

Delivering Today, Planning for Tomorrow



2025



THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Annual Comprehensive Financial Report

Years Ended December 31, 2025 and 2024

Financial Section: prepared by the Comptroller's Department

2025

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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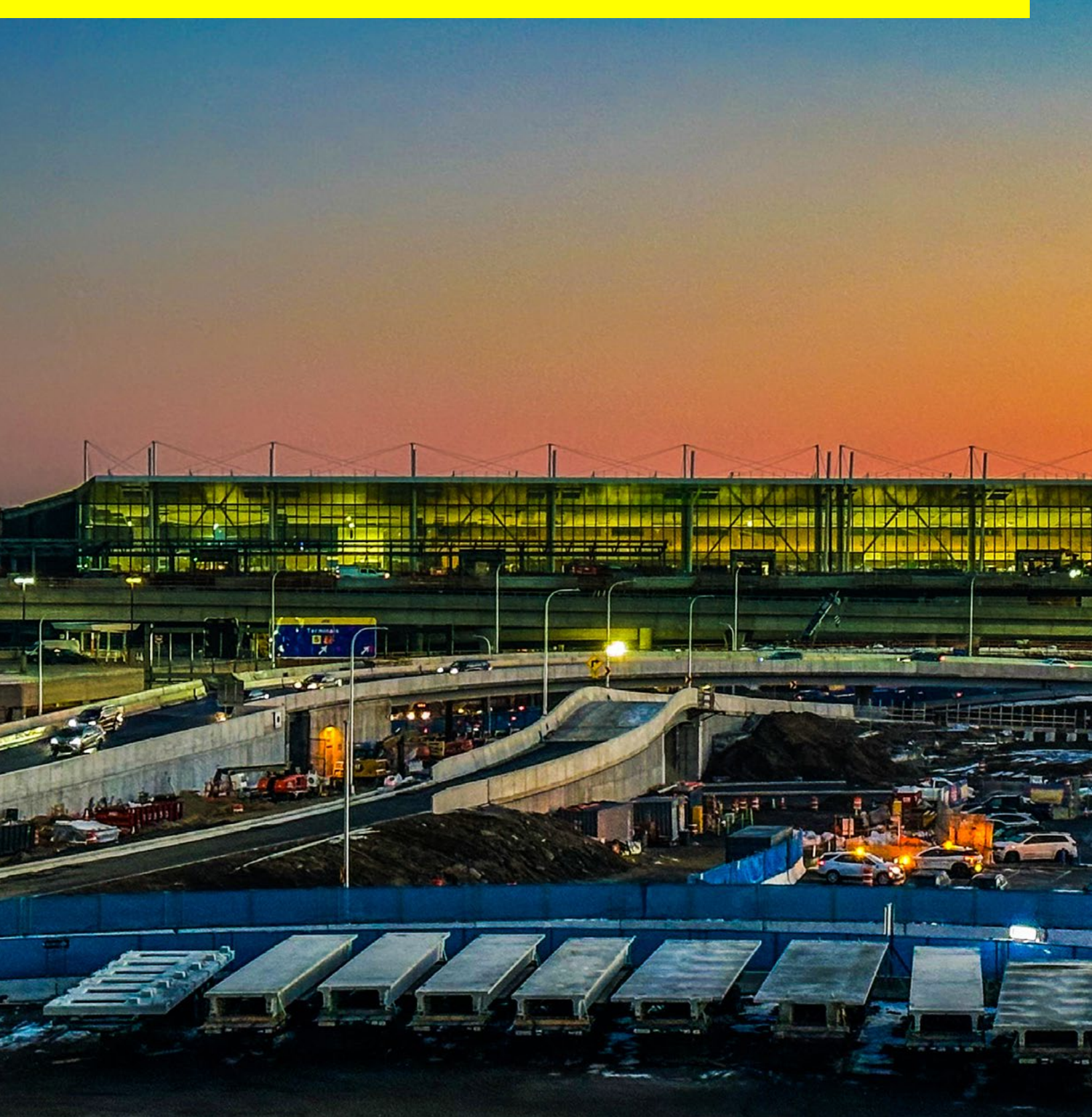
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2025



Introductory

SECTION

John F. Kennedy International Airport's state-of-the-art Terminal 6 during its active construction and development phase.

Letter of Transmittal to the Governors

Dear Governors Kathy Hochul and Mikie Sherrill,

On behalf of the Board of Commissioners, we are pleased to present to you and the legislatures of New York and New Jersey the 2025 Annual Comprehensive Financial Report of The Port Authority of New York and New Jersey.

The theme of this year's report — “Delivering Today, Planning for Tomorrow” — appropriately highlights the significant accomplishments of the Port Authority in 2025.

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 2025 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 initiatives that prepare our facilities and infrastructure for the effects of climate change.

In 2025, the Port Authority's commercial airports served 142.7 million passengers, the third-highest volume in its history. The Port of New York and

New Jersey, the second-busiest port in the nation for loaded TEUs, moved 5,955,798 loaded TEUs, a 2.8 percent increase from 2024. PATH achieved strong growth in 2025 as it continues to recover from COVID ridership declines, climbing to an average of 74 percent of pre-pandemic ridership levels and surpassing pre-pandemic activity on weekends. And the agency's bridges and tunnels maintained robust performance, with volumes nearly matching levels recorded in both the prior year and pre-pandemic 2019.

ACCLAIM, MILESTONES AT MAJOR AIRPORTS

2025 was among the busiest years in Port Authority history for the region's three major airports. The near-record volume was achieved despite the backdrop of uncertainty and air travel disruptions that resulted from Federal Aviation Administration staffing issues in 2025, and the federal government shutdown from Oct. 1 to Nov. 12.

In 2025, the Port Authority broke ground on a new AirTrain Newark at Newark Liberty International Airport (EWR). This new \$3.5 billion, 2.5-mile system will replace the outdated and inadequate AirTrain Newark. The new AirTrain, expected to be completed in 2030, will seamlessly connect to the universally acclaimed, new Terminal A at EWR, and is designed to connect to the future new Terminal B. It will also connect to the Newark



KATHY HOCHUL
Governor
State of New York



MIKIE SHERRILL
Governor
State of New Jersey

Liberty Airport Rail Station that is undergoing a transformation to provide direct street-level public access to the AirTrain, NJ Transit, and Amtrak for nearby Newark and Elizabeth communities for the first time.

In 2025, the Port Authority continued to advance the historic \$19 billion redevelopment of John F. Kennedy International Airport (JFK) with the announcement of new public partnerships for arts installations and iconic local concessions in The New Terminal One, the new Terminal 6, Terminal 4, Jet Blue's refreshed Terminal 5, and in the redevelopment of Terminal 8. The agency also continued to make meaningful progress on the complete rebuilding of the airport's roadway.

In 2025, the globally acclaimed LaGuardia Airport was selected as the best airport in the United States by Forbes Travel Guide for the second consecutive year. LaGuardia was named the best airport in North America for domestic and short haul by Skytrax, the world's preeminent international airport rating organization. And Terminal B at LaGuardia was also awarded the prestigious five-star rating by Skytrax for the second time.

GROUNDBREAKING FOR THE MIDTOWN BUS TERMINAL REPLACEMENT PROJECT

In May 2025, the Port Authority began construction on the first step in the complete

replacement of the existing 75-year-old, functionally obsolete bus terminal with a 21st-century, world-class facility, with a groundbreaking for the decks to be constructed over Dyer Avenue leading to the Lincoln Tunnel.

The project's first phase includes the "deck-overs," construction of new ramps leading directly into and out of the Lincoln Tunnel, and the construction of the storage and staging facility that will serve as a temporary terminal while the original bus terminal is deconstructed and replaced.

The Port Authority'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, new ramps leading directly into and out of the Lincoln Tunnel, and the creation of 3.5 acres of new public open green space.

ALL OF THE GWB SUSPENDER ROPES REPLACED

In 2025, the Port Authority reached a significant milestone in the \$2 billion Restore the George program at the George Washington Bridge with the replacement of all the bridge's 592 original suspender ropes.

ADVANCING PATH FORWARD PROGRAM, DISCOUNT FARES

In 2025, the Port Authority continued to advance the \$430 million PATH Forward program, launched in 2024. This two-year program invests in and upgrades PATH stations, tracks, and other critical equipment in the 116-year-old system. Additionally, in 2025, PATH launched a new reduced fare program for riders with disabilities. These riders, who are eligible for a 50 percent fare reduction, will now receive the same benefits available to senior riders.

REACHING TRANSFORMATIVE LANDMARK LEASE DEALS AT THE SEAPORT

In 2025, the Port of New York and New Jersey continued to hold its position as the second-busiest port in the nation and the busiest port on the East Coast. Ensuring that the Port remains globally competitive — while maintaining its reputation for world-class efficiency and service — in 2025, the Port Authority announced two landmark, transformative 33-year lease extensions with the Port's two largest terminal operators: Maher Terminals and APM Terminals. These lease extensions strategically renegotiated terms to drive near-term investment in terminal infrastructure and container capacity with requirements to develop even more capacity over the term of the lease.

ADVANCING PORT AUTHORITY'S NET-ZERO SUSTAINABILITY GOALS

With respect to the Port Authority's net-zero sustainability commitment, the agency remains committed to reaching its goal of net-zero greenhouse gas emissions by 2050 and is expected to have met its interim reduction goal of 35 percent at the end of 2025. As part of the Port Authority's ambitious climate change agenda, in 2025, the agency worked to grow electric vehicle (EV) adoption and expand charging infrastructure at its major facilities.

The above and the following sections of the 2025 Annual Report are but a snapshot of the extraordinary achievements of the Port Authority and its nearly 8,000-person workforce this past year.

In closing, in 2025, 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



Kathryn Garcia
Executive Director

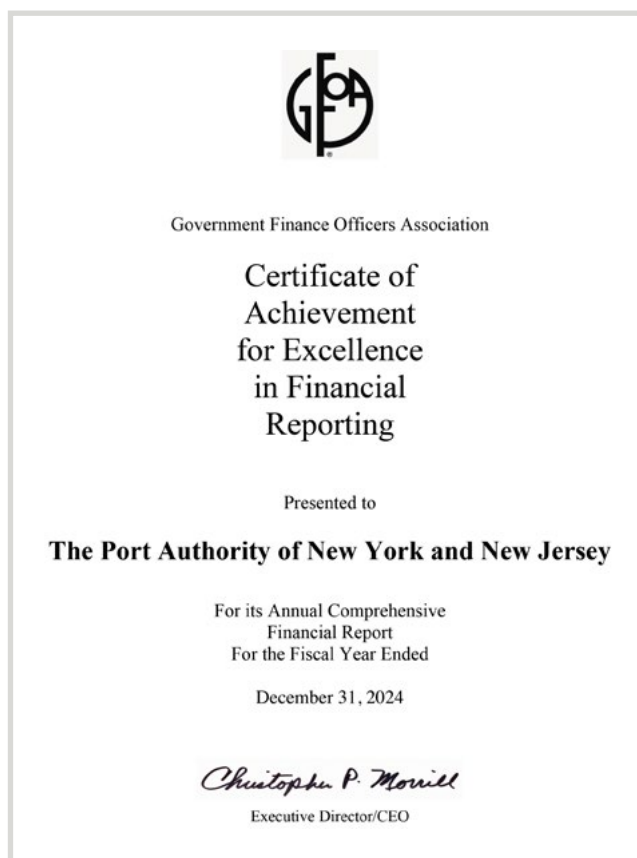


Construction progresses on the expansive departures hall at John F. Kennedy International Airport's New Terminal One.

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, 2024. The Port Authority has received this award since 1984, making this the 41st 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. The Port Authority believes the 2025 Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for certificate.



Certificate with Respect to 2025 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, 2025 and December 31, 2024 (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 11, 2026


Kathryn Garcia
Executive Director
Elizabeth M. McCarthy
Chief Financial Officer
Daniel G. McCarron
Comptroller

Leadership of the Port Authority

BOARD OF COMMISSIONERS OF THE PORT AUTHORITY

As of May 14, 2026

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.



**CHAIRMAN
KEVIN J. O'TOOLE**
*Managing Partner
O'Toole Scrivo, LLC*



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



**J. CHRISTIAN
BOLLWAGE**
*Mayor
City of Elizabeth,
New Jersey*



FANNY CEDEÑO
*Commissioner
Hudson County,
New Jersey*



**MARIE THERESE
DOMINGUEZ**
*Commissioner
New York State
Department of
Transportation*



LEE CIA EVE
*Consultant
Ichor Strategies*



ELIZABETH R. FINE
*Owner and Principal,
Liz Fine Advisory LLC*



WINSTON C. FISHER
*Partner, Fisher Brothers
CEO, AREA15*



GEORGE HELMY
*Executive Vice President,
Chief External Affairs
and Policy Officer
RWJBarnabas Health*



JOSEPH KELLEY
*Partner
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*

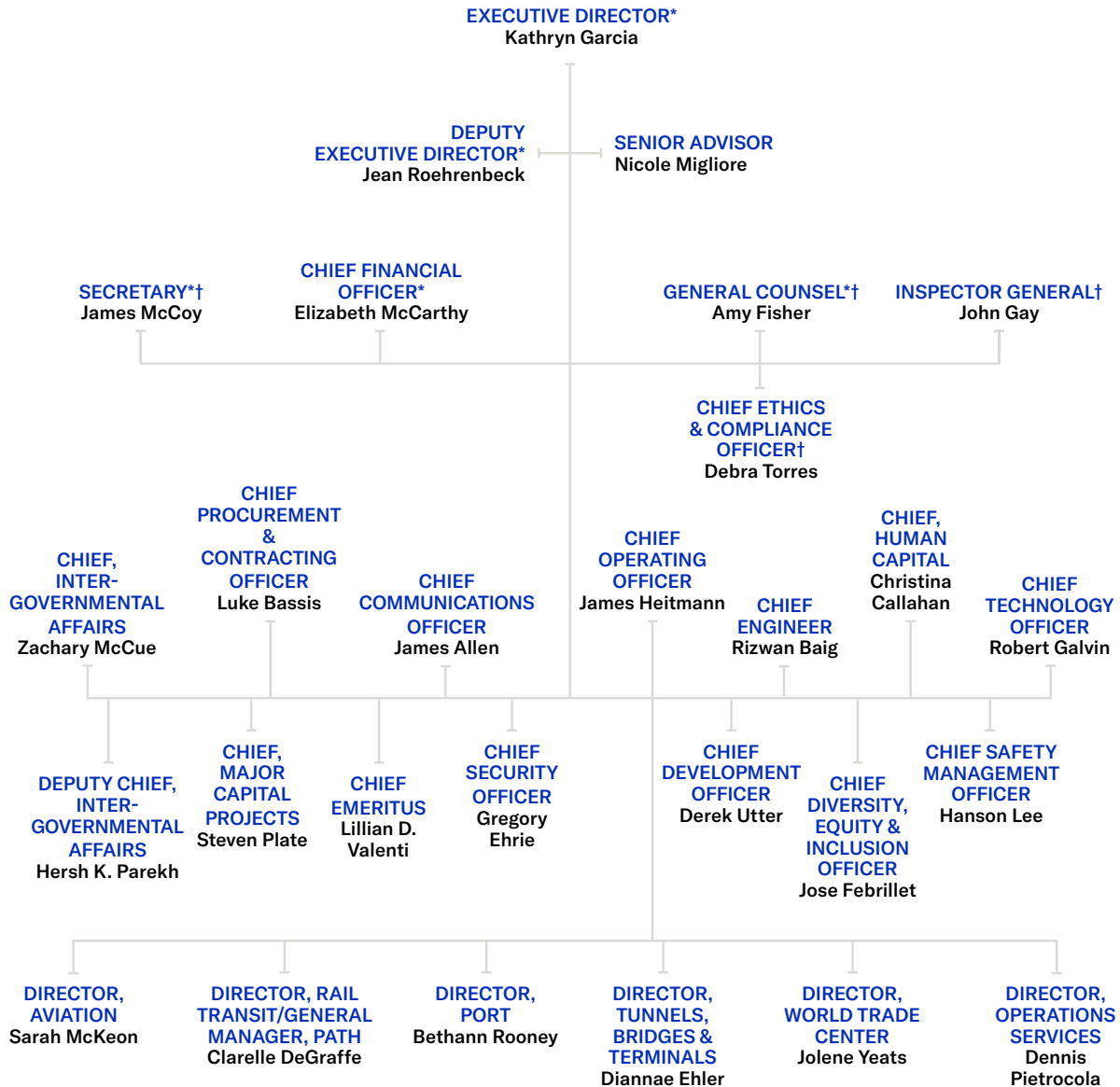


ROSSANA ROSADO**
*Commissioner
NYS Division of Criminal
Justice Services*

* Michelle E. Richardson retired from the Board on December 21, 2025.

** Rossana Rosado retired from the Board on June 15, 2025.

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 (Jean Roehrenbeck), a Comptroller (Daniel McCarron), and a Treasurer (Sherien Khella).

† Also has reporting line to the Board of Commissioners

Organizational Chart as of May 14, 2026

2026-2035 Capital Plan: Charting a Decade of Big Ambition

In December 2025, the Board of Commissioners approved the Port Authority's 2026-2035 Capital Plan. This historic \$45 billion Capital Plan is a roadmap that asserts the Port Authority's priorities and funding for the next decade. It continues the agency's strong momentum, completes the transformational projects and initiatives already underway and launches the next set of investments that will keep New York and New Jersey moving.

The approved plan includes funding for the new Midtown Bus Terminal Replacement project, the continued transformation at John F. Kennedy International Airport (JFK), and the reimagining of Newark Liberty International Airport (EWR) including a new Terminal B. It lays the groundwork to advance the PATH Forward program, and the significant PATH service increases made possible by that work, for improved and more reliable mass transit access to LaGuardia Airport (LGA), and, for a world-class rebuild of the non-landmarked gate areas of LaGuardia's Terminal A.

Sustained investment in the region's critical assets is essential to ensure infrastructure keeps pace with growth, climate resiliency, and security needs.

The approved 2026-2035 Capital Plan also includes funding for the Port Authority's state-of-good-repair program — including completion of the comprehensive rehabilitation of the George Washington Bridge and extensive rehabilitations of the Lincoln Tunnel Helix and Outerbridge Crossing, as well as the Port Authority's \$2.7 billion support for the Gateway Program. It also takes major steps in key agency initiatives across sustainability, innovation, and security — both physical and cyber — to protect agency infrastructure and the public it serves in a challenging, ever-changing security landscape.

The 2026-2035 Capital Plan was approved after the Port Authority held six hearings across

the Port District, providing opportunities for the public to comment on the proposed plan and the associated revenues initiatives. This community input, which is an integral part of the process, helped inform the final Capital Plan proposal that was approved by the Board.

The Port Authority is self-sustaining, raising the funds needed to operate, construct, and improve its facilities. Two-thirds of agency revenues are generated from non-toll and non-fare sources such as landing and dockage fees, lease payments, and other charges to businesses operating at its facilities.

Initiatives of the 2026-2035 Capital Plan include:

AVIATION

JOHN F. KENNEDY INTERNATIONAL AIRPORT

Delivering a once-in-a-generation transformation of JFK. The first gates of the world-class international The New Terminal One and new Terminal 6 are set to open in 2026/2027, and further sections of the completely rebuilt, vastly simplified roadway network are set to come online. The plan also calls for designing and completing a transformation of AirTrain JFK, with state-of-the-art new train cars to double capacity, alongside new world-class stations and funding for future terminal capacity.

NEWARK LIBERTY INTERNATIONAL AIRPORT

Construction of a world-class gateway at Newark Liberty. The plan provides funding for the Port Authority to design and build a new world-class, light-filled, and inspiring Terminal B. The plan calls for expanding the five-star Terminal A, including design and construction work on additional gates for future growth. A new, state-of-the-art, \$3.5 billion AirTrain Newark is currently under construction,

improving reliability and capacity. Construction is also set to be completed in 2026 on a new community access point to the Airport Train Station, transforming airport and mass-transit access. Together, these pieces will actualize the EWR Vision Plan.

LAGUARDIA AIRPORT

Making the vastly improved experience at LGA even better. The plan calls for replacing the outdated and undersized gate and boarding areas of Terminal A to meet demand and continued passenger growth. In consultation with community leaders and historians, the Port Authority will preserve the entire original Marine Air Terminal, including its rotunda and observation decks. The plan also funds a vastly improved fast, free, and frequent LGALink Q70 bus service with a new bus lane on the BQE and new on-airport bus stop.

TUNNELS, BRIDGES, AND TERMINALS

Driving the planning, construction, and opening of the New Midtown Bus Terminal. This \$11 billion investment will deliver a new main bus terminal with an iconic atrium entrance on 41st Street and 8th Avenue, a separate storage and staging facility, faster access to the Lincoln Tunnel, expanded terminal space, 21st century technology, and support for an all-electric fleet. For the community, buses will no longer idle on community streets and instead will be housed in the new storage and staging facility. Additionally, a new 3.5-acre green space will open, providing a much-needed green space in the center of Hell's Kitchen. The once-in-a-century project will be completed in two phases: Phase One, including new ramps and the storage and staging facility, will be completed by 2030. Phase Two, including the new main terminal and green space, will be completed in 2035. The new, best-in-class Midtown Bus Terminal is a centerpiece of the 2026-2035 Capital Plan.

Extensive rehabilitation of crossings, setting the stage for next chapters.

Celebrating its 98th birthday in 2026, the Outerbridge Crossing will be the focus of a comprehensive \$336 million rehabilitation program to keep the bridge strong and structurally sound. The program includes work on the bridge's structure, roadway, and deck, all taking place over four years while keeping the crossing open to traffic. The Port Authority will begin planning for its future replacement to take place early in the 2036-2045 Capital Plan period.

The Lincoln Tunnel Helix is key to both the Lincoln Tunnel crossing as well as the Midtown Bus Terminal as the primary express bus route. An extensive rehabilitation program valued at \$640 million intends to keep the roadway structurally sound and safe for travelers. The program includes work on the helix's structure, roadway, and deck, all taking place over five years while keeping the crossing open to traffic. Planning for its future replacement will take place in the 2036-2045 Capital Plan period.

PATH

Driving one of the largest service increases in PATH history. More service includes more frequent rush hour service, more frequent late-night weekend service, and reinstating direct weekend service: Journal Square-33 St, Hoboken-33 St, and Hoboken-World Trade Center. For the first time in 25 years, all four PATH lines will operate seven days a week in 2026.

The plan also funds critical infrastructure investments to enable faster and more reliable service and the installation of new state-of-the-art fare gates to combat fare evasion.

SEAPORT

Driving investments to maintain the port's position as a "first-call" port on the East Coast. More than \$1.2 billion in private investments will modernize and expand container terminal operations and infrastructure. New container terminal lease requirements also will drive investment in the transition to more sustainable port operations, including electric cargo handling equipment. Plans are underway to further strengthen rail operations to increase fluidity and capacity.

The agency is also advancing planning for the deepening of the harbor to 55 feet in cooperation with the U.S. Army Corps of Engineers to enable the movement of larger, high-capacity cargo vessels. Wharves and berths, some over 60 years old, will be restored

or replaced to ensure long-term vitality through future growth in operations.

WORLD TRADE CENTER

Continuing efforts to ensure that the World Trade Center remains a resilient, world-class destination. Twenty-five years after September 11, the Port Authority continues its mission to make the World Trade Center a driver of vitality in Lower Manhattan. In addition to bolstering active community engagement events, the Port Authority aims to complete the commercial build-out of World Trade Center campus with Tower 2 (announced in February 2026). The Port Authority will also make strategic investments to maintain One World Trade Center as a Class-A office building that continues to attract high-quality tenants and maintain aggressive leasing levels.



A view of Lower Manhattan and the World Trade Center campus from the harbor.

Improving and Expanding Access to Newark Liberty International Airport

A 21ST-CENTURY AIRTRAIN FOR A 21ST-CENTURY AVIATION HUB

In October 2025, the Port Authority broke ground on a state-of-the-art new AirTrain Newark at Newark Liberty International Airport. This new \$3.5 billion, 2.5-mile system replaces the current, outdated and overtaxed AirTrain Newark.

When AirTrain Newark was unveiled in 1996, the airport served 30 million passengers. In 2025, Newark Liberty served nearly 50 million passengers.

When the project is completed, residents of North Elizabeth and Newark's South Ward will be able to reach Newark Liberty via rail in under 10 minutes from the new facility.

The new AirTrain, expected to be completed in 2030, will complement the universally acclaimed, new Terminal A at Newark Liberty. It will seamlessly connect to the new Terminal A and is designed to connect to the future new Terminal B.

It will also connect to the Newark Liberty Airport Rail Station that is undergoing a transformation to provide direct street-level public access for nearby Newark and Elizabeth communities for the first time. (See Section Below)

The new AirTrain Newark is but one component of the EWR Vision Plan, a wide-ranging blueprint that will set the course for Newark Liberty International Airport's continued transformation over the coming decades.

Launched in 2024, 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.

EXPANDING PUBLIC ACCESS TO NEWARK LIBERTY, AND TO RAIL CONNECTIONS

Better access to Newark Liberty has been a vocal request of community members for many years, particularly during the Port Authority's EWR Vision Plan community outreach sessions. In response, the Port Authority broke ground in June 2025 on the EWR Station Access Project, a \$160 million transformative initiative that will dramatically improve transit accessibility for underserved Newark and Elizabeth neighborhoods.

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

The current rail station was originally designed solely as a rail transfer station, with no public street access.

When the project is completed, residents of North Elizabeth and Newark's South Ward will be able to reach Newark Liberty via rail in under 10 minutes from the new facility. Currently, the same trip via existing transit options from these neighborhoods can take 40 minutes.

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.

Dedicated lanes will allow for streamlined pick-up/drop-off access for buses, private vehicles, taxis, and for-hire vehicles, as well as a cellphone lot for autos. The new public

access area will also provide accessibility for pedestrians and bicyclists.

The EWR Station Access Project is anticipated to generate 675 total jobs, \$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 the fourth quarter of 2026.



Construction of the new access point at the Newark Liberty International Airport Rail Station.

\$19 Billion Transformation of JFK Continues to Advance

In 2025, the Port Authority continued to advance the historic \$19 billion redevelopment of John F. Kennedy International Airport (JFK) with the announcement of new public arts partnerships, arts installations, and iconic local concessions in The New Terminal One, the new Terminal 6, Terminal 4, and JetBlue's refreshed Terminal 5.

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.

THE NEW TERMINAL ONE

The Port Authority and New Terminal One (NTO) — a consortium of financial sponsors — are building the new \$9.5 billion new terminal on the footprint of the old terminals 1, 2, and 3, where it will anchor the airport's south side and is estimated to open in phases beginning in 2027. The New Terminal One will transform the international travel experience to and from New York. When complete, it will be the largest terminal at JFK.

The construction of The New Terminal One is creating more than 10,000 jobs.

WORLD-CLASS ART INTEGRAL TO THE TERMINAL'S DESIGN

World-class, public art with a “sense of place” is an integral part of the Port Authority's historic reimagining of all three major airports. In 2025, the Port Authority and NTO announced that seven internationally recognized artists were selected to create monumental, site-specific artworks that will anchor the new terminal's expansive cultural program celebrating the history, culture and diversity of New York and the airport's home borough of Queens.

Sculptures, mosaics, and murals throughout the terminal will be integrated seamlessly into a cultural program entitled “We Travel Under One Sky,” that will also include filmmaking,

immersive digital experiences, and the terminal's branding to create a sense of place that is unique to New York.

ELEVATING THE NEW YORK RETAIL EXPERIENCE

In April 2025, the Port Authority, NTO, and Unibail-Rodamco-ASUR US Commercial Airports announced that Duty Free Americas (DFA) was selected as the exclusive duty-free operator for The New Terminal One. This first-of-its-kind retail experience will span nearly 20,000 square feet and will anchor the terminal's “World's Runway” commercial district.

In partnership with the Port Authority, NTO, ASUR, and other local stakeholders, Duty Free Americas is committed to empowering local vendors and JFK Airport Institute of Concessions graduates, providing a platform for them to sell their products under the “Love Local” brand while offering business education and guidance.

TERMINAL 6

In 2025, construction of the 1.2 million square-foot, world-class new Terminal 6 continued. The new terminal 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 (JMP), is scheduled to open in phases, beginning with the opening of the arrivals and departures hall and the first gates in 2026.

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.

PARTNERING WITH ICONIC NY ART INSTITUTIONS

Throughout 2025, the Port Authority and JMP announced significant additions to the planned public art installations at the new Terminal 6. The terminal's dedicated art collection aims to capture the diversity, energy, and identity of New York City while creating moments of connection and inspiration for travelers.

The effort is led by architect Stanis Smith, in collaboration with JMP, and includes a landmark collaboration with four of New York City's premiere cultural institutions, 19 major site-specific permanent installations curated by Public Art Fund, and rotating local artworks curated by Jamaica Center for Arts and Learning.

All of 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.

In August, the Port Authority and JMP announced a historic collaboration with four premier New York City cultural institutions — the American Museum of Natural History, Lincoln Center for the Performing Arts, the Metropolitan Museum of Art, and the Museum of Modern Art (MoMA) — that will transform the new terminal's international arrivals corridor into a distinctly New York arts district within the airport.

The permanent arts and culture showcase will welcome millions of travelers each year with a

curated experience reflecting the creative spirit of New York City through its world-renowned cultural institutions.

SHOWCASING LOCAL ARTISTS

In 2025, New York City artist Jane Dickson was selected to create a 14-foot-diameter circular medallion bronze medallion for the arrivals plaza, where arriving passengers will first set foot in New York City as they depart the terminal.

She joins 18 featured artists (including 10 others from New York) who will capture the spirit of the city with a diverse range of artworks seamlessly integrated into the terminal.

And in June, a new partnership with the Jamaica Center for Arts & Learning (JCAL) was announced to launch “Queens in Flight,” a rotating community art program that will showcase artists from the airport's home borough. Curated by JCAL, the artworks will reflect the vibrant cultural diversity of Queens and contribute to the new terminal's uniquely New York sense of place.

NEW ICONIC CONCESSIONS ADDED

In October 2025, the Port Authority and JMP announced the addition of P.J. Clarke's, For Five Coffee Roasters, and Brooklyn Brewery to the terminal's impressive suite of dining experiences, marking the first time any of the brands will be featured with their own airport location. All three are set to open with the new terminal in 2026.

TERMINAL 4

The \$1.5 billion expansion of Terminal 4, led by Delta Air Lines and JFKIAT, the operator of the terminal, was substantially completed in 2024.

In February 2025, the Port Authority and JFKIAT, announced a new lineup of food and beverage concessions for Terminal 4 that will include a mix of local and national brands to

create a unique New York sense of place at the expanded terminal. Notable local brands include Bessou, Dos Toros Taqueria, Boqueria, Eataly, the James Beard Foundation's Good To Go by JBF™, and Villa Russo Café, a Queens-based family operated business.

TERMINAL 5

In March, the Port Authority, JetBlue, and Fraport USA (the manager of Terminal 5), announced a major refresh of the airline's flagship terminal. More than 40 new concessions reflecting the spirit and flavors of New York, art installations, and a redesigned center concourse inspired by New York's iconic parks, will create a unique New York sense of place and an elevated customer experience, with the terminal improvements expected to be completed by the end of 2026.

TERMINAL 8

The Port Authority of New York and New Jersey, in partnership with American Airlines and Unibail-Rodamco-ASUR Airports, was in the midst of a \$125 million commercial redevelopment program for Terminal 8 in 2025. This initiative, which will be completed in 2026, introduces a new great hall and over 60 shopping and dining options, emphasizing locally owned businesses to create economic opportunities for the community.

The program features world-renowned culinary offerings from brands like Eataly and Momofuku.

This investment builds on the \$400 million investment and expansion completed in 2022, which now features five new widebody gates and offers an improved passenger experience and expanded capacity for transatlantic travel to and from JFK. The terminal has also been expanded with approximately 130,000 square feet of additional and refurbished space.

With the completion of the \$125 million investment, JFK Terminal 8 will be the first fully transformed passenger experience in any of the JFK terminals.

CREATING 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.

In 2025, significant portions of the new roadway network opened, which streamlined travel for customers bound to Terminals 1, 4, 5, and 7.

Additionally, a modern, 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 when completed.

All of 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 roadways and ground transportation center project are opening 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.

For Second Year, 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 continued to reach new heights in 2025, with LaGuardia's selection as the best airport in the United States by Forbes Travel Guide for the second consecutive year.

Forbes Travel Guide's Verified Air Travel Awards were based on a survey of 9,000 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.

In 2025, LaGuardia was also named the Best Airport in North America for Domestic and Short-haul Flights by Skytrax, the world's preeminent international airport rating organization. The World Airport Awards from Skytrax are the most prestigious accolades for the airport industry, voted on by customers in the largest annual global airport customer satisfaction survey. The awards are recognized as the quality benchmark for the world airport industry, assessing customer service and facilities across more than 565 airports.

Terminal B at LaGuardia was also awarded the prestigious five-star rating by Skytrax for the second time. In 2023, LaGuardia's Terminal B was the first airport terminal in North America to receive that recognition and simultaneously be named by Skytrax as the world's best new airport terminal. LaGuardia's Terminal B is one of three airport facilities in North America awarded the highest rating by Skytrax — one of the other two being Newark Liberty International Airport's new Terminal A.

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. Additionally, LaGuardia received the Airport Service Quality [ASQ] Award for Best North American Airport in the 25-million-to-40-million passenger category for 2024, based on direct assessments from those whose opinions count most: passengers.

The ASQ passenger survey, a program of Airports Council International (ACI), was conducted in 2024 after the completion of new passenger facilities at LaGuardia. The airport earned an overall passenger satisfaction score of 4.3 out of 5, ranking in the top tier for airports of its size. In context, in 2018, passengers rated LaGuardia as the worst airport in North America.

HISTORY OF THE LAGUARDIA REDEVELOPMENT PROJECT

In 2015, a comprehensive plan to construct a whole new LaGuardia Airport was unveiled with the goal of creating a world-class, 21st-century passenger experience featuring modern customer amenities, state-of-the-art architecture, more spacious gate areas and a unified terminal system. The \$8 billion project — two-thirds of which was funded through private financing and existing passenger fees — broke ground in 2016 and was substantially completed in 2022.

In February 2018, the new Terminal B parking garage opened with more than 3,000 spaces with a dedicated level for Uber, Lyft, and other for-hire car services. In December 2018, the first 18 new gates and the first new concourse in Terminal B opened. In June 2020, the soaring new 1.3-million-square-foot arrivals and departures hall at Terminal B opened. And in June 2022, Delta Air Lines opened the new 1.3-million-square-foot Terminal C, which features 38 gates across four new or transformed concourses, world-class amenities, state-of-the-art technology and inspiring public art.

Construction Begins on a New Midtown Bus Terminal

In May 2025, the Port Authority began construction on the first step in the complete replacement of the existing, 75-year-old, functionally obsolete bus terminal with a 21st-century, world-class facility. Construction began with a ground-breaking on the “deck-overs” that will be constructed over Dyer Avenue leading to the Lincoln Tunnel.

The centerpiece of the Port Authority’s historic plan for a world-class transportation hub is a new main bus terminal with an iconic atrium entrance on 41st Street and 8th Avenue.

These deck-overs will facilitate construction of the new bus terminal and will be used for construction staging and storage of buses during construction. Ultimately, the deck-overs will be transformed into 3.5 acres of new public green space after construction of the new bus terminal is complete.

The project’s first phase includes the deck-overs, construction of new ramps leading directly into and out of the Lincoln Tunnel, and the construction of the storage and staging facility that will serve as a temporary terminal while the original bus terminal is deconstructed and replaced. The first phase is expected to be substantially completed by the end of 2030.

The centerpiece of the Port Authority’s historic plan for a world-class transportation hub is a new main bus terminal with an iconic atrium entrance on 41st Street and 8th Avenue.

The capacity added in the new Midtown Bus Terminal will allow 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, which will reduce road congestion and vehicle emissions.

There was no taking of public land; all of these new facilities will be built and operated on existing 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 and now supports an average of over 200,000 passenger trips. 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.

Current plans provide for a phased construction approach over the next decade. The staging and bus storage facility will be built first and serve as a temporary terminal while the existing terminal is demolished and rebuilt.

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

Landmark Lease Deals Ensure Port of New York and New Jersey's Global Competitiveness

In 2025, the Port of New York and New Jersey continued to hold its position as the second-busiest seaport based on loaded TEUs (twenty-foot equivalent units) in the nation — even reaching the number one spot some months of the year. In 2025, the Port moved 5,955,798 loaded TEUs, a 2.8 percent increase from 2024.

Throughout 2025, the Port of New York and New Jersey remained the busiest port on the East Coast and among the top three busiest in the country, as the first East Coast port of call for the vast majority of transatlantic container vessels.

Port of New York and New Jersey operations supports more than 580,000 industry jobs in the New York-New Jersey-Pennsylvania region, according to a [study of 2025 maritime economic activity](#) by the Shipping Association of New York and New Jersey.

In an effort to ensure that the Port remains globally competitive — while maintaining its reputation for world-class efficiency and service — the Port Authority announced two landmark, transformative 33-year lease extensions with terminal operators at the Port of New York and New Jersey in 2025.

LEASE EXTENSION WITH APM TERMINALS

In March, the agency reached a new 33-year extension with APM Terminals, the operator of the Port of New York and New Jersey's second-largest container terminal. The existing agreement was set to expire in December 2029 and was extended through 2062. The new agreement includes major investments and capacity enhancements by APM Terminals at its container terminal, setting a new framework for container terminal agreements and further strengthening the East Coast's busiest port to meet rising cargo demand.

APM Terminals, an independent division of Denmark-based A.P. Møller-Mærsk, is an integrated [logistics company](#). Its lease extension with the Port Authority takes the unique, nontraditional approach of incorporating performance, infrastructure, and sustainability requirements into the contract, ensuring steps are taken to enable the terminal to handle growing cargo volumes while prioritizing customer service and sustainability.

As part of the agreement, APM Terminals will invest over \$500 million in the coming years to enhance cargo-handling capacity at its 350-acre terminal. APM Terminals has also committed to the replacement and maintenance of all wharf and berth structures upon completion of certain wharf rehabilitation work expected to be completed by 2030. This investment supports the Port Authority's [Port Master Plan 2050](#), which anticipates cargo volumes doubling or tripling by mid-century. Building on the Port Authority's industry-leading sustainability initiatives, APM Terminals has pledged to achieve net-zero greenhouse gas emissions in its operations and support the Port Authority's goal of [reaching net zero agency-wide by 2050](#). Under the new agreement, APM Terminals will invest in zero-emission cargo-handling equipment as commercially available. As a Port Authority lessee, the terminal operator is also subject to the Port Authority's marine terminal tariff, which incentivizes the adoption of cleaner equipment as new technology becomes commercially available.

LEASE EXTENSION WITH MAHER TERMINALS

In December, the Port Authority [announced a 33-year lease extension at Maher Terminals](#), the largest and busiest container terminal at the Port of New York and New Jersey. The long-term agreement, which goes into effect in 2030, secures operations at the terminal

through September 2063 and includes significant investments to strengthen the regional supply chain.

Maher is owned by Macquarie Infrastructure Partners, an infrastructure fund managed by Australia-based Macquarie Asset Management. Long-term leases provide unmatched stability and reliability and position the Port to proactively respond to evolving supply chain demands. The investments included in the lease extension also directly support the Port Authority's Port Master Plan 2050.

Under the agreement, Maher will assume full responsibility for the maintenance, rehabilitation, and replacement, as needed, of all wharf and berth structures within its leasehold upon completion of certain wharf rehabilitation work expected to be completed by 2030. Additionally, the agreement includes increased rental payments structured to incentivize capacity growth. The lease agreement also includes a commitment from Maher to expand capacity as demand grows and to collaborate with the Port Authority on

shared priorities, including security, innovation and sustainability.

Building on the Port Authority's industry-leading sustainability initiatives, Maher Terminals has pledged to work toward net-zero greenhouse gas emissions in its operations and support the Port Authority's goal of reaching net-zero agency-wide by 2050.

Unlike the port's other container terminals, which are owned by ocean carriers and primarily serve their own vessels, Maher is a common-use terminal serving members of the Ocean Alliance as well as other independent carriers.

Maher Terminals is the largest and busiest of the port's five container terminals, spanning approximately 450 acres in Elizabeth, N.J., and handling approximately 35 percent of the port's container traffic in 2024.

This long-term certainty strengthens the port's position as a stable and reliable global trade hub and gives operators more confidence to make major investments in infrastructure and operations.



Aerial view of vessel and freight rail operations at the Elizabeth-Port Authority Marine Terminal.

Passenger Volumes Increase as PATH Advances the Path Forward Program

In 2025, the PATH commuter rail system saw strong year-over-year growth, surpassing 60 million passengers annually for the first time since 2019. PATH welcomed 60.7 million passengers in 2025, 6.1 percent above 2024, and 74 percent of its pre-pandemic 2019 levels.

Weekend ridership on PATH outpaced pre-pandemic figures throughout the year. Annual average Saturday ridership in 2025 was up 2.4 percent over 2019. And annual average Sunday ridership was 3.3 percent above 2019.

MAJOR INFRASTRUCTURE REPAIRS AT HOBOKEN PATH STATION

From January 30 through February 25, the Hoboken PATH Station was closed for 25 days to enable PATH to address critical infrastructure repairs and improvements in the 117-year-old system.

The full-station closure enabled the agency to undertake track and station work on an expedited basis, negating the need for at least a year of severe service reductions and major schedule changes. Tracks and a massive track switch system were replaced, and many components of the station were refreshed and renewed.

Rotating crews worked 24 hours a day, seven days a week, totaling 600 work hours over the course of the closure.

During the closure, the Port Authority and its regional transit partners offered a multitude of travel alternatives to impacted customers, including expanded, cross-honored ferry service, frequent free shuttle buses to other PATH stations, and supplemental PATH, light rail, and NJ TRANSIT bus service between Hoboken and Manhattan. Planners chose February for the closure given its traditionally lower ridership numbers compared to other times of year.

As PATH ridership continues to recover to pre-Covid levels, investment in the 117-year-old system is critical. This closure was a major element of the Port Authority's two-year \$430 million PATH Forward program, which is funding upgrades to stations, tracks, and other critical equipment. These improvements focus on improving reliability and modernizing stations on one of the busiest transit systems in the United States.

Critical infrastructure throughout the system, including railcars, bridges, tracks and track switches, have been, and are being, repaired or replaced. And at four PATH stations, major renovation work through PATH Forward is upgrading floors, ceilings, stairways, electrical systems and more.

The return of seven-day service on all four PATH lines is a major milestone in the Port Authority's long-term modernization of the 117-year-old railroad.

PATH Forward also continues the Port Authority's efforts to address the damage caused by Superstorm Sandy and builds on the Port Authority's \$1 billion PATH Improvement Plan. 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 of nine-car trains on the Newark-World Trade Center line in 2023.

PLANS ANNOUNCED TO DRAMATICALLY INCREASE SERVICE ACROSS SYSTEM

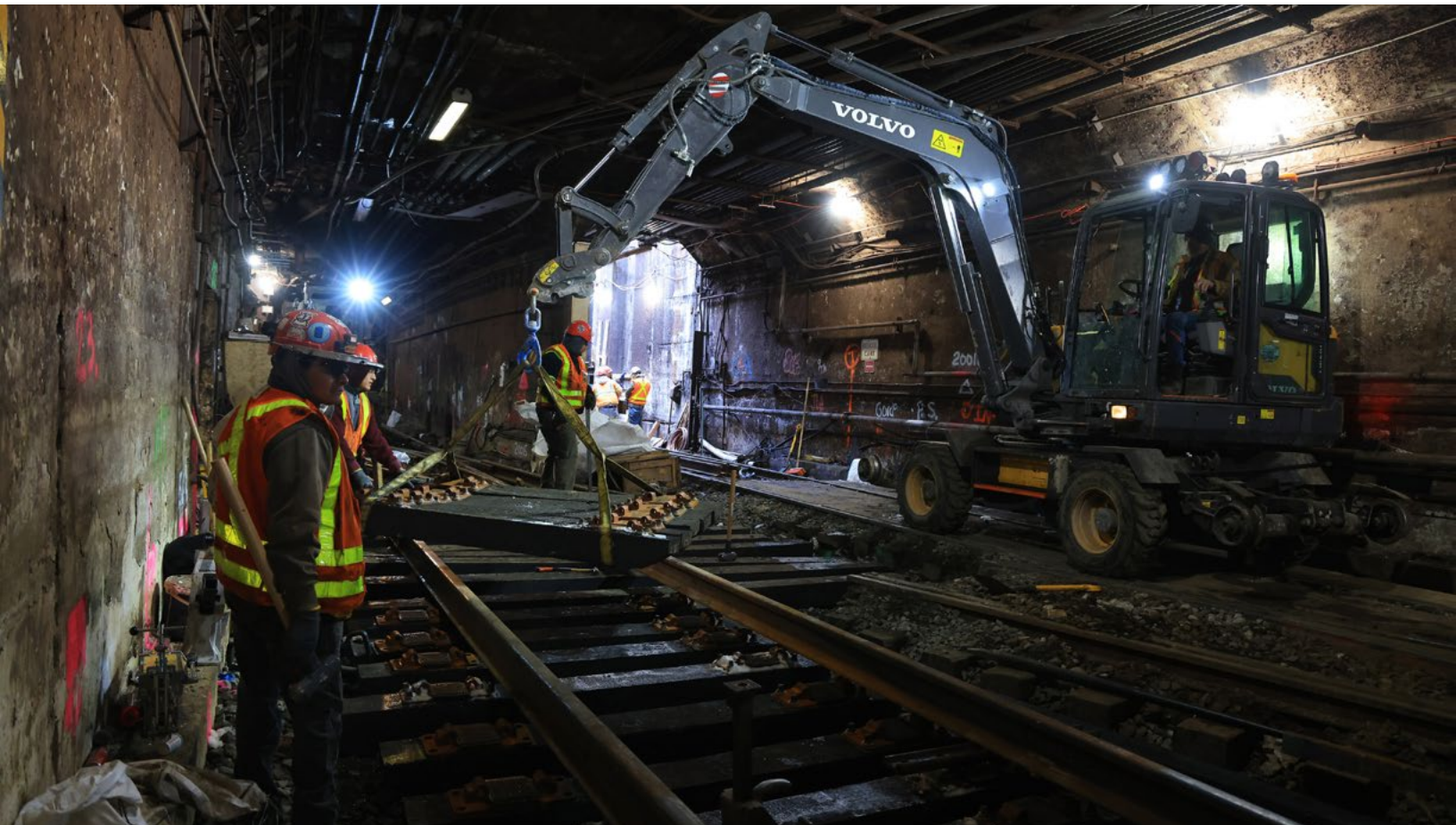
In November 2025, the Port Authority announced plans to make major service increases across the PATH system beginning in 2026, following completion of the PATH Forward rehabilitation program. When its package of extensive service improvements is fully implemented, PATH — for the first time in 25 years — will offer service on every line, every day.

The return of seven-day service on all four PATH lines is a major milestone in the Port Authority's long-term modernization of the 117-year-old railroad. The enhanced service options will

deliver faster, more direct travel for weekend customers as well as shorter wait times during weekday rush hours, offering riders a more reliable and convenient experience across all lines on all days of the week.

IMPLEMENTATION OF FARE REDUCTION FOR PASSENGERS WITH DISABILITIES

In June, the Port Authority began accepting applications from PATH riders with disabilities who are eligible for a 50 percent fare reduction. This new reduced fare program for riders was approved by the Board in December 2024 and matches the reduction already available for senior riders.



Track rehabilitation in progress as part of the PATH Forward initiative.

Restoring the George Milestone: All 592 Original Suspender Ropes Were Replaced

In March of 2025, the Port Authority reached another significant milestone in the \$2 billion “Restoring the George” program to repair, rehabilitate, and renew the world’s busiest vehicular bridge, with the final replacement of all the George Washington Bridge’s 592 original steel suspender ropes.

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.

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, high-tech acoustical monitoring and dehumidification systems were installed on the main cables. For the first time since George Washington Bridge was built in 1931, all its original major components have been 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 1.5-mile-long pedestrian/bicycle path, which was completed in 2023.

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, particularly for bike access and users with mobility challenges.

The renovated and fully accessible North Walk of the George Washington Bridge opened in February 2023. It features 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 of the North Walk, one belvedere offers expansive uninterrupted views of the Hudson River and the Palisades, and on the New Jersey side, the second belvedere provides head-on views of the bridge’s upper level and New Jersey tower.

For the first time since George Washington Bridge was built in 1931, all its original major components have been replaced or restored with modern technology and best in-class materials.

With the opening of the North Walk in February 2023, the south side of the bridge closed for similar work to both the steel suspender ropes and sidewalk improvements. Since its closure, the Port Authority has mostly finished the new sidewalk deck replacement on the bridge span.

When complete, 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 Restoring the George program — which includes a total of 11 individual projects — is expected to be substantially completed in 2030, with the exception of the rehabilitation of the Trans-Manhattan Expressway overpasses project, a year before the bridge's centennial.

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 (completed in 2025) — 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)



Work crews replacing steel suspender ropes at the George Washington Bridge as part of the Restoring the George program.

Security and Cybersecurity Remain Port Authority Priorities

In June of 2025, the Port Authority Police Department (PAPD) welcomed 71 new recruits to the PAPD force as the agency continued to reinforce its security priorities.

The 123rd Academy class joined a total PAPD workforce of more than 2,100 members, who are tasked with securing some of the nation's busiest infrastructure facilities and transportation hubs within the country's most diverse region.

A quarter of the 123rd Academy class are women, the highest female representation of any PAPD class. And almost half of the class entered the PAPD with prior experience in law enforcement; 13 percent are military veterans. Additionally, among the graduating class were two officers whose father and grandfather responded to the 9/11 attacks at the World Trade Center.

In addition to tactical preparedness, the academy emphasizes cultural sensitivity, ethical responsibility, and historical awareness as core components of modern policing.

The 123rd Academy class arrived six months after the Port Authority's Board of Commissioners approved the agency's 2025 budget, which included a record investment of more than \$1 billion in safety and security operations. This funding supported the agency's overall security posture as well as new initiatives to address both traditional and emerging threats, including cyber and terrorism-related risks.

The PAPD academy is recognized as one of the most rigorous law enforcement training programs in the nation, requiring 26 weeks of intensive instruction. Recruits underwent comprehensive training in New York and New Jersey state laws, police procedures, firearms usage, first aid, and counterterrorism techniques.

In addition to tactical preparedness, the academy emphasizes cultural sensitivity, ethical responsibility, and historical awareness as core components of modern policing. This training fosters empathy, strengthens community engagement, and reinforces PAPD's core values of justice and accountability.

AGGRESSIVELY CRACKING DOWN ON TOLL EVASION

At the close of 2025, the Port Authority announced the results of its aggressive crackdown on toll evaders throughout the year: More than 10,000 summonses were issued across its six bridges and tunnels, an increase of 50 percent compared to 2024.

The agency also recovered \$17 million in unpaid tolls and administrative fees in 2025 while impounding 548 vehicles due to suspended registrations. Port Authority police officers made 176 toll evasion-related arrests in 2025 for charges including theft of services and fictitious plates.

The Port Authority has invested in advanced technology to identify, track, and intercept persistent toll violators. This includes license plate readers at its vehicular crossings installed in cooperation with regional law enforcement partners.

ENHANCED HACK / HUSTLER DETERRENCE INITIATIVE

In 2025, the PAPD enhanced its initiative to deter and enforce against fake taxi operations at the airports, known as "hustlers". Deterrence and enforcement utilized CCTV cameras,

license plate readers (LPRs) and Briefcam analytics to deter the operation of illegal for-hire vehicles on Port Authority property.

Additionally, third-party partnerships with the TLC and NYC Sheriff's Office strengthened the agency's enforcement efforts to summons and/or arrest recidivist hustlers through joint operations.

In 2025, we saw an enhanced focus on enforcement at the agency three major airports, with over 2,800 unlawful solicitation summonses and 550 arrests.

Of note, in 2025, the PAPD enhanced initiative at Newark Liberty delivered a dramatic increase in enforcement outcomes, with arrests for soliciting transportation for hire rising from 84 in 2024 to 376 in 2025 — an increase of approximately 348 percent.

The program also significantly strengthened compliance and public safety efforts, with vehicles towed increasing from 53 in 2024 to 363 in 2025 — an increase of approximately 585 percent.

PROTECTING AGAINST THE THREAT OF CYBERATTACKS

The Port Authority continued to strengthen its cybersecurity posture in 2025 by making investments in sophisticated emerging technologies to prevent, detect, and mitigate attempted cyberattacks. Cybersecurity will remain at the forefront of the Port Authority's security planning and preparation in 2026, as we prepare for the FIFA World Cup and America 250 events in the Port District this summer.



The Port Authority Police Department (PAPD) welcomed 71 new officers in its 123rd class.

Expanding EV Infrastructure at Major Port Authority Facilities

The Port Authority has an ambitious goal of achieving net-zero carbon emissions by 2050 through its comprehensive net-zero roadmap. As part of this ambitious climate change agenda, the Port Authority has worked to grow electric vehicle (EV) adoption and expand charging infrastructure at its major facilities, including achieving 50 percent electrification of the non-emergency light-duty fleet in 2025 and public charger expansions at John F. Kennedy International Airport (JFK), Newark Liberty International Airport (EWR), and Port Newark. Airside, over 1,500 electric ground service vehicles and over 750 electric ground service chargers are already deployed across Port Authority airports.

Fleet electrification is one of many initiatives that has put the agency on track to achieve its operational GHG milestones of a 35 percent reduction by 2025 and a 50 percent reduction by 2030.

50 PERCENT LIGHT DUTY FLEET ELECTRIFICATION ACHIEVED

In December, the Port Authority achieved what few fleets have yet to do: It converted 50 percent of its non-emergency light duty fleet to electric vehicles. Nearly 400 electric vehicles are deployed across the 20 plus facilities. Sedans, minivans, SUVs, and light-duty pick-up trucks are now powered by the grid and are moving employees and their materials in a more sustainable way.

To support the fleet electrification efforts, over 250 charging ports have been strategically

installed to charge the fleet vehicles.

Fleet electrification is one of many initiatives that has put the agency on track to achieve its operational GHG milestones of a 35 percent reduction by 2025 and a 50 percent reduction by 2030.

EXPANDING FAST EV CHARGER INFRASTRUCTURE AT JFK AND NEWARK LIBERTY

In March 2025, the Port Authority and Revel announced the opening of an EV charging station at JFK that more than doubled the airport's available public EV chargers. The 24 new direct current fast chargers (DCFCs) were funded and installed by Revel, and supported by Con Edison's PowerReady incentive program.

With the Revel charging station, JFK now hosts a total of 46 EV fast charging ports that are operational at all times, helping to reduce charging wait times and improving traffic flow.

In September, the Port Authority and ZAPP announced the opening of a new fast EV charging hub at EWR. The eight new DCFC ports double the number of fast EV charging ports available at the airport to 16.

The expansion of the charger infrastructure helps meet growing demand, especially from for-hire-vehicle drivers, for EV charging infrastructure at Port Authority facilities.

Traditional fast chargers will enable the transition of gas-powered vehicles to electric vehicles and contribute to a reduction of approximately 3,720 metric tons of carbon dioxide each year.

FOUR DIRECT CURRENT CHARGERS FOR ELECTRIC TRUCKS AT PORT NEWARK

In July, the Port Authority announced the opening of a new electric truck charging station at Port Newark, a key step in advancing zero-emission drayage trucking operations. Designed

to encourage more drivers to switch to electric trucks, the charging station supports cleaner, more sustainable freight movement.

The charging station features four 350-kilowatt fast chargers and offers compatibility with most widely available commercial electric truck models.

Drayage truck operations typically involve trucks moving shipping containers short distances, such as from a container terminal to an area warehouse. A 10- to 15-minute opportunity charge could offer an additional 20-40 miles of range, depending on the load and driving conditions, allowing truckers to minimize downtime and complete more trips during the workday.

Additionally, these fast chargers complement a multitude of other sustainability initiatives at the seaport as the Port Authority looks to enable

and entice all links in the supply chain, including ocean carriers, container terminals, and trucking companies to incorporate greener operations.

At the seaport, those efforts have included:

- The Truck Replacement Program, offering financial incentives to truck companies to replace older, dirtier engine models with newer, cleaner models.
- The Clean Vessel Incentive, using financial incentives to ocean carriers that voluntarily slow steam near the port to reduce air emissions and encourage fuel conservation.
- The agency's marine terminal rules and regulations, which requires terminal operators to transition to zero-emission cargo handling equipment as the equipment becomes commercially available, intended to foster market demand and spur industry innovation.



Electric charging ports at John F. Kennedy International Airport.

- The buildout of the seaport's on-dock ExpressRail system, enabling goods to reach the Midwest, New England, and Eastern Canada more sustainably than via truck.

The port's tenants have additionally undertaken significant sustainability measures and projects, including the 2025 completion of Port Newark Container Terminal's solar installation.

The Port Authority has reported significant progress toward its emissions goals in the seaport's air emissions inventory, including a reduction in sulfur dioxide by 98 percent, as well as reductions in nitrogen oxide and particulate matter by over 70 percent from baseline 2006 levels while cargo volume increased nearly 60 percent.

PART OF THE PORT AUTHORITY'S COMMITMENT TO "NET-ZERO"

Beyond EV infrastructure, the Port Authority has undertaken several other ambitious sustainability initiatives at its airports, including electrifying Newark's historic Building One in a flagship decarbonization retrofit, and construction of multiple solar projects. Solar developments include New York state's largest rooftop solar array at JFK's New Terminal One — which will be the nation's largest airport solar rooftop when completed, the solar array at the new Terminal 6 (T6), the nation's current largest airport solar rooftop at Newark Liberty International Airport's Terminal A parking garage, a solar array on JFK's long-term parking Lot 9, and a solar rooftop at LaGuardia Airport.

Additionally, at JFK in September, the Port Authority and JFK Millennium Partners (JMP), the company selected to build and operate JFK's new world-class T6, announced a partnership with Long Island-based Fortbrand Services LLC to manage the terminal's future all-electric ground support (e-GSE) fleet in a common use, or pooled, setup.

JFK will be the first airport in North America with new terminals offering pooled e-GSE.

The future all-electric T6 ground support fleet will eliminate around 2,500 metric tons of carbon dioxide emissions annually — or the equivalent emissions produced by driving a gasoline-powered car 6 million miles. The reduction in emissions will come from the replacement of diesel-powered equipment with electrically powered equipment and from the greater efficiencies of common-use equipment.

At the new T6, each of the terminal's 10 gates will have its own set of electric ground support equipment, which will be shared by ground handlers operating at the terminal in a common-use setup.

At the New Terminal One (NTO), TCR, a global leader in GSE solutions, will provide an all-electric GSE fleet at the new world-class international terminal, scheduled to open in 2026.

The fully electric GSE fleet at NTO will also be shared by ground handlers, to reduce the environmental impact, improve costs, and optimize equipment usage.

World Trade Center Campus Honors Sacrifice, Celebrates Life

Nearly 25 years after the September 11, 2001, attacks, the World Trade Center campus today is a living tribute to the sacrifice and heroism of September 11 and to the months and months of effort made on the recovery by thousands of dedicated individuals.

Rebuilding the World Trade Center 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 restoration of an iconic tower — One World Trade Center — to the New York City skyline became a beacon for renewal and a global symbol of the region's resilience. And today, the "core" of the 16-acre campus is complete and connects the site to the fabric of lower Manhattan.

And today, the "core" of the 16-acre campus is 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 these accomplishments, the National September 11 Memorial and Museum.

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 opened in 2014 and is now 94 percent leased.

Throughout 2025, the World Trade Center campus was teeming with activity — workers, commuters, residents, visitors, and tourists.

CAMPUS HOSTED FREE MOVIE SCREENINGS, WELLNESS EVENTS, AND PUBLIC ART

In 2025, the World Trade Center campus further expanded its role as a community hub. In addition to the ongoing seasonal activations, the campus partnered with major sporting leagues to offer unique viewings of premier sporting events, including Major League Baseball Rivalry Week.

In addition to live sports viewing, the campus was active in the warmer months with the return of the popular Smorgasburg food market, the Oculus Beer Garden, and Oculus Outdoors movie screenings, with one drawing more than 500 attendees.

The popular "Wellness Wednesdays" program, originally offered during summer months, was expanded to winter and also incorporated new partnerships to increase public engagement.

In November 2025, the campus became the site for a year-long outdoor installation of six new large-scale public art sculptures by the New York-born contemporary artist WhIsBe. The artworks, collectively titled Rewind, are on view throughout the south Oculus Plaza. More than 200,000 daily visitors, workers, and community residents are able to enjoy the vibrant oversized sculptures series inspired by childhood, including a massive gummy bear, rocket ship, and dinosaur.

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

EXPANDING AND STRENGTHENING THE WORLD TRADE CENTER'S DIGITAL PRESENCE

In 2025, the World Trade Center campus expanded its digital presence and storytelling to connect with visitors, workers, and the community.

The campus launched ExploreWTC, a new digital brand for its website and social media channels, creating a unified platform to showcase campus events, historical information, and visitor experiences.

The World Trade Center also reached new audiences online, generating its most widely viewed social media content to date: A post highlighting the “Wedge of Light” inside the Oculus garnered more than 3.7 million views, reflecting strong public interest in the site’s architectural symbolism and the campus’ continued role in honoring the past while moving forward.



The Oculus balcony overlooks the main level, the heart of many ExploreWTC campus events and experiences.



Critical track replacement during the 25-day closure under the PATH Forward Modernization Program.

2025



Financial SECTION

The Port Authority of New York and New Jersey Basic Financial Statements
and Appended Notes for the Years Ended December 31, 2025 and 2024

Construction at the New Terminal One, John F. Kennedy International Airport's largest terminal upon completion.

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, 2025, and December 31, 2024, 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 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 11, 2026. 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. 2025 Gross Domestic Product

("GDP") grew 2.1% in 2025 and is expected to increase 2.0% in 2026. The Administration's announcement of sharp tariff increases in April 2025 triggered concerns of an economic slowdown as retaliatory tariffs and corresponding inflationary pressures were expected to negatively impact consumer spending. Tariff increases ultimately were lower than initially expected, partially due to subsequent negotiated trade agreements with certain countries. Strong equity market performance tied to the continued expansion of artificial intelligence has helped sustain overall consumer spending, which comprises the largest share of the economy. Inflation, measured by the year-over-year growth in the Consumer Price Index ("CPI") was 2.7% in 2025 and is projected to remain above the long-term target rate of 2.2% for 2026. As corporations contended with an uncertain business market environment triggered by trade policy fluctuations, average monthly job growth projections for 2025 were revised from 125,000 net jobs gained per month, to less than 50,000. Job growth in 2026 is projected to increase slightly to an average of approximately 67,000 jobs gained per month. Employment in the New York Metropolitan Region is expected to follow a similar pattern in 2026. Tariff policy uncertainty is likely to continue exerting upward pressure on prices and inflation. Further, energy prices will remain a potential risk to inflation and activity given the United States' and Israel's war with Iran, which have restricted global oil supply. The severity of that risk will depend on the ultimate duration of that conflict.

Despite the Port Authority's best forecasting efforts, the current economic environment continues to remain uncertain and is subject to many developments and actions outside of the Port Authority's control. The Port Authority continuously monitors monetary policy shifts, evolving trade dynamics, elevated geopolitical risks and energy market volatility to respond to deviations from its forecast.



Elizabeth M. McCarthy
Chief Financial Officer



The central circular skylight illuminating the new Terminal 6 check-in hall at John F. Kennedy International Airport.



KPMG LLP
Two Manhattan West
375 9th Avenue, 17th Floor
New York, NY 10001

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, 2025 and 2024, 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, 2025 and 2024, 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, 2025 and 2024. 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.



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, 2025 and 2024 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, 2025 and 2024 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, 2025 and 2024.

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, 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016 (not presented herein), and have issued our reports thereon dated March 6, 2024, March 20, 2023, March 2, 2022, March 3, 2021, March 4, 2020, March 6, 2019, March 20, 2018, and March 1, 2017, 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, 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016, 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 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016, basic financial statements, as applicable. The information was subjected to the audit procedures applied in the audit of the 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016, 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, 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016, are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the years ended December 31, 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016, 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, 2025 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, 2025, 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, 2024 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 12, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, 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

New York, New York
March 11, 2026

Management's Discussion and Analysis (Unaudited)

Years ended December 31, 2025 and 2024

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, 2025, with selected comparative information for the years ended December 31, 2024 and December 31, 2023. 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, 2025, DECEMBER 31, 2024 AND DECEMBER 31, 2023

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 is below:

	2025	2024	2023
		(In thousands)	
ASSETS			
Current assets	\$ 3,617,210	\$ 3,009,207	\$ 3,380,465
Noncurrent assets:			
Facilities, net	42,351,403	41,118,923	40,444,205
Lease assets	6,602,256	6,772,115	6,943,174
LaGuardia Terminal B landlord leasehold investment	1,022,570	1,088,018	1,147,922
Other noncurrent assets	11,882,893	11,588,468	10,531,148
Total assets	65,476,332	63,576,731	62,446,914
DEFERRED OUTFLOWS OF RESOURCES			
Loss on debt refundings	38,842	44,927	51,578
Pension related amounts	605,341	666,380	517,098
OPEB related amounts	797,364	1,074,010	975,122
Total deferred outflows of resources	1,441,547	1,785,317	1,543,798
LIABILITIES			
Current liabilities	3,225,527	3,017,852	2,580,205
Noncurrent liabilities:			
Bonds and other asset financing obligations	27,004,254	27,484,776	27,573,527
Other noncurrent liabilities	11,698,461	11,654,850	11,451,698
Total liabilities	41,928,242	42,157,478	41,605,430
DEFERRED INFLOWS OF RESOURCES			
Gain on debt refundings	470,345	287,639	195,067
Pension related amounts	55,992	267,044	70,838
OPEB related amounts	167,475	34,305	110,034
Leases, as lessor	5,610,174	5,084,512	5,347,802
Total deferred inflows of resources	6,303,986	5,673,500	5,723,741
NET POSITION			
Net investment in capital assets	16,330,338	15,043,573	15,128,051
Restricted	805,755	771,346	719,624
Unrestricted	1,549,558	1,716,151	813,866
Net position, December 31st	\$ 18,685,651	\$ 17,531,070	\$ 16,661,541

2025 vs. 2024

Port Authority assets totaled \$65.5 billion at December 31, 2025, an increase of \$1.9 billion from December 31, 2024. This overall increase was primarily a result of:

Facilities, net of \$42.4 billion increased \$1.2 billion from December 31, 2024, due to increased investments in capital infrastructure assets of \$2.9 billion, primarily at aviation facilities and the Port Authority Bus Terminal (PABT), less annual depreciation related to all capital infrastructure assets that have been placed into service. 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 \$2.3 billion increased \$673 million from December 31, 2024 primarily due to: **a)** amounts due related to a Elizabeth Port Authority Marine Terminal lease extension in 2025; **b)** higher E-ZPass® tolls due from other tolling agencies, reflecting timing differences in the remittance of toll collections, and; **c)** an increase in amounts due from the Federal Aviation Administration (FAA) for capital projects at aviation facilities. These increases were partially offset by: **d)** lower amounts due from the Federal Transit Administration (FTA) and Federal Emergency Management agency (FEMA) for Port Authority Trans-Hudson (PATH) Superstorm Sandy restoration and resiliency capital projects as projects near completion and capital contributions from the JFK Airport New Terminal One terminal operator.

Lease assets, (as lessee) of \$6.6 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 \$170 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 remaining 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 \$94 million from December 31, 2024 primarily due to the scheduled amortization of rent payments received from the World Trade Center (WTC) net lessees, 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 \$6.3 billion increased \$137 million from December 31, 2024, primarily due to a lease extension payment at the Elizabeth Port Authority Marine Terminal, increased tolls and fares, increased cash receipts from aviation fees and increased cash receipts from federal agencies for eligible capital projects. These increases were partially offset by increased employer contributions to the New York State and Local Retirement System (NYSLRS), increased payments to contractors for capital construction projects and 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 \$8 million when compared to 2024 primarily due to increases in tolls and fares due to higher toll rates, increased aviation fees and scheduled rent escalations at aviation facilities and marine terminals. These increases were partially offset by increased payments to healthcare providers for active employees, pension contributions to NYSLRS, rent payments to the Cities of New York and Newark municipalities and third-party contractors for operational and maintenance support services.

Port Authority liabilities totaled \$41.9 billion at December 31, 2025, a decrease of \$229 million from December 31, 2024. This decrease was primarily due to:

Bonds and other asset financing obligations of \$28.8 billion, including amounts payable associated with Tower 4 Liberty Bonds decreased \$496 million from December 31, 2024, primarily due to the scheduled retirement and refunding of outstanding Consolidated Bonds of \$2.1 billion. Partially offsetting this decrease were increases related to the issuance of \$1.6 billion of Consolidated Bonds for purposes of funding capital construction projects and the refunding of certain Consolidated Bonds to lower future debt service payments.

Lease liabilities (as lessee) of \$6.2 billion for lease financings containing fixed rent payables to third-party lessors and subject to GASB Statement No. 87 decreased \$88 million from December 31, 2024, 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 \$3.9 billion increased \$38 million primarily due to a net increase in Port Authority's proportionate share of the actuarially determined NYSLRS Net Pension Liability (NPL) due to changes in plan terms for certain member Tiers and higher than expected experience related to certain economic and demographic assumption. Partially offsetting this increase was a decrease in the net OPEB Liability resulting from additional investment earnings on plan investment partially offset by a net increase related to changes in actuarial assumptions.

Accounts payable of \$1.4 billion increased \$166 million from December 31, 2024 primarily due to increased capital construction accruals associated with aviation capital projects, as well as third-party operations and maintenance support contracts.

Accrued payroll and other employee benefits of \$230 million increased \$16 million from December 31, 2024 primarily due to an increase in amounts due healthcare providers for active employees.

Accrued interest and other current liabilities of \$952 million increased \$39 million from December 31, 2024 primarily due to: **a)** an increase in prepaid tolls from E-ZPass® customers; and **b)** an increase in debt service due on outstanding Consolidated Bonds due to timing differences in payments. Partially offsetting these increases was a decrease related to the continued application of NYSDOT funds received in 2024 related to certain JFK Airport access road improvements.

Other noncurrent liabilities of \$399 million increased \$95 million from December 31, 2024 primarily due to an increase in amounts due for Subscription-Based Information Technology Agreements (SBITAs) as a result of an amended subscription-based information technology contract.

Deferred outflows of resources totaled \$1.4 billion at December 31, 2025, a net decrease of \$344 million from December 31, 2024. This net decrease was primarily due to a net decrease in unamortized deferred balances recognized in prior years related to OPEB and NYSLRS Pensions for changes in actuarial assumptions and lower than expected investment earnings on plan investments.

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

Deferred inflows of resources totaled \$6.3 billion at December 31, 2025, a net increase of \$630 million from December 31, 2024 primarily due to an increase in unamortized balances related to a 2025 Elizabeth Port Authority Marine Terminal lease extension and a net increase in unamortized deferrals for OPEB due to higher than expected 2025 earnings on plan investments. Partially offsetting these increases was a decrease in unamortized deferred balances for amounts recognized in prior years related to NYSLRS Pensions for higher than expected earnings on plan investments.

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

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 increased 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.

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.

As outlined below, *Income from Operations* of \$1.2 billion increased \$213 million or 21% as compared to 2024.

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

	2025	2024	2023
		(In thousands)	
Gross operating revenues	\$ 7,295,915	\$ 6,936,358	\$ 6,563,287
Operating expenses	(4,124,898)	(3,969,817)	(3,735,087)
Depreciation and amortization	(1,950,652)	(1,958,724)	(1,917,543)
Net insurance recoverables	704	—	—
Income from operations	1,221,069	1,007,817	910,657
Nonoperating revenues/(expenses), net			
Grants, in connection with operating activities and pass-through grant program payments	30,222	186,662	99,730
Financial income, including changes in fair value of investments	311,773	245,595	269,373
Interest expense in connection with bonds and other asset financings, net ¹	(1,147,012)	(1,157,143)	(1,148,038)
Interest income, as lessor	160,605	158,610	155,290
Interest expense, as lessee	(209,133)	(211,305)	(213,973)
Net loss on disposal of assets and liabilities, including lease terminations	(882)	(160)	(2,281)
Capital contributions and PFCs	787,939	639,453	536,697
Increase in net position	1,154,581	869,529	607,455
Net position, January 1st	17,531,070	16,661,541	16,054,086
Net position, December 31st	\$ 18,685,651	\$ 17,531,070	\$ 16,661,541

1 Includes \$32.5 million in 2025, 2024 and 2023 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 2025 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:

	2025	2024	2023
		(In thousands)	
Rentals*	\$ 2,429,349	\$ 2,363,621	\$ 2,187,837
Bridge and tunnel tolls	2,138,687	2,015,934	1,936,355
Aviation fees	1,845,589	1,719,025	1,606,056
Parking and other	528,330	530,812	549,780
Utilities	175,451	154,505	148,952
PATH fares	178,509	152,461	134,307
Total	\$ 7,295,915	\$ 6,936,358	\$ 6,563,287

* 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.

	2025	2024	2023
		(In thousands)	
Aviation	\$ 4,103,391	\$ 3,941,040	\$ 3,653,830
Tunnels, Bridges & Terminals	2,188,602	2,068,245	1,987,504
Port	417,849	387,633	371,279
World Trade Center	358,332	340,580	380,593
PATH*	193,149	165,624	147,947
Other**	34,592	33,236	22,134
Total	\$ 7,295,915	\$ 6,936,358	\$ 6,563,287

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.

2025 vs. 2024

Gross operating revenues, excluding PFCs totaled \$7.3 billion in 2025, an increase of \$360 million, or 5% as compared to 2024.

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 2025, an increase of \$66 million or 3% as compared to 2024 primarily due to scheduled rent escalations at aviation facilities and Port Authority marine terminals related to certain regulated lease agreements, and increased percentage rents at Port Authority marine terminals and John F. Kennedy International Air Terminal 4 (JFKIAT) resulting from increased activity levels.

Bridge and Tunnel Tolls of \$2.1 billion increased \$123 million or 6% as compared to 2024 primarily due to higher toll rates, partially offset by an increase in net toll violations and a slight decrease in overall vehicular traffic volumes when compared to 2024.

Aviation fees of \$1.8 billion increased \$127 million, or 7% as compared to 2024 primarily due to: **a)** higher flight fees driven by an increase in recoverable operating and capital expenditures; **b)** increased AirTrain ridership and fare rates; and **c)** higher federal inspection fee revenues related to international passengers at Newark Liberty International (EWR) Airport Terminal B.

Parking and other fees of \$528 million decreased \$2 million, as compared to 2024 primarily due to a reduction in public parking activity at aviation facilities, partially offset by an increase in Port Authority Marine Terminals Cargo Facility Charges (CFCs) resulting from an increase in rates and a 2% increase in cargo container activity when compared to 2024.

PATH fares of \$179 million increased \$26 million or 17% compared to 2024, primarily due to a scheduled CPI-based fare increase totaling \$0.25 in January 2025 and a 6% increase in PATH ridership. PATH ridership for 2025 was 74% of pre-COVID-19 levels.

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.

Operating Expenditures

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

	2025	2024	2023
		(In thousands)	
Employee compensation, including benefits	\$ 2,081,661	\$ 1,995,896	\$ 1,801,019
Contract services	1,308,416	1,261,199	1,200,165
Rents and payments in-lieu-of taxes (PILOT)*	134,561	114,028	84,878
Materials, equipment, and other	362,380	387,283	446,055
Utilities	237,880	211,411	202,970
Total	\$ 4,124,898	\$ 3,969,817	\$ 3,735,087

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

	2025	2024	2023
		(In thousands)	
Aviation	\$ 2,155,118	\$ 2,048,948	\$ 1,995,247
Tunnels, Bridges & Terminals	758,176	752,413	668,427
PATH*	650,632	598,828	552,255
World Trade Center	393,834	386,579	360,917
Port	195,100	209,895	176,769
Other**	(27,962)	(26,846)	(18,528)
Total	\$ 4,124,898	\$ 3,969,817	\$ 3,735,087

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.

2025 vs. 2024

Operating expenses totaled \$4.1 billion in 2025, an increase of \$155 million or 4% from 2024.

Employee compensation, including employer provided healthcare and retirement benefits of \$2.1 billion increased approximately \$86 million, or 4% from 2024 primarily due to: **a)** higher healthcare costs for active employees; **b)** a net increase in the actuarially determined Other Postemployment Benefits (OPEB) expense as a result of changes in actuarial assumptions due to increased healthcare costs partially offset by higher than expected earnings on plan investments; **c)** scheduled wage increases; **d)** increased public safety security initiatives at Port Authority facilities; and, **e)** increased rail and car maintenance at PATH. These increases were partially offset by a year-over-year decrease in New York State & Local Retirement System (NYSLRS) pension costs due to lower amortization of deferred outflows recognized in prior years related to lower than expected earnings on plan investments, partially offset by changes to plan terms measured at March 31, 2025 for certain members.

Contract services of \$1.3 billion increased \$47 million, or 4% as compared to 2024 primarily due to increased contract services related to JFK AirTrain and ground transportation services at EWR Airport and additional operating costs at the World Trade Center. These increases were partially offset by a year over year decrease in third-party contract services and consultants for operational and maintenance support services at aviation, marine terminal and tunnel and bridge facilities.

Rents and payments in-lieu-of-taxes (PILOT), excluding the straight-line amortization of lease assets subject to GASB Statement No. 87, of \$135 million increased \$21 million, or 18% when compared to 2024 primarily due to increases in percentage rents due the cities of New York and Newark for the leasing of land at the Marine and Air Terminals driven by increased airport revenues and an increase in PILOT payments to the City of New York for the WTC campus due to an increase in property values and property tax rates.

Materials, equipment, and other of \$362 million decreased \$25 million, or 6% from 2024 primarily due to lower self-insured public liability loss reserves recognized in 2025 when compared to 2024 and a year over year decrease in capital infrastructure asset write-offs. Partially offsetting these decreases was a non-recurring expense related to the decommissioning of buses at aviation facilities and an increase in alternative transportation for PATH customers during the one-month closure of the Hoboken PATH station to expedite critical construction.

Utilities of \$238 million increased \$26 million, or 13% as compared to 2024 primarily due to an increase in rates and usage of electricity and thermal steam at aviation facilities, PATH, and the WTC, driven by colder temperatures in 2025 compared to 2024, partially offset by lower water charges at JFK airport due to the reconciliation of prior year billings with the city of New York.

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.

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*.

2025 vs. 2024

Amortization of lease assets (as lessee) subject of GASB Statement No. 87 of approximately \$171 million decreased \$3 million, or 1% from 2024 primarily due to a year-over-year decrease in scheduled amortization related to the expiration of certain lease agreements for additional office space.

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.

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:

	2025	2024	2023
		(In thousands)	
Aviation	\$ 153,464	\$ 155,208	\$ 155,058
Other*	9,103	10,110	13,101
Port Authority Marine Terminals	8,434	8,443	8,434
Tunnels, Bridges & Terminals	331	93	162
PATH	64	64	—
Total	\$ 171,396	\$ 173,918	\$ 176,755

* 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:

	2025	2024	2023
		(In thousands)	
Aviation*	\$ 696,044	\$ 692,945	\$ 696,143
World Trade Center	370,563	380,177	376,779
Tunnels, Bridges & Terminals	325,727	339,892	315,240
PATH**	275,803	260,947	239,007
Port Department	90,522	91,258	84,781
Other***	20,597	19,587	28,838
Total	\$ 1,779,256	\$ 1,784,806	\$ 1,740,788

* Includes LGA Terminal B landlord leasehold depreciation of \$65 million in 2025, \$66 million in 2024, and \$62 million in 2023.

** Includes WTC Transportation Hub and Hudson Tunnel Project.

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

2025 vs. 2024

Depreciation and amortization of \$1.8 billion related to capital infrastructure investments decreased \$6 million, as compared to 2024. The year-over-year decrease is primarily related to the 2024 scheduled retirement of certain George Washington Bridge Suspender rope related capital assets, partially offset by increased depreciation related to the scheduled completion of approximately \$3.5 billion of capital construction projects in 2025 and 2024. These capital infrastructure assets have been placed into operational service and being depreciated over their estimated useful lives, including elements of the **a)** PATH Forward Program; **b)** EWR Airport Redevelopment Program; and **c)** John F. Kennedy International (JFK) Airport Redevelopment 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.

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.

Net Insurance Recoverables

2025 Net insurance recoverables of \$704 thousand represent business interruption insurance recoveries for losses sustained by the Port Authority resulting from COVID-19.

Income/(Loss) from Operations

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

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

	2025	2024	2023
		(In thousands)	
Aviation ¹	\$ 1,098,765	\$ 1,043,939	\$ 807,382
Tunnels, Bridges & Terminals	1,104,368	975,847	1,003,675
Port Department	123,793	78,037	101,295
Other ²	33,558	30,385	(1,277)
World Trade Center	(406,065)	(426,176)	(357,103)
PATH ³	(733,350)	(694,215)	(643,315)
Income	\$ 1,221,069	\$ 1,007,817	\$ 910,657

1 Includes LGA Terminal B landlord leasehold depreciation of \$65 million in 2025, \$66 million in 2024, and \$62 million in 2023.

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

3 Includes WTC Transportation Hub.

2025 Income from operations of \$1.2 billion increased \$213 million from 2024 primarily due to: **a)** toll rate increases effective in January 2025; **b)** increased activity-based revenues at Aviation and Marine terminals; and, **c)** increased rentals and aviation fees at aviation facilities. These increases were partially offset by higher operating expenses, including an increase in the actuarially determined OPEB expense resulting from changes in actuarial assumptions.

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.

Nonoperating Revenues and Expenses

A summary of nonoperating revenues and expenses follows:

	2025	2024	2023
		(In thousands)	
Financial income	\$ 208,403	\$ 164,336	\$ 136,290
Net increase in fair value of investments	103,370	81,259	133,083
Interest expense in connection with bonds and other asset financings, net ¹	(1,147,012)	(1,157,143)	(1,148,038)
Interest income, as lessor	160,605	158,610	155,290
Interest expense, as lessee	(209,133)	(211,305)	(213,973)
Net loss on disposal of assets and liabilities, including lease terminations	(882)	(160)	(2,281)
Pass-through grant program payments	(4,229)	(48,206)	(12,156)
Grants, in connection with operating activities	34,451	234,868	111,886
Nonoperating expenses, net	\$ (854,427)	\$ (777,741)	\$ (839,899)

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

2025 vs. 2024

Financial income, comprised of interest income and the net change in fair value of investments totaled \$312 million in 2025, an increase of \$66 million, or 27% when compared to 2024. This increase was primarily due to higher realized earnings on investment securities due to an increase in realized rates of return and increased unrealized gains on United States government securities held in Port Authority investment accounts reflecting fluctuations in fixed income market interest rates.

Interest expense in connection with bonds and other asset financings, net of \$1.2 billion, decreased \$10 million, or 1% from 2024 primarily due to: **a)** debt service savings resulting from the refunding of certain Consolidated Bonds partially offset by the issuance of additional Consolidated Bonds to fund capital construction; and **b)** a decrease in Special Obligation Institutional Loan Program interest due to the lowering of rates in 2025.

Interest income (as lessor) related to lease financings containing fixed rents due to the Port Authority from third-party lessees and subject to GASB Statement No. 87 of \$161 million increased \$2 million due to application of lease payments received by the Port Authority at the WTC, EWR and PATH.

Interest expense (as lessee) primarily related to lease financings containing fixed rents payable to third-party lessors and subject to GASB Statement No. 87, of \$209 million decreased \$2 million due to the application of rent payments made to the Cities of New York and Newark for the leasing of Air Terminals.

Grants, in connection with operating activities, of \$34 million decreased \$200 million from 2024 primarily due to the 2024 close out of COVID-19 federal funding under the America Rescue Plan Act (ARPA) for eligible aviation operating expenses and the continued completion of Federal Emergency Management Agency (FEMA) grants related to Super Storm Sandy projects for PATH.

Pass-through grant program payments to sub-grantees of \$4 million decreased \$44 million when compared to 2024 due to the close out of 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**.

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**.

Capital Contributions and Passenger Facility Charges (PFCs)

A summary of Capital Contributions and PFCs follows:

	2025	2024	2023
		(In thousands)	
Contributions in aid of construction	\$ 496,641	\$ 346,455	\$ 227,574
PFCs	291,298	292,998	309,123
Total	\$ 787,939	\$ 639,453	\$ 536,697

2025 vs. 2024

Contributions in aid of construction of \$497 million increased \$150 million from 2024 primarily due to: **a)** a \$87 million increase from the Federal Transit Administration (FTA) for flood mitigation and resiliency to the PATH rail system and stations at the WTC; **b)** a \$77 million increase from the FAA for improvements of airport runways and taxiways at JFK and EWR Airports; and, **c)** a \$22 million increase from terminal operators for the redevelopment of JFK Airport. These increases were partially offset by **d)** a \$22 million decrease in Federal Emergency Management Agency (FEMA) capital contributions for PATH Superstorm Sandy restoration and resiliency projects as projects near completion; and, **e)** a \$13 million decrease in drawdowns of prepaid capital contributions from the New York State Department of Transportation (NYSDOT) for certain roadway improvements at JFK Airport.

PFCs of \$291 million decreased approximately \$2 million when compared to 2024 due to a 2024 accrual that was adjusted downward in 2025 partially offset by an increase in current year PFC collections.

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.

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 \$2.9 billion in 2025, \$2.4 billion in 2024 and \$1.9 billion in 2023.

A summary of capital investment by business segment follows:

	2025	2024	2023
		(In millions)	
Aviation*	\$ 1,690	\$ 1,315	\$ 883
Tunnels, Bridges & Terminals	723	555	510
PATH**	385	357	380
WTC (including WTC Transportation Hub)	53	92	89
Port Department	90	77	52
Total	\$ 2,941	\$ 2,396	\$ 1,914

* Includes LGA Terminal B landlord leasehold capital investment of \$20 thousand in 2025, \$6 million in 2024, and \$74 million in 2023.

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

Capital Funding Sources 2025*

	(In thousands)	
Port Authority Consolidated Bond Reserve Funds**	\$ 1,709,797	60%
Passenger Facility Charges	472,246	17%
Consolidated bonds**	355,317	12%
Other contributions in aid of construction	313,945	11%
Total	\$ 2,851,305	

* 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, 2025, 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 \$28.8 billion. For additional information related to bonds and other asset financing obligations of the Port Authority see *Note D – Outstanding Financing Obligations*.

During 2025, the Port Authority issued approximately \$1.9 billion of Consolidated Bonds, including \$134 million in bond premiums received at issuance. Of this amount, \$1.6 billion was utilized to refund outstanding Consolidated Bonds to achieve savings on future debt service payments and \$311 million was allocated for purposes of funding capital construction projects at Port Authority facilities.

During 2025, the Port Authority drew approximately \$18 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, 2025.

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 2025.

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

The first automatic annual CPI inflation-based adjustments covering tolls at the Port Authority's vehicular crossings that were authorized in 2019 took effect in January 2024 on most toll rates and across all vehicle classes ("CPI Toll Increase"), with the most recent CPI Toll Increase of \$0.48 effective January 4, 2026, for autos using E-ZPass® to pay for tolls during peak hours. An initial revision to the toll schedule on Port Authority vehicular crossings ("Initial Change in Toll Schedule") took effect January 5, 2025, providing for **i)** an increase of \$0.25 to bridge and tunnel toll rates for auto, motorcycles and truck classes, and additional annual increases of \$0.25 per year for the three-year period covering 2026-2028 and **ii)** two added toll adjustments, which began on July 6, 2025, designed to motivate non-E-ZPass® users to enroll in the program and to encourage all E-ZPass® users to properly position their E-ZPass® transponders to help offset the higher processing and collection costs for vehicles enrolled in the New York or New Jersey E-ZPass® payment program when transponders cannot be read. An additional revision to the toll schedule on Port Authority vehicular crossings was approved by the Board of Commissioners on December 18, 2025 ("Additional Change in Toll Schedule," together with the Initial Change in Toll Schedule, the "2025-2026 Changes in Toll Schedules"), **i)** phasing out the current \$2.00 discount offered to E-ZPass® holders traveling during off-peak hours for autos and motorcycles over four year reductions of \$0.50 each, on January 3, 2027, January 2, 2028, January 7, 2029, and January 6, 2030, **ii)** introducing three bus toll classes — minibuses, 2-axle buses and 3-axle buses, and **iii)** gradually increasing the tolls paid by each bus class effective July 11, 2026 through January 1, 2034. The 2025-2026 Changes in Toll Schedules preserve discounts provided under the Staten Island Bridges Plan. 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 CPI fare increase, would, when applied to the single ride fares, result in an adjustment of at least \$0.25. The most recent fare adjustment became effective in January 2025. On December 12, 2024, the Board of Commissioners approved a new reduced fare program for customers with disabilities using the PATH system which became effective in June 2025. The 50% fare reduction matches the reduced fare program currently available for senior riders. One of the Revenue Enhancements adopted together with the 2026-2035 Capital Plan was an increase in PATH fares of \$1.00/trip, in annual \$0.25 increments over the period 2026 – 2029. 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.

TOLL COLLECTION SYSTEM

A unit of Conduent Incorporated ("Conduent") provides technology to support toll transaction processing for certain New York State authorities including the Port Authority. Upon transition to a new, back-office system in April 2025, Conduent experienced certain issues related to billing "Tolls by Mail" and E-ZPass® customers, whose bills are dependent on license plate readings. Conduent has indicated that, in addition to slower processing time for these bills, the effects of the transition have made it difficult to fully evaluate their internal, back-office processing functions at this time. Although the full scope of the effects is not now known, based on disclosure to date, the Port Authority does not currently expect a material impact on its net revenues.

2026 BUDGET

On December 18, 2025, the Board of Commissioners approved a 2026 budget that provides for capital and operating expenditures during calendar year 2026 totaling \$10.0 billion. To obtain a copy of the 2026 budget, please refer to the following link: <https://www.panynj.gov/corporate/en/financial-information/budget.html>.

CAPITAL PLAN 2026-2035

At its meeting on December 18, 2025, the Board of Commissioners adopted a ten-year capital plan for the period 2026-2035 ("2026-2035 Capital Plan"). The 2026-2035 Capital Plan prioritized from among the Port Authority's facilities and regional transportation goals, its objectives for a decade of capital spending anticipated to total \$45 billion (inclusive of \$2.7 billion to service a portion of Gateway Development Commission's low-cost financing, originally committed to in 2024). To obtain copy of the Capital Plan, please refer to the following link: <https://www.portauthoritybuilds.com/redevelopment/us/en/home/capital-plan.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, 2025 and December 31, 2024

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:

	2025	2024	2023
		(In thousands)	
Financial position			
Total assets	\$ 2,154,818	\$ 1,839,969	\$ 1,673,451
Total liabilities	37,810	8,028	13,621
Net position, December 31	\$ 2,117,008	\$ 1,831,941	\$ 1,659,830

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

	2025	2024	2023
		(In thousands)	
Total contributions*	\$ 235,556	\$ 228,251	\$ 200,832
Total net investment income	285,168	172,212	211,782
Total deductions**	(235,657)	(228,352)	(220,662)
Increase in net position	285,067	172,111	191,952
Net position – January 1	1,831,941	1,659,830	1,467,878
Net position – December 31	\$ 2,117,008	\$ 1,831,941	\$ 1,659,830

* The Port Authority did not make advanced funding contributions to the Trust in 2023 - 2025. 2025, 2024 and 2023 contributions are comprised of OPEB benefit payments totaling \$236 million, \$228 million, and \$201 million respectively, made from available Port Authority operating funds.

** 2025, 2024 and 2023 amounts include OPEB benefit payments totaling \$236 million, \$228 million and \$201 million, respectively, paid from available Port Authority operating funds.

2025 vs. 2024

Net position of the Trust totaled approximately \$2.1 billion at December 31, 2025, an increase of approximately \$285 million when compared to December 31, 2024. This year-to-year increase in the Trust's fiduciary net position was comprised of approximately: **a)** \$229 million of unrealized gains on Trust investments measured at December 31, 2025; and, **b)** \$58 million from interest and dividend income. These increases were offset by approximately \$2 million of investment expense.

Trust assets totaled approximately \$2.2 billion at December 31, 2025, an increase of approximately \$315 million from December 31, 2024. This increase in Trust assets is due to: **a)** \$274 million increase in the fair value of Trust investments; **b)** \$29 million increase in receivables related to Trust investments; and, **c)** \$12 million increase in cash and cash equivalents.

Trust liabilities totaled approximately \$38 million on December 31, 2025, an increase of approximately \$30 million from December 31, 2024. This increase in Trust liabilities is due to higher payables due brokers for investment purchases.

Net investment income totaled approximately \$285 million in 2025, an increase of approximately \$113 million from 2024, primarily due to higher unrealized gains on Trust investments. The money-weighted rate of return on Trust investments was 15.57% in 2025 and 10.38% in 2024.

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.

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

STATEMENTS OF NET POSITION

	December 31, 2025	December 31, 2024
(In thousands)		
ASSETS		
Current assets:		
Cash	\$ 172,661	\$ 136,497
Restricted cash	157,890	130,146
Investments	998,218	871,784
Restricted investments – PAICE	4,955	7,599
Restricted investments – PFC	11,133	6,432
Lease receivables, as lessor	212,024	212,683
Current receivables, net	1,781,126	1,398,129
Other current assets	171,992	155,787
Restricted receivables and other assets	107,211	90,150
Total current assets	3,617,210	3,009,207
Noncurrent assets:		
Restricted cash	4,216	4,316
Investments	4,702,782	4,775,264
Restricted investments – PAICE	201,693	184,889
Lease receivables, as lessor	4,338,403	4,431,666
Other amounts receivable, net	464,778	163,663
Other noncurrent assets	937,895	788,332
Restricted noncurrent assets – PAICE	5,021	5,066
Amounts receivable – Tower 4 Liberty Bonds	1,228,105	1,230,305
Lease assets	6,602,256	6,772,115
Unamortized costs for regional programs	—	4,967
Landlord leasehold investment – LGA Terminal B	1,022,570	1,088,018
Facilities, net	42,351,403	41,118,923
Total noncurrent assets	61,859,122	60,567,524
Total assets	65,476,332	63,576,731
DEFERRED OUTFLOWS OF RESOURCES		
Loss on debt refundings	38,842	44,927
Pension-related amounts	605,341	666,380
OPEB-related amounts	797,364	1,074,010
Total deferred outflows of resources	1,441,547	1,785,317
LIABILITIES		
Current liabilities:		
Accounts payable	1,393,059	1,227,135
Accrued interest and other current liabilities	952,118	913,181
Restricted other liabilities – PAICE	1,868	7,421
Accrued payroll and other employee benefits	229,945	213,493
Lease liabilities, as lessee	76,356	70,701
Current portion bonds and other asset financing obligations	572,181	585,921
Total current liabilities	3,225,527	3,017,852
Noncurrent liabilities:		
Accrued pension and other postemployment benefits	3,871,397	3,833,864
Other noncurrent liabilities	399,434	304,902
Restricted other noncurrent liabilities – PAICE	27,878	20,867
Amounts payable – Tower 4 Liberty Bonds	1,228,105	1,230,305
Lease liabilities, as lessee	6,171,647	6,264,912
Bonds and other asset financing obligations	27,004,254	27,484,776
Total noncurrent liabilities	38,702,715	39,139,626
Total liabilities	41,928,242	42,157,478
DEFERRED INFLOWS OF RESOURCES		
Gain on debt refundings	470,345	287,639
Pension-related amounts	55,992	267,044
OPEB-related amounts	167,475	34,305
Leases, as lessor	5,610,174	5,084,512
Total deferred inflows of resources	6,303,986	5,673,500
NET POSITION	\$ 18,685,651	\$ 17,531,070
Net position is comprised of:		
Net investment in capital assets	\$ 16,330,338	\$ 15,043,573
Restricted:		
Passenger Facility Charges	41,667	52,595
Port Authority Insurance Captive Entity, LLC	674,388	627,499
Minority Interest in Tower 1 Joint Venture	89,700	91,252
Unrestricted	1,549,558	1,716,151
NET POSITION	\$ 18,685,651	\$ 17,531,070

See Notes to Financial Statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year ended December 31,

2025

2024

(In thousands)

Gross operating revenues:

Tolls and fares	\$ 2,317,196	\$ 2,168,395
Rentals	2,429,349	2,363,621
Aviation fees	1,845,589	1,719,025
Parking and other	528,330	530,812
Utilities	175,451	154,505
Total gross operating revenues	7,295,915	6,936,358

Operating expenses:

Employee compensation, including benefits	2,081,661	1,995,896
Contract services	1,308,416	1,261,199
Rents and payments in-lieu-of taxes (PILOT)	134,561	114,028
Materials, equipment and other	362,380	387,283
Utilities	237,880	211,411
Total operating expenses before depreciation, amortization, and other operating expenses	4,124,898	3,969,817

Net insurance recoverables

704

—

Depreciation of facilities and landlord leasehold investment

(1,774,289)

(1,781,344)

Amortization of lease assets, as lessee

(171,396)

(173,918)

Amortization of costs for regional programs

(4,967)

(3,462)

Income from operations

1,221,069

1,007,817

Nonoperating revenues and (expenses):

Financial income	208,403	164,336
Net increase in fair value of investments	103,370	81,259
Interest expense in connection with bonds and other asset financing	(1,179,508)	(1,189,660)
Interest income, as lessor	160,605	158,610
Interest expense, as lessee	(209,133)	(211,305)
Net loss on disposal of assets and liabilities, including lease terminations	(882)	(160)
Pass-through grant program payments	(4,229)	(48,206)
4 WTC associated payments	32,496	32,517
Grants, in connection with operating activities	34,451	234,868
Nonoperating expenses, net	(854,427)	(777,741)

Increase before capital contributions and passenger facility charges

366,642

230,076

Capital contributions and Passenger Facility Charges:

Contributions in aid of construction	496,641	346,455
Passenger facility charges	291,298	292,998
Total capital contributions and passenger facility charges	787,939	639,453

Increase in net position

1,154,581

869,529

Net position, January 1

17,531,070

16,661,541

Net position, December 31**\$ 18,685,651****\$ 17,531,070**

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2025	2024
	(In thousands)	
1. Cash flows from operating activities:		
Cash received from operations	\$ 6,952,263	\$ 6,631,212
Cash paid to or on behalf of employees	(1,741,934)	(1,634,745)
Cash paid to suppliers	(1,886,928)	(1,710,026)
Cash paid to municipalities	(118,601)	(89,880)
Net cash provided by operating activities	3,204,800	3,196,561
Cash flows from noncapital financing activities:		
Grants received in connection with operating activities	101,473	160,289
Pass-through grant payments	(14,158)	(56,688)
Net cash provided by noncapital financing activities	87,315	103,601
Cash flows from capital and related financing activities:		
Proceeds from capital obligations issued for refunding purposes (including Special Obligation Institutional Loan Program)	1,556,002	1,383,692
Proceeds from sales of capital obligations allocated for construction	338,070	641,241
Proceeds from passenger facility charges	302,714	293,050
Contributions in aid of construction	490,133	281,191
Amortization of lease financings, as lessor	234,489	234,236
Interest received for lease financings, as lessor	110,124	106,016
Proceeds associated with Tower 4 Liberty Bonds	32,496	32,517
Financial income allocated to capital projects	1,528	2,230
Investment in facilities and construction of capital assets	(2,857,028)	(2,291,952)
Principal paid through capital obligation refundings (including commercial paper and Special Obligation Institutional Loan Program)	(1,556,002)	(1,383,692)
Principal paid on consolidated bonds and notes	(545,175)	(515,545)
Interest paid on consolidated bonds and notes	(1,136,076)	(1,166,215)
Principal paid on special obligations	(29,360)	(8,041)
Interest paid on special obligations	(111,749)	(118,313)
Interest and Principal on Hudson Tunnel Project Obligation	—	—
Debt issuance costs	(1,249)	(5,297)
Amortization of lease financings, as lessee	(89,147)	(91,989)
Interest paid for lease financings, as lessee	(206,010)	(211,641)
Amortization of SBITA financings, as subscriber	(7,080)	(5,199)
Interest paid for SBITA financings, as subscriber	(1,102)	(89)
Net cash (used for) capital and related financing activities	(3,474,422)	(2,823,800)
Cash flows from investing activities:		
Purchase of investment securities	(182,826,004)	(163,905,269)
Proceeds from maturity and sale of investment securities	182,857,761	163,255,589
Interest received on investment securities	202,811	152,442
Other interest income	11,547	11,130
Net cash provided by (used for) investing activities	246,115	(486,108)
Net increase/(decrease) in cash	63,808	(9,746)
Cash at beginning of year	270,959	280,705
Cash at end of year	\$ 334,767	\$ 270,959

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS ...continued

	Year ended December 31,	
	2025	2024
	(In thousands)	
2. Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 1,221,069	\$ 1,007,817
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation of facilities and landlord leasehold investment	1,774,289	1,781,344
Amortization of costs for regional programs	4,967	3,462
Amortization of other assets	89,275	83,417
Amortization of lease assets	171,396	173,918
Amortization of deferred inflows of resources related to leases	(299,486)	(301,579)
Amortization of other deferred inflows of resources	(15,419)	—
Change in operating assets and operating liabilities:		
Increase in receivables	(244,943)	(5,628)
Increase in deferred charges and other assets	(134,794)	(34,765)
Increase in payables	96,910	7,637
Increase in other liabilities and deferred inflows	201,809	119,786
Increase in accrued payroll, pension and other employee benefits	339,727	361,152
Total adjustments	1,983,731	2,188,744
Net cash provided by operating activities	\$ 3,204,800	\$ 3,196,561

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 \$103 million in 2025 and \$81 million in 2024 and the amortization of discount and premium on outstanding debt obligations of \$(96) million in 2025 and \$(91) million in 2024.

Noncash leasing activities include additions of: **a)** lease receivables of \$141 million and \$40 million in 2025 and 2024, respectively; **b)** deferred inflows of \$141 million and \$38 million in 2025 and 2024, respectively; and, **c)** lease assets and lease liabilities of \$2 million and \$3 million in 2025 and 2024, respectively.

Noncash SBITA activities include additions of subscription assets and subscription liabilities of \$120 million in 2025 and \$2 million in 2024.

Noncash capital financing includes the addition of \$40 million and \$5 million related to the HTP Support Obligations in 2025 and 2024, respectively.

Noncash capital financing did not include activities that required a change in fair value.

Noncash asset write-offs totaled \$26 million in 2025 and \$22 million in 2024.

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, 2025	December 31, 2024
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 33,239	\$ 21,345
Receivables:		
Due from broker for investments sold	30,324	2,587
Investment income	6,375	5,600
Total receivables	36,699	8,187
Investments, at fair value:		
Domestic equities	718,477	643,058
Fixed income	783,604	685,500
International equities	466,085	368,814
Real estate	116,714	113,065
Total investments	2,084,880	1,810,437
Total assets	2,154,818	1,839,969
LIABILITIES		
Payables:		
Due to broker for investments purchased	37,810	8,028
Total liabilities	37,810	8,028
Net position restricted for other postemployment benefits	\$ 2,117,008	\$ 1,831,941

See Notes to Financial Statements.

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

	Year ended December 31, 2025	2024
	(In thousands)	
Additions:		
Employer contributions*	\$ 235,556	\$ 228,251
Investment income:		
Net increase in fair value of investments	229,195	122,200
Interest and dividends	58,327	52,057
(Less) investment expense	(2,354)	(2,045)
Net investment income	285,168	172,212
Total additions	520,724	400,463
Deductions:		
Benefit payments**	235,556	228,251
Administrative expense	101	101
Total deductions	235,657	228,352
Net increase in net position	285,067	172,111
Net position restricted for other postemployment benefits:		
Beginning of year	1,831,941	1,659,830
End of year	\$ 2,117,008	\$ 1,831,941

* The Port Authority did not make advanced funding contributions to the Trust in 2025 and 2024. 2025 and 2024 contributions are comprised of other postemployment benefits (OPEB) benefit payments totaling \$236 million and \$228 million, respectively, made from available Port Authority operating funds.

** 2025 and 2024 amounts include OPEB benefit payments totaling \$236 million and \$228 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, 2025.

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. The Trust's "Statements of Fiduciary Net Position" and "Statements of Changes to Fiduciary Net Position" are presented herein following the Port Authority's enterprise fund financial statements.

Audited financial statements of the Trust for the year ended December 31, 2025, 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 to (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. In accordance with GASB Statement No. 87, the Port Authority classifies 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*.

p. In accordance with GASB Statement No. 96, the Port Authority classifies 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*.

q. In 2024, the Port Authority adopted GASB 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.

r. In 2025, the Port Authority adopted the GASB Statement No. 102 “*Certain Risk Disclosures*.” 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 adoption of GASB Statement No. 102 had no impact on the Port Authority’s 2025 financial statements.

s. 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.

t. 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.

u. On December 17, 2025, GASB issued Statement No. 105, “*Subsequent Events*.” The requirements of GASB Statement No. 105 are effective for financial statements with periods beginning after June 15, 2026. The objective of GASB Statement No. 105 is to enhance consistency in the application of requirements for subsequent events. The Port Authority is in the process of evaluating the impact, if any, of adopting GASB Statement No. 105.

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, including Equipment notes 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 lease extensions and amendments, consent fees for changes in ownership control and the transfer of the Port Authority's interests in the WTC Retail Joint Venture to Westfield in 2014 are recognized as revenue in their entirety when they are received on *Schedule A – Revenues and Reserves*.
- j.** The cumulative impact of adopting GASB Statement No. 68, "Accounting and Financial Reporting for 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 in *Other current assets* or *Other current* or *Other non-current liabilities*, respectively. Prepaid rent 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.
- o.** Debt service on debt obligations that have been "defeased in substance" is recognized when the originally scheduled debt service payments become due and payable.

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,	
	2025	2024
	(In thousands)	
Net position reported on <i>Statements of Net Position</i> (pursuant to U.S. GAAP)	\$ 18,685,651	\$ 17,531,070
Add: U.S. GAAP only liabilities and deferred inflows of resources		
Accumulated depreciation of facilities and landlord leasehold investment	26,521,577	25,056,270
GASB Statement No. 87 lease liabilities	6,248,003	6,335,613
GASB Statement No. 96 SBITA liabilities	114,130	1,567
GASB Statement No. 87 deferred inflows of resources, leases	5,610,174	5,084,512
Accumulated retirements and gains and losses on disposition of assets	5,212,084	4,903,102
Cumulative unamortized discount and premium	2,095,486	2,058,561
Cumulative amortization of costs for regional programs	1,536,359	1,531,392
GASB Statement No. 87 lease interest payable	18,792	21,915
GASB Statement No. 96 SBITA interest accrual	418	—
Less: U.S. GAAP only assets		
GASB Statement No. 87 lease assets	(6,602,256)	(6,772,115)
GASB Statement No. 96 SBITA assets	(114,071)	(6,519)
GASB Statement No. 87 lease receivables	(4,550,427)	(4,644,349)
GASB Statement No. 87 lease interest receivable	(269,942)	(217,874)
Lease Extension receivables	(500,000)	—
Total U.S. GAAP adjustments	35,320,327	33,352,075
Add: Bond Resolution only assets		
Prepaid rent payments and deferred rent receivables*	1,010,261	1,029,536
Debt defeasance receivable	11,463	—
Application of WTC retail joint venture payments	16,968	16,968
Less: Bond Resolution only liabilities		
Deferred income PFCs	(41,667)	(52,595)
Debt defeasance obligations	(11,115)	—
Operating and maintenance contingencies	(50,000)	(50,000)
Total Bond Resolution adjustments	935,910	943,909
Total	\$ 54,941,888	\$ 51,827,054
Net position reported on <i>Schedule B – Assets and Liabilities</i> (pursuant to Port Authority bond resolutions)	\$ 54,941,888	\$ 51,827,054

* 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,	
	2025	2024
	(In thousands)	
Increase in Net position reported on <i>Statements of Revenues, Expenses, and Changes in Net Position</i> (pursuant to U.S. GAAP)	\$ 1,154,581	\$ 869,529
Less: U.S. GAAP only revenues		
PFC Collections and interest income/fair value adjustment	(291,305)	(293,001)
GASB Statement No. 87 amortization of leases, as lessor	(299,486)	(301,579)
GASB Statement No. 87 interest income, as lessor	(160,605)	(158,610)
Amortization of discount and premium	(96,402)	(90,816)
4 WTC Liberty Bond interest payments	(32,496)	(32,517)
Amortization of lease extension payments	(15,419)	—
Add: U.S. GAAP only expenses		
Depreciation of facilities and landlord leasehold investment	1,774,289	1,781,344
GASB Statement No. 87 amortization of leases, as lessee	171,396	173,918
GASB Statement No. 96 amortization of SBITAs	12,091	7,998
GASB Statement No. 87 interest expense, as lessee	209,133	211,305
GASB Statement No. 96 SBITA interest expense	1,520	89
Amortization of costs for regional programs	4,967	3,462
Net loss on disposal of assets and liabilities, including lease terminations	882	160
Total U.S. GAAP adjustments	1,278,565	1,301,753
Add: Bond Resolution only increases in reserves		
Fixed rentals received from lessees*	378,746	377,274
Application of PFCs	302,565	293,050
4 WTC Liberty Bond principal and interest payments	34,696	34,717
Interest income on defeased debt	86	—
Application of lease extension payments	200,000	—
Less: Bond Resolution only decreases in reserves		
Direct investment in facilities	(2,495,988)	(1,722,404)
Fixed lease payments paid to lessors*	(357,495)	(356,442)
SBITA payments*	(8,183)	(5,288)
Debt maturities and retirements	(562,187)	(522,414)
Interest expense on defeased debt	(277)	—
Change in accounting principle – Pensions / OPEB	(27,577)	(25,773)
Total Bond Resolution adjustments	(2,535,614)	(1,927,280)
Total	\$ (102,468)	\$ 244,002
(Decrease)/increase in Reserves reported on <i>Schedule A – Revenues and Reserves</i> (pursuant to Port Authority bond resolutions)	\$ (102,468)	\$ 244,002

* 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, 2024	Additions	Transfers to Completed Construction	Depreciation**	Retirements/ Dispositions	Facilities, net Dec. 31, 2025***
(In thousands)						
Capital assets not being depreciated:						
Land	\$ 1,550,983	\$ —	\$ 19,200	\$ —	\$ —	\$ 1,570,183
Construction in progress*	5,081,916	2,941,300	(2,212,121)	—	—	5,811,095
Total capital assets not being depreciated	6,632,899	2,941,300	(2,192,921)	—	—	7,381,278
Depreciable capital assets:						
Buildings, bridges, tunnels, other structures	27,263,046	—	535,066	—	(23,059)	27,775,053
Machinery and equipment	14,427,058	—	438,357	—	(148,330)	14,717,085
Runways, roadways, and other paving	8,373,319	—	508,645	—	(46,303)	8,835,661
Utility infrastructure	9,202,178	—	710,853	—	(91,290)	9,821,741
Total other capital assets being depreciated	59,265,601	—	2,192,921	—	(308,982)	61,149,540
Accumulated depreciation:						
Buildings, bridges, tunnels, other structures	(8,410,178)	—	—	(619,161)	23,059	(9,006,280)
Machinery and equipment	(7,351,647)	—	—	(481,176)	148,330	(7,684,493)
Runways, roadways and other paving	(4,540,574)	—	—	(262,869)	46,303	(4,757,140)
Utility infrastructure	(4,477,178)	—	—	(345,614)	91,290	(4,731,502)
Total accumulated depreciation	(24,779,577)	—	—	(1,708,820)	308,982	(26,179,415)
Facilities, net	\$ 41,118,923	\$ 2,941,300	\$ —	\$ (1,708,820)	\$ —	\$ 42,351,403

	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

* Additions to construction in progress include deductions related to capital write-offs totaling approximately \$5 million in 2025 and \$22 million in 2024.

** Excludes depreciation related to LaGuardia Terminal B landlord leasehold investment of approximately \$65 million in 2025 and \$66 million in 2024.

*** Excludes Net book value related to LaGuardia Terminal B landlord leasehold investment.

Notes:

1. Projects that have been suspended pending determination of their continued viability totaled approximately \$288 million in 2025 and \$181 million in 2024.
2. Depreciation includes accelerated depreciation of approximately \$28 million in 2024 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,			
	2025		2024	
	Port Authority	PAICE	Total	Total
	(In thousands)			
Cash	\$ 207,977	\$ 28,430	\$ 236,407	\$ 203,197
Cash equivalents	40,237	58,123	98,360	67,762
Total cash	248,214	86,553	334,767	270,959
Less restricted cash	75,553	86,553	162,106	134,462
Unrestricted cash	\$ 172,661	\$ —	\$ 172,661	\$ 136,497

Investments, at fair value*	December 31,				
		2025	2024		
	Fair Value Hierarchy Levels**	Port Authority ⁱ	PAICE	Total	Total
		(In thousands)			
United States Treasury notes	Level 1	\$ 4,661,296	\$ 75,030	\$ 4,736,326	\$ 4,929,349
United States Treasury obligations held pursuant to repurchase agreements***	—	812,955	—	812,955	538,686
United States Treasury bills	Level 1	109,359	—	109,359	129,423
United States government agency obligations	Level 2	86,991	—	86,991	100,000
Municipal bonds	Level 2	4,978	45,485	50,463	45,425
Corporate bonds	Level 2	—	41,488	41,488	31,129
Mortgage-backed securities	Level 2	—	31,987	31,987	29,999
Asset-backed securities	Level 2	—	10,903	10,903	5,961
Accrued interest receivable		36,554	1,755	38,309	35,996
Total investments		5,712,133	206,648	5,918,781	5,845,968
Less current investments		1,009,351	4,955	1,014,306	885,815
Noncurrent investments		\$ 4,702,782	\$ 201,693	\$ 4,904,475	\$ 4,960,153

* Cash and investments of approximately \$2.1 billion and \$1.8 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, 2025 and 2024, 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 include PFC restricted investments of approximately \$11 million and \$6 million in 2025 and 2024, respectively.

Port Authority cash equivalents, excluding PAICE, at December 31, 2025 and 2024 of \$40.2 million and \$38.7 million, respectively, consist of negotiable order of withdrawal accounts.

PAICE cash equivalents at December 31, 2025 and 2024 of \$58.1 million and \$29.0 million, respectively, consist of money market accounts of \$49.6 million and \$21.2 million, respectively, and money market funds of \$8.5 million and \$7.8 million, respectively. The money market funds have ratings of AAAM 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). 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

NOTES TO FINANCIAL STATEMENTS ...continued

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 \$276 million at December 31, 2025. Of that amount, \$3 million was secured through the basic FDIC deposit insurance and/or pursuant to the GUDPA. The balance of \$273 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, 2024, total actual bank balances, excluding amounts held by third-party trustees, were \$220 million. 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.

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, 2025 and 2024, follows:

Port Authority Investment Type	2025		2024	
	Fair Value	Weighted Average Maturity	Fair Value	Weighted Average Maturity
	(In thousands)	(In days)	(In thousands)	(In days)
United States Treasury notes	\$ 4,661,296	676	\$ 4,846,141	604
United States Treasury obligations held pursuant to repurchase agreements	812,955	4	538,686	2
United States Treasury bills	109,359	4	129,423	5
United States government agency obligations	86,991	2	100,000	2
Municipal bonds	4,978	74	4,785	439
Total fair value of investments*	\$ 5,675,579		\$ 5,619,035	
Investment weighted average maturity		556		521

* Excludes accrued interest receivable amounts of approximately \$37 million in 2025 and \$34 million in 2024.

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, 2025 and 2024, 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, 2025 and 2024, 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, 2025 and 2024, follows:

PAICE Investment Type	2025		2024	
	Fair Value	Weighted Average Maturity	Fair Value	Weighted Average Maturity
	(In thousands)	(In days)	(In thousands)	(In days)
United States Treasury notes	\$ 75,030	696	\$ 83,208	1,034
Municipal bonds	45,485	1,346	40,640	1,356
Corporate bonds	41,488	863	31,129	582
Mortgage-backed securities	31,987	414	29,999	499
Asset-backed securities	10,903	42	5,961	25
Total fair value of investments*	\$ 204,893		\$ 190,937	
Investment weighted average maturity		3,361		3,497

* Excludes accrued interest receivable amounts of approximately \$2 million and \$2 million in 2025 and 2024, respectively, and \$360 million in intercompany loans due from the Port Authority in both 2025 and 2024.

NOTES TO FINANCIAL STATEMENTS ...continued

As of December 31, 2025, 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	\$ 4,879	\$ —	\$ —	\$ 5,115	\$ 9,994
AA+/AA/AA-	28,003	1,682	31,987	—	61,672
A+/A/A-	10,311	14,063	—	—	24,374
BBB+/BBB/BBB-	—	24,759	—	—	24,759
N/A***	2,292	984	—	5,788	9,064
Total	\$ 45,485	\$ 41,488	\$ 31,987	\$ 10,903	\$ 129,863

* Excludes guaranteed U.S. Treasury notes totaling \$75 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, 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.

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.

Rate of Return

The annual money-weighted rate of return on Trust investments, net of investment expense, was a gain of 15.57% in 2025 and a gain of 10.38% in 2024, 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,	
		2025	2024
		(In thousands)	
Cash and cash equivalents	Level 1	\$ 33,239	\$ 21,345
Investments at fair value:			
Fixed-income securities:			
Corporate bonds	Level 2	149,149	133,872
Foreign bonds	Level 2	36,671	29,123
U.S. Treasury securities	Level 1	199,426	179,899
Municipal bonds	Level 2	54,355	44,602
Mortgage and asset-backed securities**	Level 2	325,739	286,549
Bond mutual funds	Level 1	18,264	11,455
Equity and real estate mutual funds:			
Equity mutual funds:			
Domestic mutual funds	Level 1	718,477	643,058
International mutual funds	Level 1	466,085	368,814
Real estate mutual funds	Level 1	116,714	113,065
Total investments		\$ 2,084,880	\$ 1,810,437
Total cash, cash equivalents and investments		\$ 2,118,119	\$ 1,831,782

* 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, 2025 and December 31, 2024 includes U.S. Government agency securities totaling \$199 million and \$193 million, respectively.

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 2025 and 2024.

As of December 31, 2025, 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	\$ 3,121	\$ —	\$ 4,799	\$ 77,081	\$ —	\$ 85,001
AA+/AA/AA-	13,264	667	34,734	22,849	—	71,514
A+/A/A-	41,930	13,592	12,337	10,495	—	78,354
BBB+/BBB/BBB-	74,229	15,541	2,485	10,453	—	102,708
BB+/BB/BB-	10,332	5,053	—	113	—	15,498
B+/B/B-	6,043	1,633	—	93	—	7,769
CC/CCC+/CCC/CCC-	230	185	—	2,827	—	3,242
N/A*	—	—	—	2,439	18,264	20,703
Total	\$ 149,149	\$ 36,671	\$ 54,355	\$ 126,350	\$ 18,264	\$ 384,789

* N/A represents securities that were not rated.

** Fixed-income investments exclude guaranteed U.S. Treasury and U.S. Government agency securities totaling \$199 million and \$199 million, respectively.

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.

Cash and cash equivalents held in the Trust, at December 31, 2025 of \$33.2 million primarily consists of \$19.4 million of short-term U.S. Treasury securities, \$5.0 million of commercial paper, and \$8.8 million of money market funds. Cash and cash equivalents held in the Trust, at December 31, 2024 of \$21.3 million consist of \$8.4 million of short-term U.S. Government Treasury securities and \$12.7 million of commercial paper. The commercial paper has credit ratings ranging from A1 to A2 and P1 to P2 from Standard & Poor's and Moody's Ratings, respectively, and a rating of F1 by Fitch Ratings. The money market funds have credit ratings of "AAAm" and "Aaa-mf" by Standard & Poor's and Moody's Ratings, respectively.

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, 2025, 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, 2025:

Investment Type	<1 Year	1 to 5 Years	5 to 10 Years	10+ Years	Total
			(In thousands)		
Corporate bonds	\$ 1,576	\$ 33,541	\$ 83,186	\$ 30,846	\$ 149,149
Foreign bonds	777	11,000	18,636	6,258	36,671
U.S. Treasury securities	—	59,414	91,915	48,097	199,426
Municipal bonds	—	4,312	5,290	44,753	54,355
Mortgage and asset-backed securities	—	19,251	23,704	282,784	325,739
Bond mutual funds	—	—	—	18,264	18,264
Total	\$ 2,353	\$ 127,518	\$ 222,731	\$ 431,002	\$ 783,604

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

Note D – Outstanding Financing Obligations

OUTSTANDING BONDS AND OTHER ASSET FINANCING OBLIGATIONS

	Current	at December 31, 2025 Noncurrent	Total
		(In thousands)	
A. Consolidated Bonds	\$ 538,871	\$ 25,490,682	\$ 26,029,553
B. Special Obligation Institutional Loan Program	—	431,306	431,306
C. Variable Rate Master Notes	24,700	—	24,700
D. Port Authority Equipment Notes	—	—	—
E. MOTBY Obligation	3,320	28,672	31,992
F. Tower 4 Liberty Bonds	—	1,228,105	1,228,105
G. Goethals Bridge Replacement Developer Financing Arrangement	5,290	1,008,060	1,013,350
H. Hudson Tunnel Project Support Obligation	—	45,534	45,534
Total	\$ 572,181	\$ 28,232,359	\$ 28,804,540

	Current	at December 31, 2024 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

A. Consolidated Bonds and Consolidated Notes

	December 31, 2024	Issued	Refunded/ Retired	December 31, 2025
		(In thousands)		
Consolidated Bonds and Consolidated Notes – par value	\$ 24,705,420	\$ 1,738,750	\$ 2,110,635	\$ 24,333,535
Add unamortized premium and (discount)	1,849,613	133,748	287,343	1,696,018
Consolidated Bonds and Consolidated Notes – at cost	\$ 26,555,033	\$ 1,872,498	\$ 2,397,978	\$ 26,029,553

	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

Consolidated Bond Series One Hundred Ninety-Ninth, Two Hundred Fourth, Two Hundred Twenty-Eighth, and Two Hundred Forty-Seventh (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).

Debt service requirements to maturity for Consolidated Bonds and Consolidated Notes outstanding at December 31, 2025 are as follows:

Year ending December 31:	Principal	Interest	Debt Service
		(In thousands)	
2026	\$ 538,870	\$ 1,119,984	\$ 1,658,854
2027	574,050	1,095,773	1,669,823
2028	594,325	1,069,738	1,664,063
2029	642,250	1,044,223	1,686,473
2030	680,130	1,005,721	1,685,851
2031-2035	3,891,445	4,518,493	8,409,938
2036-2040	4,156,770	3,528,593	7,685,363
2041-2045	4,050,980	2,575,158	6,626,138
2046-2050	3,573,305	1,673,009	5,246,314
2051-2055	2,477,870	944,888	3,422,758
2056-2060	2,040,085	456,994	2,497,079
2061-2065	674,545	143,020	817,565
2066-2070	338,910	53,968	392,878
2071-2075	—	30,625	30,625
2076-2094	100,000	87,996	187,996
	\$ 24,333,535	\$ 19,348,183	\$ 43,681,718

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 Fifty-First Series dated February 4, 2026, 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 2025, the Port Authority used proceeds and investment earnings from the sale of Consolidated Bonds, to refund \$1.6 billion of outstanding Consolidated Bonds. As a result of these refundings, the Port Authority decreased its aggregate debt service payments by approximately \$189 million over the life of the refunded Consolidated Bonds. The economic gain resulting from the 2025 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 \$115 million in net present value savings, or 7.4% of the refunded par amount.

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 authorized 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 a not to exceed principal amount of \$1.9 billion (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, when drawn, 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 November 15, 2064. The TIFIA Bond was rated by Fitch Ratings as AA- and Moody's Ratings as Aa3. As of December 31, 2025, no TIFIA Bond proceeds have been drawn upon.

In order to remain in compliance with certain tax-exempt regulations related to private activity, in July 2025, the Port Authority defeased approximately \$12 million of outstanding consolidated bonds that were previously utilized to fund capital construction at the Elizabeth Port Authority Marine Terminal.

To effectuate the defeasance, the Port Authority placed cash and U.S. government securities in an irrevocable trust to provide for all future debt service payments on the defeased portions of certain outstanding consolidated bond series. As a result, the respective portions of these consolidated bonds are considered to be defeased in substance and are no longer recognized as a liability on the Port Authority's Statements of Net Position. In 2025, the Port Authority recognized a net accounting gain of \$236 thousand in connection with the defeasance, representing the difference between the carrying value of the defeased debt and the amount placed in the irrevocable trust.

On December 18, 2025, the Board of Commissioners approved a plan of finance for Consolidated Bonds and Consolidated Notes sold during the period beginning January 1, 2026 through December 31, 2026 (the 2026 Consolidated Bonds Authorization). The 2026 Consolidated Bonds Authorization authorizes the issuance of Consolidated Bonds and Consolidated Notes in a total aggregate principal amount not to exceed \$4.2 billion (including any issuance of indebtedness sold in 2026 under the Port Authority's Versatile Structure Obligations resolution). The 2026 Consolidated Bonds Authorization provided that as of December 31, 2025, any authority to issue and sell Consolidated Bonds and Consolidated Notes under the previous December 12, 2024 authorization was deemed extinguished.

On February 12, 2026, the Port Authority issued Consolidated Bonds, Two Hundred Fifty-First Bond series in the total aggregate principal amount of \$350 million. The proceeds will be allocated to capital projects in connection with facilities of the Port Authority.

B. Special Obligation Institutional Loan Program

SPECIAL OBLIGATION INSTITUTIONAL LOAN PROGRAM

The Special Obligation Institutional Loan Program is a special obligation of the Port Authority 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.)

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, 2025 there was \$319 million available to draw upon. The revolving credit agreement expires on January 28, 2027, while the second Bank Line expires on May 1, 2026.

	December 31, 2024	Issued	Refunded/ Repaid	December 31, 2025
		(In thousands)		
Obligation outstanding	\$ 413,114	\$ 18,192	\$ —	\$ 431,306
	December 31, 2023	Issued	Refunded/ Repaid	December 31, 2024
		(In thousands)		
Obligation outstanding	\$ 539,455	\$ 23,659	\$ 150,000	\$ 413,114

In 2025, interest rates for revolving lines of credit ranged from 3.16% to 4.99%.

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, 2024	Issued	Refunded/ Repaid	December 31, 2025
		(In thousands)		
Agreements 1989–1995*	\$ 19,900	\$ —	\$ 19,900	\$ —
Agreements 1989–1998	24,700	—	—	24,700
	\$ 44,600	\$ —	\$ 19,900	\$ 24,700

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

NOTES TO FINANCIAL STATEMENTS ...continued

	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.

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 1.67% to 4.49% in 2025.

Annual debt service requirements on outstanding Variable Rate Master Notes, determined for presentation purposes at the rate in effect at December 31, 2025, would be as follows:

Year ending December 31:	Principal	Interest	Debt Service
		(In thousands)	
2026	\$ —	\$ 701	\$ 701
2027	24,700	57	24,757
	\$ 24,700	\$ 758	\$ 25,458

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, 2025 and December 31, 2024.

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, 2024	Accretion	Amortization	December 31, 2025
		(In thousands)		
Obligation Outstanding	\$ 35,147	\$ —	\$ 3,155	\$ 31,992

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

Payment requirements for the MOTBY obligation outstanding at December 31, 2025 are as follows:

Year ending December 31:	Amortization	Implicit Interest	Total
		(In thousands)	
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	4,075	925	5,000
2031-2033	13,553	1,447	15,000
	\$ 31,992	\$ 8,008	\$ 40,000

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, 2024	Issued	Repaid/ Amortized	December 31, 2025
			(In thousands)	
Series 2021A	\$ 1,223,320	\$ —	\$ —	\$ 1,223,320
Series 2021B	6,985	—	2,200	4,785
Total Tower 4 Liberty Bonds	\$ 1,230,305	\$ —	\$ 2,200	\$ 1,228,105

	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

Annual debt service payment requirements on outstanding Tower 4 Liberty Bonds at December 31, 2025 are as follows:

Year ending December 31:	Principal	Interest	Debt Service
		(In thousands)	
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	29,370	31,471	60,841
2031-2035	170,455	148,161	318,616
2036-2040	217,875	125,180	343,055
2041-2045	278,500	91,740	370,240
2046-2050	363,610	46,722	410,332
2051	85,735	2,572	88,307
Total	\$ 1,228,105	\$ 574,830	\$ 1,802,935

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, 2024	Accretion	Amortization	December 31, 2025
			(In thousands)	
Goethals Bridge Replacement Developer Financing Arrangement	\$ 1,017,456	\$ —	\$ 4,106	\$ 1,013,350

	December 31, 2023	Accretion	Amortization	December 31, 2024
			(In thousands)	
Goethals Bridge Replacement Developer Financing Arrangement	\$ 1,020,300	\$ —	\$ 2,844	\$ 1,017,456

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)	
2026	\$ 5,290	\$ 57,860	\$ 63,150
2027	6,557	57,540	64,097
2028	7,752	57,307	65,059
2029	9,353	56,682	66,035
2030	10,900	56,125	67,025
2031-2035	81,416	269,095	350,511
2036-2040	138,602	238,999	377,601
2041-2045	217,109	189,675	406,784
2046-2050	323,573	114,648	438,221
2051-2053	212,798	18,678	231,476
Total	\$ 1,013,350	\$ 1,116,609	\$ 2,129,959

* 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 formally committed support for 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, 2024	Accretion	Repaid/ Amortized	December 31, 2025*
			(In thousands)	
HTP Support Obligation*	\$ 5,347	\$ 40,187	\$ —	\$ 45,534

* Includes approximately \$2.0 million of accrued interest.

	December 31, 2023	Accretion	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, 2025, the General Reserve Fund balance was \$2,480,065,000 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, 2025, 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

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 of 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 2025 and 2024, 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 2025 and 2024, 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. There was no activity in 2025.

GRANTS, IN CONNECTION WITH OPERATING ACTIVITIES

Security Programs – In 2025 and 2024, the Port Authority recognized approximately \$15 million and \$18 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 2025 and 2024, the Port Authority recognized approximately \$8 million and \$16 million, respectively, in contributions from the Department of the Army for funding related to federal channel maintenance dredging at Port Authority marine terminals.

Superstorm Sandy – In 2025 and 2024, the Port Authority recognized approximately \$2 million and \$24 million, respectively, from the Federal Emergency Management Agency (FEMA) and the Federal Transit Administration (FTA) for Superstorm Sandy immediate repair efforts.

LaGuardia Gateway Partners, LLC (LGP) – In 2025, the Port Authority recognized approximately \$3 million from LGP related to baggage screening at LaGuardia (LGA) Airport.

America Rescue Plan Act (ARPA) – In 2024, the Port Authority recognized approximately \$117 million, respectively, in ARPA federal funding related to Port Authority aviation operating expenditures. There was no activity in 2025.

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 concessions. There was no activity in 2025.

CONTRIBUTIONS IN AID OF CAPITAL CONSTRUCTION

Superstorm Sandy – In 2025 and 2024, the Port Authority recognized approximately \$192 million and approximately \$134 million, respectively, in FTA and FEMA funding related to Superstorm Sandy permanent repairs and resiliency capital projects, primarily at PATH.

Airport Improvement Program (AIP) – In 2025 and 2024, the Port Authority recognized approximately \$114 million and \$36 million, respectively, from the Federal Aviation Administration (FAA) in AIP funding primarily related to rehabilitation of taxiways and runways at Port Authority aviation facilities.

JFK Airport Roadway Access – In 2025 and 2024, the Port Authority recognized approximately \$58 million and \$74 million from the State of New York Department of Transportation (NYSDOT) for the interconnection of certain airport roadways with the NYSDOT highway system.

JFK Millennium Partners (JMP) – The Port Authority recognized approximately \$44 million in 2025 and \$7 million in 2024 from the JMP lessee for the continued construction of JFK Terminal Six.

John F. Kennedy International (JFK) Airport New Terminal One (NTO) – In 2025 and 2024, the Port Authority recognized approximately \$41 million and \$82 million, respectively, from the JFK NTO net lessee for the construction of JFK Terminal One.

Delta Airlines – The Port Authority recognized approximately \$25 million in 2025 from Delta Airlines related to construction of JFK Terminal Four.

Security Programs – In 2025 and 2024 the Port Authority recognized approximately \$1 million per year, 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 \$200 thousand in 2025 and \$404 thousand in 2024 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.

Federal Highway Administration (FHWA) – In 2025 and 2024, the Port Authority recognized approximately \$145 thousand and \$4 million, respectively, in FHWA funding for the Cross Harbor Freight Movement Program at Greenville Yard, Port Authority Marine Terminal.

United States Economic Development Administration (EDA) – In 2024, the Port Authority recognized \$3 million from the EDA for immediate repairs at MOTBY. There was no activity in 2025.

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 Bridge 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 regulated 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 reference indexes, including the Consumer Price Index (CPI). Lease terms range from 1 to 88 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 2025 and 2024 ranged from 0.57% 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, 2024	Additions	Amortization	Dec. 31, 2025*
	(In thousands)		
\$ 4,644,349	\$ 140,567	\$ 234,489	\$ 4,550,427
Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
	(In thousands)		
\$ 4,838,763	\$ 39,822	\$ 234,236	\$ 4,644,349

* Lease receivables has been reduced by \$730 million at December 31, 2025 and \$751 million at December 31, 2024 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, 2024	Additions**	Amortization	Dec. 31, 2025*
	(In thousands)		
\$ 5,084,512	\$ 825,148	\$ 299,486	\$ 5,610,174
Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
	(In thousands)		
\$ 5,347,802	\$ 38,289	\$ 301,579	\$ 5,084,512

* Deferred inflows of resources have been reduced by \$650 million at December 31, 2025 and \$683 million at December 31, 2024 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.

** Includes an upfront lease payment at Elizabeth Port Authority Marine Terminal of \$700 million.

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)	
2026	\$ 233,225	\$ 126,859	\$ 360,084
2027	240,938	121,953	362,891
2028	209,809	117,451	327,260
2029	193,106	116,481	309,587
2030	171,328	113,056	284,384
2031-2035	655,184	532,263	1,187,447
2036-2040	446,984	501,973	948,957
2041-2045	62,412	520,898	583,310
2046-2050	65,431	550,004	615,435
2051-2055	104,236	570,367	674,603
2056-2060	86,411	516,090	602,501
2061-2065	69,570	587,633	657,203
2066-2070	89,860	799,236	889,096
2071-2075	48,725	1,121,209	1,169,934
2076-2080	58,918	1,256,552	1,315,470
2081-2085	74,242	1,410,259	1,484,501
2086-2090	109,279	1,570,962	1,680,241
2091-2095	551,555	1,352,613	1,904,168
2096-2100	1,780,866	158,094	1,938,960
2101-2105	16,961	3,487	20,448
2106-2110	11,263	1,099	12,362
2111-2113	246	11	257
Total	\$ 5,280,549	\$ 12,048,550	\$ 17,329,099

Note: Amortization includes \$730 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)						
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	23,572	18,203	(23,572)	23,070
2030	—	42,211	27,914	17,474	(27,914)	24,737
2031-2035	—	230,487	157,086	74,958	(157,086)	155,529
2036-2040	—	265,782	205,540	49,706	(205,540)	216,076
2041-2045	—	313,605	250,589	17,144	(250,589)	296,461
2046-2050	—	357,143	—	—	—	357,143
2051-2055	—	400,823	—	—	—	400,823
2056-2060	—	365,785	—	—	—	365,785
2061-2065	—	447,591	—	—	—	447,591
2066-2070	—	671,120	—	—	—	671,120
2071-2075	—	1,002,247	—	—	—	1,002,247
2076-2080	—	1,143,969	—	—	—	1,143,969
2081-2085	—	1,308,622	—	—	—	1,308,622
2086-2090	—	1,499,859	—	—	—	1,499,859
2091-2095	415,067	1,306,846	—	—	415,067	1,306,846
2096-2100	1,640,353	147,285	—	—	1,640,353	147,285
Total	\$ 2,055,420	\$ 9,654,402	\$ 730,122	\$ 235,842	\$ 1,325,298	\$ 9,418,560

A summary of the lease-leaseback transaction for the WTC Tower 4 net lease for 2025 and 2024 follows:

	2025			2024		
	WTC Tower 4 Net-Lease	WTC Tower 4 Port Authority Office Space Leaseback	Net	WTC Tower 4 Net-Lease	WTC Tower 4 Port Authority Office Space Leaseback	Net
(In thousands)						
Lease receivable/ (liability)	\$ 2,055,420	\$ (730,122)	\$ 1,325,298	\$ 2,055,420	\$ (750,739)	\$ 1,304,681
(Deferred inflows of resources, leases)/ lease asset	(1,928,602)	650,292	(1,278,310)	(1,954,475)	683,011	(1,271,464)
Lease amortization expense/(revenue)	(25,873)	32,719	6,846	(25,873)	32,719	6,846
Interest (income)/ expense	(82,655)	20,643	(62,012)	(80,930)	21,175	(59,755)

Regulated Lease Agreements

In accordance with GASB Statement No. 87, *regulated leases (lessor only exception)* 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:

2025		2024	
Fixed Rent Regulated Leases	Variable Rent Regulated Leases	Fixed Rent Regulated Leases	Variable Rent Regulated Leases
(In thousands)			
\$ 1,125,755	\$ 516,810	\$ 1,089,816	\$ 491,123

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)
2026	\$ 1,110,079
2027	1,032,088
2028	881,569
2029	767,965
2030	684,740
2031-2035	2,726,823
2036-2040	2,214,763
2041-2045	1,896,096
2046-2050	1,514,043
2051-2055	1,265,010
2056-2060	1,375,084
2061-2065	87,411
2066-2070	83,040
Total	\$ 15,638,711

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 \$485 million and \$477 million in 2025 and 2024, 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 75 years. Discount rates applied to expected fixed lease payments for all unexpired leases in effect during 2025 and 2024 ranged from 0.64% to 5.74%. 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 liability.

NOTES TO FINANCIAL STATEMENTS ...continued

A summary of changes in the lease liabilities follows:

Dec. 31, 2024	Additions	Amortization	Dec. 31, 2025*
(In thousands)			
\$ 6,335,613	\$ 1,537	\$ 89,147	\$ 6,248,003
Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
(In thousands)			
\$ 6,424,743	\$ 2,859	\$ 91,989	\$ 6,335,613

* Lease liabilities exclude \$730 million at December 31, 2025 and \$751 million at December 31, 2024 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, 2024	Additions	Amortization	Dec. 31, 2025*
(In thousands)			
\$ 6,772,115	\$ 1,537	\$ 171,396	\$ 6,602,256
Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
(In thousands)			
\$ 6,943,174	\$ 2,859	\$ 173,918	\$ 6,772,115

* Lease assets exclude \$650 million at December 31, 2025 and \$683 million at December 31, 2024 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)			
2026	\$ 76,356	\$ 206,370	\$ 282,726
2027	96,658	203,179	299,837
2028	97,928	199,991	297,919
2029	101,216	196,691	297,907
2030	103,638	193,298	296,936
2031-2035	555,710	912,669	1,468,379
2036-2040	598,677	815,141	1,413,818
2041-2045	670,742	711,500	1,382,242
2046-2050	785,457	591,821	1,377,278
2051-2055	874,072	456,327	1,330,399
2056-2060	1,027,126	300,340	1,327,466
2061-2065	351,226	185,767	536,993
2066-2070	416,251	120,708	536,959
2071-2075	492,946	43,648	536,594
Total	\$ 6,248,003	\$ 5,137,450	\$ 11,385,453

Note: Amortization excludes \$730 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 6 years. Discount rates applied to expected fixed subscription payments in effect for all SBITAs during 2025 and 2024 ranged from 4.29% 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, 2024	Additions	Amortization	Dec. 31, 2025
(In thousands)			
\$ 1,567	\$ 119,643	\$ 7,080	\$ 114,130
Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024
(In thousands)			
\$ 4,438	\$ 2,328	\$ 5,199	\$ 1,567

A summary of changes in the subscription assets follows:

Dec. 31, 2024	Additions	Amortization	Dec. 31, 2025
(In thousands)			
\$ 6,519	\$ 119,643	\$ 12,091	\$ 114,071
Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024
(In thousands)			
\$ 12,189	\$ 2,328	\$ 7,998	\$ 6,519

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

Year ending December 31:	Amortization	Interest	Total
(In thousands)			
2026	\$ 22,020	\$ 4,555	\$ 26,575
2027	22,624	3,557	26,181
2028	23,602	2,528	26,130
2029	24,106	1,466	25,572
2030	21,092	394	21,486
2031-2035	686	5	691
Total	\$ 114,130	\$ 12,505	\$ 126,635

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, 2025, approximately \$54 million has been allocated under these programs.

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, 2024	Project Expenditures	Amortization	December 31, 2025
		(In thousands)		
Hudson-Raritan Estuary Resources Program	\$ 2,587	\$ —	\$ 2,587	\$ —
New York Transportation, Economic Development, and Infrastructure Renewal Program	1,593	—	1,593	—
Regional Economic Development Program	503	—	503	—
Regional Transportation Program	284	—	284	—
Total unamortized costs of regional programs	\$ 4,967	\$ —	\$ 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 with amounts previously paid being reclassified to 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:

Tier	ERS Membership		PFRS Membership	
	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, effective April 9, 2022. 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, 2025 and March 31, 2024 was approximately 15.2% and 13.1% of payroll, respectively. The average contribution rate for PFRS for the fiscal years ended March 31, 2025 and March 31, 2024 was approximately 31.2% and 27.8% 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 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

NOTES TO FINANCIAL STATEMENTS ...continued

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 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 five 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 three highest consecutive years of employment. For Tier 6 members, each year of final average salary is limited to no more than 10% of the average of the previous two 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, 2025 and March 31, 2024, which is publicly available at the following web address: <https://www.osc.ny.gov/files/retirement/resources/pdf/financial-statements-2025.pdf>.

NYSLRS – NET PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

NYSLRS Net Pension Liability - 2025 and 2024

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, 2025	December 31, 2024
		(In thousands)
ERS	\$ 248,807	\$ 207,151
PFRS	521,096	421,207
Total Net Pension Liability	\$ 769,903	\$ 628,358

The NPLs at December 31, 2025 and 2024 were measured as of March 31, 2025 and 2024, based on actuarial valuations as of April 1, 2024 and 2023, with update procedures used to roll forward the TPL to March 31, 2025 and 2024, respectively.

Port Authority contributions due NYSLRS for the period covering April 1, 2025 through March 31, 2026 totaling \$205 million, including \$82 million to ERS and \$123 million to PFRS, for purposes of satisfying the Port Authority’s proportionate share of the plans NPL were paid on February 2, 2026.

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

	2025	2024
ERS	1.5%	1.4%
PFRS	8.6%	8.9%

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 – 2025 and 2024

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

Pension Expense	2025	2024
	(In thousands)	
ERS	\$ 56,394	\$ 95,425
PFRS	132,920	154,549
Total Pension Expense	\$ 189,314	\$ 249,974

NYSLRS Deferred Inflows/Outflows of Resources – 2025 and 2024

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, 2025:

Deferred Outflows of Resources	ERS	December 31, 2025	
		PFRS	Total
		(In thousands)	
Differences between expected and actual experience	\$ 61,756	\$ 173,570	\$ 235,326
Changes in actuarial assumptions	10,434	78,249	88,683
Net difference between projected and actual earnings on pension plan investments	19,521	20,029	39,550
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	9,565	18,397	27,962
Subtotal – Deferred Outflows of Resources	101,276	290,245	391,521
Port Authority contributions subsequent to the measurement date*	81,769	123,310	205,079
Total Deferred Outflows of Resources	\$ 183,045	\$ 413,555	\$ 596,600

* Port Authority contributions due NYSLRS for the period covering April 1, 2025 through March 31, 2026 totaled \$205 million, including \$82 million to ERS and \$123 million to PFRS and were paid on February 2, 2026.

Deferred Inflows of Resources	ERS	December 31, 2025	
		PFRS	Total
		(In thousands)	
Differences between expected and actual experience	\$ 2,913	\$ —	\$ 2,913
Changes in actuarial assumptions	—	—	—
Net difference between projected and actual earnings on pension plan investments	—	—	—
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	5,237	28,857	34,094
Total Deferred Inflows of Resources	\$ 8,150	\$ 28,857	\$ 37,007

NOTES TO FINANCIAL STATEMENTS ...continued

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 ending December 31:	ERS	PFRS	Total
		(In thousands)	
2026	\$ 41,990	\$ 141,264	\$ 183,254
2027	66,112	74,989	141,101
2028	(18,667)	1,572	(17,095)
2029	3,691	31,036	34,727
2030	—	12,527	12,527
Total	\$ 93,126	\$ 261,388	\$ 354,514

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	ERS	December 31, 2024 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 million, including \$70 million to ERS and \$109 million to PFRS, were paid on February 3, 2025.

Deferred Inflows of Resources	ERS	December 31, 2024 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

NYSLRS Actuarial Assumptions – 2025 and 2024

The TPL for each plan was determined using an actuarial valuation as of April 1, 2024 for fiscal year 2025 and April 1, 2023 for fiscal year 2024, with update procedures used to roll forward the TPL to the measurement dates of March 31, 2025 and March 31, 2024, respectively. These actuarial valuations used the following actuarial assumptions:

ERS	2025	2024
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	4.3% indexed by service	4.4% indexed by service
Inflation	2.9%	2.9%
Cost of living adjustment	1.5%	1.5%
PFRS	2025	2024
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	6.0% 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 2025 and 2024 actuarial valuation were based on the experience study for each plan for the period April 1, 2015, through March 31, 2020, 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	2025*		2024*	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	25%	3.54%	32%	4.00%
International equity	14%	6.57%	15%	6.65%
Private equity	15%	7.25%	10%	7.25%
Real estate	12%	4.95%	9%	4.60%
Opportunistic/Absolute return strategies**	3%	5.25%	3%	5.25%
Credit	4%	5.40%	4%	5.40%
Real assets	4%	5.55%	3%	5.79%
Fixed Income	22%	2.00%	23%	1.50%
Cash	1%	0.25%	1%	0.25%
Total	100%		100%	

* The real rate of return is net of the long-term inflation assumption of 2.9% in 2025 and 2.9% in 2024.

** 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 – 2025 and 2024

The discount rate used to calculate the TPL for ERS and PFRS was 5.9% for 2025 and 2024. 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 2025 and 2024 using a discount rate that is 1 percentage point lower or 1 percentage point higher than the discount rate actually used.

2025			
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
(In thousands)			
ERS – Port Authority's proportionate share of the NPL/(NPA)	\$ 720,080	\$ 248,807	\$ (144,705)
PFRS – Port Authority's proportionate share of the NPL	1,098,754	521,096	44,323
Total	\$ 1,818,834	\$ 769,903	\$ (100,382)

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)

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.

VDC members contribute up to 6% of their annual gross wages with an additional employer contribution of 8% of an employee's annual gross wages.

As of December 31, 2025 and 2024, 437 and 416 employees, respectively, were enrolled in the VDC program. The following table shows employee and employer contributions (reported as pension expense):

	2025	2024
(In thousands)		
Employer Contributions	\$ 4,677	\$ 4,300
Employee Contributions	3,480	3,207
Total	\$ 8,157	\$ 7,507

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 2025 and 2024, 1,397 and 1,295 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)		
2025	7.65%	\$ 11,803	7.65%	\$ 11,803	\$ 23,606
2024	7.65%	\$ 11,020	7.65%	\$ 11,020	\$ 22,040
Railroad Retirement Tier II	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
			(\$ In thousands)		
2025	4.9%	\$ 6,683	13.1%	\$ 17,866	\$ 24,549
2024	4.9%	\$ 6,137	13.1%	\$ 16,409	\$ 22,546

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/2025-12/PAR2025_1.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 \$9.1 million in 2025 and \$8.9 million in 2024.

PATH NON-REPRESENTED 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, 2025, 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 – 2025 and 2024

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	2025*	2024**
	(In thousands)	
Beginning Balance	\$ 110,085	\$ 101,958
Changes recognized for the fiscal year:		
Service cost	5,150	4,445
Interest on the total pension liability	3,681	3,871
Differences between expected and actual experience	(788)	(1,416)
Changes in assumptions	(11,186)	5,975
Benefit payments	(4,661)	(4,748)
Net change in TPL	(7,804)	8,127
TPL recognized at December 31	\$ 102,281	\$ 110,085

* The Plan's TPL reported at December 31, 2025 was measured as of January 1, 2025 based on an actuarial valuation as of the same date.

** 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.

PATH Exempt Employee Supplemental Pension Plan Pension Expense – 2025 and 2024

Pension expense related to the Plan totaled:

	2025	2024
	(In thousands)	
Pension Expense	\$ 3,773	\$ 7,844

PATH Exempt Employee Supplemental Pension Plan Deferred Outflows/Inflows of Resources – 2025 and 2024

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, 2025 and December 31, 2024, the Port Authority reported deferred outflows of resources totaling:

Deferred Outflows of Resources	2025	2024
	(In thousands)	
Differences between actual and expected experience	\$ 142	\$ 496
Changes in actuarial assumptions	3,546	6,225
Subtotal – Deferred Outflows of Resources	3,688	6,721
Contributions subsequent to the measurement date*	5,053	4,662
Total Deferred Outflows of Resources	\$ 8,741	\$ 11,383

* 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, 2025 and 2026, respectively.

At December 31, 2025 and December 31, 2024, the Port Authority reported deferred inflows of resources totaling:

Deferred Inflows of Resources	2025	2024
	(In thousands)	
Differences between actual and expected experience	\$ 1,696	\$ 1,542
Changes in actuarial assumptions	17,289	13,560
Total Deferred Inflows of Resources	\$ 18,985	\$ 15,102

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, 2025 will be amortized as either an increase (deferred outflows) or decrease (deferred inflows) to future years' pension expense as follows:

Year ending December 31,	Total Amortization
	(In thousands)
2026	\$ (6,516)
2027	(5,102)
2028	(1,925)
2029	(1,754)
Total	\$ (15,297)

PATH Exempt Employee Supplemental Pension Plan Actuarial Assumptions – 2025 and 2024

The TPL measured as of January 1, 2025 and January 1, 2024, based on an actuarial valuation as of the same date was determined using the following actuarial assumptions:

	2025	2024
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, 2025 and 2024 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 2025 and 2024 valuations were based on Pub-2016 General Employees mortality table projected on a generational basis with Scale MP-2021 from 2016. 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 January 1, 2025 and January 1, 2024 valuation date, Plan participants comprised:

	2025	2024
Retired PATH Exempt Employees (or their beneficiaries)	136	129
Active PATH Exempt Employees	103	103
Terminated but vested employees who are not currently receiving benefits	13	11
Total participants	252	243

PATH Exempt Employee Supplemental Pension Plan Discount Rate Analysis – 2025 and 2024

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 4.08% as of the January 1, 2025 measurement date and 3.26% as of the January 1, 2024 measurement date.

The following tables present the 2025 and 2024 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.

2025			
	1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
	(In thousands)		
Total Pension Liability	\$ 115,423	\$ 102,281	\$ 91,334
2024			
	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
	(In thousands)		
Total Pension Liability	\$ 125,034	\$ 110,085	\$ 97,716

TOTAL PENSION EXPENSE

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

	2025	2024
NYSLRS - ERS	\$ 56,394	\$ 95,425
NYSLRS - PFRS	132,920	154,549
NYSLRS - VDC Program	4,352	4,346
PATH - Federal Railroad Retirement Program Tier I and Tier II Taxes	29,669	27,429
PATH - Represented Employees Supplemental Plan Defined Contributions	9,029	8,874
PATH - Non-represented Employees Supplemental Plan	3,773	7,844
Total Pension Expense	\$ 236,137	\$ 298,467

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:

	2025	2024
Retirees and surviving spouses currently receiving benefits	8,714	8,685
Covered spouses of retired employees receiving benefits	4,561	4,579
Active employees plan participants	7,797	7,754
Total plan members	21,072	21,018

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 2025 or 2024.

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 – 2025 and 2024

	Total OPEB Liability (a)	The Trust Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
		(In thousands)	
Balance at December 31, 2024	\$ 4,927,362	\$ 1,831,941	\$ 3,095,421
Changes Increase/(Decrease) for the year:			
Service cost	109,359	—	109,359
Interest cost on the total OPEB liability	324,775	—	324,775
Differences between expected and actual experience	29,837	—	29,837
Changes in assumptions	(39,556)	—	(39,556)
Benefit payments*	(235,556)	(235,556)	—
Contributions – employer	—	235,556	(235,556)
Net investment income	—	285,168	(285,168)
Administrative expenses	—	(101)	101
Increase/(decrease)	188,859	285,067	(96,208)
Balance at December 31, 2025	\$ 5,116,221	\$ 2,117,008	\$ 2,999,213

* 2025 benefit payment includes \$236 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, 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.

The discount rate used to measure the total OPEB liability as of December 31, 2025 and 2024 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 recommenced 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:

	2025			2024		
	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	\$ 3,718,434	\$ 2,999,213	\$ 2,413,024	\$3,791,059	\$ 3,095,421	\$ 2,528,633

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:

	2025			2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase	1% Decrease	Healthcare Cost Trend Rate	1% Increase
	(In thousands)					
Net OPEB Liability	\$ 2,390,999	\$ 2,999,213	\$ 3,760,568	\$2,511,008	\$ 3,095,421	\$ 3,826,330

OPEB Expense

OPEB expense related to the Plan totaled \$549 million in 2025 and \$483 million in 2024.

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

At December 31, 2025 and 2024, the Port Authority reported deferred outflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources	2025	2024
	(In thousands)	
Changes in actuarial assumptions	\$ 655,102	\$ 871,014
Net difference between projected and actual earnings on OPEB plan investments	—	31,215
Differences between actual and expected experience	142,262	171,781
Total Deferred Outflows of Resources	\$ 797,364	\$ 1,074,010

At December 31, 2025 and 2024, the Port Authority reported deferred inflows of resources related to OPEB from the following sources:

Deferred Inflows of Resources	2025	2024
	(In thousands)	
Changes in actuarial assumptions	\$ 38,985	\$ 31,900
Net difference between projected and actual earnings on OPEB plan investments	128,490	2,405
Total Deferred Inflows of Resources	\$ 167,475	\$ 34,305

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 ending December 31,	Total Amortization
	(In thousands)
2026	\$ 272,785
2027	139,634
2028	90,547
2029	82,229
2030	46,083
Thereafter	(1,389)
Total	\$ 629,889

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, 2025 and 2024 based on actuarial valuations as of January 1, 2025 and 2024 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 2025 were based on the PUB-2016 Safety Classification headcount-weighted table projected generationally with Scale MP-2021 from the central year for Port Authority Police employees and PUB-2016 General Classification headcount-weighted table projected generationally with Scale MP-2021 from the central year for civilian employees. Mortality rates for January 2024 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.

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.

	2025	2024
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)**	7.50%	8.00%
Medical healthcare cost trend rates (Post-65 year old participant)**	6.50%	7.00%
Pharmacy benefit cost trend rate (Pre-65 year old participant)***	12.25%	13.00%
Pharmacy benefit cost trend rate (Post-65 year old participant)***	11.25%	12.00%
Dental benefit cost trend rate	3.00%	3.00%
Employer Group Waiver Plan savings	9.86%	11.00%
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 2025 and 2024).

*** 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*	
	2025	2024	2025	2024
Domestic Equity	33%	33%	4.9%	4.9%
International Equity	21%	21%	4.9%	4.6%
Real Estate Investment Trust	6%	6%	4.8%	4.7%
Fixed Income	40%	40%	2.1%	2.7%

* The long-term expected real rate of return is net of the long-term inflation assumption of 2.3% in 2025 and 2024.

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, 2025, the Port Authority had entered into various construction contracts totaling approximately \$5.7 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, 2025, is comprised of the following:

	December 31, 2024	Additions	Deductions	December 31, 2025
	(In thousands)			
Amounts due from Elizabeth Port Authority				
Marine Terminal lessee	\$ —	\$ 300,000	\$ —	\$ 300,000
Long-term receivables from tenants	71,969	13,648	12,530	73,087
Deferred amounts due from WTC Tower 4 and WTC Tower 3 net lessees	48,207	—	—	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	6,372	32,496	32,499	6,369
Total Other amounts receivable, net	\$ 163,663	\$ 346,144	\$ 45,029	\$ 464,778

4. The 2025 balance of Other noncurrent liabilities consists of the following:

	December 31, 2024	Additions	Deductions	December 31, 2025
	(In thousands)			
Self-Insured Public Liability Claims	\$ 74,956	\$ 7,458	\$ 10,317	\$ 72,097
Self-Insured Workers' Compensation Claims	95,301	29,353	26,176	98,478
Other payables	76,818	750	43	77,525
Pollution remediation obligation	24,619	8,206	9,633	23,192
Asset forfeiture program	27,651	1,681	2,569	26,763
Reinsurance premium payable	—	9,480	3,160	6,320
Surety and security deposits	4,303	23	121	4,205
WTC Joint Venture Returns	16,130	—	—	16,130
Deferred Gain/Loss on NLCC	4,761	—	—	4,761
GASB Statement No. 96 - SBITA liabilities	1,567	119,643	7,080	114,130
Total Liabilities	\$ 326,106	\$ 176,594	\$ 59,099	\$ 443,601
Less: Current workers' compensation liability	20,444	—	—	22,147
Current GASB Statement No. 96 - SBITA liabilities	760	—	—	22,020
Total Other noncurrent liabilities	\$ 304,902			\$ 399,434

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 2025, the Port Authority recognized an additional \$8.2 million in pollution remediation obligations, primarily related to asbestos abatement at certain Aviation facilities and soil excavation at a PATH facility. Cumulative operating expense remediation provisions through December 31, 2025 totaled \$141.1 million, net of \$2.1 million in recoveries.

As of December 31, 2025, the outstanding pollution remediation liability totaled \$23.2 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 2026, 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, 2025, 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 is commenced. As of December 2022, construction of Tower 2 did not commence. Ground rent of approximately \$2.5 million per month is now due under the terms of the Tower 2 net lease and has not yet been paid. Were construction of Tower 2 to begin, the ground rent would decrease as of construction commencement to approximately \$1.3 million per month during construction of Tower 2.

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 (with the outstanding amounts from the Tower 4 lockbox discussed below transferred to this Tower 3 lockbox in April 2023 as additional credit support for the Tower 3 Support backstop). 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, 2025, deferred rent due from the Tower 3 net lessee totaled approximately \$51 million. As of December 31, 2025, 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, 2025, 89% 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, 2025, approximately 93% 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. As explained further below, the Port Authority has ended its Tenant Support of Tower 4 (while retaining its Debt Service Obligations).

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 through the year 2100 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 may 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, 2025, 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 in accordance with 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 by its counterparties for its existing 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 overall availability of insurance coverage, and the costs and benefits of deductibles, retentions, and exceptions or exclusions to optimize coverage and cost tradeoffs. Based on market availability and cost of various insurance products, it may be advantageous to aggregate types of risk and individual facilities or to insure them separately. The Port Authority has the ability to insure certain portions of the coverage using the Port Authority's captive insurer, the Port Authority Insurance Captive Entity, LLC ("PAICE") (see "Port Authority Insurance Captive Entity, LLC" in this Section). Most policies are renewed annually and therefore will expire during the calendar year, except as otherwise noted below.

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, 2025 and expires on June 1, 2026) 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, 2025 and expires on June 1, 2026). Portions of the property damage and loss of revenue insurance on the operating portions of the World Trade Center¹ are insured through PAICE and reinsured through commercial reinsurers.

The Port Authority also purchased property terrorism insurance with respect to all Port Authority facilities for a three-year term, effective June 1, 2025. 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, 2025 and expire October 27, 2026) 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 for a three-year term effective October 27, 2025 and expires October 27, 2028.

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 for three-year term effective October 27, 2025 and expires October 27, 2028.

CONSTRUCTION INSURANCE PROGRAMS

The Port Authority maintains an Owner Controlled program for all Port Authority operated facilities under construction (excluding the World Trade Center and portions of Phase I of Midtown Bus Terminal Replacement Program), 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 and statutory workers' compensation insurance is provided through commercial insurance.

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), the Tower 5 site, 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.

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. PAICE is the insurer of coverage for acts of terrorism, including nuclear, chemical, biological, and radiological terrorism, under the Port Authority's public liability, and property damage and loss of revenue insurance programs, which is reinsured or partially reinsured through the federal TRIPRA program and commercial reinsurers to the extent commercially reasonable. PAICE also covers portions of the Port Authority's Owner Controlled insurance program and some property and loss of revenue insurance programs for certain Port Authority facilities.

Effective June 1, 2023 (expiring June 1, 2026), 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.

Effective June 1, 2025 (expiring June 1, 2026), PAICE issued a \$1.6 billion policy to cover the Port Authority's primary and excess property damage, time element, and service interruption risks. This policy excludes property related to the World Trade Center and property under construction and is reinsured by commercial insurers except for 7.5% of the \$325 million to \$550 million exposure.

Effective June 1, 2025 (expiring June 1, 2026), PAICE issued policies to cover the Port Authority's property damage, time element, and service interruption risks of the One World Trade Center (WTC) and all other assets at the World Trade Center (AOA). The per occurrence limits are \$2.0 billion and \$1.5 billion for WTC and AOA, respectively. This policy is fully reinsured by commercial insurers.

Effective October 27, 2025 through October 27, 2026, the Company issued a policy covering of 10% or \$5 million of \$50 million excess \$265 million per occurrence of the general liability (non-aviation and non-terrorism) program. The program provides coverage to all Port Authority assets except airports and includes excess workers' compensation coverage for all employees.

Effective June 1, 2025 (expiring June 1, 2028), 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. PAICE also provides \$2 billion of property terrorism insurance for all other facilities for Certified Acts of Terrorism, and \$420 million for Noncertified Acts of Terrorism. In addition, this policy now includes Cyber with sublimits of \$250 million for Certified Acts of Terrorism and \$66 million for Noncertified Acts of Terrorism and Sabotage. PAICE is fully reinsured for this coverage by TRIPRA and commercial reinsurers.

In addition, renewed for three years effective October 27, 2025 (expiring October 27, 2028), PAICE provides \$600 million in coverage under the terrorism liability program, which is fully reinsured by TRIPRA and commercial reinsurers.

Further, renewed for three years effective October 27, 2025 (expiring October 27, 2028), 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, 2025 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	\$ 695,789
Total Liabilities	87,564
Net Position, December 31, 2025	\$ 608,225
Operating Results 2025	
Revenues	\$ 55,254
Expenses	2,155
Change in Net Position	\$ 53,099
Net Position at January 1, 2024	\$ 555,126
Net Position at December 31, 2025	\$ 608,225

NOTES TO FINANCIAL STATEMENTS ...continued

The audited financial statements as of and for the years ended December 31, 2025 and December 31, 2024 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*
		(In thousands)		
2025	\$ 74,956	\$ 4,173	\$ 7,032	\$ 72,097
2024	\$ 68,812	\$ 19,906	\$ 13,762	\$ 74,956

* Loss reserves exclude loss adjustment expenditures.

Self-insured workers' compensation loss reserves:

Year	Beginning Balance	Changes in Loss Reserves	Payments	Year-End Balance*
		(In thousands)		
2025	\$ 95,301	\$ 29,353	\$ 26,176	\$ 98,478
2024	\$ 90,641	\$ 28,244	\$ 23,584	\$ 95,301

* Loss reserves exclude loss adjustment expenditures.

Required Supplementary Information (Unaudited)

NEW YORK STATE AND LOCAL EMPLOYEES RETIREMENT SYSTEM (ERS)

Schedule of Proportionate Share of Net Pension Liability (Asset)	2025	2024	2023
		(\$ In thousands)	
Port Authority's proportion of the net pension liability	1.5%	1.4%	1.4%
Port Authority's proportionate share of the net pension liability (asset)	\$ 248,807	\$ 207,151	\$ 299,457
Covered payroll (April 1 – March 31)	\$ 531,584	\$ 492,955	\$ 470,518
Port Authority's proportionate share of the net pension liability, as a percentage of its covered payroll	46.8%	42.0%	63.6%
Plan fiduciary net position as a percentage of the total pension liability	93.1%	93.9%	90.8%
Schedule of Employer Contributions*	2025	2024	2023
		(\$ In thousands)	
Contractually required contribution	\$ 81,769	\$ 69,713	\$ 57,832
Contributions in relation to the contractually required contribution*	\$ 81,769	\$ 69,713	\$ 57,832
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Port Authority's covered payroll (January 1 – December 31)	\$ 542,516	\$ 522,472	\$ 478,197
Contributions as a percentage of covered payroll	15.1%	13.3%	12.1%

* Required employer contributions were paid on February 2, 2026.

NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM (PFRS)

Schedule of Proportionate Share of Net Pension Liability	2025	2024	2023
		(\$ In thousands)	
Port Authority's proportion of the net pension liability	8.6%	8.9%	8.5%
Port Authority's proportionate share of the net pension liability	\$ 521,096	\$ 421,207	\$ 467,522
Covered payroll (April 1 – March 31)	\$ 373,962	\$ 359,511	\$ 370,833
Port Authority's proportionate share of the net pension liability, as a percentage of its covered payroll	139.3%	117.2%	126.1%
Plan fiduciary net position as a percentage of the total pension liability	87.5%	89.7%	87.4%
Schedule of Employer Contributions*	2025	2024	2023
		(\$ In thousands)	
Contractually required contribution	\$ 123,310	\$ 109,425	\$ 101,083
Contributions in relation to the contractually required contribution*	\$ 123,310	\$ 109,425	\$ 101,083
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Port Authority's covered payroll (January 1 – December 31)	\$ 375,855	\$ 372,582	\$ 358,860
Contributions as a percentage of covered payroll	32.8%	29.4%	28.2%

* Required employer contributions were paid on February 2, 2026.

See accompanying independent auditors' report.

2022	2021	2020	2019	2018	2017	2016
(\$ In thousands)						
1.4%	1.7%	1.6%	1.3%	1.3%	1.3%	1.3%
\$ (118,530)	\$ 1,658	\$ 430,993	\$ 91,792	\$ 41,400	\$ 120,672	\$ 212,555
\$ 461,420	\$ 461,634	\$ 536,527	\$ 515,065	\$ 408,384	\$ 395,378	\$ 392,529
(25.7%)	0.4%	80.3%	17.8%	10.2%	30.5%	54.2%
103.7%	99.95%	86.4%	96.2%	98.2%	94.7%	90.7%
2022	2021	2020	2019	2018	2017	2016
(\$ In thousands)						
\$ 55,306	\$ 71,150	\$ 77,635	\$ 70,582	\$ 56,866	\$ 56,743	\$ 57,530
\$ 55,306	\$ 71,150	\$ 77,635	\$ 70,582	\$ 56,866	\$ 56,743	\$ 57,530
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 452,650	\$ 461,539	\$ 462,194	\$ 536,454	\$ 500,841	\$ 404,701	\$ 395,725
12.2%	15.4%	16.8%	13.2%	11.4%	14.0%	14.5%
2022	2021	2020	2019	2018	2017	2016
(\$ In thousands)						
8.8%	9.8%	7.7%	7.7%	7.6%	7.4%	8.0%
\$ 50,218	\$ 169,991	\$ 412,870	\$ 129,920	\$ 77,081	\$ 152,806	\$ 236,004
\$ 349,395	\$ 329,673	\$ 467,638	\$ 271,764	\$ 263,292	\$ 256,168	\$ 246,060
14.4%	51.6%	88.3%	47.8%	29.3%	59.7%	95.9%
98.7%	95.8%	84.9%	95.1%	96.9%	93.5%	90.2%
2022	2021	2020	2019	2018	2017	2016
(\$ In thousands)						
\$ 92,716	\$ 91,287	\$ 123,221	\$ 61,277	\$ 59,931	\$ 60,797	\$ 57,807
\$ 92,716	\$ 91,287	\$ 123,221	\$ 61,277	\$ 59,931	\$ 60,797	\$ 57,807
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$ 350,440	\$ 340,538	\$ 398,506	\$ 393,630	\$ 262,701	\$ 260,867	\$ 253,096
26.5%	26.8%	30.9%	15.6%	22.8%	23.3%	22.8%

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)					
2025	7.65%	\$ 11,803	7.65%	\$ 11,803	\$ 23,606
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
Total Taxes		\$ 97,425		\$ 97,425	\$ 194,850

Railroad Retirement Tier II	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
(\$ In thousands)					
2025	4.9%	\$ 6,683	13.1%	\$ 17,866	\$ 24,549
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
Total Taxes		\$ 53,488		\$ 142,998	\$ 196,486

See accompanying independent auditors' report.



A view of the North reflecting pool on the World Trade Center campus.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) ...continued

PATH EXEMPT EMPLOYEES SUPPLEMENTAL PENSION PLAN

Schedule of Changes to Total Pension Liability and Related Ratios

	2025	2024	2023
		(In thousands)	
Total Pension Liability			
Service cost	\$ 5,150	\$ 4,445	\$ 6,239
Interest cost	3,681	3,871	2,593
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(788)	(1,416)	(754)
Changes in assumptions	(11,186)	5,975	(23,699)
Benefit payments	(4,661)	(4,748)	(4,074)
Net change in total pension liability	(7,804)	8,127	(19,695)
Total Pension Liability (Beginning)	110,085	101,958	121,653
Total Pension Liability (Ending)	\$ 102,281	\$ 110,085	\$ 101,958
Covered Payroll	\$ 18,577	\$ 17,710	\$ 16,160
Total Pension Liability as a % of Covered Payroll	550.6%	621.6%	630.9%

Note: As of December 31, 2025, 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

	2025	2024	2023
		(In thousands)	
Total OPEB liability:			
Service cost	\$ 109,359	\$ 91,689	\$ 84,179
Interest cost	324,775	284,118	245,921
Changes in benefit terms	—	—	(207)
Differences between expected and actual experience	29,837	16,998	123,420
Changes in assumptions	(39,556)	437,369	342,269
Benefit payments	(235,556)	(228,251)	(220,561)
Net change in total OPEB liability	188,859	601,923	575,021
Total OPEB liability-beginning	4,927,362	4,325,439	3,750,418
Total OPEB liability-ending (a)	5,116,221	4,927,362	4,325,439
Plan fiduciary net position:			
Contributions-employer	235,556	228,251	200,832
Net investment income/(loss)	285,168	172,212	211,782
Benefit payments	(235,556)	(228,251)	(220,561)
Administrative expenses	(101)	(101)	(101)
Net change in plan fiduciary net position	285,067	172,111	191,952
Plan fiduciary net position-beginning	1,831,941	1,659,830	1,467,878
Plan fiduciary net position-ending (b)	2,117,008	1,831,941	1,659,830
Net OPEB liability-ending (a) - (b)	\$ 2,999,213	\$ 3,095,421	\$ 2,665,609
Plan fiduciary net position as a percentage of the total OPEB liability	41.38%	37.18%	38.37%
Covered-Employee payroll	\$ 1,073,843	\$ 1,042,752	\$ 1,013,683
Net OPEB liability as a percentage of Covered-Employee payroll	279.30%	296.85%	262.96%

* 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.

	2022	2021	2020	2019	2018	2017	2016
	(\$ In thousands)						
\$	5,709	\$ 3,905	\$ 2,401	\$ 1,720	\$ 1,585	\$ 1,323	\$ 1,280
	2,534	2,649	3,155	3,070	3,169	2,961	2,850
	—	9,607	—	—	—	—	—
	915	1,082	2,926	1,778	(1,449)	5,478	(945)
	937	8,015	13,667	(15,700)	5,676	(5,496)	3,809
	(4,495)	(3,925)	(3,927)	(3,751)	(3,691)	(3,563)	(4,701)
	5,600	21,333	18,222	(12,883)	5,290	703	2,293
	116,053	94,720	76,498	89,381	84,091	83,388	81,095
\$	121,653	\$ 116,053	\$ 94,720	\$ 76,498	\$ 89,381	\$ 84,091	\$ 83,388
\$	16,106	\$ 16,364	\$ 14,872	\$ 13,052	\$ 13,913	\$ 13,590	\$ 13,187
	755.3%	709.2%	636.9%	586.1%	642.4%	618.8%	632.4%

	2022	2021	2020	2019	2018	2017
	(\$ In thousands)					
\$	35,107	\$ 34,851	\$ 32,566	\$ 33,132	\$ 25,442	\$ 23,778
	196,063	196,750	209,925	213,607	202,303	196,930
	6,233	—	(2,928)	(4,046)	(6,948)	—
	116,370	31,334	58,916	99,585	90,986	—
	557,468	(47,407)	(201,908)	(241,555)	(5,903)	—
	(189,699)	(173,920)	(148,836)	(156,536)	(147,761)	(143,528)
	721,542	41,608	(52,265)	(55,813)	158,119	77,180
	3,028,876	2,987,268	3,039,533	3,095,346	2,937,227	2,860,047
	3,750,418	3,028,876	2,987,268	3,039,533	3,095,346	2,937,227
	—	—	30,061	256,536	247,761	243,528
	(310,021)	235,963	225,006	285,996	(86,274)	175,795
	(189,699)	(173,920)	(148,836)	(156,536)	(147,761)	(143,528)
	(88)	(118)	(96)	(106)	(94)	(94)
	(499,808)	61,925	106,135	385,890	13,632	275,701
	1,967,686	1,905,761	1,799,626	1,413,736	1,400,104	1,124,403
	1,467,878	1,967,686	1,905,761	1,799,626	1,413,736	1,400,104
\$	2,282,540	\$ 1,061,190	\$ 1,081,507	\$ 1,239,907	\$ 1,681,610	\$ 1,537,123
	39.14%	64.96%	63.80%	59.21%	45.67%	47.67%
\$	975,057	\$ 927,676	\$ 987,081	\$ 1,041,188	\$ 870,525	\$ 772,549
	234.09%	114.39%	109.57%	119.09%	193.17%	198.97%



Construction progresses on the Corbin Street ramp, a pivotal phase of the Port Street Corridor Improvement Project at the Port of New York and New Jersey.

Schedule A – Revenues and Reserves

(pursuant to Port Authority bond resolutions)

	Year ended December 31, 2025			2024
	Operating Fund	Reserve Funds	Combined Total	Combined Total
	(In thousands)			
Gross operating revenues:				
Tolls and fares	\$ 2,317,196	\$ —	\$ 2,317,196	\$ 2,168,395
Rentals	2,508,609	—	2,508,609	2,439,316
Aviation fees	1,845,589	—	1,845,589	1,719,025
Parking and other	512,912	—	512,912	530,812
Utilities	175,451	—	175,451	154,505
Total gross operating revenues	7,359,757	—	7,359,757	7,012,053
Operating expenses:				
Employee compensation, including benefits	2,081,661	—	2,081,661	1,995,896
Contract services	1,304,508	—	1,304,508	1,258,488
Rents and payments in-lieu-of taxes (PILOT)	492,056	—	492,056	470,470
Materials, equipment and other	362,380	—	362,380	387,283
Utilities	237,880	—	237,880	211,411
Total operating expenses	4,478,485	—	4,478,485	4,323,548
Net insurance recoverables	704	—	704	—
Net operating revenues	2,881,976	—	2,881,976	2,688,505
Financial income:				
Interest income	34,269	174,215	208,484	164,332
Net increase in fair value of investments	11,962	91,075	103,037	81,063
Contributions in aid of construction	496,641	—	496,641	346,455
Application of Passenger Facility Charges	302,565	—	302,565	293,050
Application of 4 WTC associated payments	34,696	—	34,696	34,717
Grant, in connection with operating activities & other payments	234,451	—	234,451	234,868
Pass-through grant program payments	(4,229)	—	(4,229)	(48,206)
Net revenues available for debt service and reserves	3,992,331	265,290	4,257,621	3,794,784
Debt service:				
Interest on Consolidated Bonds and Notes	943,570	—	943,570	1,008,340
Maturities and retirements of Consolidated Bonds and Notes	534,060	—	534,060	515,545
Interest expense incurred during construction	219,185	—	219,185	154,341
Interest on special obligations	—	111,582	111,582	117,510
Maturities and retirements of special obligations	—	28,127	28,127	6,869
Total debt service	1,696,815	139,709	1,836,524	1,802,605
Transfers to reserves	<u>\$ (2,295,516)</u>	2,295,516	—	—
Revenues after debt service and transfers to reserves		2,421,097	2,421,097	1,992,179
Direct investment in facilities		(2,495,988)	(2,495,988)	(1,722,404)
Change in Accounting Principle – pension/OPEB		(27,577)	(27,577)	(25,773)
(Decrease)/increase in reserves		(102,468)	(102,468)	244,002
Reserve balances, January 1		5,051,772	5,051,772	4,807,770
Reserve balances, December 31		\$ 4,949,304	\$ 4,949,304	\$ 5,051,772

See Notes to Financial Statements.

Schedule B – Assets and Liabilities

(pursuant to Port Authority bond resolutions)

	December 31, 2025				2024
	Operating Fund	Capital Fund	Reserve Funds	Combined Total	Combined Total
ASSETS	(In thousands)				
Current assets:					
Cash	\$ 161,788	\$ —	\$ 10,873	\$ 172,661	\$ 136,497
Restricted cash:					
Passenger Facility Charges	135	—	—	135	129
Port Authority Insurance Captive Entity, LLC	86,553	—	—	86,553	49,617
Harbor Dredging	61,501	—	—	61,501	69,504
Other, including Asset Forfeiture Funds	9,701	—	—	9,701	10,896
Investments	381,610	39,886	576,722	998,218	871,784
Restricted Investments – PAICE	4,955	—	—	4,955	7,599
Restricted Investments – PFC	11,133	—	—	11,133	6,432
Interfund balances	196,202	144,871	(341,073)	—	—
Current receivables, net	1,609,557	—	—	1,609,557	1,415,096
Other current assets	109,724	47,081	—	156,805	142,186
Restricted receivables and other assets	107,211	—	—	107,211	90,150
Total current assets	2,740,070	231,838	246,522	3,218,430	2,799,890
Noncurrent assets:					
Restricted cash	4,216	—	—	4,216	4,316
Investments	—	—	4,702,782	4,702,782	4,775,264
Restricted investments – PAICE	201,693	—	—	201,693	184,889
Other amounts receivable, net	128,140	36,638	—	164,778	163,663
Other noncurrent assets	1,542,630	4,663	—	1,547,293	1,573,313
Restricted other noncurrent assets – PAICE	5,021	—	—	5,021	5,066
Amounts receivable – Tower 4 Liberty Bonds	—	1,228,105	—	1,228,105	1,230,305
Invested in facilities	—	76,639,232	—	76,639,232	73,697,912
Total noncurrent assets	1,881,700	77,908,638	4,702,782	84,493,120	81,634,728
Total assets	4,621,770	78,140,476	4,949,304	87,711,550	84,434,618
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	605,341	—	—	605,341	666,380
OPEB related amounts	797,364	—	—	797,364	1,074,010
LIABILITIES					
Current liabilities:					
Accounts payable	672,440	720,619	—	1,393,059	1,227,135
Accrued interest and other current liabilities	960,756	131	—	960,887	940,507
Restricted other liabilities – PAICE	1,868	—	—	1,868	7,421
Accrued payroll and other employee benefits	212,968	16,977	—	229,945	213,493
Unapplied Passenger Facility Charges	41,667	—	—	41,667	52,595
Current portion bonds and other asset financing obligations	35,055	537,126	—	572,181	585,921
Total current liabilities	1,924,754	1,274,853	—	3,199,607	3,027,072
Noncurrent liabilities:					
Accrued pension and other postemployment benefits	3,871,397	—	—	3,871,397	3,833,864
Other noncurrent liabilities	283,974	18,588	—	302,562	299,334
Restricted other noncurrent liabilities – PAICE	27,878	—	—	27,878	20,867
Amounts payable – Tower 4 Liberty Bonds	—	1,228,105	—	1,228,105	1,230,305
Bonds and other asset financing obligations	1,269,745	24,049,606	—	25,319,351	25,635,163
Total noncurrent liabilities	5,452,994	25,296,299	—	30,749,293	31,019,533
Total liabilities	7,377,748	26,571,152	—	33,948,900	34,046,605
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	55,992	—	—	55,992	267,044
OPEB related amounts	167,475	—	—	167,475	34,305
NET POSITION	\$ (1,576,740)	\$ 51,569,324	\$ 4,949,304	\$ 54,941,888	\$ 51,827,054
Net position is comprised of:					
Facility infrastructure investment	\$ —	\$ 51,569,324	\$ —	\$ 51,569,324	\$ 48,379,598
Change in accounting principle – pension/OPEB	(1,576,740)	—	—	(1,576,740)	(1,604,316)
Reserves	—	—	4,949,304	4,949,304	5,051,772
NET POSITION	\$ (1,576,740)	\$ 51,569,324	\$ 4,949,304	\$ 54,941,888	\$ 51,827,054

See Notes to Financial Statements.

Schedule C – Analysis of Reserve Funds

(pursuant to Port Authority bond resolutions)

	Year ended December 31, 2025			2024
	General Reserve Fund	Consolidated Bond Reserve Fund	Combined Total	Combined Total
	(In thousands)			
Balance, January 1	\$ 2,516,313	\$ 2,535,459	\$ 5,051,772	\$ 4,807,770
(Decrease)/increase in reserve funds*	(36,248)	2,597,054	2,560,806	2,116,558
	2,480,065	5,132,513	7,612,578	6,924,328
Applications:				
Maturities and Retirements on special obligations	—	28,127	28,127	6,869
Interest on special obligations	—	111,582	111,582	117,510
Direct investment in facilities	—	2,495,988	2,495,988	1,722,404
Change in Accounting Principle – pension/OPEB	—	27,577	27,577	25,773
Total applications	—	2,663,274	2,663,274	1,872,556
Balance, December 31	\$ 2,480,065	\$ 2,469,239	\$ 4,949,304	\$ 5,051,772

* Combined increase in reserve funds consists of "Transfers to reserves" from the operating fund totaling \$2.3 billion, plus financial income generated on reserve funds of \$265 million in 2025.

See Notes to Financial Statements.

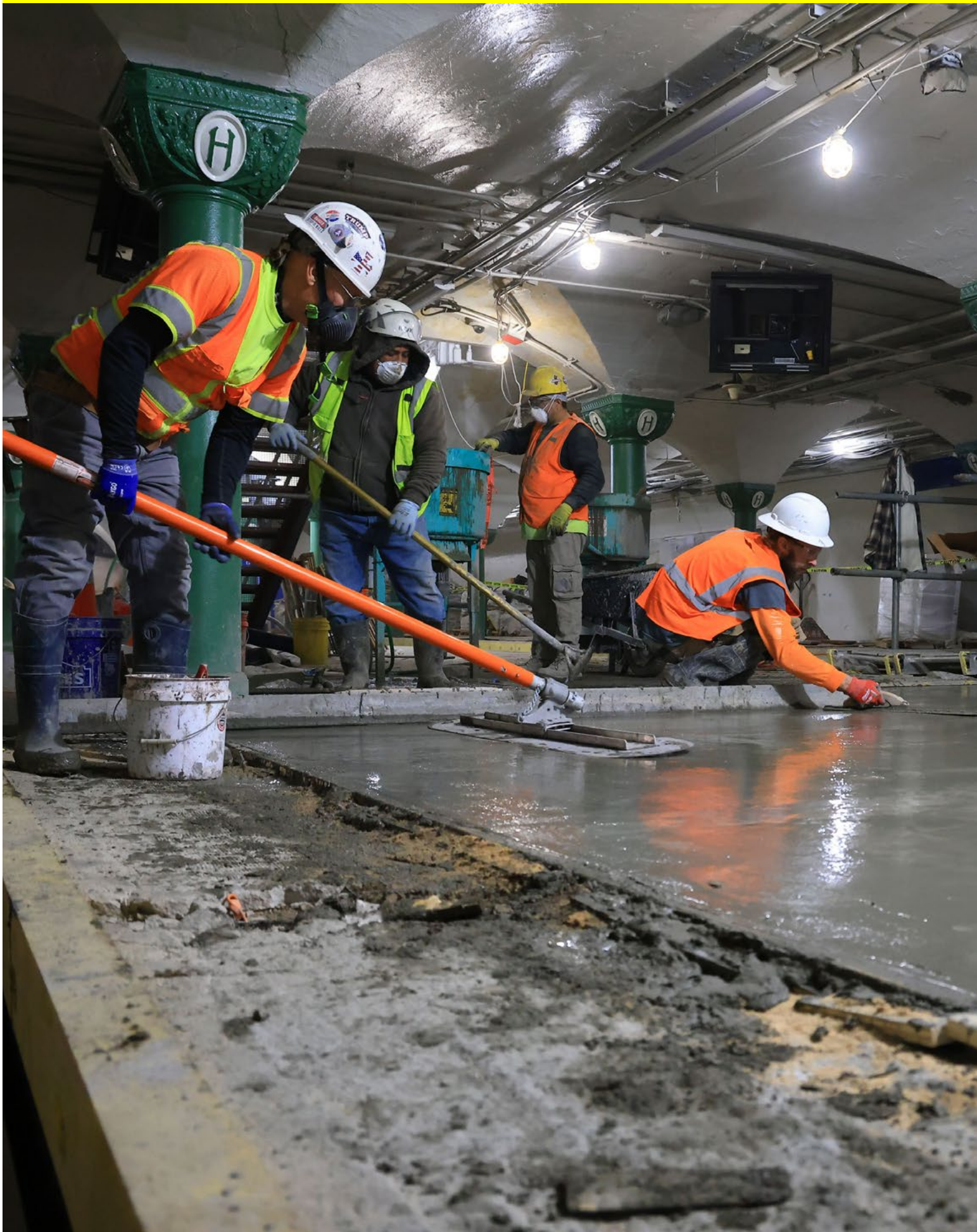
2025



Statistical and Other SUPPLEMENTAL INFORMATION

The Port Authority of New York and New Jersey Basic Financial Statements
and Appended Notes for the Years Ended December 31, 2025 and 2024

Roadway network construction at the John F. Kennedy International Airport Terminal 6 frontage.



Platform modernization at the PATH Hoboken station, a key component of the 25-day closure for the PATH Forward program.

Statistical and Other Supplemental Information

For the year ended December 31, 2025

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)

	2025	2024	2023
(In thousands)			
Revenues, Expenses, and Changes in Net Position:			
Gross operating revenues:			
Tolls and fares	\$ 2,317,196	\$ 2,168,395	\$ 2,070,662
Rentals ^{(a)(d)}	2,429,349	2,363,621	2,187,837
Aviation fees	1,845,589	1,719,025	1,606,056
Parking and other	528,330	530,812	549,780
Utilities	175,451	154,505	148,952
Rentals – Special Project Bonds Projects	—	—	—
Gross operating revenues	7,295,915	6,936,358	6,563,287
Operating expenses:			
Employee compensation, including benefits ^(c)	2,081,661	1,995,896	1,801,019
Contract services ^(e)	1,308,416	1,261,199	1,200,165
Rental and amounts in-lieu-of taxes (PILOT) ^(d)	134,561	114,028	84,878
Materials, equipment and other	362,380	387,283	446,055
Utilities	237,880	211,411	202,970
Interest on Special Project Bonds	—	—	—
Operating expenses	4,124,898	3,969,817	3,735,087
Net insurance recoverables	704	—	—
Depreciation of facilities and landlord leasehold investment	(1,774,289)	(1,781,344)	(1,734,310)
Amortization of costs for regional programs	(4,967)	(3,462)	(6,478)
Amortization of lease assets, as lessee ^(d)	(171,396)	(173,918)	(176,755)
Income from operations ^(c)	1,221,069	1,007,817	910,657
Income/(loss) on investments (including fair value adjustment) ^(b)	311,773	245,595	269,373
Interest expense on bonds and other asset financing ^(b)	(1,179,508)	(1,189,660)	(1,180,570)
Interest income, as lessor ^(d)	160,605	158,610	155,290
Interest expense, as lessee ^(d)	(209,133)	(211,305)	(213,973)
Net loss on disposal of assets and liabilities, including lease terminations	(882)	(160)	(2,281)
Pass-through grant program payments	(4,229)	(48,206)	(12,156)
4 WTC associated payments	32,496	32,517	32,532
Grants in connection with operating activities	34,451	234,868	111,886
Contributions in aid of construction	496,641	346,455	227,574
Passenger facility charges	291,298	292,998	309,123
Increase/(decrease) in net position December 31, ^{(c)(d)}	\$ 1,154,581	\$ 869,529	\$ 607,455
Net position is comprised of:			
Net investment in capital assets	\$ 16,330,338	\$ 15,043,573	\$ 15,128,051
Restricted	805,755	771,346	719,624
Unrestricted ^{(c)(d)}	1,549,558	1,716,151	813,866
Net position December 31,	\$ 18,685,651	\$ 17,531,070	\$ 16,661,541

(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.

2022 (Restated)	2021 (Restated)	2020	2019	2018	2017 (Restated)	2016
(In thousands)						
\$ 1,942,726	\$ 1,836,692	\$ 1,571,827	\$ 1,876,911	\$ 1,865,384	\$ 1,873,622	\$ 1,865,481
1,978,706	1,565,609	1,421,467	1,748,683	1,673,994	1,618,439	1,564,527
1,395,424	1,213,743	907,314	1,287,263	1,192,454	1,128,352	1,112,436
478,337	353,261	240,329	408,609	384,088	377,421	399,178
182,163	125,937	112,008	144,176	149,008	139,502	138,987
—	—	81,129	74,073	79,080	83,053	86,755
5,977,356	5,095,242	4,334,074	5,539,715	5,344,008	5,220,389	5,167,364
1,438,403	1,296,724	1,395,588	1,413,979	1,338,277	1,318,935	1,290,334
1,054,605	938,408	929,520	1,046,216	934,821	880,331	852,926
47,434	59,715	403,661	388,462	396,048	390,576	352,293
336,727	289,810	290,033	315,676	298,121	252,533	264,977
243,750	184,651	163,078	191,770	195,968	183,482	165,802
—	—	81,129	74,073	79,080	83,053	86,755
3,120,919	2,769,308	3,263,009	3,430,176	3,242,315	3,108,910	3,013,087
—	—	4,033	175,678	—	18,323	—
(1,717,977)	(1,601,696)	(1,533,267)	(1,420,696)	(1,329,283)	(1,231,139)	(1,173,747)
(17,939)	(27,393)	(33,217)	(36,730)	(41,874)	(44,164)	(64,765)
(172,776)	(167,396)	—	—	—	—	—
947,745	529,449	(491,386)	827,791	730,536	854,499	915,765
(83,167)	(13,544)	81,961	87,948	89,304	35,326	(3,974)
(1,109,910)	(1,152,878)	(1,011,896)	(968,242)	(937,983)	(908,343)	(900,914)
140,978	140,611	—	—	—	—	—
(220,654)	(214,019)	—	—	—	—	—
—	(4,623)	—	—	—	—	—
—	(2,613)	(26,853)	(3,142)	(1,438)	(19,717)	(10,695)
32,545	66,715	65,293	65,293	65,293	65,293	41,521
160,290	256,609	489,228	25,665	24,006	39,845	64,315
290,491	273,179	258,925	261,054	252,225	187,473	674,950
274,414	159,854	75,509	292,568	286,395	275,785	264,363
\$ 432,732	\$ 38,740	\$ (559,219)	\$ 588,935	\$ 508,338	\$ 530,161	\$ 1,045,331
\$ 14,942,315	\$ 15,406,620	\$ 14,954,997	\$ 14,620,518	\$ 14,190,682	\$ 13,179,105	\$ 12,746,144
851,723	606,816	538,552	550,736	500,610	760,912	567,443
260,048	(392,082)	414,561	1,296,075	1,187,102	1,430,039	3,261,307
\$ 16,054,086	\$ 15,621,354	\$ 15,908,110	\$ 16,467,329	\$ 15,878,394	\$ 15,370,056	\$ 16,574,894

(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)

	2025	2024	2023
	(In thousands)		
Gross operating revenues:*			
Tunnels, Bridges, and Terminals	\$ 2,188,870	\$ 2,067,422	\$ 1,988,089
PATH	193,819	166,059	148,408
Port	402,486	387,684	371,322
Aviation	4,111,486	3,946,104	3,657,985
Development	26,462	26,155	26,566
World Trade Center	422,813	406,123	432,248
Other	13,821	12,506	439
Total gross operating revenues	7,359,757	7,012,053	6,625,057
Operating expenses:*			
Tunnels, Bridges, and Terminals	(757,620)	(751,900)	(669,404)
PATH	(649,795)	(598,465)	(552,762)
Port	(213,209)	(228,039)	(197,560)
Aviation	(2,440,123)	(2,336,181)	(2,285,789)
Development	(10,599)	(8,366)	(19,451)
World Trade Center	(394,949)	(388,255)	(370,817)
Other	(12,190)	(12,342)	(3,786)
Total operating expenses	(4,478,485)	(4,323,548)	(4,099,569)
Net insurance recoverables	704	—	—
Amounts in connection with operating asset obligations	—	—	—
Net operating revenues	2,881,976	2,688,505	2,525,488
Financial income	311,521	245,395	262,306
Grants and contributions in aid of construction, net & other payments	726,863	533,117	325,410
Application of WTC Retail Joint Venture Payments**	—	—	—
Application of Passenger Facility Charges	302,565	293,050	488,053
Application of 4 WTC associated payments	34,696	34,717	34,732
Net revenues available for debt service and reserves (a)	4,257,621	3,794,784	3,635,989
DEBT SERVICE			
Interest on Consolidated Bonds and Notes (b)	(1,162,755)	(1,162,681)	(1,145,750)
Times, interest earned (a/b)	3.66	3.26	3.17
Maturities and retirements of Consolidated Bonds and Notes (c)	(534,060)	(515,545)	(478,055)
Times, debt service earned [a/(b+c)]	2.51	2.26	2.24
APPLICATION OF RESERVES			
Direct investment in facilities	(2,495,988)	(1,722,404)	(943,156)
Appropriations for self-insurance and changes in accounting principles	(27,577)	(25,773)	(24,086)
Interest on special obligations	(111,582)	(117,510)	(119,566)
Maturities and retirements of special obligations	(28,127)	(6,869)	(5,909)
Net (decrease)/increase in reserves	(102,468)	244,002	919,467
RESERVE BALANCES			
January 1	5,051,772	4,807,770	3,888,303
December 31	4,949,304	5,051,772	4,807,770
Reserve funds balances represented by:			
General Reserve	2,480,065	2,516,313	2,523,802
Consolidated Bond Reserve	2,469,239	2,535,459	2,283,968
Total	\$ 4,949,304	\$ 5,051,772	\$ 4,807,770
FINANCING OBLIGATIONS AT DECEMBER 31 (at par value)			
Consolidated Bonds and Notes	\$ 24,344,650	\$ 24,705,420	\$ 24,653,960
Fund for regional development buy-out obligation	—	—	—
MOTBY obligation	31,992	35,147	38,144
Amounts payable – Special Project Bonds	—	—	—
Variable rate master notes	24,700	44,600	44,600
Commercial paper obligations	—	—	—
Special Obligation Institutional Loan Program	431,306	413,114	539,455
Hudson Tunnel Program Support Obligation	45,534	5,347	—
Tower 4 Liberty Bonds	1,228,105	1,230,305	1,232,505
Goethals Bridge Replacement Developer Financing Arrangement	1,013,350	1,017,456	1,020,300
Total financing obligations	\$ 27,119,637	\$ 27,451,389	\$ 27,528,964

* 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.

	2022	2021	2020	2019	2018	2017	2016
	(In thousands)						
\$	1,880,833	\$ 1,796,752	\$ 1,542,081	\$ 1,740,044	\$ 1,737,458	\$ 1,739,552	\$ 1,742,028
	123,878	85,221	82,110	210,610	203,800	202,880	191,261
	396,989	386,625	327,665	322,061	310,637	295,651	300,569
	3,225,138	2,508,088	2,032,359	2,913,161	2,762,279	2,682,523	2,646,213
	25,991	23,080	21,370	24,380	25,632	24,967	25,956
	380,847	333,497	319,195	319,952	294,735	264,769	252,086
	154	81	34	247	207	787	682
	6,033,830	5,133,344	4,324,814	5,530,455	5,334,748	5,211,129	5,158,795
	(569,411)	(524,557)	(552,976)	(553,759)	(524,212)	(525,862)	(509,529)
	(481,409)	(467,051)	(447,034)	(457,515)	(447,552)	(423,384)	(415,251)
	(181,602)	(164,852)	(163,395)	(174,213)	(166,405)	(160,495)	(167,724)
	(1,899,501)	(1,617,594)	(1,752,439)	(1,886,112)	(1,754,801)	(1,693,563)	(1,612,470)
	(11,268)	(11,215)	(11,612)	(11,475)	(11,786)	(12,399)	(10,853)
	(342,499)	(320,647)	(335,014)	(346,535)	(333,848)	(312,242)	(293,864)
	(729)	(305)	(539)	(567)	(3,711)	(4,973)	(3,396)
	(3,486,419)	(3,106,221)	(3,263,009)	(3,430,176)	(3,242,315)	(3,132,918)	(3,013,087)
	—	—	4,033	175,678	—	18,323	—
	—	(708)	(5,851)	(9,529)	(12,921)	(16,050)	(18,871)
	2,547,411	2,026,415	1,059,987	2,266,428	2,079,512	2,080,484	2,126,837
	(84,157)	(13,548)	81,867	87,440	86,250	33,574	(4,784)
	448,982	525,452	712,295	252,765	220,741	193,381	347,390
	16,968	—	—	—	—	—	77,869
	63,664	147,557	131,149	289,639	433,326	285,335	229,921
	34,745	66,715	65,293	65,293	65,293	65,293	41,520
	3,027,613	2,752,591	2,050,591	2,961,565	2,885,122	2,658,067	2,818,753
	(1,088,361)	(1,098,922)	(940,309)	(872,275)	(868,510)	(858,694)	(824,586)
	2.78	2.50	2.18	3.40	3.32	3.10	3.42
	(463,107)	(398,600)	(387,820)	(334,500)	(319,090)	(300,905)	(268,520)
	1.95	1.84	1.54	2.45	2.43	2.29	2.58
	(867,790)	(870,697)	(1,398,366)	(1,550,920)	(1,771,900)	(1,623,347)	(1,132,915)
	(22,511)	(21,038)	(19,662)	(18,375)	—	—	—
	(101,564)	(128,782)	(130,857)	(133,537)	(103,056)	(69,570)	(81,601)
	(4,859)	(26,678)	(608)	81	(188)	(1,276)	6,669
	479,421	207,874	(827,031)	52,039	(185,922)	(195,725)	517,800
	3,408,882	3,201,008	4,028,039	3,976,000	4,161,922	4,357,647	3,839,847
	3,888,303	3,408,882	3,201,008	4,028,039	3,976,000	4,161,922	4,357,647
	2,551,509	2,480,806	2,401,503	2,388,243	2,297,475	2,297,475	2,297,475
	1,336,794	928,076	799,505	1,639,796	1,678,525	1,864,447	2,060,172
\$	3,888,303	\$ 3,408,882	\$ 3,201,008	\$ 4,028,039	\$ 3,976,000	\$ 4,161,922	\$ 4,357,647
\$	24,971,430	\$ 24,189,474	\$ 23,388,115	\$ 22,161,860	\$ 20,898,775	\$ 20,672,365	\$ 20,429,565
	—	—	52,898	100,258	143,939	184,230	221,393
	40,992	43,697	46,268	48,711	51,032	53,237	55,332
	—	—	—	1,150,415	1,245,835	1,327,680	1,391,170
	44,600	44,600	69,600	69,600	69,600	77,900	77,900
	499,060	574,000	557,325	500,565	480,765	464,615	388,315
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	1,234,705	1,236,905	1,225,520	1,225,520	1,225,520	1,225,520	1,225,520
	1,022,275	1,023,286	1,023,398	1,022,518	1,021,023	934,198	744,401
\$	27,813,062	\$ 27,111,962	\$ 26,363,124	\$ 26,279,447	\$ 25,136,489	\$ 24,939,745	\$ 24,533,596

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)

	2025	2024	2023
(In thousands)			
Gross Operating Revenues:			
Tunnels, Bridges, and Terminals	\$ 2,188,602	\$ 2,068,245	\$ 1,987,504
PATH	193,149	165,624	147,947
Port	417,849	387,633	371,279
Aviation	4,103,391	3,941,040	3,653,830
Development	20,805	20,730	21,695
World Trade Center	358,332	340,580	380,593
Other ^(a)	13,787	12,506	439
Total	\$ 7,295,915	\$ 6,936,358	\$ 6,563,287
Operating Expenses: ^(b)			
Tunnels, Bridges, and Terminals	\$ 758,176	\$ 752,413	\$ 668,427
PATH	650,632	598,828	552,255
Port	195,100	209,895	176,769
Aviation	2,155,118	2,048,948	1,995,247
Development	10,603	8,031	19,111
World Trade Center	393,834	386,579	360,917
Other ^{(c)(e)}	(38,565)	(34,877)	(37,639)
Total	\$ 4,124,898	\$ 3,969,817	\$ 3,735,087
Capital Investment: ^(d)			
Tunnels, Bridges, and Terminals	\$ 723,178	\$ 555,415	\$ 509,607
PATH (including WTC Transportation Hub) ⁽ⁱ⁾	385,338	357,190	379,097
Port	89,993	76,518	52,240
Aviation ^(f)	1,689,783	1,314,888	883,460
Development	—	—	—
World Trade Center	53,029	92,147	89,274
Other ⁽ⁱ⁾	—	—	—
Total	\$ 2,941,321	\$ 2,396,158	\$ 1,913,678

(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."

2022 ^(h) (Restated)	2021 ^(g) (Restated)	2020	2019	2018	2017 (Restated)	2016
(In thousands)						
\$ 1,879,336	\$ 1,796,696	\$ 1,542,081	\$ 1,740,044	\$ 1,737,458	\$ 1,739,552	\$ 1,742,028
124,003	85,998	82,110	210,610	203,800	202,880	191,261
396,977	386,622	327,665	322,061	310,637	295,651	300,569
3,223,841	2,507,776	2,032,359	2,913,161	2,762,279	2,682,523	2,646,213
21,346	18,536	21,370	24,380	25,632	24,967	25,956
331,699	299,533	328,455	329,212	303,995	274,029	260,655
154	81	34	247	207	787	682
\$ 5,977,356	\$ 5,095,242	\$ 4,334,074	\$ 5,539,715	\$ 5,344,008	\$ 5,220,389	\$ 5,167,364
\$ 568,805	\$ 524,422	\$ 552,976	\$ 553,759	\$ 524,212	\$ 525,862	\$ 509,529
481,163	466,844	447,034	457,515	447,552	423,384	415,251
160,737	145,723	163,395	174,213	166,405	160,495	167,724
1,603,391	1,345,891	1,752,439	1,886,112	1,754,801	1,693,563	1,612,470
10,930	10,879	11,612	11,475	11,786	12,399	10,853
295,907	275,268	335,014	346,535	333,848	312,242	293,864
706	281	539	567	3,711	(19,035)	3,396
\$ 3,120,919	\$ 2,769,308	\$ 3,263,009	\$ 3,430,176	\$ 3,242,315	\$ 3,108,910	\$ 3,013,087
\$ 297,637	\$ 393,208	\$ 582,366	\$ 697,449	\$ 931,539	\$ 885,311	\$ 1,179,307
269,254	332,023	344,982	364,400	378,445	274,429	454,031
29,709	37,834	43,999	120,019	146,153	106,455	133,874
1,251,048	1,148,207	1,378,516	1,885,944	1,278,372	772,520	584,996
—	—	1	111	3,682	893	1,569
80,114	106,809	216,441	266,795	314,472	311,122	846,597
—	—	82	73	1,737	150,409	290
\$ 1,927,762	\$ 2,018,081	\$ 2,566,387	\$ 3,334,791	\$ 3,054,400	\$ 2,501,139	\$ 3,200,664

(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, 2025

2024

	Gross Operating Revenues ^(a)	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
INTERSTATE TRANSPORTATION NETWORK									
(In thousands)									
George Washington Bridge & Bus Station	\$1,006,099	\$188,330	\$ 73,605	\$ 22	\$ 744,142	\$ 39,962	\$ 2,335	\$ 706,515	\$605,684
Holland Tunnel	242,780	123,980	31,411	19	87,370	15,373	17,132	89,129	104,724
Lincoln Tunnel	313,781	159,309	101,857	71	52,544	43,583	582	9,543	15,683
Bayonne Bridge	58,637	28,691	34,157	—	(4,211)	38,318	—	(42,529)	(50,772)
Goethals Bridge	329,350	42,460	44,530	—	242,360	71,760	372	170,972	146,490
Outerbridge Crossing	203,324	23,557	6,822	—	172,945	2,212	—	170,733	160,619
Port Authority Bus Terminal	34,631	191,849	33,345	219	(190,782)	9,150	—	(199,932)	(199,125)
Subtotal – Tunnels, Bridges & Terminals	2,188,602	758,176	325,727	331	1,104,368	220,358	20,421	904,431	783,303
PATH ^(c)	186,476	616,740	185,647	64	(615,975)	156,334	163,622	(608,687)	(666,762)
WTC Transportation Hub ^(c)	—	14,924	80,963	—	(95,887)	—	—	(95,887)	(96,951)
Journal Square Transportation Center ^(c)	6,673	18,968	4,202	—	(16,497)	1,200	—	(17,697)	(16,722)
Hudson Tunnel Project ^(d)	—	—	4,991	—	(4,991)	1,576	—	(6,567)	(3,019)
Subtotal – PATH	193,149	650,632	275,803	64	(733,350)	159,110	163,622	(728,838)	(783,454)
Ferry Transportation	671	2,007	3,833	21	(5,190)	1,653	—	(6,843)	(6,310)
Moyinhan Station Transportation Program	—	—	10,000	—	(10,000)	—	—	(10,000)	(10,000)
Total Interstate Transportation Network	2,382,422	1,410,815	615,363	416	355,828	381,121	184,043	158,750	(16,461)
AVIATION									
LaGuardia ^{(d)(h)}	596,798	423,840	215,327	27,517	(69,886)	89,555	71,875	(87,566)	(104,896)
JFK International ^(d)	2,005,497	946,275	205,669	73,559	779,994	121,571	359,110	1,017,533	945,247
Newark Liberty International ^(d)	1,422,944	716,229	251,977	51,542	403,196	160,897	140,696	382,995	412,483
Teterboro	69,719	39,987	14,353	—	15,379	4,980	7,654	18,053	19,564
New York Stewart International ^(d)	8,433	28,787	8,718	846	(29,918)	2,225	1,320	(30,823)	(13,794)
Total Aviation	4,103,391	2,155,118	696,044	153,464	1,098,765	379,228	580,655	1,300,192	1,258,604
PORT									
Port Newark	121,899	108,786	31,955	7,667	(26,509)	26,868	8,975	(44,402)	(57,402)
Elizabeth Port Authority Marine Terminal	223,136	40,425	18,495	—	164,216	8,488	200	155,928	140,171
Brooklyn Port Authority Marine Terminal	4	874	6,394	—	(7,264)	1,566	823	(8,007)	(15,301)
Red Hook Terminal	—	435	833	—	(1,268)	—	(823)	(2,091)	(4,007)
Howland Hook Marine Terminal	25,811	11,814	10,175	767	3,055	9,602	—	(6,547)	(18,178)
Greenville Yard Port Authority Marine Terminal	1,264	101	—	—	1,163	—	—	1,163	2,337
NYNJ Rail LLC	6,228	6,872	6,786	—	(7,430)	4,508	379	(11,559)	(8,417)
Port Jersey – Port Authority Marine Terminal	39,507	25,793	15,884	—	(2,170)	12,576	(191)	(14,937)	(9,823)
Total Port	417,849	195,100	90,522	8,434	123,793	63,608	9,363	69,548	29,380
DEVELOPMENT									
Essex County Resource Recovery Facility	3,275	180	—	—	3,095	(153)	—	3,248	3,239
Industrial Park at Elizabeth	4,029	188	249	—	3,592	(3,796)	—	7,388	7,466
Teleport	7,293	9,692	—	—	(2,399)	18	—	(2,417)	(1,144)
Newark Legal & Communications Center	94	127	—	—	(33)	—	—	(33)	(108)
Queens West Waterfront Development	1,571	—	565	—	1,006	1,776	—	(770)	(161)
Hoboken South Waterfront Development	4,543	416	983	—	3,144	(7,996)	—	11,140	10,733
Total Development	20,805	10,603	1,797	—	8,405	(10,151)	—	18,556	20,025
WORLD TRADE CENTER									
WTC Campus	4,973	169,283	117,063	—	(281,373)	(618)	11,637	(269,118)	(262,196)
One World Trade Center	244,275	152,293	128,467	—	(36,485)	125,331	—	(161,816)	(182,844)
WTC Towers 2, 3 & 4	49,276	44,210	78,792	—	(73,726)	(102,761)	2,241	31,276	23,727
WTC Tower 7	23,807	18,629	—	—	5,178	(4,449)	—	9,627	11,477
WTC Retail	36,001	9,419	46,241	—	(19,659)	—	—	(19,659)	(23,663)
Total World Trade Center	358,332	393,834	370,563	—	(406,065)	17,503	13,878	(409,690)	(433,499)
Regional Facilities	—	—	4,967	—	(4,967)	—	—	(4,967)	(3,462)
Other Programs ^(f)	13,116	(40,572)	—	9,082	44,606	23,118	—	21,488	14,942
Net insurance recoverable	—	—	—	—	704	—	—	704	—
Total	\$7,295,915	\$4,124,898	\$1,779,256	\$171,396	\$1,221,069	\$854,427	\$787,939	\$1,154,581	\$869,529

(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, 2024	Capital Investment ^(a)	Depreciation	Dispositions	Net Book Value at Dec. 31, 2025
(In thousands)					
INTERSTATE TRANSPORTATION NETWORK					
George Washington Bridge & Bus Station	\$ 1,968,433	\$ 208,292	\$ 73,605	\$ —	\$ 2,103,120
Holland Tunnel	701,301	32,903	31,411	—	702,793
Lincoln Tunnel	1,849,353	59,646	101,857	—	1,807,142
Bayonne Bridge	1,441,982	5,662	34,157	—	1,413,487
Goethals Bridge	1,386,118	3,559	44,530	—	1,345,147
Outerbridge Crossing	110,167	5,713	6,822	—	109,058
Port Authority Bus Terminal	727,209	407,403	33,345	—	1,101,267
Subtotal – Tunnels, Bridges & Terminals	8,184,563	723,178	325,727	—	8,582,014
PATH	3,799,725	326,335	185,647	—	3,940,413
WTC Transportation HUB	3,060,449	2,439	80,963	—	2,981,925
Journal Square Transportation Center	73,290	15,454	4,202	—	84,542
Hudson Tunnel Project ^(e)	69,871	41,110	4,991	—	105,990
Subtotal – PATH	7,003,335	385,338	275,803	—	7,112,870
Ferry Transportation	63,755	—	3,833	—	59,922
Access to the Region's Core (ARC)	30,227	—	—	—	30,227
Moyনিহান Station Transportation Program	79,128	—	10,000	—	69,128
Total Interstate Transportation Network	15,361,008	1,108,516	615,363	—	15,854,161
AVIATION^(b)					
LaGuardia ^(f)	3,805,259	105,531	215,327	—	3,695,463
JFK International	4,581,858	950,166	205,669	—	5,326,355
Newark Liberty International	4,805,537	614,853	251,977	—	5,168,413
Teterboro	201,560	14,783	14,353	—	201,990
New York Stewart International	116,605	4,450	8,718	—	112,337
Total Aviation	13,510,819	1,689,783	696,044	—	14,504,558
PORT					
Port Newark	732,616	57,688	31,955	—	758,349
Elizabeth Port Authority Marine Terminal	850,589	23,433	18,495	—	855,527
Brooklyn Port Authority Marine Terminal/Red Hook Terminal	65,341	—	7,227	—	58,114
Howland Hook Marine Terminal	405,981	948	10,175	—	396,754
Greenville Yard Port Authority Marine Terminal/NY NJ Rail LLC	182,426	685	6,786	—	176,325
Port Jersey – Port Authority Marine Terminal	468,936	7,239	15,884	—	460,291
Total Port	2,705,889	89,993	90,522	—	2,705,360
DEVELOPMENT					
Essex County Resource Recovery Facility	5,805	—	—	—	5,805
Industrial Park at Elizabeth	3,791	—	249	—	3,542
Teleport	—	—	—	—	—
Queens West Waterfront Development	79,652	—	565	—	79,087
Hoboken South Waterfront Development	47,510	—	983	—	46,527
Total Development	136,758	—	1,797	—	134,961
WORLD TRADE CENTER					
WTC Campus ^(c)	3,762,620	38,293	117,063	—	3,683,850
One World Trade Center	2,765,784	11,117	128,467	—	2,648,434
WTC Towers 2, 3 & 4 ^(d)	2,423,021	—	78,792	—	2,344,229
WTC Retail	1,541,042	3,619	46,241	—	1,498,420
Total World Trade Center	10,492,467	53,029	370,563	—	10,174,933
TOTAL^(f)	\$ 42,206,941	\$ 2,941,321	\$ 1,774,289	\$ —	\$ 43,373,973
REGIONAL FACILITIES & PROGRAMS	\$ 4,967	\$ —	\$ 4,967	\$ —	\$ —

(a) Capital investment includes investments 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)*

	2025	2024	2023
TUNNELS AND BRIDGES (Eastbound Traffic)			
AUTOMOBILES			
George Washington Bridge	45,900,199	45,520,919	46,019,125
Lincoln Tunnel	15,238,340	16,280,739	16,545,912
Holland Tunnel	14,797,642	15,299,994	15,201,121
Staten Island Bridges	34,650,976	34,599,411	34,413,854
Subtotal Automobiles	110,587,157	111,701,063	112,180,012
BUSES			
George Washington Bridge	256,203	262,713	239,769
Lincoln Tunnel	1,640,499	1,648,151	1,613,761
Holland Tunnel	54,864	56,252	52,541
Staten Island Bridges	148,642	146,661	148,171
Subtotal Buses	2,100,208	2,113,777	2,054,242
TRUCKS			
George Washington Bridge	4,595,019	4,457,822	4,369,170
Lincoln Tunnel	1,099,224	1,093,329	1,094,781
Holland Tunnel	453,007	456,765	439,248
Staten Island Bridges	2,647,739	2,601,687	2,490,863
Subtotal Trucks	8,794,989	8,609,603	8,394,062
TOTAL VEHICLES			
George Washington Bridge	50,751,421	50,241,454	50,628,064
Lincoln Tunnel	17,978,063	19,022,219	19,254,454
Holland Tunnel	15,305,513	15,813,011	15,692,910
Staten Island Bridges	37,447,357	37,347,759	37,052,888
Subtotal Vehicles	121,482,354	122,424,443	122,628,316
PATH			
Total Passengers	60,713,348	57,247,481	50,467,805
Passenger Weekday Average	198,401	186,120	164,590
MARINE TERMINALS			
General cargo ^(a) (in metric tons)	36,358,679	35,724,771	32,383,857
Containers (in twenty foot equivalent units)	8,897,531	8,698,526	7,810,005
International waterborne vehicles	365,003	410,153	366,796
Waterborne bulk commodities (in metric tons)	3,113,760	2,785,839	3,066,864
CONTAINERS			
New Jersey Marine Terminals	4,509,819	4,523,777	4,145,208
New York Marine Terminals	371,650	271,603	182,945
Subtotal Containers	4,881,469	4,795,380	4,328,153
BUS TERMINALS			
BUS DEPARTURES			
Port Authority Bus Terminal	961,165	954,353	902,419
George Washington Bridge Bus Station	111,472	109,219	108,520
PATH Journal Square Transportation Center Bus Station	292,000	311,000	329,000
Total Departures	1,364,637	1,374,572	1,339,939
AVIATION			
PLANE MOVEMENTS			
John F. Kennedy International Airport	464,281	468,570	479,026
LaGuardia Airport	354,645	353,061	360,164
Newark Liberty International Airport	390,476	414,441	426,575
New York Stewart International Airport	25,256	23,238	25,967
Subtotal Plane Movements	1,234,658	1,259,310	1,291,732
DOMESTIC PASSENGERS			
John F. Kennedy International Airport	28,101,408	28,007,293	28,896,454
LaGuardia Airport	31,155,133	31,813,670	30,576,140
Newark Liberty International Airport	31,615,808	33,762,633	34,547,171
New York Stewart International Airport	235,718	174,712	150,763
Subtotal Domestic Passengers	91,108,067	93,758,308	94,170,528
INTERNATIONAL PASSENGERS			
John F. Kennedy International Airport	34,528,047	35,258,691	33,180,238
LaGuardia Airport	1,635,917	1,730,273	1,808,820
Newark Liberty International Airport	15,384,277	15,222,559	14,537,370
New York Stewart International Airport	54,250	102,080	103,102
Subtotal International Passengers	51,602,491	52,313,603	49,629,530
TOTAL PASSENGERS			
John F. Kennedy International Airport	62,629,455	63,265,984	62,076,692
LaGuardia Airport	32,791,050	33,543,943	32,384,960
Newark Liberty International Airport	47,000,085	48,985,192	49,084,541
New York Stewart International Airport	289,968	276,792	253,865
Subtotal Passengers	142,710,558	146,071,911	143,800,058
CARGO-TONS			
John F. Kennedy International Airport	1,560,138	1,670,715	1,587,861
LaGuardia Airport	5,468	5,749	6,026
Newark Liberty International Airport	679,097	711,257	700,163
New York Stewart International Airport	24,453	26,458	23,704
Subtotal Cargo-tons	2,269,156	2,414,179	2,317,754
Revenue Mail-tons	114,777	87,689	104,919

* Certain 2025 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.

2022	2021	2020	2019	2018	2017	2016
45,594,258	45,107,088	38,784,553	47,700,000	47,264,000	47,594,000	47,497,000
17,181,771	15,631,752	11,513,663	15,317,000	15,742,000	15,841,000	15,993,000
14,299,537	13,647,628	11,061,685	15,033,000	14,460,000	14,247,000	14,727,000
33,557,483	32,118,961	27,572,632	33,636,000	32,373,000	31,430,000	30,303,000
110,633,049	106,505,429	88,932,533	111,686,000	109,839,000	109,112,000	108,520,000
256,445	277,876	253,278	440,000	448,000	442,000	440,000
1,526,562	1,399,329	1,395,997	2,186,000	2,170,000	2,161,000	2,164,000
43,961	38,187	53,052	159,000	168,000	179,000	191,000
156,059	142,270	104,646	167,000	186,000	180,000	177,000
1,983,027	1,857,662	1,806,973	2,952,000	2,972,000	2,962,000	2,972,000
4,103,693	3,887,376	3,704,358	3,821,000	3,792,000	3,684,000	3,692,000
979,555	870,595	772,995	1,031,000	1,048,000	1,037,000	1,055,000
365,493	335,758	324,381	443,000	443,000	446,000	447,000
2,652,206	2,596,494	2,287,868	2,295,000	2,163,000	2,153,000	2,085,000
8,100,947	7,690,223	7,089,602	7,590,000	7,446,000	7,320,000	7,279,000
49,954,396	49,272,340	42,742,189	51,961,000	51,504,000	51,720,000	51,629,000
19,687,888	17,901,676	13,682,655	18,534,000	18,960,000	19,039,000	19,212,000
14,708,991	14,021,573	11,439,118	15,635,000	15,071,000	14,872,000	15,365,000
36,365,748	34,857,725	29,965,146	36,098,000	34,722,000	33,763,000	32,565,000
120,717,023	116,053,314	97,829,108	122,228,000	120,257,000	119,394,000	118,771,000
42,582,013	29,245,022	27,005,307	82,219,587	81,733,402	82,812,915	78,553,560
137,016	90,941	90,287	284,380	280,860	283,719	269,081
39,736,739	36,505,473	34,829,323	41,090,000	37,577,000	35,450,000	32,556,203
9,493,664	8,985,929	7,585,819	7,471,131	7,179,788	6,710,817	6,251,953
420,929	458,026	469,529	570,023	573,035	577,223	505,150
3,697,618	4,037,804	3,010,322	3,639,822	3,686,686	3,975,000	3,212,603
4,730,639	4,550,386	4,038,301	3,950,890	3,828,434	3,599,514	3,416,144
522,008	429,348	217,200	287,217	267,020	246,910	186,364
5,252,647	4,979,734	4,255,501	4,238,107	4,095,454	3,846,424	3,602,508
862,645	840,000	835,000	1,190,000	1,203,000	1,199,000	1,193,000
104,710	105,000	103,000	166,000	171,000	172,000	172,000
289,000	289,704	291,921	482,725	479,960	478,900	478,640
1,256,355	1,234,704	1,229,921	1,838,725	1,853,960	1,849,900	1,843,640
449,238	290,778	199,767	456,060	455,495	448,366	448,753
352,582	175,765	139,178	374,078	371,905	369,152	369,987
401,326	282,280	211,460	446,320	453,377	438,578	431,594
28,197	25,951	22,513	33,222	32,542	34,787	37,295
1,231,343	774,774	572,918	1,309,680	1,313,319	1,290,883	1,287,629
28,449,455	18,037,803	8,267,666	28,233,791	28,117,337	26,961,081	27,245,463
27,807,585	15,319,871	7,853,368	28,875,041	27,857,697	27,474,292	27,996,763
31,943,547	22,446,527	12,121,093	32,004,140	31,730,735	30,330,568	27,995,353
244,664	135,144	97,392	366,124	366,130	307,621	275,421
88,445,251	55,939,345	28,339,519	89,479,096	88,071,899	85,073,562	83,513,000
26,838,256	12,750,519	8,362,976	34,317,281	33,518,898	32,518,263	31,693,184
1,286,207	281,192	391,824	2,209,853	2,224,430	2,087,936	1,790,006
11,621,707	6,603,025	3,771,799	14,332,312	14,128,785	12,891,846	12,324,428
53,287	—	—	159,591	324,281	141,077	—
39,799,457	19,634,736	12,526,599	51,019,037	50,196,394	47,639,122	45,807,618
55,287,711	30,788,322	16,630,642	62,551,072	61,636,235	59,479,344	58,938,647
29,093,792	15,601,063	8,245,192	31,084,894	30,082,127	29,562,228	29,786,769
43,565,254	29,049,552	15,892,892	46,336,452	45,859,520	43,222,414	40,319,781
297,951	135,144	97,392	525,715	690,411	448,698	275,421
128,244,708	75,574,081	40,866,118	140,498,133	138,268,293	132,712,684	129,320,618
1,545,624	1,573,598	1,152,601	1,338,415	1,422,160	1,394,509	1,311,191
6,662	6,328	5,826	6,376	5,996	6,878	7,586
746,801	791,442	695,345	825,266	848,161	822,589	746,770
24,707	30,996	24,145	23,606	22,808	20,834	18,729
2,323,794	2,402,364	1,877,917	2,193,663	2,299,125	2,244,810	2,084,276
145,329	146,672	135,733	177,413	154,244	153,733	140,418

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, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, and Union; and New York: Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester.

Year ¹	Population	Personal Income	Per-Capita Personal Income	Employment	Unemployment Rate
(In thousands)					
2025	20,109	\$ 1,965,272	\$ 97.73	10,097	4.6%
2024	19,991	\$ 1,884,550	\$ 94.27	9,985	4.5%
2023	19,758	\$ 1,791,177	\$ 90.66	9,807	4.3%
2022	19,647	\$ 1,687,404	\$ 85.88	9,592	4.4%
2021	19,750	\$ 1,666,897	\$ 84.40	9,061	7.7%
2020	20,023	\$ 1,546,276	\$ 77.23	8,787	10.4%
2019	20,068	\$ 1,484,978	\$ 74.00	9,712	3.6%
2018	20,026	\$ 1,428,635	\$ 71.34	9,577	4.0%
2017	19,962	\$ 1,372,384	\$ 68.75	9,445	4.4%
2016	19,873	\$ 1,291,962	\$ 65.01	9,277	4.8%

LEADING EMPLOYMENT BY MAJOR INDUSTRIES (% OF TOTAL)⁽²⁾

	2025	2016
Education & Health Services	23.6%	15.7%
Professional & Business Services	16.1%	16.8%
Government	12.9%	14.3%
Leisure & Hospitality	9.2%	9.8%
Financial Activities	8.3%	8.7%
Retail Trade	8.0%	10.3%
Trade Transportation & Utilities	4.1%	3.8%
Other Services	4.0%	4.6%
Construction	3.7%	4.2%
Wholesale Trade	3.8%	4.6%
Manufacturing	3.3%	4.0%
Information	3.1%	3.2%

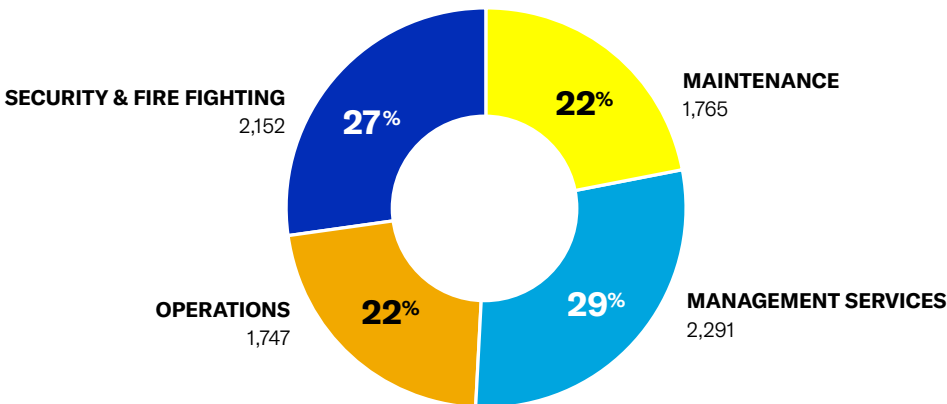
Source: Oxford Economics

(1) Data is preliminary and subject to revision.

(2) Industry definitions can be found at the US Department of Labor Statistics website at www.bls.gov/bls/naics.htm.

Authorized Positions

2025 AUTHORIZED POSITIONS BY FUNCTION



Total authorized positions for 2025 totaled 7,955.

Source: 2025 Adopted Budget

Top 20 Salaried Staff as of December 31, 2025

JAMES D. HEITMANN

Chief Operating Officer

2025 total compensation: \$358,273

B.E., Stevens Institute of Technology

More than 38 years of engineering, project management, and aviation leadership experience.

AMY H. FISHER

General Counsel

2025 total compensation: \$334,982

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

2025 total compensation: \$334,353

B.S., St. Louis University

More than 30 years of financial experience in the public and private sectors.

RICHARD COTTON

Executive Director

2025 total compensation: \$327,918

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

2025 total compensation: \$398,017

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

2025 total compensation: \$326,246

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

2025 total compensation: \$321,665

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

2025 total compensation: \$321,823

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

2025 total compensation: \$312,950

More than 30 years of aviation

management experience.

SARAH K. MCKEON

Director, Aviation Department

2025 total compensation: \$312,450

B.E., Stevens Institute of Technology

More than 20 years of engineering, procurement, and aviation leadership experience.

ALAN L. REISS

Director, World Trade

Center Construction

2025 total compensation: \$376,654

B.S., Northeastern University

More than 40 years of engineering, project management, and executive management experience.

LILLIAN D. VALENTI

Chief, Procurement

& Contracting Officer

2025 total compensation: \$325,267

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

2025 total compensation: \$310,728

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)

2025 total compensation: \$304,270

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

2025 total compensation: \$303,746

B.S., Central Michigan University

More than 25 years of information technology experience in the public and private sectors.

EDWARD T. CETNAR

Superintendent of Police and Director of Public Safety

2025 total compensation: \$296,213

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.

AMANDA ROGERS

Director, Construction

2025 total compensation: \$299,547

B.S., Manhattan University

More than 25+ years of engineering and construction management experience.

JOHN GAY

Inspector General

2025 total compensation: \$292,553

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

Chief, Human Capital

2025 total compensation: \$288,544

M.P.A., Syracuse University

B.S., Empire State University

More than 27 years of public sector experience, with 25 years focused within aviation.

AARON F. SHERBURNE

Deputy Director, Aviation

2025 total compensation: \$292,564

M.P.A., Syracuse University

B.A., Wilkes University

More than 25 years of operations management experience.

Note: Total compensation includes cash and imputed amounts earned during calendar year 2025.

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