Investments – PFC	6,432	—	—	6,432	5,315	
Interfund balances	65,407	100,085	(165,492)	—	—	
Current receivables, net	1,415,096	—	—	1,415,096	1,268,889	
Other current assets	87,680	54,506	—	142,186	156,464	
Restricted receivables and other assets	90,150	—	—	90,150	119,741	
Total current assets	2,269,929	253,453	276,508	2,799,890	3,170,261	
Noncurrent assets:						
Restricted cash	4,316	—	—	4,316	4,452	
Investments	—	—	4,775,264	4,775,264	3,636,589	
Restricted investments – PAICE	184,889	—	—	184,889	119,603	
Other amounts receivable, net	127,025	36,638	—	163,663	164,748	
Other noncurrent assets	1,568,650	4,663	—	1,573,313	1,578,860	
Restricted other noncurrent assets – PAICE	5,066	—	—	5,066	4,785	
Amounts receivable – Tower 4 Liberty Bonds	—	1,230,305	—	1,230,305	1,232,505	
Invested in facilities	—	73,697,912	—	73,697,912	71,301,755	
Total noncurrent assets	1,889,946	74,969,518	4,775,264	81,634,728	78,043,297	
Total assets	4,159,875	75,222,971	5,051,772	84,434,618	81,213,558	
DEFERRED OUTFLOWS OF RESOURCES						
Pension related amounts	666,380	—	—	666,380	517,098	
OPEB related amounts	1,074,010	—	—	1,074,010	975,122	
LIABILITIES						
Current liabilities:						
Accounts payable	549,591	677,544	—	1,227,135	929,749	
Accrued interest and other current liabilities	939,447	1,060	—	940,507	827,261	
Restricted other liabilities – PAICE	7,421	—	—	7,421	7,620	
Accrued payroll and other employee benefits	213,493	—	—	213,493	203,106	
Unapplied Passenger Facility Charges	52,595	—	—	52,595	52,446	
Current portion bonds and other asset financing obligations	34,991	550,930	—	585,921	565,986	
Total current liabilities	1,797,538	1,229,534	—	3,027,072	2,586,168	
Noncurrent liabilities:						
Accrued pension and other postemployment benefits	3,833,864	—	—	3,833,864	3,534,546	
Other noncurrent liabilities	281,496	17,838	—	299,334	300,159	
Restricted other noncurrent liabilities – PAICE	20,867	—	—	20,867	24,780	
Amounts payable – Tower 4 Liberty Bonds	—	1,230,305	—	1,230,305	1,232,505	
Bonds and other asset financing obligations	1,269,467	24,365,696	—	25,635,163	25,730,473	
Total noncurrent liabilities	5,405,694	25,613,839	—	31,019,533	30,822,463	
Total liabilities	7,203,232	26,843,373	—	34,046,605	33,408,631	
DEFERRED INFLOWS OF RESOURCES						
Pension related amounts	267,044	—	—	267,044	70,838	
OPEB related amounts	34,305	—	—	34,305	110,034	
NET POSITION	\$ (1,604,316)	\$ 48,379,598	\$ 5,051,772	\$ 51,827,054	\$ 49,116,275	
Net position is comprised of:						
Facility infrastructure investment	\$ —	\$ 48,379,598	\$ —	\$ 48,379,598	\$ 45,909,268	
Change in accounting principle – pension/OPEB	(1,604,316)	—	—	(1,604,316)	(1,600,763)	
Reserves	—	—	5,051,772	5,051,772	4,807,770	
NET POSITION	\$ (1,604,316)	\$ 48,379,598	\$ 5,051,772	\$ 51,827,054	\$ 49,116,275	

See Notes to Financial Statements.

Schedule C – Analysis of Reserve Funds

(pursuant to Port Authority bond resolutions)

	Year ended December 31, 2024			2023
	General Reserve Fund	Consolidated Bond Reserve Fund	Combined Total	Combined Total
(In thousands)				
Balance, January 1	\$ 2,523,802	\$ 2,283,968	\$ 4,807,770	\$ 3,888,303
(Decrease)/increase in reserve funds*	(7,489)	2,124,047	2,116,558	2,012,184
	2,516,313	4,408,015	6,924,328	5,900,487
 Applications:				
Maturities and Retirements on special obligations	—	6,869	6,869	5,909
Interest on special obligations	—	117,510	117,510	119,566
Direct investment in facilities	—	1,722,404	1,722,404	943,156
Change in Accounting Principle – pension/OPEB	—	25,773	25,773	24,086
Total applications	—	1,872,556	1,872,556	1,092,717
Balance, December 31	\$ 2,516,313	\$ 2,535,459	\$ 5,051,772	\$ 4,807,770

* Combined increase in reserve funds consists of “Transfers to reserves” from the operating fund totaling \$1.9 billion, plus financial income generated on reserve funds of \$206 million in 2024.

See Notes to Financial Statements.

Rendering of the new Terminal One at JFK International Airport.



Statistical and Other Supplemental Information

For the Year Ended December 31, 2024

The Statistical and Other Supplemental Information section presents additional information as a means to provide context to the information contained in the financial statements, note disclosures and schedules.

Selected Statistical Financial Trends Data – Schedule D-1

(pursuant to U.S. GAAP)

Trend information is provided to help the reader understand how the Port Authority's financial performance and fiscal condition has changed over time.

Selected Statistical Debt Service Data – Schedule D-2

(pursuant to Port Authority bond resolutions)

The Port Authority has several forms of outstanding financing obligations.

Information on Port Authority revenues, outstanding financing obligations, debt service, and reserves is included here for statistical purposes (more detailed information about the various kinds of debt instruments used by the Port Authority can be found in *Note D - Outstanding Financing Obligations*, and reserve funds are described in *Note E - General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)* to the financial statements). Debt limitations, including in some cases, limits on total authorized amounts or requirements for the issuance of additional bonds, may be found in the various resolutions establishing and authorizing such obligations.

Selected Statistical Financial Data by Business Segment – Schedule D-3

(pursuant to U.S. GAAP)

Schedule provides information on gross operating revenues, operating expenses and capital investment, summarized by Port Authority business segments.

Information on Port Authority Operations – Schedule E

(pursuant to U.S. GAAP)

Detailed information on Port Authority's operating results including income from operations, nonoperating expenses, net interest expense, capital contributions, and net income is provided on a Port Authority operating facility level.

Information on Capital Investment in Port Authority Facilities – Schedule F

(pursuant to U.S. GAAP)

Schedule provides information on capital investment, summarized by Port Authority operating facilities, including current year capital investment and depreciation.

Port Authority Facility Traffic – Schedule G

(unaudited)

This schedule provides comparative information on Port Authority facility traffic relative to vehicles, passengers, containers, cargo, waterborne vehicles and plane movements.

Schedule D-1 – Selected Statistical Financial Trends Data

(pursuant to U.S. GAAP)

	2024	2023	2022 (Restated)
(In thousands)			
Revenues, Expenses, and Changes in Net Position:			
Gross operating revenues:			
Tolls and fares	\$ 2,168,395	\$ 2,070,662	\$ 1,942,726
Rentals ^{(a)(d)}	2,363,621	2,187,837	1,978,706
Aviation fees	1,719,025	1,606,056	1,395,424
Parking and other	530,812	549,780	478,337
Utilities	154,505	148,952	182,163
Rentals – Special Project Bonds Projects	—	—	—
Gross operating revenues	6,936,358	6,563,287	5,977,356
Operating expenses:			
Employee compensation, including benefits ^(c)	1,995,896	1,801,019	1,438,403
Contract services ^(e)	1,261,199	1,200,165	1,054,605
Rents and amounts in-lieu-of taxes (PILOT) ^(d)	114,028	84,878	47,434
Materials, equipment and other	387,283	446,055	336,727
Utilities	211,411	202,970	243,750
Interest on Special Project Bonds	—	—	—
Operating expenses	3,969,817	3,735,087	3,120,919
Net insurance recoverables	—	—	—
Depreciation of facilities and landlord leasehold investment	(1,781,344)	(1,734,310)	(1,717,977)
Amortization of costs for regional programs	(3,462)	(6,478)	(17,939)
Amortization of lease assets, as lessee ^(d)	(173,918)	(176,755)	(172,776)
Income from operations ^(c)	1,007,817	910,657	947,745
Income/(loss) on investments (including fair value adjustment) ^(b)	245,595	269,373	(83,167)
Interest expense on bonds and other asset financing ^(b)	(1,189,660)	(1,180,570)	(1,109,910)
Interest income, as lessor ^(d)	158,610	155,290	140,978
Interest expense, as lessee ^(d)	(211,305)	(213,973)	(220,654)
Net loss on disposition of assets, including leases	(160)	(2,281)	—
Pass-through grant program payments	(48,206)	(12,156)	—
4 WTC associated payments	32,517	32,532	32,545
Grants in connection with operating activities	234,868	111,886	160,290
Contributions in aid of construction	346,455	227,574	290,491
Passenger facility charges	292,998	309,123	274,414
Increase/(decrease) in net position December 31, ^{(c)(d)}	\$ 869,529	\$ 607,455	\$ 432,732
Net position is comprised of:			
Net investment in capital assets	\$ 15,043,573	\$ 15,128,051	\$ 14,942,315
Restricted	771,346	719,624	851,723
Unrestricted ^{(c)(d)}	1,716,151	813,866	260,048
Net position December 31,	\$ 17,531,070	\$ 16,661,541	\$ 16,054,086

(a) 2014 -2020 Rentals include amortization of unearned income related to the March 2014 transfer of the Port Authority's interests in the WTC Retail Joint Venture. Commencing in 2021 Rentals includes the straight-line amortization of deferred inflows related to leases, as lessor, recognized under GASB Statement No. 87, "Leases."

(b) For presentation purposes, amortization of bond premiums received at issuance for the years ended 2015 and 2016 have been reclassified from Income on investments to Interest expense on bonds and other asset financing.

2021 (Restated)	2020	2019	2018	2017 (Restated)	2016	2015
(In thousands)						
\$ 1,836,692	\$ 1,571,827	\$ 1,876,911	\$ 1,865,384	\$ 1,873,622	\$ 1,865,481	\$ 1,718,770
1,565,609	1,421,467	1,748,683	1,673,994	1,618,439	1,564,527	1,446,980
1,213,743	907,314	1,287,263	1,192,454	1,128,352	1,112,436	1,063,902
353,261	240,329	408,609	384,088	377,421	399,178	359,631
125,937	112,008	144,176	149,008	139,502	138,987	144,580
—	81,129	74,073	79,080	83,053	86,755	92,719
5,095,242	4,334,074	5,539,715	5,344,008	5,220,389	5,167,364	4,826,582
1,296,724	1,395,588	1,413,979	1,338,277	1,318,935	1,290,334	1,178,967
938,408	929,520	1,046,216	934,821	880,331	852,926	833,903
59,715	403,661	388,462	396,048	390,576	352,293	356,162
289,810	290,033	315,676	298,121	252,533	264,977	252,071
184,651	163,078	191,770	195,968	183,482	165,802	186,830
—	81,129	74,073	79,080	83,053	86,755	92,719
2,769,308	3,263,009	3,430,176	3,242,315	3,108,910	3,013,087	2,900,652
—	4,033	175,678	—	18,323	—	123
(1,601,696)	(1,533,267)	(1,420,696)	(1,329,283)	(1,231,139)	(1,173,747)	(1,124,383)
(27,393)	(33,217)	(36,730)	(41,874)	(44,164)	(64,765)	(64,665)
(167,396)	—	—	—	—	—	—
529,449	(491,386)	827,791	730,536	854,499	915,765	737,005
(13,544)	81,961	87,948	89,304	35,326	(3,974)	4,215
(1,152,878)	(1,011,896)	(968,242)	(937,983)	(908,343)	(900,914)	(882,840)
140,611	—	—	—	—	—	—
(214,019)	—	—	—	—	—	—
(4,623)	—	—	—	—	—	—
(2,613)	(26,853)	(3,142)	(1,438)	(19,717)	(10,695)	(51,429)
66,715	65,293	65,293	65,293	65,293	41,521	36,766
256,609	489,228	25,665	24,006	39,845	64,315	101,074
273,179	258,925	261,054	252,225	187,473	674,950	586,295
159,854	75,509	292,568	286,395	275,785	264,363	248,707
\$ \$38,740	\$ (559,219)	\$ 588,935	\$ 508,338	\$ 530,161	\$ 1,045,331	\$ 779,793
\$ 15,406,620	\$ 14,954,997	\$ 14,620,518	\$ 14,190,682	\$ 13,179,105	\$ 12,746,144	\$ 11,810,573
606,816	538,552	550,736	500,610	760,912	567,443	456,429
(392,082)	414,561	1,296,075	1,187,102	1,430,039	3,261,307	3,262,561
\$ 15,621,354	\$ 15,908,110	\$ 16,467,329	\$ 15,878,394	\$ 15,370,056	\$ 16,574,894	\$ 15,529,563

(c) 2017 restated amounts include the impact related to the adoption of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

(d) 2021 restated amounts include impacts related to the adoption of GASB Statement No. 87, "Leases."

(e) 2022 restated amounts include impacts related to the adoption of GASB Statement No. 96, "SBITAs"

Schedule D-2 – Selected Statistical Debt Service Data

(pursuant to Port Authority bond resolutions)

	2024	2023	2022
	(In thousands)		
Gross operating revenues*:			
Tunnels, Bridges, and Terminals	\$ 2,067,422	\$ 1,988,089	\$ 1,880,833
PATH	166,059	148,408	123,878
Port	387,684	371,322	396,989
Aviation	3,946,104	3,657,985	3,225,138
Development	21,166	26,566	25,991
World Trade Center	406,123	432,248	380,847
Other	17,495	439	154
Total gross operating revenues	7,012,053	6,625,057	6,033,830
Operating expenses*:			
Tunnels, Bridges, and Terminals	(751,900)	(669,404)	(569,411)
PATH	(598,465)	(552,762)	(481,409)
Port	(228,039)	(197,560)	(181,602)
Aviation	(2,336,181)	(2,285,789)	(1,899,501)
Development	(8,257)	(19,451)	(11,268)
World Trade Center	(388,255)	(370,817)	(342,499)
Other	(12,451)	(3,786)	(729)
Total operating expenses	(4,323,548)	(4,099,569)	(3,486,419)
Operating and maintenance contingencies	—	—	—
Net insurance recoverables	—	—	—
Amounts in connection with operating asset obligations	—	—	—
Net operating revenues	2,688,505	2,525,488	2,547,411
Financial income	245,395	262,306	(84,157)
Grants and contributions in aid of construction, net	533,117	325,410	448,982
Application of WTC Retail Joint Venture Payments**	—	—	16,968
Application of Passenger Facility Charges	293,050	488,053	63,664
Application of 4 WTC associated payments	34,717	34,732	34,745
Net revenues available for debt service and reserves (a)	3,794,784	3,635,989	3,027,613
DEBT SERVICE			
Interest on Consolidated Bonds and Notes (b)	(1,162,681)	(1,145,750)	(1,088,361)
Times, interest earned (a/b)	3.26	3.17	2.78
Maturities and retirements of Consolidated Bonds and Notes (c)	(515,545)	(478,055)	(463,107)
Times, debt service earned [a/(b+c)]	2.26	2.24	1.95
APPLICATION OF RESERVES			
Direct investment in facilities	(1,722,404)	(943,156)	(867,790)
Appropriations for self-insurance and changes in accounting principles	(25,773)	(24,086)	(22,511)
Interest on special obligations	(117,510)	(119,566)	(101,564)
Maturities and retirements of special obligations	(6,869)	(5,909)	(4,859)
Net increase/(decrease) in reserves	244,002	919,467	479,421
RESERVE BALANCES			
January 1	4,807,770	3,888,303	3,408,882
December 31	5,051,772	4,807,770	3,888,303
Reserve funds balances represented by:			
General Reserve	2,516,313	2,523,802	2,551,509
Consolidated Bond Reserve	2,535,459	2,283,968	1,336,794
Total	\$ 5,051,772	\$ 4,807,770	\$ 3,888,303
FINANCING OBLIGATIONS AT DECEMBER 31 (at par value)			
Consolidated Bonds and Notes	\$ 24,705,420	\$ 24,653,960	\$ 24,971,430
Fund for regional development buy-out obligation	—	—	—
MOTBY obligation	35,147	38,144	40,992
Amounts payable – Special Project Bonds	—	—	—
Variable rate master notes	44,600	44,600	44,600
Commercial paper obligations	—	—	499,060
Special Obligation Institutional Loan Program	413,114	539,455	—
Hudson Tunnel Program Support Obligation	5,347	—	—
Tower 4 Liberty Bonds	1,230,305	1,232,505	1,234,705
Goethals Bridge Replacement Developer Financing Arrangement	1,017,456	1,020,300	1,022,275
Total financing obligations	\$ 27,451,389	\$ 27,528,964	\$ 27,813,062

* Gross operating revenues and operating expenses exclude GAAP adjustments related to GASB Statement No. 87 and GASB Statement No. 96.

** Commencing in 2014 amounts received in connection with the transfer of the Port Authority interests in the WTC Joint Venture are recognized in their entirety in the year in which they were received.

2021		2020		2019		2018		2017		2016		2015	
(In thousands)													
\$1,796,752	\$ 1,542,081	\$ 1,740,044	\$ 1,737,458	\$ 1,739,552	\$ 1,742,028	\$ 1,599,575							
85,221	82,110	210,610	203,800	202,880	191,261	184,560							
386,625	327,665	322,061	310,637	295,651	300,569	270,263							
2,508,088	2,032,359	2,913,161	2,762,279	2,682,523	2,646,213	2,537,233							
23,080	21,370	24,380	25,632	24,967	25,956	26,561							
333,497	319,195	319,952	294,735	264,769	252,086	199,883							
81	34	247	207	787	682	756							
5,133,344	4,324,814	5,530,455	5,334,748	5,211,129	5,158,795	4,818,831							
(524,557)	(552,976)	(553,759)	(524,212)	(525,862)	(509,529)	(499,873)							
(467,051)	(447,034)	(457,515)	(447,552)	(423,384)	(415,251)	(389,276)							
(164,852)	(163,395)	(174,213)	(166,405)	(160,495)	(167,724)	(175,976)							
(1,617,594)	(1,752,439)	(1,886,112)	(1,754,801)	(1,693,563)	(1,612,470)	(1,557,926)							
(11,215)	(11,612)	(11,475)	(11,786)	(12,399)	(10,853)	(13,659)							
(320,647)	(335,014)	(346,535)	(333,848)	(312,242)	(293,864)	(258,748)							
(305)	(539)	(567)	(3,711)	(4,973)	(3,396)	(5,194)							
(3,106,221)	(3,263,009)	(3,430,176)	(3,242,315)	(3,132,918)	(3,013,087)	(2,900,652)							
—	—	—	—	—	—	(50,000)							
—	4,033	175,678	—	18,323	—	123							
(708)	(5,851)	(9,529)	(12,921)	(16,050)	(18,871)	(21,387)							
2,026,415	1,059,987	2,266,428	2,079,512	2,080,484	2,126,837	1,846,915							
(13,548)	81,867	87,440	86,250	33,574	(4,784)	4,080							
525,452	712,295	252,765	220,741	193,381	347,390	321,980							
—	—	—	—	—	77,869	66,963							
147,557	131,149	289,639	433,326	285,335	229,921	273,721							
66,715	65,293	65,293	65,293	65,293	41,520	36,766							
2,752,591	2,050,591	2,961,565	2,885,122	2,658,067	2,818,753	2,550,425							
(1,098,922)	(940,309)	(872,275)	(868,510)	(858,694)	(824,586)	(810,356)							
2.50	2.18	3.40	3.32	3.10	3.42	3.15							
(398,600)	(387,820)	(334,500)	(319,090)	(300,905)	(268,520)	(259,315)							
1.84	1.54	2.45	2.43	2.29	2.58	2.38							
(870,697)	(1,398,366)	(1,550,920)	(1,771,900)	(1,623,347)	(1,132,915)	(1,949,785)							
(21,038)	(19,662)	(18,375)	—	—	—	—							
(128,782)	(130,857)	(133,537)	(103,056)	(69,570)	(81,601)	(66,461)							
(26,678)	(608)	81	(188)	(1,276)	6,669	(51,928)							
207,874	(827,031)	52,039	(185,922)	(195,725)	517,800	(587,420)							
3,201,008	4,028,039	3,976,000	4,161,922	4,357,647	3,839,847	4,427,267							
3,408,882	3,201,008	4,028,039	3,976,000	4,161,922	4,357,647	3,839,847							
2,480,806	2,401,503	2,388,243	2,297,475	2,297,475	2,297,475	2,297,475							
928,076	799,505	1,639,796	1,678,525	1,864,447	2,060,172	1,542,372							
\$ 3,408,882	\$ 3,201,008	\$ 4,028,039	\$ 3,976,000	\$ 4,161,922	\$ 4,357,647	\$ 3,839,847							
\$ 24,189,474	\$ 23,388,115	\$ 22,161,860	\$ 20,898,775	\$ 20,672,365	\$ 20,429,565	\$ 21,019,925							
—	52,898	100,258	143,939	184,230	221,393	253,732							
43,697	46,268	48,711	51,032	53,237	55,332	44,383							
—	—	1,150,415	1,245,835	1,327,680	1,391,170	1,451,170							
44,600	69,600	69,600	69,600	77,900	77,900	77,900							
574,000	557,325	500,565	480,765	464,615	388,315	425,760							
—	—	—	—	—	—	—							
1,236,905	1,225,520	1,225,520	1,225,520	1,225,520	1,225,520	1,225,520							
1,023,286	1,023,398	1,022,518	1,021,023	934,198	744,401	430,800							
\$ 27,111,962	\$ 26,363,124	\$ 26,279,447	\$ 25,136,489	\$ 24,939,745	\$ 24,533,596	\$ 24,929,190							

Note: This selected financial data is prepared primarily from information contained in Schedules A, B and C and is presented for general information only and is not intended to reflect the specific applications of the revenues and reserves of the Port Authority, which are governed by statutes and its bond resolutions.

Schedule D-3 Selected Statistical Financial Data by Business Segment

(pursuant to U.S. GAAP)

	2024	2023	2022 ^(h) (Restated)
(In thousands)			
Gross Operating Revenues:			
Tunnels, Bridges, and Terminals	\$ 2,068,245	\$ 1,987,504	\$ 1,879,336
PATH	165,624	147,947	124,003
Port	387,633	371,279	396,977
Aviation	3,941,040	3,653,830	3,223,841
Development	20,730	21,695	21,346
World Trade Center	340,580	380,593	331,699
Other ^(a)	12,506	439	154
Total	\$ 6,936,358	\$ 6,563,287	\$ 5,977,356
Operating Expenses: ^(b)			
Tunnels, Bridges, and Terminals	\$ 752,413	\$ 668,427	\$ 568,805
PATH	598,828	552,255	481,163
Port	209,895	176,769	160,737
Aviation	2,048,948	1,995,247	1,603,391
Development	8,031	19,111	10,930
World Trade Center	386,579	360,917	295,907
Other ^{(c)(e)}	(34,877)	(37,639)	706
Total	\$ 3,969,817	\$ 3,735,087	\$ 3,120,919
Capital Investment: ^(d)			
Tunnels, Bridges, and Terminals	\$ 555,415	\$ 509,607	\$ 297,637
PATH (including WTC Transportation Hub) ⁽ⁱ⁾	357,190	397,097	269,254
Port	76,518	52,240	29,709
Aviation ^(f)	1,314,888	883,460	1,251,048
Development	—	—	—
World Trade Center	92,147	89,274	80,114
Other ^(j)	—	—	—
Total	\$ 2,396,158	\$ 1,913,678	\$ 1,927,762

(a) Includes Ferry Transportation and Regional Facilities and Other Programs.

(b) Amounts include all direct and allocated operating expenses.

(c) Includes Ferry Transportation, Regional Facilities and Other Programs, and GASB Statement No. 87 amounts related to leases entered into for the purpose of providing centralized support services to Port Authority facilities.

(d) Capital investment includes capital investments funded with capital contributions. Capital investment is reduced by capital expenditures write-offs.

(e) 2017 restated amount includes \$(24) million related to the adoption of GASB Statement No. 75, "Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions."

	2021 ^(g) (Restated)	2020		2019		2018		2017 (Restated)	2016		2015
		(In thousands)									
\$ 1,796,696	\$ 1,542,081	\$ 1,740,044	\$ 1,737,458	\$ 1,739,552	\$ 1,742,028	\$ 1,599,575					
85,998	82,110	210,610	203,800	202,880	191,261	184,560					
386,622	327,665	322,061	310,637	295,651	300,569	270,263					
2,507,776	2,032,359	2,913,161	2,762,279	2,682,523	2,646,213	2,537,233					
18,536	21,370	24,380	25,632	24,967	25,956	26,561					
299,533	328,455	329,212	303,995	274,029	260,655	207,634					
81	34	247	207	787	682	756					
\$ 5,095,242	\$ 4,334,074	\$ 5,539,715	\$ 5,344,008	\$ 5,220,389	\$ 5,167,364	\$ 4,826,582					
\$ 524,422	\$ 552,976	\$ 553,759	\$ 524,212	\$ 525,862	\$ 509,529	\$ 499,873					
466,844	447,034	457,515	447,552	423,384	415,251	389,276					
145,723	163,395	174,213	166,405	160,495	167,724	175,976					
1,345,891	1,752,439	1,886,112	1,754,801	1,693,563	1,612,470	1,557,926					
10,879	11,612	11,475	11,786	12,399	10,853	13,659					
275,268	335,014	346,535	333,848	312,242	293,864	258,748					
281	539	567	3,711	(19,035)	3,396	5,194					
\$ 2,769,308	\$ 3,263,009	\$ 3,430,176	\$ 3,242,315	\$ 3,108,910	\$ 3,013,087	\$ 2,900,652					
\$ 393,208	\$ 582,366	\$ 697,449	\$ 931,539	\$ 885,311	\$ 1,179,307	\$ 956,231					
332,023	344,982	364,400	378,445	274,429	454,031	268,428					
37,834	43,999	120,019	146,153	106,455	133,874	93,729					
1,148,207	1,378,516	1,885,944	1,278,372	772,520	584,996	791,805					
—	1	111	3,682	893	1,569	2,110					
106,809	216,441	266,795	314,472	311,122	846,597	904,787					
—	82	73	1,737	150,409	290	3,144					
\$ 2,018,081	\$ 2,566,387	\$ 3,334,791	\$ 3,054,400	\$ 2,501,139	\$ 3,200,664	\$ 3,020,234					

(f) Includes LaGuardia Terminal B landlord leasehold capital investment

(g) 2021 restated amounts include impacts related to the adoption of GASB Statement No. 87, "Leases."

(h) 2022 restated amounts include impacts related to the adoption of GASB Statement No. 96, "SBITAs."

(i) Includes amounts related to the Hudson Tunnel Project, including capital investment amounts previously reported in "Other" related to the Gateway Early Work.

(j) Includes Ferry Transportation and Moynihan Station Transportation Program

Schedule E – Information on Port Authority Operations

(pursuant to U.S. GAAP)

Year ended December 31, 2024

2023

	Gross Operating Revenues ^(e)	Operating Expenses ^(a)	Depreciation & Amortization	Amortization of Lease Assets, as Lessee	Income/(loss) from Operations	Interest, Grants & Other Expenses ^(b)	Capital Contributions & PFCs	Increase/(decrease) in Net Position	Increase/(decrease) in Net Position
(In thousands)									
INTERSTATE TRANSPORTATION NETWORK									
George Washington Bridge & Bus Station	\$ 934,808	\$ 193,305	\$ 97,826	\$ 22	\$ 643,655	\$ 39,121	\$ 1,150	\$ 605,684	\$ 631,955
Holland Tunnel	233,064	120,503	28,079	—	84,482	8,846	29,088	104,724	114,436
Lincoln Tunnel	309,128	152,875	93,721	71	62,461	47,247	469	15,683	19,112
Bayonne Bridge	56,573	30,389	34,247	—	(8,063)	42,709	—	(50,772)	(54,834)
Goethals Bridge	302,030	37,108	44,544	—	220,378	73,888	—	146,490	128,290
Outerbridge Crossing	194,820	24,531	7,169	—	163,120	2,501	—	160,619	157,053
Port Authority Bus Terminal	37,822	193,702	34,306	—	(190,186)	8,939	—	(199,125)	(183,807)
Subtotal – Tunnels, Bridges & Terminals	2,068,245	752,413	339,892	93	975,847	223,251	30,707	783,303	812,205
PATH ^(c)	159,604	566,693	171,529	64	(578,682)	166,889	78,809	(666,762)	(651,026)
WTC Transportation Hub ^(c)	—	14,448	82,503	—	(96,951)	—	—	(96,951)	(92,827)
Journal Square Transportation Center ^(c)	6,020	17,687	3,915	—	(15,582)	1,140	—	(16,722)	(17,332)
Hudson Tunnel Project ^(d)	—	—	3,000	—	(3,000)	19	—	(3,019)	(3,130)
Subtotal – PATH	165,624	598,828	260,947	64	(694,215)	168,048	78,809	(783,454)	(764,315)
Ferry Transportation	317	717	3,978	21	(4,399)	1,911	—	(6,310)	(7,270)
Access to the Regions Core (ARC)	—	—	—	—	—	—	—	—	(270)
Moynihan Station Transportation Program	—	—	10,000	—	(10,000)	—	—	(10,000)	(11,508)
Total Interstate Transportation Network	2,234,186	1,351,958	614,817	178	267,233	393,210	109,516	(16,461)	28,842
AVIATION									
LaGuardia ^{(d)(h)}	579,408	413,278	222,404	29,252	(85,526)	87,611	68,241	(104,896)	(204,219)
JFK International ^(d)	1,895,394	887,831	204,354	73,577	729,632	84,324	299,939	945,247	723,332
Newark Liberty International ^(d)	1,390,133	677,866	241,026	51,533	419,708	108,490	101,265	412,483	377,738
Teterboro	67,793	38,388	13,438	—	15,967	4,724	8,321	19,564	6,469
New York Stewart International ^(d)	8,312	31,585	11,723	846	(35,842)	2,830	24,878	(13,794)	(26,779)
Total Aviation	3,941,040	2,048,948	692,945	155,208	1,043,939	287,979	502,644	1,258,604	876,541
PORT									
Port Newark	113,549	115,825	32,531	7,676	(42,483)	20,294	5,375	(57,402)	(55,345)
Elizabeth Port Authority Marine Terminal	204,184	33,916	18,808	—	151,460	11,694	405	140,171	132,010
Brooklyn Port Authority Marine Terminal	3,499	11,450	6,332	—	(14,283)	1,966	948	(15,301)	(17,873)
Red Hook Terminal	481	2,735	1,161	—	(3,415)	—	(592)	(4,007)	(1,133)
Howland Hook Marine Terminal	20,181	17,223	10,078	767	(7,887)	10,291	—	(18,178)	(13,950)
Greenville Yard Port Authority Marine Terminal	1,216	123	—	—	1,093	(1,244)	—	2,337	1,060
NYNJ Rail LLC	6,117	7,201	6,618	—	(7,702)	3,949	3,234	(8,417)	(4,433)
Port Jersey – Port Authority Marine Terminal	38,406	21,422	15,730	—	1,254	13,967	2,890	(9,823)	14,903
Total Port	387,633	209,895	91,258	8,443	78,037	60,917	12,260	29,380	55,239
DEVELOPMENT									
Essex County Resource Recovery Facility	3,165	98	—	—	3,067	(172)	—	3,239	2,870
Industrial Park at Elizabeth	3,992	109	249	—	3,634	(3,832)	—	7,466	497
Teleport	6,787	7,295	284	331	(1,123)	21	—	(1,144)	(7,483)
Newark Legal & Communications Center	9	117	—	—	(108)	—	—	(108)	(83)
Queens West Waterfront Development	2,394	—	565	—	1,829	1,990	—	(161)	(848)
Hoboken South Waterfront Development	4,383	412	1,049	—	2,922	(7,811)	—	10,733	8,815
Total Development	20,730	8,031	2,147	331	10,221	(9,804)	—	20,025	3,768
WORLD TRADE CENTER									
WTC Campus	4,103	175,762	121,338	—	(292,997)	(15,768)	15,033	(262,196)	(271,951)
One World Trade Center	236,776	143,662	131,642	—	(38,528)	144,316	—	(182,844)	(124,540)
WTC Towers 2, 3 & 4	42,934	39,689	80,636	—	(77,391)	(101,118)	—	23,727	23,939
WTC Tower 7	24,916	17,864	—	—	7,052	(4,425)	—	11,477	20,172
WTC Retail	31,851	9,602	46,561	—	(24,312)	(649)	—	(23,663)	(2,682)
Total World Trade Center	340,580	386,579	380,177	—	(426,176)	22,356	15,033	(433,499)	(355,062)
Regional Facilities	—	—	3,462	—	(3,462)	—	—	(3,462)	(6,478)
Other Programs⁽ⁱ⁾	12,189	(35,594)	—	9,758	38,025	23,083	—	14,942	4,605
Total	\$6,936,358	\$3,969,817	\$1,784,806	\$ 173,918	\$ 1,007,817	\$ 777,741	\$ 639,453	\$ 869,529	\$607,455

(a) Amounts include direct and allocated operating expenses.

(b) Amounts include net interest expense (interest expense less financial income), interest expense and interest income related to leases subject to GASB Statement No. 87, Tower 4 Liberty Bond debt service reimbursements, Pass-through grant program payments, Grants in connection with operating activities and gains or losses generated by the disposition of assets, if any.

(c) PATH Gross operating revenues include PATH fares collected at the WTC and Journal Square Transportation Center PATH stations.

(d) Facility amounts include Passenger Facility Charges.

(e) Gross operating revenues include the amortization of deferred inflows of resources related to leases recognized under GASB Statement No. 87.

(f) Includes GASB Statement No. 87 amounts related to leases entered into for the purpose of providing centralized support services to Port Authority facilities.

(g) Includes amounts previously reported as Gateway Early Work Program.

(h) Includes depreciation related to the LGA Terminal B landlord leasehold investment.

Schedule F – Information on Capital Investment in Port Authority Facilities

	Net Book Value at Dec. 31, 2023	Capital Investment ^(a)	Depreciation	Dispositions	Net Book Value at Dec. 31, 2024
(In thousands)					
INTERSTATE TRANSPORTATION NETWORK					
George Washington Bridge & Bus Station	\$ 1,859,195	\$ 207,064	\$ 97,826	\$ —	\$ 1,968,433
Holland Tunnel	673,415	55,965	28,079	—	701,301
Lincoln Tunnel	1,785,558	157,516	93,721	—	1,849,353
Bayonne Bridge	1,473,756	2,473	34,247	—	1,441,982
Goethals Bridge	1,426,762	3,900	44,544	—	1,386,118
Outerbridge Crossing	110,708	6,628	7,169	—	110,167
Port Authority Bus Terminal	639,646	121,869	34,306	—	727,209
Subtotal – Tunnels, Bridges & Terminals	7,969,040	555,415	339,892	—	8,184,563
PATH	3,633,750	337,504	171,529	—	3,799,725
WTC Transportation HUB	3,141,607	1,345	82,503	—	3,060,449
Journal Square Transportation Center	64,298	12,907	3,915	—	73,290
Hudson Tunnel Project ^(e)	67,437	5,434	3,000	—	69,871
Subtotal – PATH	6,907,092	357,190	260,947	—	7,003,335
Ferry Transportation	67,733	—	3,978	—	63,755
Access to the Region's Core (ARC)	30,227	—	—	—	30,227
Moynihan Station Transportation Program	89,128	—	10,000	—	79,128
Total Interstate Transportation Network	15,063,220	912,605	614,817	—	15,361,008
AVIATION^(b)					
LaGuardia ^(f)	3,946,816	80,847	222,404	—	3,805,259
JFK International	4,007,032	779,180	204,354	—	4,581,858
Newark Liberty International	4,617,445	429,118	241,026	—	4,805,537
Teterboro	190,252	24,746	13,438	—	201,560
New York Stewart International	127,331	997	11,723	—	116,605
Total Aviation	12,888,876	1,314,888	692,945	—	13,510,819
PORT					
Port Newark	714,785	50,362	32,531	—	732,616
Elizabeth Port Authority Marine Terminal	860,460	8,937	18,808	—	850,589
Brooklyn Port Authority Marine Terminal/Red Hook Terminal	76,245	(3,411)	7,493	—	65,341
Howland Hook Marine Terminal	415,079	980	10,078	—	405,981
Greenville Yard Port Authority Marine Terminal/NY NJ Rail LLC	183,937	5,107	6,618	—	182,426
Port Jersey-Port Authority Marine Terminal	470,123	14,543	15,730	—	468,936
Total Port	2,720,629	76,518	91,258	—	2,705,889
DEVELOPMENT					
Essex County Resource Recovery Facility	5,805	—	—	—	5,805
Industrial Park at Elizabeth	4,040	—	249	—	3,791
Teleport	284	—	284	—	—
Queens West Waterfront Development	80,217	—	565	—	79,652
Hoboken South Waterfront Development	48,559	—	1,049	—	47,510
Total Development	138,905	—	2,147	—	136,758
WORLD TRADE CENTER					
WTC Campus ^(c)	3,808,982	74,976	121,338	—	3,762,620
One World Trade Center	2,882,153	15,273	131,642	—	2,765,784
WTC Towers 2, 3 & 4 ^(d)	2,503,657	—	80,636	—	2,423,021
WTC Retail	1,585,705	1,898	46,561	—	1,541,042
Total World Trade Center	10,780,497	92,147	380,177	—	10,492,467
TOTAL^(f)	\$ 41,592,127	\$ 2,396,158	\$ 1,781,344	\$ —	\$ 42,206,941
REGIONAL FACILITIES & PROGRAMS	\$ 8,429	\$ —	\$ 3,462	\$ —	\$ 4,967

(a) Capital investment includes investment funded with capital contributions and is reduced by capital write-offs.

(b) Facility capital investment amounts include projects funded with Passenger Facility Charges.

(c) Capital investment includes campuswide infrastructure primarily related to utilities, roadways, WTC Memorial, WTC Vehicular Security Center and the WTC Chiller Plant.

(d) Includes WTC net lessee required capital contributions related to the construction of WTC Towers 3 and 4.

(e) Includes amounts previously reported as Gateway Early Work Program.

(f) Includes amounts related to the LGA Terminal B landlord leasehold investment.

Schedule G – Port Authority Facility Traffic (Unaudited)*

	2024	2023	2022
TUNNELS AND BRIDGES (Eastbound Traffic)			
AUTOMOBILES			
George Washington Bridge	45,520,919	46,019,125	45,594,258
Lincoln Tunnel	16,280,739	16,545,912	17,181,771
Holland Tunnel	15,299,994	15,201,121	14,299,537
Staten Island Bridges	34,599,411	34,413,854	33,557,483
Subtotal Automobiles	111,701,063	112,180,012	110,633,049
BUSES			
George Washington Bridge	262,713	239,769	256,445
Lincoln Tunnel	1,648,151	1,613,761	1,526,562
Holland Tunnel	56,252	52,541	43,961
Staten Island Bridges	146,661	148,171	156,059
Subtotal Buses	2,113,777	2,054,242	1,983,027
TRUCKS			
George Washington Bridge	4,457,822	4,369,170	4,103,693
Lincoln Tunnel	1,093,329	1,094,781	979,555
Holland Tunnel	456,765	439,248	365,493
Staten Island Bridges	2,601,687	2,490,863	2,652,206
Subtotal Trucks	8,609,603	8,394,062	8,100,947
TOTAL VEHICLES			
George Washington Bridge	50,241,454	50,628,064	49,954,396
Lincoln Tunnel	19,022,219	19,254,454	19,687,888
Holland Tunnel	15,813,011	15,692,910	14,708,991
Staten Island Bridges	37,347,759	37,052,888	36,365,748
Subtotal Vehicles	122,424,443	122,628,316	120,717,023
PATH			
Total Passengers	57,247,481	50,467,805	42,582,013
Passenger Weekday Average	186,120	164,590	137,016
MARINE TERMINALS			
General cargo ^(a) (in metric tons)	35,724,771	32,383,857	39,736,739
Containers (in twenty foot equivalent units)	8,698,526	7,810,005	9,493,664
International waterborne vehicles	410,153	366,796	420,929
Waterborne bulk commodities (in metric tons)	2,785,839	3,066,864	3,697,618
CONTAINERS			
New Jersey Marine Terminals	4,523,777	4,145,208	4,730,639
New York Marine Terminals	271,603	182,945	522,008
Subtotal Containers	4,795,380	4,328,153	5,252,647
BUS TERMINALS			
BUS DEPARTURES			
Port Authority Bus Terminal	954,211	902,419	862,645
George Washington Bridge Bus Station	109,196	108,520	104,710
PATH Journal Square Transportation Center Bus Station	311,000	329,000	289,000
Total Departures	1,374,407	1,339,939	1,256,355
AVIATION			
PLANE MOVEMENTS			
John F. Kennedy International Airport	468,568	479,026	449,238
LaGuardia Airport	353,061	360,164	352,582
Newark Liberty International Airport	414,453	426,575	401,326
New York Stewart International Airport	23,238	25,967	28,197
Subtotal Plane Movements	1,259,320	1,291,732	1,231,343
DOMESTIC PASSENGERS			
John F. Kennedy International Airport	28,007,275	28,896,454	28,449,455
LaGuardia Airport	31,813,670	30,576,140	27,807,585
Newark Liberty International Airport	33,630,903	34,547,171	31,943,547
New York Stewart International Airport	174,712	150,763	244,664
Subtotal Domestic Passengers	93,626,560	94,170,528	88,445,251
INTERNATIONAL PASSENGERS			
John F. Kennedy International Airport	35,258,697	33,180,238	26,838,256
LaGuardia Airport	1,730,273	1,808,820	1,286,207
Newark Liberty International Airport	15,222,467	14,537,370	11,621,707
New York Stewart International Airport	102,080	103,102	53,287
Subtotal International Passengers	52,313,517	49,629,530	39,799,457
TOTAL PASSENGERS			
John F. Kennedy International Airport	63,265,972	62,076,692	55,287,711
LaGuardia Airport	33,543,943	32,384,960	29,093,792
Newark Liberty International Airport	48,853,370	49,084,541	43,565,254
New York Stewart International Airport	276,792	253,865	297,951
Subtotal Passengers	145,940,077	143,800,058	128,244,708
CARGO-TONS			
John F. Kennedy International Airport	1,672,227	1,587,861	1,545,624
LaGuardia Airport	5,749	6,026	6,662
Newark Liberty International Airport	711,556	700,163	746,801
New York Stewart International Airport	26,458	23,704	24,707
Subtotal Cargo-tons	2,415,990	2,317,754	2,323,794
Revenue Mail-tons	87,689	104,919	145,329

* Certain 2024 numbers reflect estimated data based on available year-end information and are subject to revision.

(a) International oceanborne general and bulk cargo as recorded in the New York - New Jersey Customs District.

2021	2020	2019	2018	2017	2016	2015
45,107,088	38,784,553	47,700,000	47,264,000	47,594,000	47,497,000	46,361,000
15,631,752	11,513,663	15,317,000	15,742,000	15,841,000	15,993,000	15,706,000
13,647,628	11,061,685	15,033,000	14,460,000	14,247,000	14,727,000	14,763,000
32,118,961	27,572,632	33,636,000	32,373,000	31,430,000	30,303,000	28,883,000
106,505,429	88,932,533	111,686,000	109,839,000	109,112,000	108,520,000	105,713,000
277,876	253,278	440,000	448,000	442,000	440,000	429,000
1,399,329	1,395,997	2,186,000	2,170,000	2,161,000	2,164,000	2,165,000
38,187	53,052	159,000	168,000	179,000	191,000	199,000
142,270	104,646	167,000	186,000	180,000	177,000	176,000
1,857,662	1,806,973	2,952,000	2,972,000	2,962,000	2,972,000	2,969,000
3,887,376	3,704,358	3,821,000	3,792,000	3,684,000	3,692,000	3,666,000
870,595	772,995	1,031,000	1,048,000	1,037,000	1,055,000	1,061,000
335,758	324,381	443,000	443,000	446,000	447,000	447,000
2,596,494	2,287,868	2,295,000	2,163,000	2,153,000	2,085,000	2,091,000
7,690,223	7,089,602	7,590,000	7,446,000	7,320,000	7,279,000	7,265,000
49,272,340	42,742,189	51,961,000	51,504,000	51,720,000	51,629,000	50,456,000
17,901,676	13,682,655	18,534,000	18,960,000	19,039,000	19,212,000	18,932,000
14,021,573	11,439,118	15,635,000	15,071,000	14,872,000	15,365,000	15,409,000
34,857,725	29,965,146	36,098,000	34,722,000	33,763,000	32,565,000	31,150,000
116,053,314	97,829,108	122,228,000	120,257,000	119,394,000	118,771,000	115,947,000
29,245,022	27,005,307	82,219,587	81,733,402	82,812,915	78,553,560	76,541,453
90,941	90,287	284,380	280,860	283,719	269,081	258,425
36,505,473	34,829,323	41,090,000	37,577,000	35,450,000	32,556,203	36,781,069
8,985,929	7,885,819	7,471,131	7,179,788	6,710,817	6,251,953	6,371,720
458,026	469,529	570,023	573,035	577,223	505,150	477,170
4,037,804	3,010,322	3,639,822	3,686,686	3,975,000	3,212,603	5,050,519
4,550,386	4,038,301	3,950,890	3,828,434	3,599,514	3,416,144	3,427,226
429,348	217,200	287,217	267,020	246,910	186,364	236,787
4,979,734	4,255,501	4,238,107	4,095,454	3,846,424	3,602,508	3,664,013
840,000	835,000	1,190,000	1,203,000	1,199,000	1,193,000	1,179,000
105,000	103,000	166,000	171,000	172,000	172,000	170,000
289,704	291,921	482,725	479,960	478,900	478,640	478,560
1,234,704	1,229,921	1,838,725	1,853,960	1,849,900	1,843,640	1,827,560
290,778	199,767	456,060	455,495	448,366	448,753	439,298
175,765	139,178	374,078	371,905	369,152	369,987	358,609
282,280	211,460	446,320	453,377	438,578	431,594	413,873
25,951	22,513	33,222	32,542	34,787	37,295	37,834
774,774	572,918	1,309,680	1,313,319	1,290,883	1,287,629	1,249,614
18,037,803	8,267,666	28,233,791	28,117,337	26,961,081	27,245,463	26,806,854
15,319,871	7,853,368	28,875,041	27,857,697	27,474,292	27,996,763	26,684,923
22,446,527	12,121,093	32,004,140	31,730,735	30,330,568	27,995,353	25,693,128
135,144	97,392	366,124	366,130	307,621	275,421	281,754
55,939,345	28,339,519	89,479,096	88,071,899	85,073,562	83,513,000	79,466,659
12,750,519	8,362,976	34,317,281	33,518,898	32,518,263	31,693,184	30,079,898
281,192	391,824	2,209,853	2,224,430	2,087,936	1,790,006	1,752,745
6,603,025	3,771,799	14,332,312	14,128,785	12,891,846	12,324,428	11,805,317
—	—	159,591	324,281	141,077	—	—
19,634,736	12,526,599	51,019,037	50,196,394	47,639,122	45,807,618	43,637,960
30,788,322	16,630,642	62,551,072	61,636,235	59,479,344	58,938,647	56,886,752
15,601,063	8,245,192	31,084,894	30,082,127	29,562,228	29,786,769	28,437,668
29,049,552	15,892,892	46,336,452	45,859,520	43,222,414	40,319,781	37,498,445
135,144	97,392	525,715	690,411	448,698	275,421	281,754
75,574,081	40,866,118	140,498,133	138,268,293	132,712,684	129,320,618	123,104,619
1,573,598	1,152,601	1,338,415	1,422,160	1,394,509	1,311,191	1,332,091
6,328	5,826	6,376	5,996	6,878	7,586	7,721
791,442	695,345	825,266	848,161	822,589	746,770	405,214
30,996	24,145	23,606	22,808	20,834	18,729	15,144
2,402,364	1,877,917	2,193,663	2,299,125	2,244,810	2,084,276	1,760,170
146,672	135,733	177,413	154,244	153,733	140,418	126,026

A container vessel with cargo destined for the Port of New York and New Jersey.



Statistical Section

Selected Statistical Demographic and Economic Data

The New York-New Jersey Metropolitan Statistical Area, one of the largest and most diverse in the nation, consists of twenty-two counties. New Jersey: Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic, Somerset, Union, Hunterdon, Ocean, and Sussex; and New York: Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Suffolk, Westchester, and Putnam.

Year	Population	Personal Disposable Income	Per-Capita Personal Disposable Income		Employment	Unemployment Rate
			Personal Disposable Income	Per-Capita Personal Disposable Income		
(In thousands)						
2024⁽¹⁾	19,957	\$ 1,583,016	\$ 79.32	9,960	4.5%	
2023	19,755	\$ 1,505,135	\$ 76.19	9,810	4.3%	
2022	19,636	\$ 1,370,163	\$ 69.78	9,605	4.4%	
2021	19,707	\$ 1,395,737	\$ 70.83	9,071	7.5%	
2020	19,957	\$ 1,324,173	\$ 66.35	8,767	10.4%	
2019	20,072	\$ 1,255,962	\$ 62.57	9,716	3.6%	
2018	20,039	\$ 1,206,489	\$ 60.21	9,587	4.0%	
2017	19,980	\$ 1,157,325	\$ 57.92	9,455	4.4%	
2016	19,898	\$ 1,088,722	\$ 54.72	9,301	4.8%	
2015	19,789	\$ 1,040,245	\$ 52.57	9,137	5.3%	

Leading Employment by Major Industries (% of Total)⁽²⁾

	2024 ⁽³⁾	2015
Education & Health Services	22.8%	18.9%
Professional & Business Services	16.3%	15.8%
Government	13.1%	14.3%
Leisure & Hospitality	9.2%	9.1%
Financial Activities	8.3%	8.4%
Retail Trade	8.2%	10.2%
Trade Transportation & Utilities	4.1%	3.5%
Other Services	4.0%	4.4%
Construction	3.9%	3.8%
Wholesale Trade	3.9%	4.5%
Manufacturing	3.3%	3.9%
Information	3.1%	3.2%

Source: S&P Global and BLS

(1) Data is preliminary and subject to revision.

(2) Industry definitions can be found at the U.S. Department of Labor Statistics website at www.bls.gov/bls/naics.htm.

(3) BLS Data is preliminary and subject to revision.

Authorized Positions by Department

	2024
Department	
Aviation	1,540
PATH	1,275
Tunnels, Bridges & Terminals	793
Operations Services	426
Port	196
World Trade Center	24
Office of the Chief Operating Officer	10
Total Line Departments	4,264
Port Authority Police Department	1,861
Security Operations & Programs	152
Security Business Resource Management	66
Preparedness, Intelligence & Inspections	24
Office of the Chief Security Officer	5
Total Security Departments	2,108
Engineering	543
Comptrollers'	84
Treasury	33
Management & Budget	25
Financial Planning	11
Office of the Chief Financial Officer	13
Total Finance Departments	166
Inspector General / Office of Investigations	68
Audit	63
Total Inspector General	131
Major Capital Projects / WTC Construction	109
Human Capital / Human Resources	94
Labor Relations	10
Chief Human Capital Office	3
Total Human Capital / Human Resources	107
General Counsel / Law	97
Technology Services	93
Procurement	75
Real Estate	17
Project Management Office	16
Planning & Regional Development	15
Office of Sustainability	14
Office of the Chief Development Officer	7
Office of Continuous Improvement	5
Total Development Departments	74
Chief Health & Safety Officer	52
Marketing	27
Media Relations	10
Office of the Chief Communications Officer	4
Total Communication Departments	41
Diversity & Inclusion Office	32
Office of the Secretary	18
Priority Programs	17
Intergovernmental Affairs	16
Gateway	1
Ethics & Compliance	6
Office of the Executive Director	5
TOTAL AUTHORIZED POSITIONS	7,955

Source: 2024 Adopted Budget

Top 20 Salaried Staff as of December 31, 2024

JAMES D. HEITMANN

Chief Operating Officer
2024 total compensation: \$348,908
B.E., Stevens Institute of Technology
More than 38 years of engineering, project management, and aviation leadership experience.

AMY H. FISHER

General Counsel
2024 total compensation: \$332,716
J.D., Columbia University School of Law
B.A., Wesleyan University
More than 35 years of legal experience, including regulatory affairs and compliance.

ELIZABETH M. MCCARTHY

Chief Financial Officer
2024 total compensation: \$324,730
B.S., St. Louis University
More than 30 years of financial experience in the public and private sectors.

RICHARD COTTON

Executive Director
2024 total compensation: \$317,607
J.D., Yale Law School
A.B., Harvard College
More than 30 years of private sector, legal, and public sector management experience.

STEVEN P. PLATE

Chief, Major Capital Projects
2024 total compensation: \$385,830
B.S., Manhattan College
More than 39 years of experience in program management in the private and public sectors.

DEREK H. UTTER

Chief Development Officer
2024 total compensation: \$314,183
M.B.A., the Wharton School of the University of Pennsylvania
B.A., University of California, Los Angeles
More than 25 years of infrastructure, corporate finance, and government experience.

GREGORY EHRIE

Chief Security Officer
2024 total compensation: \$312,474
B.A., Manhattan College
More than 30 years of military, federal law enforcement, and private sector security experience.

DANIELLE M. OUTLAW

Deputy Chief Security Officer
2024 total compensation: \$300,707
M.B.A., Pepperdine University
B.A., University of San Francisco
More than 25 years of policing and law enforcement experience.

TERESA A. RIZZUTO

General Manager, John F. Kennedy International Airport
2024 total compensation: \$302,267
More than 30 years of aviation management experience.

CHARLES R. EVERETT

Director, Aviation
2024 total compensation: \$300,322
B.A., University of Pennsylvania
More than 35 years of experience in transportation and aviation leadership.

LILLIAN D. VALENTI

Chief, Procurement & Contracting Officer
2024 total compensation: \$313,264
M.A., Columbia University
B.A., Lafayette College
More than 50 years of public sector leadership and management experience.

DIANNAE C. EHLER

Director, Tunnels, Bridges & Terminals
2024 total compensation: \$301,743
M.B.A., Fordham University
M.C.E., Manhattan College
B.C.E., Manhattan College
More than 40 years of transportation leadership experience.

CLARELLE D. DEGRAFFE

Director/General Manager, Port Authority Trans-Hudson (PATH)
2024 total compensation: \$295,471
B.E., Stevens Institute of Technology
More than 35 years of public and private sector railroad construction and logistics experience.

ROBERT E. GALVIN

Chief Technology Officer
2024 total compensation: \$294,943
B.S., Central Michigan University
More than 25 years of information technology experience in the public and private sectors.

ALAN L. REISS

Director, World Trade Center Construction
2024 total compensation: \$360,521
B.S., Northeastern University
More than 40 years of engineering, project management, and executive management experience.

SARAH K. MCKEON

Director, Aviation Department
2024 total compensation: \$291,862
B.E., Stevens Institute of Technology
More than 20 years of engineering, procurement, and aviation leadership experience.

JOHN GAY

Inspector General
2024 total compensation: \$284,088
J.D., American University, Washington College of Law
B.A., Rutgers University
More than 30 years of legal experience in the public sector.

CHRISTINA R. CALLAHAN^(a)

Chief, Human Capital
2024 total compensation: \$255,573
M.P.A., Syracuse University
B.S., Empire State University
More than 27 years of public sector experience, with 25 years focused within aviation.

EDWARD T. CETNAR

Superintendent of Police and Director of Public Safety
2024 total compensation: \$282,861
M.A., Seton Hall University
Graduate of FBI National Academy
United States Army's Commandant's 7th Strategic Studies Program
39 years of public safety experience, serving 28 years with the New Jersey State Police.

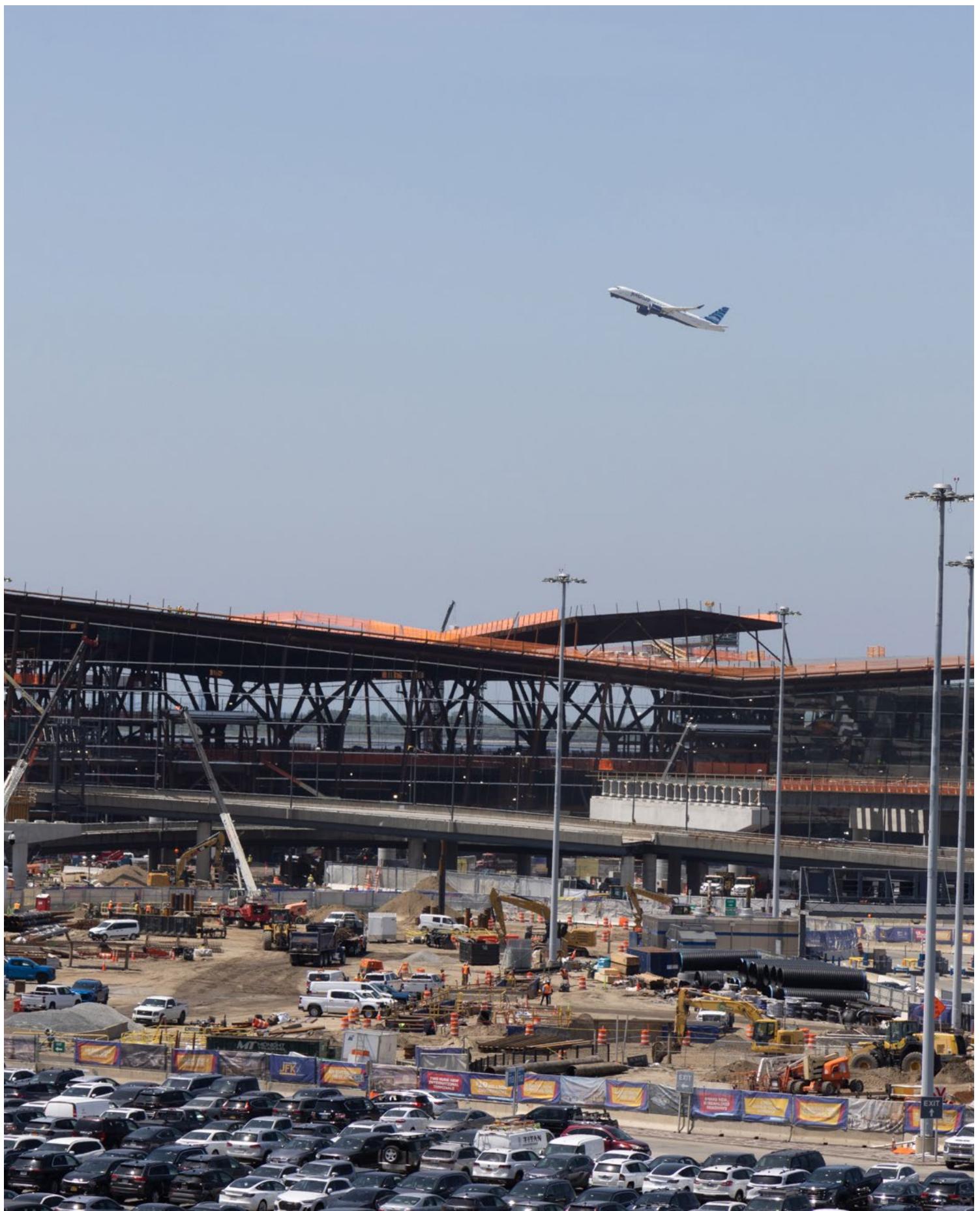
AARON F. SHERBURNE

Deputy Director, Aviation
2024 total compensation: \$284,069
M.P.A., Syracuse University
B.A., Wilkes University
More than 25 years of operations management experience.

Notes: Total compensation includes cash and imputed amounts earned during calendar year 2024..

(1) Ms. Callahan became the Chief Human Capital of the Port Authority on July 15, 2024.

Overview of part of the \$19 billion JFK International Airport redevelopment.



2024



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