

December 10, 2014  
Corrected as of January 22, 2015

# 2015 Budget



## MISSION STATEMENT

MEET THE CRITICAL TRANSPORTATION INFRASTRUCTURE NEEDS OF THE BI-STATE REGION'S PEOPLE, BUSINESSES, AND VISITORS BY PROVIDING THE HIGHEST QUALITY AND MOST EFFICIENT TRANSPORTATION AND PORT COMMERCE FACILITIES AND SERVICES TO MOVE PEOPLE AND GOODS WITHIN THE REGION, PROVIDE ACCESS TO THE NATION AND THE WORLD AND PROMOTE THE REGION'S ECONOMIC DEVELOPMENT.

## Port Authority of New York and New Jersey Facilities



Legend:

- Aviation
- Port Commerce
- Development
- Tunnels, Bridges & Terminals
- Port Authority Trans-Hudson

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\*Corrected as of January 22, 2015 to incorporate the budget schedule adopted by the Board of Commissioners on December 10, 2014.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Port Authority of New York and New Jersey for its annual budget for the fiscal year beginning January 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





## ***Message from the Chairman and the Executive Director***

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Dear Governors,

On behalf of the Port Authority of New York and New Jersey and its Board of Commissioners, we present our 2015 Budget. Our overarching goal has been to maintain a fiscally disciplined approach to spending, while enabling significant continued capital investment in our critical transportation assets and facilities.

The 2015 Budget includes \$2.9 billion in operating expenses and \$3.6 billion in capital investment that, together with debt service, totals \$7.8 billion in combined spending. Developing the budget required difficult choices, balancing fiscal discipline and austerity with our goal of maintaining and improving service. We have limited our core operating budget growth for 2015 to 1.8%, meaningfully below the rate of inflation, while still providing for critical needs across our operating divisions, including maintaining our vital transportation infrastructure, improving the customer experience at our facilities, and enhancing public safety and security.

Our core expense growth is below our forecasted revenue growth, as we seek to maximize capital investment in our facilities to ensure they remain capable of meeting the region's growing transportation needs. It is also worth noting that this is the ninth consecutive year that our agency has held core operating expense growth at or below the rate of inflation.

Aside from our core operating expenses, the 2015 budget provides for expenses associated with the opening of One World Trade Center and other facilities at the World Trade Center complex, as that redevelopment project transitions from a construction site to a once-again thriving hub of commerce and activity in Lower Manhattan. These incremental operating costs are more than offset by a forecasted increase in World Trade Center rental revenues, however, as tenants take occupancy of their new office space. These are exciting times at the World Trade Center as major construction milestones are reached—from the completion of the nation's tallest office building to the opening of a Transportation Hub connecting more than a dozen commuter rail lines—and the area once again bustles with activity. The Port Authority is proud to have played a leading role in rebuilding this iconic complex, while honoring its history, and looks forward to the completion of this effort.

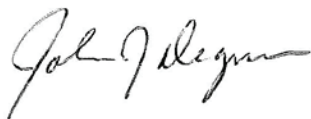
We also present a \$3.6 billion 2015 Capital Budget consistent with the Port Authority's ten-year (2014-2023) Capital Plan adopted in 2014. The Capital Budget includes billions of dollars of

investment in our transportation facilities as we continue to focus our resources on our core mission of maintaining, revitalizing and modernizing our airports, bridges, tunnels, terminals, seaports, and PATH system. The ten-year Capital Plan was adopted following a comprehensive, analytical scoring process to identify and rank our state-of-good-repair needs, together with new construction and other key initiatives. The 2015 Capital Budget follows through on that long-range, disciplined approach.


The Port Authority's capital spending remains a major driver of job growth and economic activity in the region. The \$3.6 billion budgeted for capital projects in 2015 is estimated to produce 16,700 direct and indirect job years and induce more than \$4.7 billion in economic activity for the region. Highlights of our ongoing investments include projects to "Raise the Roadway" at the Bayonne Bridge to improve access to our ports; replace the Goethals Bridge under an innovative public-private partnership; advance \$778 million in aviation projects including a new Central Terminal Building at LaGuardia Airport and the redevelopment of Terminal A at Newark Liberty Airport; modernize the PATH rail transit system; and maintain the competitiveness of our port facilities.

In sum, we believe that the 2015 Budget reflects an improved financial planning process at the Port Authority, and strikes an appropriate balance between fiscal discipline and the needs of our regional transportation system. We look forward to the recommendations of the bi-state Special Panel on the Future of the Port Authority, which you formed early this year, and appreciate your commitment to ensuring our preparedness to address the transportation challenges of the coming decades.

Sincerely,



John J. Degnan  
Chairman



Patrick J. Foye  
Executive Director

# 2015 Budget Summary







**The Port Authority continues to advance its mission to meet critical infrastructure needs of the bi-state region. The 2015 budget** authorizes \$2.9 billion in operating expenses and \$3.6 billion in capital investment, which together with debt service, totals \$7.8 billion in combined spending. This budget supports the continued transformation of the World Trade Center (WTC) complex to an operational facility and funds critical infrastructure projects like Goethals and Bayonne Bridges, upgrades to PATH signal system and stations, and airport terminal development that benefit the hundreds of millions of customers the agency serves annually. In addition, we continue to support new initiatives that enhance the competitiveness of our facilities and service improvements that benefit our customers, patrons and neighbors in communities surrounding our facilities.

**Revenues of \$4.7 billion are \$250 million higher** when compared to the 2014 budget. This 5.7% increase is due to new rental revenues from the WTC site, higher tolls and fares from scheduled increases approved in 2011, and higher cost recovery revenues.

**The operating budget of \$2.9 billion continues to hold core operating expense growth at 1.8%--at or below the rate of inflation for the ninth consecutive year**—while supporting increased maintenance demands. The operating budget provides for envisioning the future of our airports, a new Quality of Commute Program at the Port Authority Bus Terminal (PABT), added safety and service features at PATH and cyclical dredging of the Federal channel and berths in our ports. The operating budget also includes the expenses necessary to support growing occupancy and activity at the WTC site. **These increased WTC expenses are fully offset by increased revenues as the occupancy at the WTC continues to grow.** Specifically, a significant portion of the increased 2015 core operating budget will provide:

- \$17 million for cyclical maintenance dredging improving service reliability at our ports;
- \$13.8 million of additional investment in a PATH new car inspection apprentice program as well as for completion of the PATH Train Control Center; and
- \$9.6 million for long-term airport system planning including consideration of neighborhood impacts.

**Capital expenditures of \$3.6 billion** in 2015 provides for critical investment in our transportation assets, continued redevelopment at the WTC site, continued restoration efforts from Superstorm Sandy and implementation of resiliency efforts to protect against the impact of future storms. Major investment highlights include:

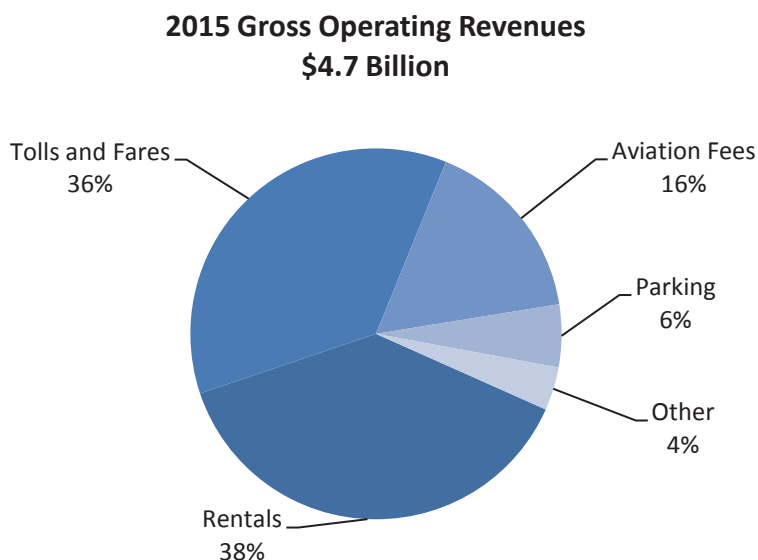
- Ongoing state-of-good-repair investments to maintain all Port Authority assets in good operating condition;
- Continued work on upgrades and modernization of tunnels, bridges and terminals such as, raising the Bayonne Bridge roadway; replacing the Goethals Bridge; access improvements to the Lincoln Tunnel; rehabilitating and improving the George Washington Bridge; and improving the quality of commute at the PABT;
- Airfield and infrastructure improvements at the region's airports and ongoing investment in the redevelopment of LaGuardia Airport (Central Terminal Building) and continued planning and design for Newark Liberty International Airport (Terminal A);
- Redevelopment of critical port facilities including new berths, wharves, terminals, roadways, as well as intermodal rail facilities;
- Improvements to the PATH rail system, including planning for PATH to Newark Liberty International Airport, to expand capacity and improve service, modernize and upgrade stations, and replace critical fire alarm, signals and communications systems; and
- Ongoing investment in the redevelopment of the WTC site to complete the World Trade Center Transportation Hub, retail development, and new public open spaces, streets and common WTC site infrastructure.

## Sources of Funds

The Port Authority relies upon its own creditworthiness to access the capital markets to raise the necessary funds for the financing of its capital programs. It is not dependent on state or local taxes from New York or New Jersey and has no power to levy its own taxes or assessments. The agency generally funds its operating and capital expenditures through operating revenues generated by its facilities, the issuance of bonds, notes and other obligations, receipt of grants, insurance proceeds and other contributions, financial income earned on its investments, and the application of Passenger Facility Charges (PFCs) at its airports. In 2015, the sources of all funds are anticipated to be \$7.8 billion, including \$4.7 billion in gross operating revenues, \$1.5 billion in consolidated bonds, \$968 million in other sources, \$409 million in grants and contributions and \$259 million in application of PFCs.

## Gross Operating Revenues

Gross operating revenues in the 2015 budget are expected to increase by \$250 million to \$4.7 billion. Projected gross operating revenues by category include \$1.8 billion in fixed, variable, and percentage rentals, \$1.7 billion for tolls and fares, \$758 million in Aviation fees, \$254 million for parking and \$176 million in miscellaneous revenues such as net leases and cargo facility charges.

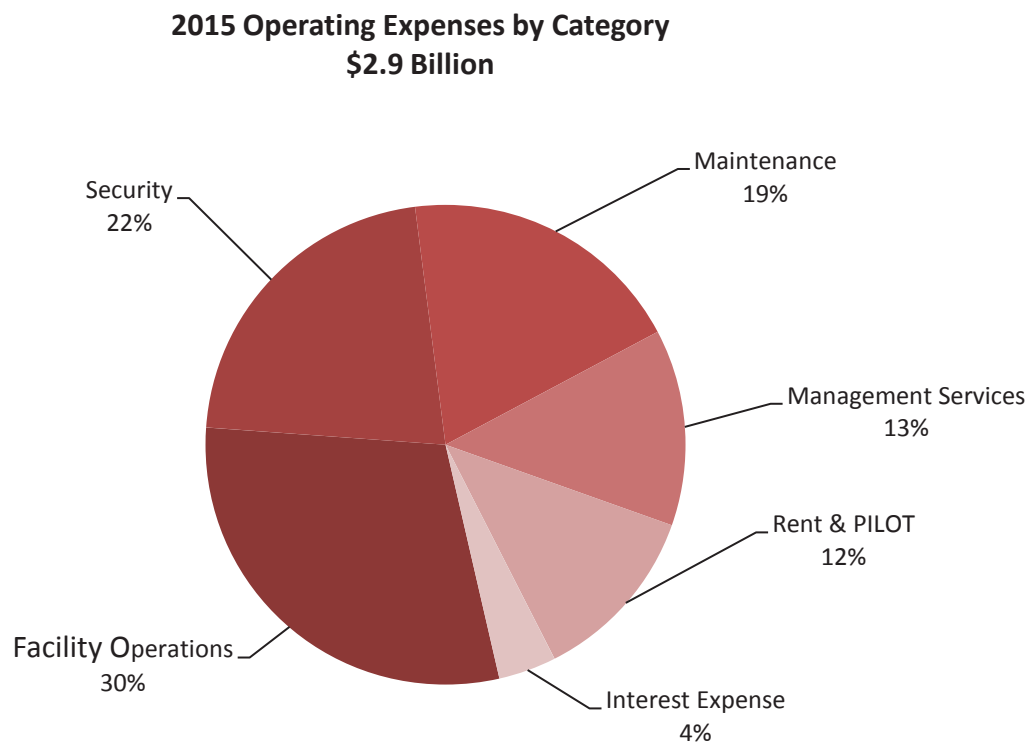


## Uses of Funds

The 2015 budget totals \$7.8 billion and provides for \$2.9 billion to operate the agency's facilities, \$3.6 billion in capital expenditures to build and improve upon the region's transportation capacity and invest in projects to advance economic growth in the region, \$1.1 billion for operating debt service on the agency's outstanding bonds, notes and other obligations, and \$79 million for other expenditures, which are deferred and amortized in future periods.

## Operating Expenses

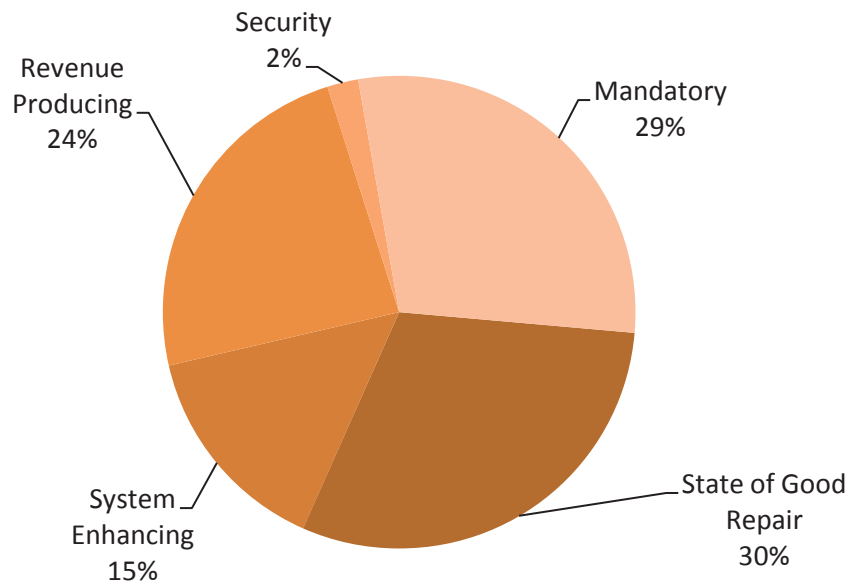
The combination of \$2.8 billion of core expenses and the \$108 million increase for the continued ramp-up of operations at the WTC, results in a 2015 operating budget of \$2.9 billion. Growth in core expenses of 1.8% is at or below the rate of inflation for the ninth year in a row. When arrayed along our expense categories, operating expenses are anticipated to be \$876 million for facility operations, \$645 million for security, \$565 million for maintenance, \$395 million in management services, \$356 million in rent and PILOT and \$115 million in operating interest expenses associated with interest on special project bonds and operating asset obligations.



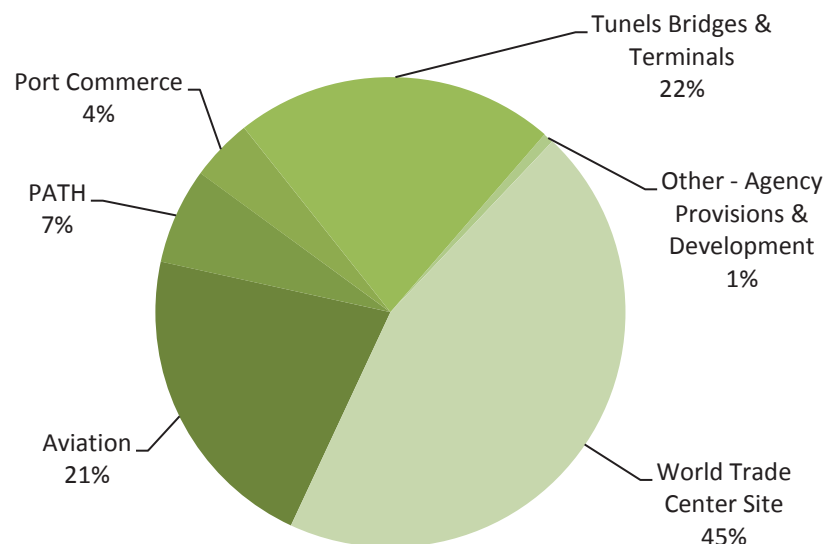
## Capital Expenditures

In 2015, capital expenditures are planned to be \$3.6 billion. Spending for capital projects in the current plan will be \$1.1 billion for state of good repair projects, \$1.1 billion for mandated projects, \$852 million for revenue producing projects, \$538 million for system enhancing projects, and \$75 million for security. In addition, the capital budget includes \$30 million for agency infrastructure improvements to enable projects to be either accelerated or delayed depending upon our projections. The charts below show the planned capital expenditures in these categories as well as by the different lines of business.

### 2015 Capital Expenditures by Category \$3.6 Billion



### 2015 Capital Expenditures by Department \$3.6 Billion





## **2015 Capital Plan Major Projects**

The 2015 capital plan reflects a number of critical initiatives at the Port Authority's facilities. Some of the major projects and spending included are as follows:

### **Aviation - \$778 million capital budget includes:**

- \$325 million - Airport runway and taxiway reconstruction
- \$273 million - Airport terminal development and modernization
- \$154 million - Improvements to access roads, electrical & power, control systems, and auxiliary buildings
- \$ 26 million - Security improvements

### **Interstate Transportation - \$1 billion:**

#### **Tunnels, Bridges & Terminals - \$814 million capital budget includes:**

- \$271 million - Bayonne Bridge Navigational Clearance Program
- \$260 million - Lincoln Tunnel Access infrastructure enhancements
- \$153 million - Infrastructure enhancements & rehabilitation
- \$ 35 million - Goethals Bridge Modernization
- \$ 38 million - PABT enhancements & rehabilitation
- \$ 35 million - George Washington Bridge Bus Station Development
- \$ 22 million - Security enhancements

#### **Port Authority Trans-Hudson (PATH) - \$222 million capital budget includes:**

- \$ 192 million - PATH Station and Modernization Program
- \$ 30 million - PATH Safety Program

### **Port Commerce - \$153 million capital budget includes:**

- \$ 100 million - Infrastructure improvements including berths and wharfs
- \$ 28 million - Greenville Yard/ NY/NJ Rails
- \$ 25 million - Port Jersey Development

### **World Trade Center Redevelopment - \$1.6 billion capital budget includes:**

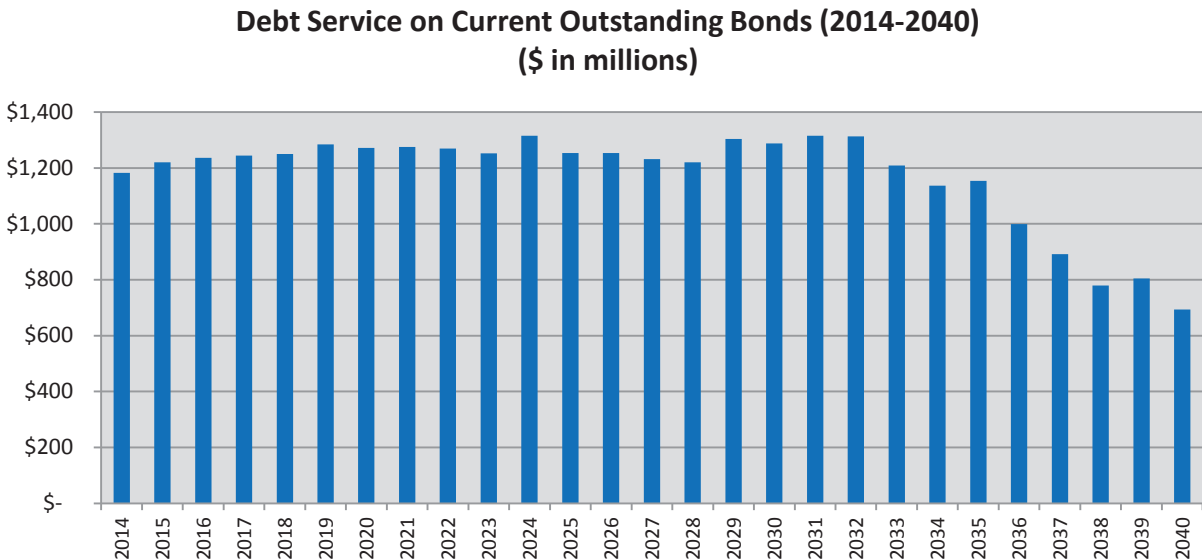
- \$632 million - World Trade Center Infrastructure
- \$350 million - Transportation Hub
- \$349 million - Close-out of One World Trade Center construction
- \$294 million - Retail Redevelopment

Capital Financing and Debt Management

The Port Authority relies on its strong credit rating (Fitch, S&P AA-; Moody’s Aa3) and access to the capital markets in order to finance its long-term investments in its transportation and infrastructure network. The Port Authority currently has approximately \$19.2 billion in Consolidated Bonds debt outstanding. In 2014, the Port Authority issued approximately \$2.9 billion in Consolidated Bonds debt partially to refund approximately \$1.2 billion in Consolidated Bonds outstanding. The debt has been issued at attractive rates, demonstrating the continued support of investors in the Port Authority. In 2015, debt service costs are expected to increase due to higher scheduled interest and principal payments, with approximately \$1.1 billion of operating debt service, and \$1.4 billion in total debt service when capitalized interest from ongoing construction projects is included.

Previous debt service spikes in 2019, 2024 and 2029 were the result of issuing taxable consolidated debt during the depths of the economic recession under extremely unfavorable bond market conditions. To mitigate these spikes, we have undertaken a refunding strategy structured to generate savings on an aggregate basis while reducing debt service in those years, which is reflected in the graph below.

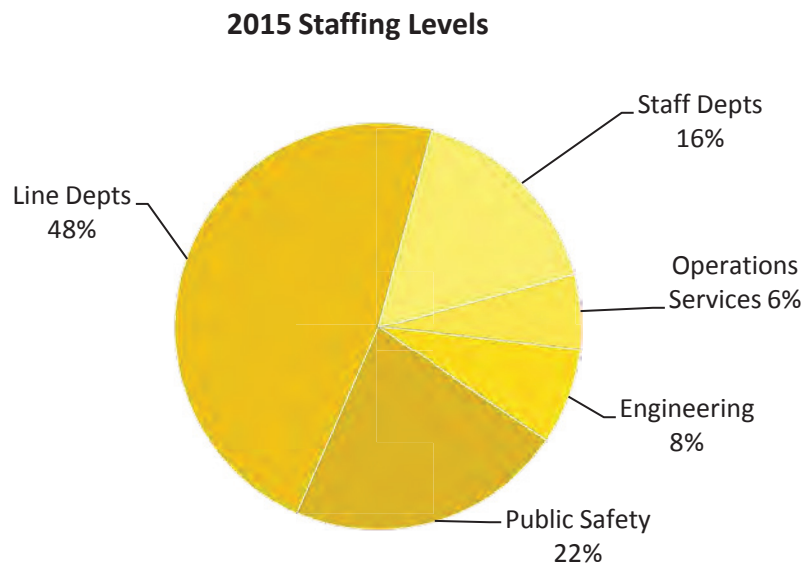
The Port Authority monitors the capital markets closely as they affect our ability, and the cost at which, we can finance our programs. While we have successfully accessed historically low interest-rate financing for the last two years, the low rate, post-recessionary market has also negatively impacted the Port Authority in that we have earned lower interest income from our cash reserve balances.



## Staffing

Seventy percent of the Port Authority staff, within the functional areas of operations, security and maintenance, are represented by unions through the collective bargaining process. The remaining non-represented staff consists of the engineering, technical, and management workforce. In 2015, budgeted authorized positions increases to 7,092. This increase is mostly in the maintenance function, notably, in Aviation electricians, and PATH railcar inspectors. The other significant increase supports the continued phase in of the Office of the Chief Security Officer (CSO). The Port Authority continues to be vigilant in restructuring staff functions, streamlining operations, leveraging technology, and reallocating positions to priority projects.

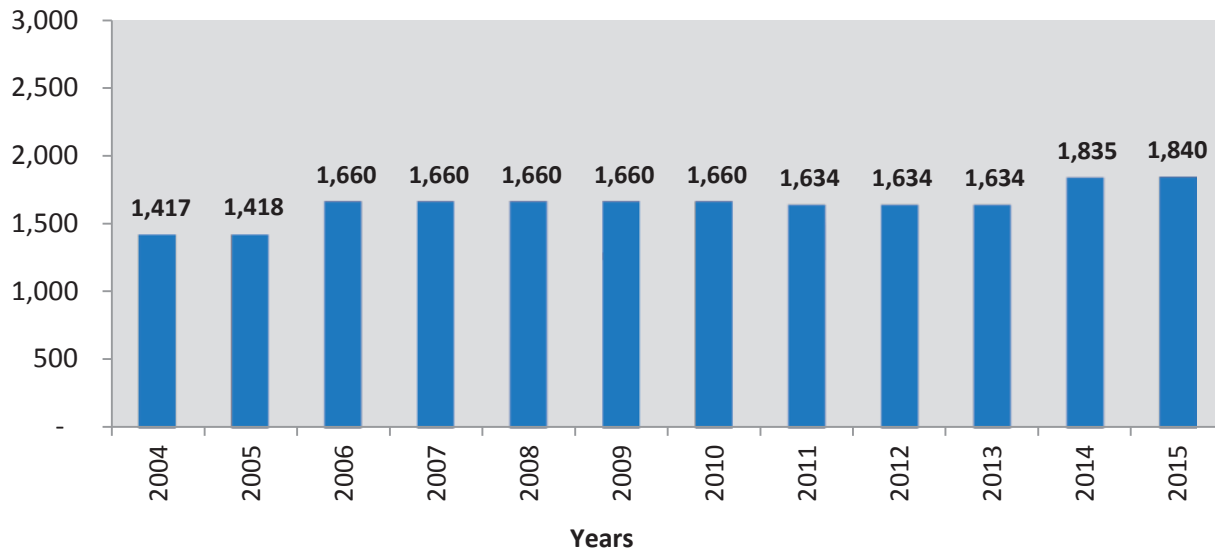
In 2015, the agency is proactively managing overtime by managing to total workload, reinforcing accountability to budget and leveraging technology. New workload is assessed to ensure validity, cost effectiveness through cost benefit analyses, and optimization of the mix of internal and external resources.



## Police Staffing

The CSO organizational structure continues to centralize and enhance existing security and public safety functions, programs, resources and personnel to include the Port Authority Police Department (PAPD), Security Operations and Programs Department, Security Business Resource Management, WTC Security, the Office of Emergency Management, as well as Line Department security management. In addition to the consolidation of existing security functions, the CSO has instituted new security management disciplines to enhance critical infrastructure protection, security policy and planning, intelligence, quality assurance and inspections, cyber security, and security technology and communications. Under this new structure, the Port Authority's security and safety posture will be further enhanced through consistency and collaboration across the agency's business lines. In 2014, the agency increased the police workforce to manage workload and reduce overtime. Over four hundred new recruits graduated from two police classes.

**2015 Police Staffing Levels**



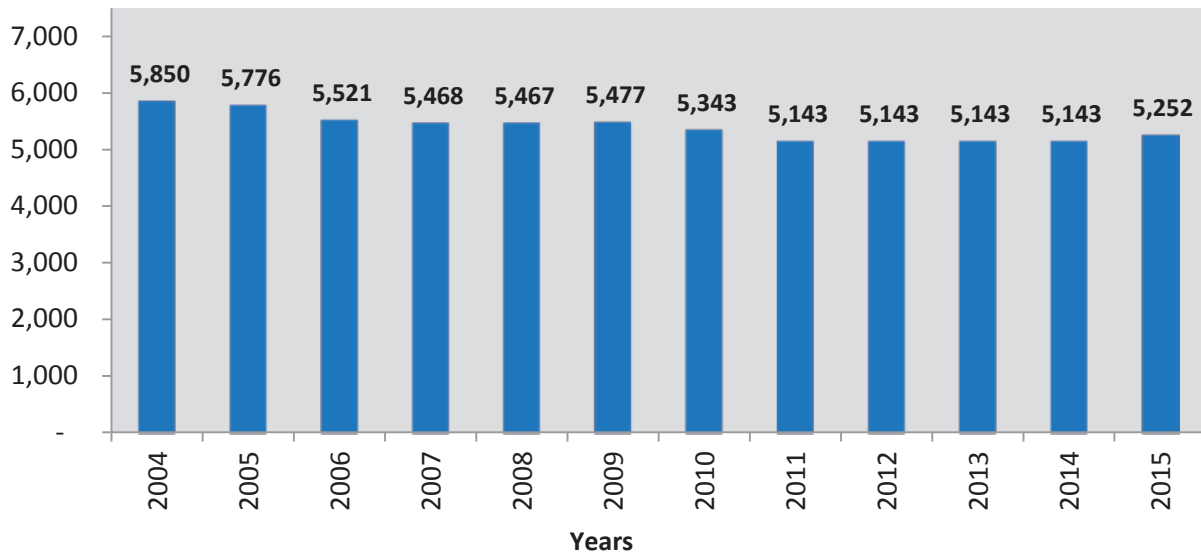
The PAPD provides a multitude of services to protect millions of patrons and commuters that use Port Authority facilities and services, as well as the training and execution of firefighting and crash emergency rescue at Port Authority airports and for all other aircraft emergency incidents. As security concerns have risen since 9/11, so has the police force. Since then, the agency maintained a police force of over 1,600 uniformed officers. In 2014, FAA-mandated reforms led to the formation of a stand-alone new unit solely responsible for Airport Rescue and Fire Fighting (ARFF). This FAA reform, in combination with an effort to mitigate overtime, increased the uniformed staffing levels to 1,835. In continuation of the reform, the 2015 Budget shows a minimal increase of five police positions bringing the total police staffing to 1,840. Additionally, the 2015 Budget includes a provision for a potential new police class in the later part of 2015 to provide incremental security coverage at the World Trade Center as it transforms to an operating campus, address regular attrition and reduce overtime.



### Maintaining Non-Police Staffing Levels

The 2015 Budget for non-police staffing levels of 5,252 positions, reflects an increase of 109 positions. Significant increases are for maintenance resources, notably electricians and railcar inspectors, as well as the advancement of the CSO function and other agency priority workload. The agency ensures that each new authorized position is necessary to address agency needs in a cost effective manner.

**2015 Non-Police Staffing Levels**



### Government Finance Officers Association

The 2015 budget process and budget book has been developed, as in previous years, in accordance with standards promulgated for governmental entities by the GFOA for preparing high quality budgets. The Port Authority has been consistently recognized by the GFOA for its distinguished budget presentations and ongoing commitment to ensuring public transparency and adherence to the highest governmental accountability and standards.



# 2015 Budget Summary By Line Department







## AVIATION

### Mission

Aviation's mission aligns with the Port Authority's, recognizing and accepting its charge to achieve regional prosperity through a unified system of airport facilities that has unsurpassed capacity and quality and that moves people and goods through its five airports as efficiently as possible, with a commitment to safety, customer service, environmental sustainability, and community involvement.

### Facilities

- John F. Kennedy International Airport (JFK)
- LaGuardia Airport (LGA)
- Newark Liberty International Airport (EWR)
- Stewart International Airport (SWF)
- Teterboro Airport (TEB)

### Core Functions

Aviation manages five airport facilities within the region that serve as vital gateways to the world. These facilities provide a global connection for passengers and cargo, generating approximately 5.1% of regional Gross Domestic Product (GDP) in 2013. Aviation also provides general management services to South Jersey Transportation Authority (SJTA) in connection with the operation of Atlantic City International Airport (ACY). As a steward of this regional impact, the Aviation Department strives to realize its vision of being the unsurpassed regional, national and global gateway for passengers and cargo. These efforts result in agency earnings, regional economic activity in the form of jobs, wages and sales, and direct financial investment in local communities in support of agency initiatives. The combined impact of Aviation operations, capital spending, and tourism resulted in 533,504 jobs, \$27.5 billion in wages, and \$75.8 billion in sales in 2013.

The Aviation Department's core functions include:

- Develop, manage, and maintain passenger terminals, runways, and cargo facilities in compliance with Federal Aviation Administration (FAA) regulatory standards.
- Negotiate agreements and handling tenant relationships with airlines that rent passenger terminal gates, hangars, and cargo space, as well as retail merchants and concession agreements.
- Supervise outsourced contract services for various operational and maintenance activities.
- Manage security and coordinate with the Transportation Security Administration (TSA).

### Activity Levels

In 2015, approximately 118.2 million passengers are projected to use the Port Authority's aviation facilities. This represents a growth of approximately 3 million passengers, or 2.5%. This projected increase is driven by four interrelated components: 1) the momentum from strong U.S. economic growth in the second half of 2014 leading to a projection of approximately 3% U.S. GDP growth in 2015; 2) world economic growth (which supports in-bound passenger flows) which is expected to grow slightly above 3.1% in 2015; 3) the U.S. dollar is expected to continue to strengthen against major currencies, which would help sustain growth in outbound international travel; and 4) the downward trend in oil prices is expected to continue in 2015. The multiplier effect of oil prices has several implications as it reduces jet fuel cost, provides a boost to disposable incomes, lowers production costs, energizes GDP growth, and encourages higher travel demand.

### Staffing

Aviation has 1,235 staff, of which 951 (77%) are dedicated to operating, maintaining and managing the airports.

#### Operations (289)

Operations staff at JFK (110), EWR (108), LGA (63), SWF (5) and TEB (3) operate and manage the aeronautical, landside, security and customer care functions, including compliance with FAA rules and regulations.

#### Maintenance (527)

The maintenance staff at JFK (217), EWR (170), LGA (140) provide craft-based maintenance programs to ensure that the structural integrity of the facilities' assets, infrastructure and equipment are operating at a high level of performance, including code and regulatory compliance.

#### Management Services (135)

The management services staff (135) provide functions that support the facilities and line business operations, including capital program delivery; asset management; property and revenue management; strategic, business planning and financial functions; airspace modernization; environmental management; as well as facility management and departmental oversight.

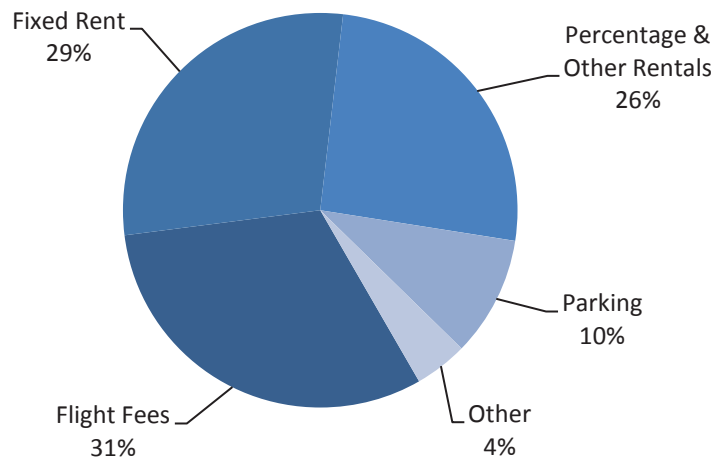
#### Security - Airport Rescue and Fire Fighting (ARFF) (284)

Operators of Part 139 Airports must provide Aircraft Rescue and Fire Fighting (ARFF) services during air carrier operations that require a Part 139 certificate. ARFF is an FAA mandated staffing model.

## Operating Revenues

Aviation's 2015 projected revenues of \$2.5 billion are up \$30.6 million from the 2014 budget mainly due to higher cost recovery revenues, including flight fees. Percentage rentals from various parties that hold a privilege permit to operate and generate revenue in the airport increased as a result of increased activity primarily at JFK. The 2015 budget reflects lower fixed rentals compared to the 2014 budget—a decline of \$16.9 million as a result of additional vacant cargo buildings at JFK and the impact of the redevelopment of the Central Terminal Building (CTB) at LGA. These decreases are offset by increases in other rentals as a result of scheduled escalations. The distribution of total revenue is shown in the chart and table that follow.

**Aviation**  
**2015 Revenue by Categories**

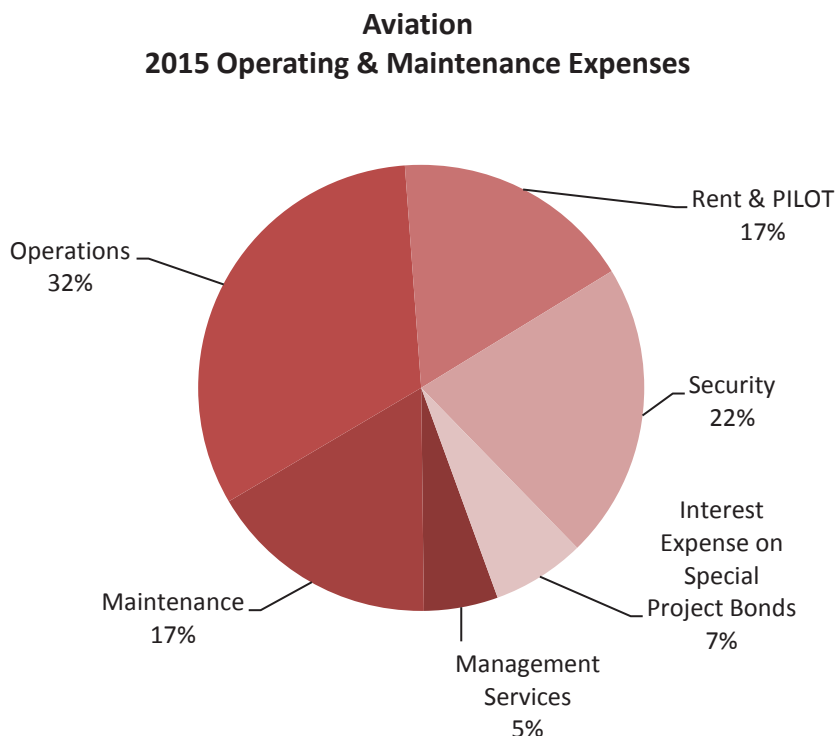


Aviation Revenue Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Fixed Rent	\$711,124	\$725,294	\$723,917	<b>\$708,415</b>
Percentage & Other Rentals	610,830	609,675	637,857	<b>635,636</b>
Flight Fees	653,003	737,701	745,346	<b>758,380</b>
Parking	227,691	235,213	238,486	<b>241,249</b>
Other	118,651	111,578	111,953	<b>106,388</b>
<b>Total Operating Revenues</b>	<b>\$2,321,300</b>	<b>\$2,419,462</b>	<b>\$2,457,559</b>	<b>\$2,450,068</b>

\*Totals may not add due to rounding.

## Operating Expenses

Operating expenses total \$1.6 billion—an increase of \$12.2 million or 0.8% compared to the 2014 budget. Aviation's expenses support continued operations and maintenance as well as incremental electrical work at the airports to address changes in maintenance and required improvements to fixtures on the airfield runways and taxiways; maintenance of the JFK and EWR AirTrain; and to improve airport competitiveness through the completion of the airport system capacity studies, the demolition of buildings that would make future cargo developments more attractive, and a design competition. Expenses for the Aviation department are allocated as shown in the chart and table that follow.



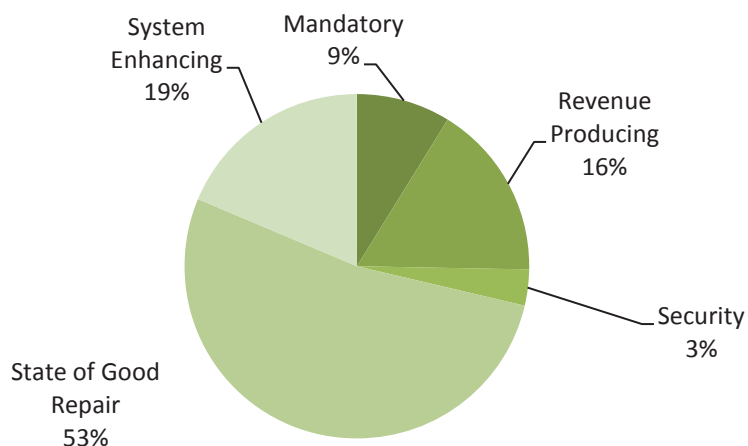
Aviation Operating Expense Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Operations	\$430,946	\$433,602	\$453,221	<b>\$442,566</b>
Security	250,816	308,429	288,717	<b>295,912</b>
Maintenance	212,207	212,977	259,142	<b>226,539</b>
Management Services	71,558	70,670	76,149	<b>73,339</b>
Rent & PILOT	241,409	240,405	240,025	<b>239,471</b>
Interest Expense on Special Project Bonds	103,186	98,141	98,141	<b>92,759</b>
Sub-total Operating & Maintenance	1,310,121	1,364,223	1,415,395	<b>1,370,586</b>
Allocated & Other	161,519	178,916	185,144	<b>184,739</b>
Total Operating Expenses	\$1,471,640	\$1,543,140	\$1,600,539	<b>\$1,555,325</b>

\*Totals may not add due to rounding.

## 2015 Capital Budget Overview

The 2015 Aviation capital budget provides for \$778 million in expenditures. \$409 million would be invested to maintain the aviation assets in a state of good repair. An additional \$148 million and \$26 million will be dedicated towards enhancing overall system capacity and security, respectively. The 2015 capital priorities focus on addressing current challenges that include aging infrastructure, safety and security, congestion/delays and federal caps on flights per hour imposed by the FAA, and customer expectations.

### 2015 AVIATION CAPITAL BUDGET



#### 2015 Capital Budget Highlights: Aviation

Project & Description	Operational Impacts	2015 Budget
<b>LGA Terminal Replacement</b>		
Replaces the existing 1964 Central Terminal Building (CTB) and associated aeronautical ramps, utilities, roadway network and other supporting infrastructure to meet current and future passenger demands. The design, finance, construction, maintenance and operations of a new Central Terminal Building and related facilities, is to be performed by a private consortium under a public-private partnership (PPP) model.	To meet current and future passenger demands; accommodate a projected increase in aircraft size, higher passenger loads, and provide acceptable levels of service, while efficiently meeting all safety, security and other operational requirements.	\$48 M
<b>LGA Capital Infrastructure Projects</b>		
Portfolio of projects being undertaken by the Port Authority at LGA includes utility infrastructure, an electrical substation, parking, roadways, and select building demolitions.	Address short and long-term infrastructure needs and contribute to the redevelopment of the overall airport, while supporting the LGA CTB Replacement Program.	\$212 M
<b>JFK Runway 4L-22R Reconstruction</b>		
Provides for the rehabilitation of Runway 4L-22R, including replacement of runway lighting, electrical infrastructure, and guidance signs; enhancement of runway safety areas and navigation aids to accommodate Group VI aircraft and operational enhancements.	Lower pavement maintenance costs, enhanced system capacity, reduced delays, accommodation of larger (Group VI) aircraft.	\$207 M
<b>LGA Deck Safety Overrun</b>		
Implements the Runway Safety Area needed for both runway deck ends, including an EMAS at each end.	Improved safety and compliance with FAA runway safety area mandate.	\$49 M
<b>EWR Fuel Distribution System Upgrades</b>		
Replaces multiple fuel distribution pipe lines with common distribution piping from the Fuel Farm to Terminal B and C gates.	Reduce electric usage, ongoing maintenance costs, and risk of fuel leaks.	\$18 M



## **TUNNELS, BRIDGES & TERMINALS (TB&T)**

### **Mission**

The TB&T mission is to connect the road networks of New York and New Jersey with tunnels, bridges and bus terminals that permit people and goods to move safely, efficiently and reliably while generating net income for the Port Authority's ongoing operations and investment needs. TB&T does this by: operating facilities that are safe, secure, reliable, well maintained and easy to use; providing service levels that instill customer confidence and satisfaction; coordinating with other agencies to ensure integrated transportation systems; and improving traffic flow, efficiency and travel reliability through technology and new work practices thereby strengthening the region's economic competitiveness.

### **Facilities**

- Bayonne Bridge (BB)
- Goethals Bridge (GB)
- George Washington Bridge (GWB)
- George Washington Bridge Bus Station (GWBBS)
- Holland Tunnel (HT)
- Lincoln Tunnel (LT)
- Outerbridge Crossing (OBX)
- Port Authority Bus Terminal (PABT)

### **Core Functions**

TB&T manages and maintains six interstate vehicular crossings and two interstate bus terminals that are at the foundation of the transportation network that drives the economic engine of the New York and New Jersey region combined with PATH. These facilities serve as the critical links in the Interstate Transportation Network that unifies the economies of the two states into a single world-class economic center. TB&T's core functions include:

- Operate and maintain four long-span bridges and two trans-Hudson tunnels, which accommodated approximately 232 million car, bus, and truck trips in both directions during 2013. The bridges and tunnels serve as critical links for the movement of people and goods within and through the region.
- Design and deliver a robust capital program to ensure safety and security standards across TB&T facilities; rehabilitate assets to extend useful life; replace assets and systems beyond their useful life; and modernize infrastructure to address safety, mobility, and service quality objectives.
- Manage the PABT in Midtown and GWBBS in northern Manhattan. The PABT is the world's busiest bus terminal, accommodating approximately 225,000 passenger trips and 7,500 bus movements on its nearly 200 loading positions on a typical weekday, while the GWBBS handles 15,000 passenger trips and 1,000 buses daily.
- Provide continuous toll collection services including cash toll collection operations, a sophisticated electronic toll collection system requiring ongoing monitoring, maintenance, and investment.

### **Activity Levels**

TB&T's facilities are expected to handle 114.1 million eastbound vehicles in 2015. Relative to 2014 traffic, this represents an increase in traffic of 0.47 million vehicles, or 0.4%. The 2015 projection assumes a full recovery of the traffic lost in 2014 due to severe winter weather, as well as some increase in auto traffic spurred by a more optimistic outlook for consumer recreational spending. The auto growth in the 2015 traffic forecast is partly offset by the continued decline expected in heavy truck traffic primarily due to price elasticity of the scheduled toll increases, which became effective in December 2014.

## **Staffing**

TB&T has 890 staff dedicated to facility-based management, operations, and maintenance.

### Operations (525)

Facility management has staff at GWB (126), Holland Tunnel (127), Lincoln Tunnel (135), PABT (53), Staten Island Bridges (77) and department wide operations (7) who direct operations and maintenance staff responsible for toll collection, traffic management, incident and emergency response, bus and passenger operations at bus terminals, and preventative maintenance and construction programs that ensure integrity of assets, infrastructure and equipment, as well as code and regulatory compliance.

### Maintenance (275)

Maintenance staff at GWB (47), Holland Tunnel (69), Lincoln Tunnel (71), PABT (53) and Staten Island Bridges (35) provide daily maintenance activities at the facilities including preventative maintenance, critical emergency response and capital maintenance support. The routine maintenance includes general maintenance of the structure, including plumbing, electrical requirements, paving condition response, building maintenance, and general condition repairs in the course of our operations. Positions in this category include Structural Mechanics, Electricians, Plumbers, General Maintainers, and Watch Engineers to safeguard our facilities.

### Management (90)

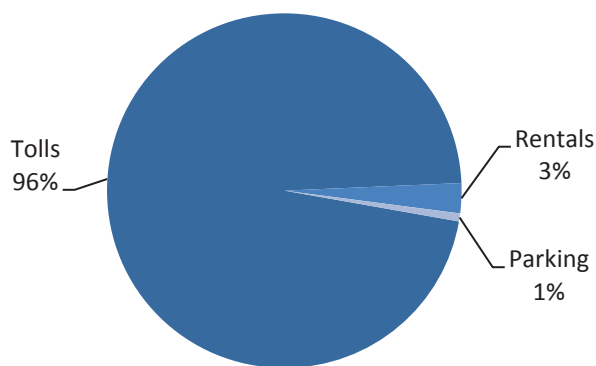
TB&T employs 90 management services staff responsible for managing business programs and facility support functions including capital program delivery; asset management; development programs at facilities and department properties; operations, transportation and business planning; financial services and analysis; revenue program management including the operations and maintenance of the toll collection system and customer service contracts; a variety of operating and maintenance agreements; and department-wide administrative services.



## Operating Revenues

TB&T forecasts 2015 revenues of \$1.6 billion—an increase of \$84.4 million or 6% compared to the 2014 budget. The increase in revenues of \$84 million is mainly attributed to the scheduled toll increases. Parking revenues reflect an increase of \$0.9 million primarily due to an increase in PABT public vehicular parking. Additional revenue sources include rentals from the bus terminals and advertising. The distribution of total revenues is shown in the chart and table that follow.

**TB&T**  
**2015 Revenue by Categories**

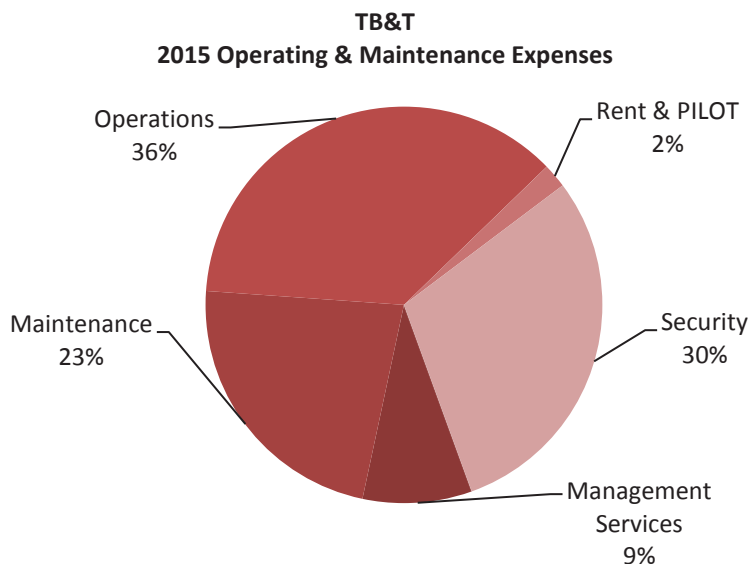


TB&T Revenue Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Rentals</b>	\$39,229	\$44,019	\$41,749	<b>\$43,484</b>
<b>Tolls</b>	1,320,387	1,430,068	1,391,450	<b>1,514,091</b>
<b>Parking and Other</b>	9,943	10,353	10,983	<b>11,260</b>
<b>Total Operating Revenues</b>	<b>\$1,369,559</b>	<b>\$1,484,441</b>	<b>\$1,444,182</b>	<b>\$1,568,835</b>

\* Totals may not add due to rounding.

## Operating Expenses

TB&T's total 2015 operating expenses are \$498.4 million—an increase of \$7.1 million or 1.5% compared to the 2014 budget. The increase is driven by an additional \$2 million for new customer service initiatives associated with the PABT Quality of Commute. The increase also includes \$1 million to address additional maintenance and support for our aging toll collection system, and an increase of \$1 million for inflationary increases. The total expenses are allocated as shown in the table and chart that follow.



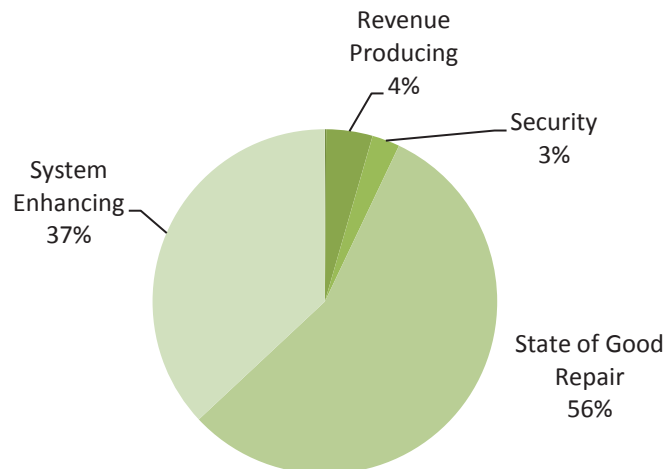
TB&T Operating Expense Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Operations	\$156,959	\$157,149	\$141,487	<b>\$148,563</b>
Security	127,126	120,409	124,877	<b>121,264</b>
Maintenance	86,498	84,719	90,963	<b>91,339</b>
Management Services	29,053	35,647	41,347	<b>37,261</b>
Rent & PILOT	1,396	1,236	1,246	<b>3,698</b>
Sub-total Operating & Maintenance	401,032	399,159	399,921	<b>402,125</b>
Allocated & Other	92,396	92,141	98,342	<b>96,304</b>
<b>Total Operating Expenses</b>	<b>\$493,429</b>	<b>\$491,300</b>	<b>\$498,263</b>	<b>\$498,430</b>

\* Totals may not add due to rounding.

## 2015 Capital Budget Overview

The 2015 TB&T capital program provides for expenditures totaling \$814 million, \$453 million of which is for rehabilitating and maintaining the facilities in a state of good repair, including portions of the Lincoln Tunnel Access projects, the replacement of the Goethals Bridge, and structural rehabilitation and repaving of the Lincoln Tunnel Helix. TB&T's largest project in 2015 is the Bayonne Bridge Navigational Clearance Project, a System Enhancing Project with a \$271 million budget.

### 2015 TB&T CAPITAL BUDGET



#### 2015 Capital Budget Highlights: Tunnels, Bridges & Terminals

Project & Description	Operational Impacts	2015 Budget
<b>Bayonne Bridge Navigational Clearance Project (BBNCP)</b>		
The BBNCP raises the existing air draft clearance to 215 feet from the current 151 feet and includes replacement of the existing main span deck, and the NY and NJ approach structures and access ramps as well as strengthening of the Arch structure. The project includes a bikeway and provides for future mass transit options.	Once completed, the project will allow larger and more efficient ships that are anticipated post Panama Canal Expansion to access the Port of New York and New Jersey.	\$271 M
<b>Lincoln Tunnel Access Projects (LTAP)</b>		
The LTAP consists of the rehabilitation of the Pulaski Skyway, a new road for Route 1 & 9 Truck connecting Tonelle Circle to I 495 (New Road), and the replacement of the Wittpenn Bridge with a new structure located North of the existing bridge. The LTAP is intended to improve the roadways and approaches leading to the Lincoln Tunnel, foster economic activity, and improve regional competitiveness. The PA has agreed to allocate up to \$1.8 billion to fund the LTAP.	Once completed, the program will provide for an enhanced traffic flow into PA Hudson River crossing facilities.	\$260 M
<b>Goethals Bridge Modernization (GBM)</b>		
The GBM replaces the existing Goethals Bridge in its entirety with a new 900-ft cable stayed bridge and approach viaducts. The design, construction, financing, and maintenance over a 35-year period is being undertaken by the selected developer, NYNJ Link Partnership, as a public private partnership. The Authority will retain ownership and responsibility for toll operations. Project spending reflects PA share of funding.	The existing bridge has two 10' lanes in each direction; the new Goethals will include three 12' foot lanes plus an emergency lane in each direction and will substantially improve traffic flow. Construction began in mid-2014. Start of traffic on the new structure is scheduled for late 2016, with full bridge opening anticipated at the end of 2017. Demolition of the existing bridge will be complete by late 2018.	\$35 M

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<b>GWB Bus Station Redevelopment (GWBBS)</b>		
The GWBBS redevelopment is a public private partnership project that modernizes the bus operations and develops retail at the GWBBS valued at approximately \$180 million. The retail development is approximately 120,000 SF and will provide a new revenue stream for the Agency as well as a range of new food and service options for commuters and neighborhood residents.	During construction, all building services and waiting room have been relocated to a temporary trailer on Fort Washington Avenue and 179th Street. Construction is scheduled for completion in mid 2015 with retail opening scheduled for early 2016. The new station will include a modern, ADA compliant, fully enclosed, air conditioned passenger pavilion and a reconfigured bus concourse.	\$35 M
<b>Lincoln Tunnel (LT) Helix Rehabilitation</b>		
This program provides for the rehabilitation of critical ramp and overpass structures at the NJ approach in order to maintain structural integrity and state of good repair.	This rehabilitation program will repair and extend the usability of the roadway approach.	\$20 M
<b>PABT Quality of Commute (QOC)</b>		
This program provides \$90 million for improvements to on-time performance and building services to improve commuter services. Planned spending for 2015 is \$16 million capital investment with an additional \$2 million incurred to implement operating efficiencies and improvements.	This program is intended to increase on-time performance of buses and update building services to improve commuter satisfaction.	\$16 M
<b>GWB Upper Level Structural Steel Rehabilitation</b>		
Rehabilitates the structural steel of the Upper Level roadway deck and support structure, maintains structural integrity and keeps the bridge in a state of good repair. The contract also provides for resurfacing of the westbound upper level roadway, upgrade of the roadway drainage system, and rehabilitation of the finger joints.	The project requires periodic lane closures. Installation of the structural deck panels was completed in 2014; miscellaneous repairs and finger joint rehabilitation is scheduled for completion late 2015. The project extends the useful life of the structural steel of the Upper Level roadway deck.	\$16 M
<b>Holland Tunnel (HT) Vent System Rehabilitation</b>		
Replaces all HT ventilation fans, motors, fan speed controllers, and Con-Ed power interface cables and equip; installs computerized Auto Control Systems for tunnel ventilation; new Carbon Monoxide Monitoring equipment, and vent building heating & ventilation equipment.	This program is intended to improve operational efficiency, reduce repair costs, and improve safety assurance.	\$15 M
<b>Lincoln Tunnel (LT) - NY 31st - 33rd Street Expressway Rehabilitation</b>		
This program provides for the rehabilitation of the LT NY Expressway between 31st and 33rd streets to maintain state of good repair.	Once complete, the rehabilitation will help maintain the LT NY Expressway in a state of good repair and ensure continued travel safety.	\$12 M
<b>Holland Tunnel (HT) Piers 9/204 Replacement</b>		
Piers 9 and 204 have exceeded their useful life and require replacement to support the NJ River Vent Bldg of the HT. The piers provide protection of the HT tubes and ventilation.	Demolition of Pier 9 scheduled for Q1 2015 The new concrete and steel piers will secure the pier's structural integrity. With new, full vehicle access, the new piers will ensure safe and reliable access to the NJ River Vent Building for operations, maintenance and emergency response. Frequent, costly maintenance repairs will be reduced under the new system.	\$9 M

## **PORT AUTHORITY TRANS-HUDSON (PATH)**

### **Mission**

PATH's mission is guided by the Port Authority's goals to excel in the delivery of a safe, reliable, and cost-effective transportation service that operates as a critical link in the regional transportation network. PATH contributes to regional mobility and economic development and serves as a steward of the regional environment by providing efficient mass transit service and effectively managing energy resources.

### **Facilities**

- Journal Square Transportation Center (JSTC)
- PATH Rail Transit System

#### **Stations in New York**

9<sup>th</sup> Street  
14<sup>th</sup> Street  
23<sup>rd</sup> Street  
33<sup>rd</sup> Street  
Christopher Street  
World Trade Center

#### **Stations in New Jersey**

Exchange Place  
Grove Street  
Harrison  
Hoboken  
Journal Square  
Newark Penn Station  
Newport

### **Core Functions**

PATH operates and maintains a rapid transit railroad serving Newark, Harrison, Hoboken and Jersey City in metropolitan northern New Jersey and Manhattan in New York City. PATH trains run 24 hours a day, seven days a week – one of the few 24-hour systems in the world.

Since the early 20th Century, PATH and its predecessor, the Hudson & Manhattan Railroad, have carried passengers between New Jersey and points in Midtown and Lower Manhattan, serving as a key link in the region's transportation network and as a catalyst for continued residential, commercial and employment growth. PATH's core functions include:

- Operate and maintain a safe, reliable and efficient rail transit system and bus transportation terminal.
- Comply with federal safety and environmental rules and regulations.
- Continue to improve service and address customer demands.
- Manage effectively energy sources.

### **Activity Levels**

PATH ridership is expected at 77 million passenger trips in 2015. This represents an increase of 2.7 million passengers, or 3.7% above the 2014 budget. The main driver of PATH ridership is Manhattan Office Employment, which is expected to grow, yielding a higher percentage of work commute trips. The forecast for weekend ridership is expected to grow at a lower rate due to continued weekend outages to accommodate Superstorm Sandy recovery work and the Signals Replacement project. To date, PATH has seen a 6% decline in weekend ridership due to these planned outages.

### **Staffing**

PATH has a staff of 1,082 permanent employees, of which 1,025 (95%) are dedicated to operating and maintaining a full service rail transit system and bus terminal.

### **Operations (423)**

The operations staff operate and manage the dispatching and movement of trains in and out of the stations and yards, develop and maintain train schedules, and provide passenger information and customer care programs throughout the stations, including compliance with Federal Railroad Administration (FRA) rules and regulations.

#### Maintenance (602)

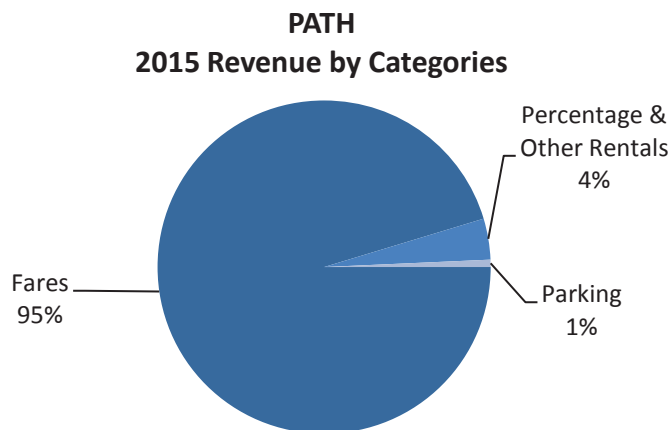
The maintenance staff includes Car Equipment (219), Way and Structures (214) and Power, Signals and communication (169). These Divisions ensure that the railcars are inspected and repaired to provide for a reliable performance; maintain and replace track, station structures and operating equipment; and service the signals, power distribution and communications equipment systems to ensure safe, reliable and efficient train movement.

#### Management (57)

The remaining management services staff provide the functions that support the facilities and line business operations, including capital program delivery; asset management; rail operations planning; property and revenue management; strategic business planning and financial functions; safety and environmental management; and facility management and departmental oversight.

## Operating Revenues

PATH projects 2015 gross revenues to reach \$186.7 million, which is \$8.1 million or 4.5% increase over the 2014 budget. This increase in gross revenues is attributable to a projected \$8.4 million increase in fare revenues due primarily to the impact of the 2014 fare increase. Compared to 2014 Budget, revenue in the Other category are expected to remain flat. In 2015, PATH will be conducting a study to determine efficient alternative to use and convert vacant space with the aim of increasing tenant capacity. Additionally, public parking at JSTC is expected to remain flat at \$1.3 million. The distribution of all revenues is shown in the table and chart that follow.

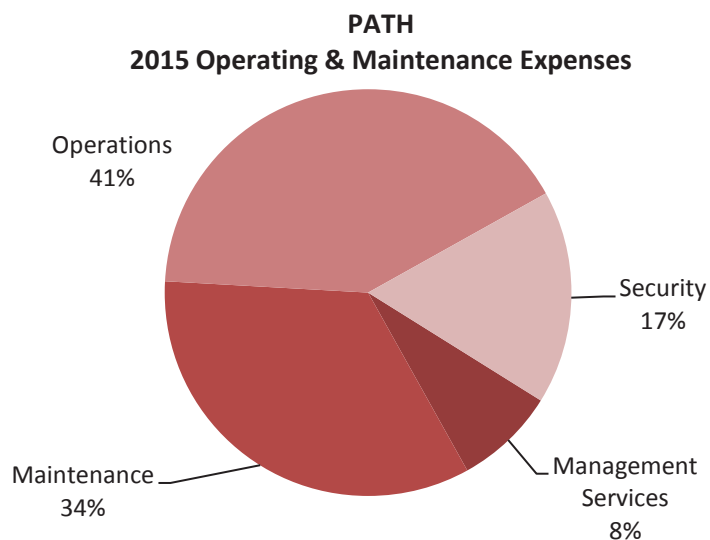


PATH Revenue Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Rentals	\$6,794	\$7,181	\$6,829	<b>\$7,129</b>
Fares	142,173	169,583	161,249	<b>177,939</b>
Parking	1,235	1,326	1,300	<b>1,326</b>
Other	699	540	335	<b>340</b>
<b>Total Operating Revenues</b>	<b>\$150,902</b>	<b>\$178,630</b>	<b>\$169,713</b>	<b>\$186,734</b>

\* Totals may not add due to rounding.

## Operating Expenses

Operating expenses total \$359.5 million—an increase of \$29.5 million or 8.9% compared to the 2014 budget. An increase of \$6 million is associated with additional maintenance and a new car inspection apprentice class. Additionally, the increase provides for \$4 million in incremental costs associated with increased routine inspections and additional parts for the converted PA-4 maintenance cars.



PATH Operating Expense Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Operations	\$120,453	\$110,214	\$117,651	<b>\$117,701</b>
Security	55,937	51,817	56,553	<b>48,439</b>
Maintenance	80,719	76,756	107,550	<b>97,048</b>
Management Services	9,373	18,598	25,200	<b>23,324</b>
Rent & PILOT	1,109	1,143	872	<b>837</b>
Sub-total Operating & Maintenance	267,591	258,528	307,826	<b>287,349</b>
Allocated & Other	71,634	71,506	78,574	<b>72,152</b>
<b>Total Operating Expenses</b>	<b>\$339,224</b>	<b>\$330,034</b>	<b>\$386,400</b>	<b>\$359,500</b>

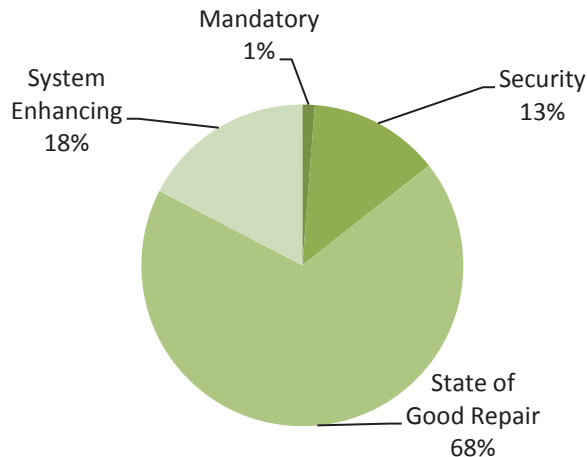
\* Totals may not add due to rounding.



## 2015 Capital Overview

The 2015 PATH capital budget provides for a total of \$222 million in expenditures. A large portion of the expenditures are for critical state of good repair work including, key post- Superstorm Sandy recovery and resiliency efforts in the tunnels as well as continuation of the PATH modernization program, which includes implementing a new signal system and upgrades to PATH stations. The combined impact of PATH's aging infrastructure along with the effects of 2012's Superstorm Sandy continues to drive capital priorities. PATH has completed an assessment of its capital program and its financial and operational implications and developed a comprehensive list of capital projects that need to be completed to restore the system and provide resiliency against future storms.

### 2015 PATH CAPITAL BUDGET



#### 2015 Capital Budget Highlights: PATH

Project & Description	Operational Impacts	2015 Budget
<b>State of Good Repair Program</b>		
Maintain facility infrastructure and asset upgrades	Maintain service reliability (e.g., on-time performance). New, upgraded, and well-maintained tracks, communications equipment, and facilities to ensure service reliability and safety. Minimize service disruptions by maintaining railcars, substations and support structures as well as building in resiliency to minimize the impact of future Sandy-type storms.	\$74 M
<b>Signal System Replacement Program</b>		
Replace outdated fixed-block signal system with computerized automatic train control signal system using computerized based train control technology.	New system will comply with FRA mandate for positive train control and allows for increased capacity to meet growing ridership demand. The signal system will provide the capability to increase the system capacity by approximately 20% by permitting trains to run safely in closer proximity to one another.	\$59 M
<b>Station Improvements</b>		
Renovation of Harrison Station includes extending platforms to accommodate longer trains, new station entrances, and weather protected waiting areas. Grove Street station is being updated to meet ADA requirements to accommodate disabled users.	Enhance safety and service quality as well as increase capacity to meet the anticipated future demand due to passenger growth.	\$35 M
<b>Safety and Security Projects</b>		
Enhance system access control and overall operational safety to protect the PATH infrastructure.	Safe and effective operation of entire PATH system.	\$28 M
<b>Substation Upgrades</b>		
Improve reliability and maintain substation equipment by upgrading and replacing aging equipment.	Enhanced reliability, maintainability, security and quality of service to PATH customers.	\$20 M
<b>PATH to EWR</b>		
Planning for the extension of the PATH Train from Newark Penn Station to EWR Rail Line Station. Includes conversion of storage tracks to running rail, new track, a new platform at EWR, a replacement storage yard, and a new maintenance building and power supply.	Provision of a one seat ride from Lower Manhattan to Newark Liberty International Airport.	\$6 M



## **PORT COMMERCE**

### **Mission**

Port Commerce activities support the Port Authority's mission to develop and manage competitive port infrastructure and services by providing leadership to expedite movement of cargo in a secure, environmentally and financially sound manner. Port Commerce takes a transparent and inclusive approach to its mission and also aims to minimize the impact to the environment, conserve natural resources and support sustainable growth.

### **Facilities**

- Port Newark
- Elizabeth – Port Authority Marine Terminal
- Brooklyn – Port Authority Marine Terminal
- Howland Hook Marine Terminal
- Greenville Yard – Port Authority Marine Terminal
- Port Jersey – Port Authority Marine Terminal
- Red Hook Container Terminal
- Cross Harbor (NY/NJ Railroad)

### **Core Functions**

The Port Commerce Department operates the Port of New York and New Jersey, the third largest container port facility by volume in the United States. The Port is a major component of the regional economy, providing more than 296,000 direct and indirect jobs and generating \$18.3 billion in personal income (per the New York Shipping Association 2014 report) inducing economic activity to the states of New York and New Jersey. Shippers using our Port facilities are able to reach 20% of the U.S. population within eight hours of leaving the Port footprint, and can reach 30% within 48 hours.

The department leases space to tenants in the international shipping industry including terminal operators, warehouse operators and bulk cargo companies that process cargo. The department also builds, improves, and maintains most of the terminals' facilities and underlying infrastructure. This includes much of the Port's transportation connections, including rail and road connections to the surrounding highways, and interstates, deep channels, berths and wharves, etc. In addition to the provision of rail infrastructure, the department oversees the operation of the Authority's wholly owned subsidiary, New York New Jersey Rail, LLC that operates the Cross Harbor rail float system.

More specifically, the department's responsibilities include:

- Operate and maintain common areas, market development, security, environmental compliance and asset management at all Port facilities;
- Lease and administer of Port property;
- Plan, develop, manage and deliver of capital programs related to PA Port property. This includes provision of project support and technical assistance for marine terminal development in tenant and common areas as well as Port-wide rail facilities and operations;
- Facilitate improvements in service reliability and efficiency across all marine terminals and throughout the Port
- Develop and implement environmental policy and initiatives; and
- Promote Port as premier destination for cargo including Beneficial Cargo Owner (BCO) outreach and liaising with all major ocean carriers and cruise lines.

### **Activity Levels**

Port container facilities are projected to handle 3.3 million containers in 2015. This represents an increase of 98 thousand containers or 3% compared to the 2014 budget.

## **Staffing**

Port Commerce has a total of 167 permanent positions, of which 104 (62%) are dedicated to operating and maintaining the marine terminals and port system.

### Operations (30)

The operations staffs at the NJ Marine Terminals (23) and NY Marine Terminals (7) are dedicated to ensuring that the marine terminals' berths, waterways, roadways, rail facilities, multi-tenant properties, and common utilities are operated in a manner that allows for the safe and efficient movement of international cargo to and from our facilities. Staff oversees and administers terminal properties as well as ensures compliance with all security regulations and preparedness for multi-hazards.

### Maintenance (74)

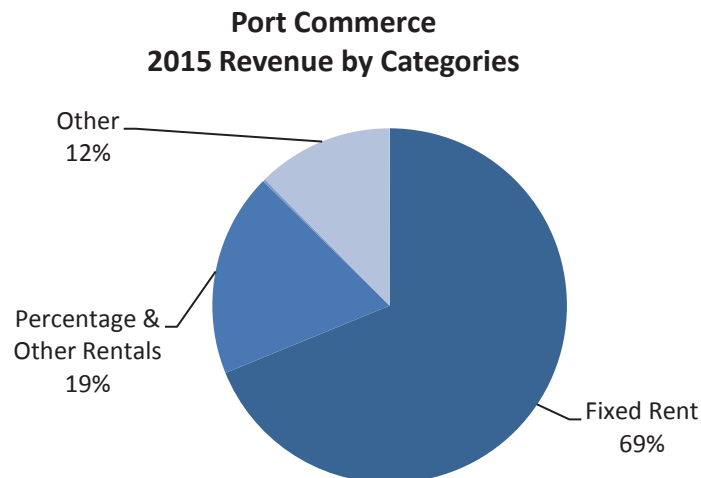
The maintenance staffs at the NJ Marine Terminals (54) and NY Marine Terminals (20) are dedicated to maintaining the marine terminals and port system and ensuring compliance with applicable codes and regulations.

### Management (63)

The remaining staff are management and clerical employees who support the facilities including capital program delivery; asset management; waterways management; cargo and revenue management; strategic analysis; maintenance of industry relations; business planning and financial functions; port security and emergency management programs; environmental programs management; as well as facility and rail management and overall departmental oversight.

## Operating Revenues

Port Commerce anticipates \$251.4 million in gross revenues in 2015—an increase of \$7.6 million or 3% from the 2014 budget. This increase is primarily driven by fixed rentals, which are expected to increase by \$6.7 million compared to the 2014 budget, due to an increase in the number of containers, scheduled escalations to ground rents, and minimum annual guarantees. The distribution of all revenues is shown in the chart and table that follow.

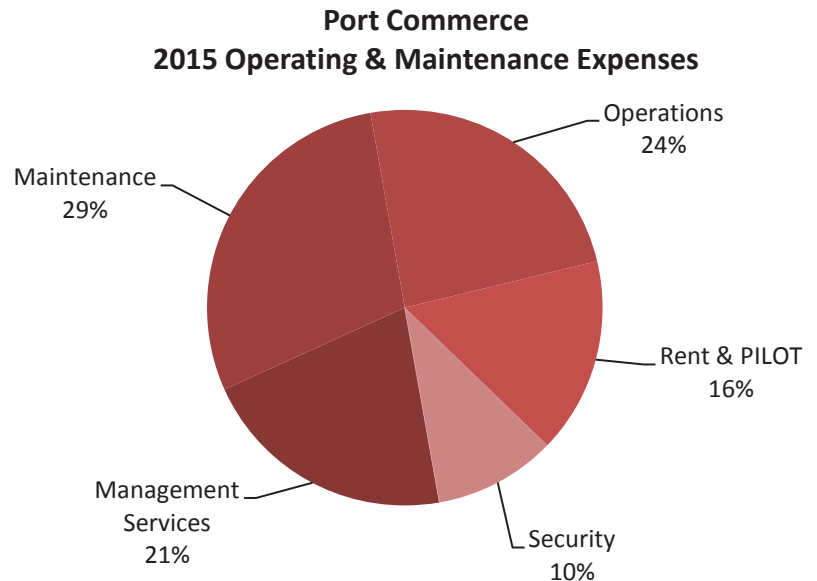


Port Commerce Revenue Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Fixed Rent	\$163,323	\$166,226	\$166,102	<b>\$172,962</b>
Percentage & Other Rentals	67,741	45,748	52,583	<b>46,662</b>
Parking	1,204	--	232	<b>553</b>
Other	30,258	31,804	29,640	<b>31,214</b>
<b>Total Operating Revenues</b>	<b>\$262,526</b>	<b>\$243,778</b>	<b>\$248,557</b>	<b>\$251,389</b>

\* Totals may not add due to rounding.

## Operating Expenses

The 2015 Port Commerce operating expense budget is \$182.3 million—an increase of \$7.8 million or 4.5% compared to the 2014 budget. The increase is driven by required incremental maintenance dredging after the completion of the widening/deepening of the Federal channel and the associated disposal of the dredged materials. In addition, the increase provides for the implementation of the recommendations from the Port Performance Task Force. The total operating expenses are allocated as shown in the chart and table that follows.



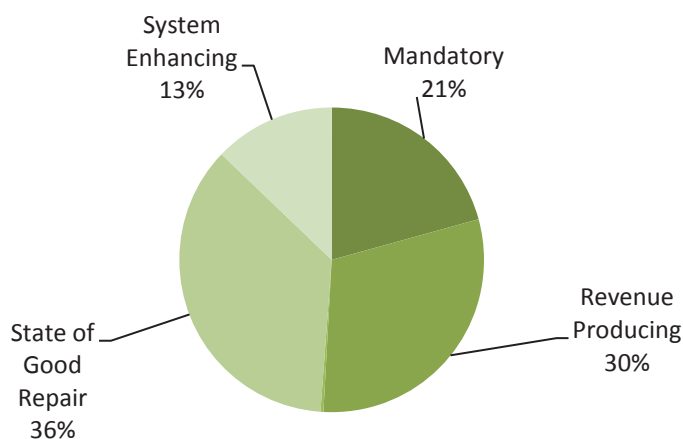
Port Commerce Operating Expense Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Operations	\$69,466	\$44,256	\$45,109	<b>\$39,881</b>
Security	20,117	17,931	19,207	<b>17,480</b>
Maintenance	25,150	33,615	29,974	<b>48,487</b>
Management Services	22,615	38,687	34,237	<b>35,817</b>
Rent & PILOT	24,727	26,334	26,692	<b>26,798</b>
Sub-total Operating & Maintenance	162,075	160,823	155,219	<b>168,463</b>
Allocated & Other	14,384	13,653	15,483	<b>13,842</b>
<b>Total Operating Expenses</b>	<b>\$176,459</b>	<b>\$174,476</b>	<b>\$170,702</b>	<b>\$182,305</b>

\* Totals may not add due to rounding.

## 2015 Capital Budget Overview

The Port Commerce 2015 capital plan of \$153 million includes the necessary investments that will enable the Port Authority to sustain port growth over the next decade. This investment will deepen channels and berths, allowing for more cost-efficient and environmentally conscious transportation of cargo. Port Commerce's largest capital investment in 2015 is the Greenville Yard projects, with a \$43 million budget that will improve transportation infrastructure as well as alleviate truck traffic and port congestion.

### 2015 PORT COMMERCE CAPITAL BUDGET



2015 Capital Budget Highlights: Port Commerce		
Project & Description	Operational Impacts	2015 Budget
<b>Cross Harbor at Greenville Yards</b>		
Continue planning, design, and construction of new support tracks, transfer bridge, 2 barges and 3 locomotives.	New infrastructure will result in improved efficiency in the movement of goods into and through Greenville yard, enhancing competitiveness, added capacity, and increased revenue.	\$28 M
<b>Port Jersey-ExpressRail ICTF Greenville Yards</b>		
Continue the planning and design for the construction of a new intermodal container transfer facility (ICTF) at Greenville Yard.	The ICTF at Greenville will result in improved efficiency in the movement of goods into and through the Greenville Yard, enhanced competitiveness, added capacity, and increased revenue.	\$15 M
<b>New Jersey Marine Terminal (NJMT)- Berth 14 Wharf Reconstruction</b>		
Demolition, removal and reconstruction of the wharf structure at Berth 14 at Port Newark	The project will extend the useful service life of the berth, and is significant to maintaining viability to the liquid bulk operation.	\$15 M
<b>New Jersey Marine Terminal (NJMT)-Berth 3 Wharf Reconstruction</b>		
Reconstruction of the wharf structure at Berth 3 and adjacent culvert structure that supports a section of Corbin Street.	The project will restore the Berth 3 wharf structure, the Corbin Street roadway and the upland utilities to a state of good repair.	\$10 M
<b>New Jersey Marine Terminal (NJMT)- ExpressRail Corbin St Rail, Phase 2A</b>		
Continue the construction of a comprehensive rail system throughout the Port, which positions the Port to optimally service the mid-west market and enhances its competitive position in the industry.	Completion of this project will increase rail capacity to 250,000 lifts which will increase revenues and help the department achieve sustainability goals by reducing the carbon footprint of port cargo.	\$4 M





## DEVELOPMENT

### Mission

To identify and advance strategic business initiatives that enhance the Port Authority's financial capacity; stimulate private investment in its facilities and host communities; promote real estate best practices; leverage the value of Port Authority property; promote sustainable regional economic growth and increase revenue opportunities in order to support expansion of an efficient, high quality regional transportation system; as well as enhance the productivity of Port Authority staff via an efficient, functional and environmentally sensitive work environment.

### Facilities

- Bathgate Industrial Park
- Essex County Resource Recovery Facility—*under a restructured operating agreement, the facility operator is responsible for all operating and capital expenditures*
- Industrial Park at Elizabeth
- Newark Legal and Communications Center—*reflects the agreement to transfer beneficial interest in the net lease agreement to the building tenant*
- Waterfront Development
  - Queens West Waterfront Development
  - The South Waterfront at Hoboken
- The Teleport

### Core Functions

Development oversees the majority of the Port Authority's major real estate developments and other components of its extensive real estate portfolio. The Port Authority real estate portfolio encompasses over 12,000 acres of land and 45 million square feet of office, industrial, retail and technical space, and includes many of the busiest and most important transportation links in the New York/New Jersey region.

Development's core functions include:

- Identify revenue enhancement opportunities, such as identifying additional advertising locations; new or renewed retail and industrial space leasing; executing property transactions that include the sale of air rights and easements, as well as investigating the disposition of facilities that are no longer essential to Port Authority operations, including the monetization of future revenue streams.
- Continue to support development and redevelopment activities in, and surrounding, Port Authority facilities through property acquisitions (e.g., Bayonne Bridge Navigational Clearance Program/Goethals Bridge Modernization Project and extension of PATH to EWR); agreements with private developers and local and state governments (e.g., George Washington Bridge Bus Station Redevelopment and PATH); and the provision of real estate advisory services.
- Reevaluate and analyze the centralization/office consolidation of Port Authority staff in New York and New Jersey in order to decrease the need for total office space, reduce total occupancy costs, as well as reprogramming the space.

### **Staffing – Development Facilities**

Development has a total of 29 staff dedicated to managing the Port Authority’s Development Facilities, as well as certain functions for other TB&T and PATH facilities, aimed at optimizing financial return to the agency and supporting regional economic growth.

#### Operations (4)

Facility staff operates the Teleport and Bathgate and other Port Authority owned development facilities.

#### Maintenance (1)

The maintenance staff maintains the properties and also provides supervisory oversight on multiple maintenance contracts.

#### Management Services (24)

Management support services are provided for these same properties, as well as negotiating cost-effective property acquisitions, sales, land swaps and development agreements and leases for the development facilities and other agency facilities such as the Port Authority Bus Terminal and PATH Journal Square Transportation Center. Services include leasing, planning and project development.

### **Real Estate Services**

In addition to the management of the Development Facilities, the department has the responsibility of managing the Agency’s owned and leased real estate assets. As well as reevaluating and analyzing the centralization/office consolidation of Port Authority staff in New York and New Jersey in order to decrease the need for total office space, reduce total occupancy costs, as well as reprogramming the space. We are currently preparing for occupancy of approximately 1,600 PA employees at 4 World Trade Center.

### **Staffing – Real Estate Services**

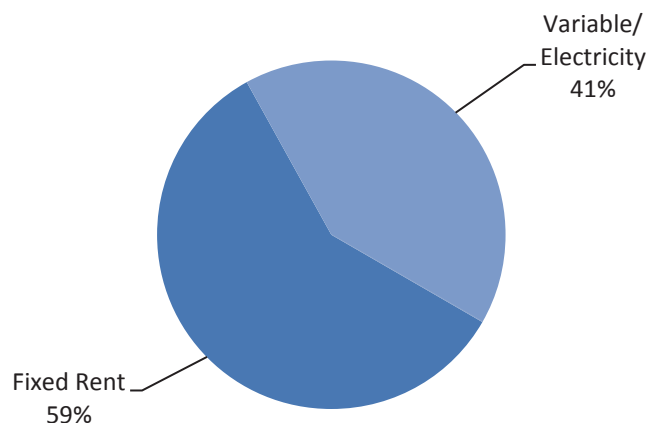
#### Management Services (20)

Management support services are provided for these same properties including overseeing of rental payments for leased space, as well as allocating these rental costs to appropriate departments.

## Operating Revenues

The preliminary 2015 revenues budget for Development is \$28.4 million—a reduction of \$0.8 million or 2.8% compared to the 2014 budget. This reduction is driven by lower fixed rental revenues due to the restructuring of an agreement at Bathgate and the completion of the agreement to transfer the agency's beneficial interest in the net lease agreement for the Newark Legal and Communications Center (Newark Legal Center) to the building tenant (Matrix One Riverfront Plaza, LLC). Note, display advertising, which is managed by Real Estate Services, brings in over \$20 million annually, but these dollars are distributed to individual departments (Aviation, etc.). The distribution of all revenues is shown in the table and chart that follow.

**Development  
2015 Revenue by Categories**

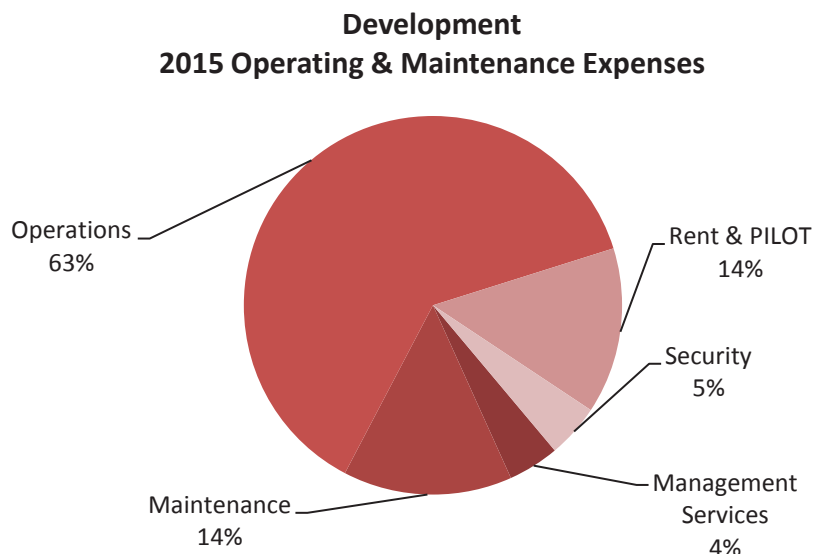


Development Revenue Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Gate/Tipping Fees	(\$54)	--	--	--
Variable/Electricity	10,506	11,628	12,409	<b>11,738</b>
Fixed Rent	16,533	17,157	16,236	<b>16,628</b>
Newark Legal Center (NLC) Net Lease	2,506	403	1,789	--
<b>Total Operating Revenues</b>	<b>\$29,492</b>	<b>\$29,188</b>	<b>\$30,434</b>	<b>\$28,366</b>

\* Totals may not add due to rounding.

## Operating Expenses

Operating expenses total \$17.1 million and are relatively flat compared to the 2014 budget. The decrease is mainly due to a reduction of \$261 thousand in self insurance write off and property damage insurance at the Teleport and Bathgate Industrial Park. This is offset by a \$71 thousand increase in utility purchases at the Teleport due to anticipated rates increases. The total operating expenses will be allocated as shown in the chart and table that follows.



Development Operating Expense Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Operations	\$10,402	\$10,615	\$9,822	<b>\$10,409</b>
Security	618	747	731	<b>760</b>
Maintenance	2,724	3,651	3,011	<b>2,405</b>
Management Services	(106)	834	790	<b>728</b>
Rent & PILOT	1,578	2,107	2,166	<b>2,366</b>
Sub-total Operating & Maintenance	15,216	17,954	16,520	<b>16,668</b>
Allocated & Other	398	598	465	<b>444</b>
<b>Total Operating Expenses</b>	<b>\$15,614</b>	<b>\$18,552</b>	<b>\$16,985</b>	<b>\$17,112</b>

\* Totals may not add due to rounding.

## **WORLD TRADE CENTER**

### **Mission**

To redevelop and operate the World Trade Center (WTC) site – a 16 acre site comprised of five commercial office towers totaling roughly 10 million square feet, a 365,000 square foot retail facility, the WTC Transportation Hub, the National September 11 Memorial and Museum, and extensive supportive infrastructure –by directly managing projects controlled by the Port Authority and by overseeing elements controlled by third parties to create a financially successful and physically integrated complex that anchors the revitalization of Lower Manhattan, supports regional prosperity, enhances the Port Authority's financial capacity, and provides visitors, tenants, the community and the region with a safe, secure, environmentally sensitive complex while honoring those lost on 9/11.

### **Core Functions**

WTC core functions range from completing the design and construction of the various capital projects at the site, including coordination with private developers and governmental entities, property management of the WTC campus including security functions, management of Site-wide operations, management of joint venture business agreements, and financial functions including capital and operating forecasting and accounts management. The WTC group encompasses development, construction and operations roles, while maintaining public agency priorities. To fulfill its mission, the WTC departments are staffed with professionals experienced in all aspects of development including construction, operations, property management, leasing, finance and management.

Specific functions include:

- Complete construction of key site elements, including the WTC Transportation Hub, three million square feet of office space in 1 WTC, the observation deck and the antenna; construction of the 365,000 sq ft retail space complex; and core site infrastructure;
- Implement complex agreements and financings between the Port Authority and its business partners and site stakeholders including The Durst Organization (Durst), Silverstein Properties (SPI), Westfield, and the National September 11<sup>th</sup> Memorial and Museum at the World Trade Center Foundation, Inc.; build consensus with external and internal stakeholders and public entities; and plan for eventual development of Tower 5 and other related assets;
- Manage delivery of retail asset to Westfield;
- Operate and manage the WTC campus, including oversight of the third party property management agreement and oversight of site-wide security operations.

### **Staffing**

World Trade Center employs 114 staff, of which 98 or 86%, are dedicated to rebuilding the WTC Site.

#### Capital (98)

Staff dedicated to rebuilding the WTC Site manage the design guidelines, contract for and construct capital program elements and oversee the numerous construction managers and contractors on the site.

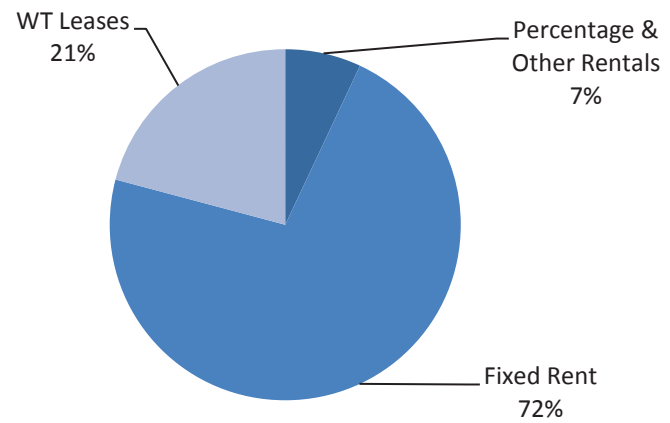
#### Management Services (16)

A staff of 16 manages all real estate issues and business relationships associated with development of the entire site.

## Operating Revenues

World Trade Center projected revenues for 2015 are \$181 million—an increase of \$120 million. The increase is due to new rental revenues from the WTC site—including the commencement of rent leases at One WTC and expected revenue from the One World Observatory. Variable rentals are expected to increase due to higher utility recoveries associated with One WTC. Percentage rentals are expected to remain flat. The distribution of all revenues is shown in the chart that follows.

**World Trade Center  
2015 Revenue by Categories**

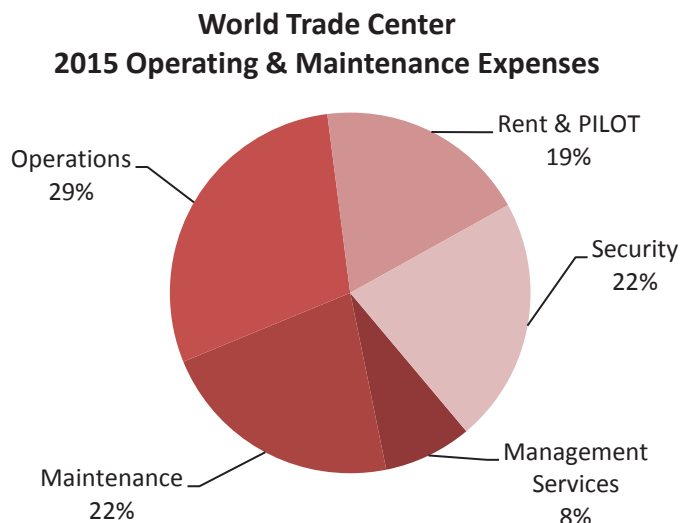


World Trade Center Revenue Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
WTC Leases	\$29,210	\$32,651	\$29,784	<b>\$37,758</b>
Fixed Rent	12,783	14,562	17,566	<b>130,608</b>
Percentage & Other Rentals	8,094	13,397	13,601	<b>12,644</b>
<b>Total Operating Revenues</b>	<b>\$50,087</b>	<b>\$60,610</b>	<b>\$60,951</b>	<b>\$181,010</b>

\* Totals may not add due to rounding.

## Operating Expenses

Operating expenses total \$304.3 million—an increase of \$108.6 million compared to the 2014 budget—that is fully offset by the increase in WTC revenues. Approximately \$35 million of the increase is associated with PILOT payments to New York City. The distribution of all expenses is shown in the table and chart that follow.



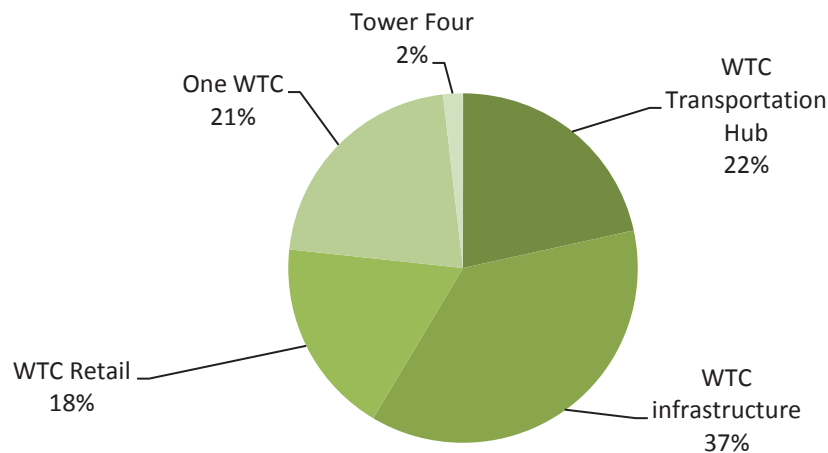
World Trade Center Operating Expense Budget by Category				
\$ in thousands	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Operations	\$14,466	\$82,637	\$67,826	<b>\$84,152</b>
Security	25,962	43,088	43,314	<b>63,350</b>
Maintenance	10,274	18,154	11,536	<b>63,352</b>
Management Services	19,753	17,008	13,976	<b>22,793</b>
Rent & PILOT	11,757	19,478	30,722	<b>54,598</b>
Sub-total Operating & Maintenance	82,212	180,365	167,374	<b>288,245</b>
Allocated & Other	12,101	15,313	14,982	<b>16,047</b>
<b>Total Operating Expenses</b>	<b>\$94,313</b>	<b>\$195,678</b>	<b>\$182,356</b>	<b>\$304,292</b>

\* Totals may not add due to rounding.

## 2015 Capital Budget Overview

The 2015 World Trade Center capital budget provides for expenditures totaling \$1.6 billion to support the WTC rebuilding effort and the continued repairs to the WTC assets damaged as the result of Superstorm Sandy. WTC capital is broken down as follows:

### 2015 WORLD TRADE CENTER CAPITAL BUDGET



#### 2015 Capital Budget Highlights: World Trade Center

Project & Description	Operational Impacts	2015 Budget
<b>WTC Common Site Infrastructure</b>		
Underground parking, Chiller Plant, and other site-wide mechanical, electric, plumbing, and utilities; the construction of Greenwich and Fulton Streets; restaging Route 9A, security infrastructure and contingencies; and foundation excavation among other site-wide infrastructure.	Investment in the common infrastructure is required to support the development with significant interdependence.	\$504 M
<b>WTC Transportation Hub</b>		
Construction of a new 800,000 square foot facility that will provide access to 11 subway lines, PATH, ferries, Brookfield Place, retail, and a range of amenities.	The Hub will increase capacity to accommodate over 200,000 daily commuters.	\$350 M
<b>Close-out of One World Trade Center Construction</b>		
Construction of signature office tower containing 3 million square feet of office space on 71 office floors, a grand public lobby, and an observation deck offering unparalleled views of the region.	1 WTC will add world-class commercial office space to the real estate market, reasserting downtown Manhattan's preeminence as a business center while establishing a new architectural icon for the city.	\$349 M
<b>WTC Retail</b>		
Development of approximately 365,000 square feet of world-class retail and restaurant space to be available throughout the complex.	Successful retail will support revival of the Lower Manhattan economy and contribute to a healthy, well-rounded growth in the regional economy.	\$294 M
<b>WTC Vehicular Safety Center (VSC) and Tour Bus Parking Facility</b>		
Construction of a secure screening facility of buses, trucks, and cars entering the WTC site and its facilities.	The VSC is a critical component of the site's comprehensive police, security and operational plan.	\$98 M



# 2015 Budget Schedules





# A Reader's Guide

In line with the agency's commitment to transparency and public accountability, the 2015 Budget package provides the following budgetary and financial information:

- A budget summary of sources and uses highlighting core expense growth below regional inflation; impacts of new cost areas; and \$3.6 billion in planned capital spending at our airports, tunnels, bridges, seaports, and PATH system, and the World Trade Center;
- A closer look at the Port Authority's sources of revenues by facility and major revenue category including rentals, tolls and fares, aviation fees, and parking;
- A closer look at the Port Authority's use of funds by facility, by department, by program category including operations, security, maintenance, management services, rent, and interest expense;
- A summary of capital investment by facility;
- A summary of the 2015 budgeted permanent positions;
- Activity highlights from 2006 through 2013, estimates for the year 2014, and 2015 Budget;
- A forward look at the agency's five years of forecasted revenues and expenses used for capital planning and to monitor internal and external long-term trends; and
- The 2015 capital project listing that is geared to vitalize and expand our facilities and was developed using a comprehensive planning process and risk-based prioritization.

## SUMMARY OF 2015 BUDGET - SOURCES & USES

(In Millions)

<b>SOURCES:</b>	<b>2014 Budget</b>	<b>2015 Budget</b>	<b>Variance</b>	<b>% Change</b>
Gross Operating Revenues	\$4,417	\$4,667	\$250	5.7%
Consolidated Bond Issuances	1,550	1,500	(50)	-3.2%
Other Sources	1,479	968	(511)	-34.6%
Grants and Contributions and Miscellaneous Revenues	559	409	(150)	-26.8%
Application of Passenger Facility Charges	208	259	51	24.5%
<b>Total</b>	<b>\$8,213</b>	<b>\$7,803</b>	<b>(\$410)</b>	

\* Totals may not add due to rounding.

### Budget Sources - Significant Highlights/Challenges:

- Gross operating revenues are expected to be \$7.8 billion (an increase of \$250 million or 5.7%) due to:
  - Fixed rentals increase of \$120 million reflecting increased occupancy at One World Trade Center (1WTC).
  - Toll and fare revenues of \$92 million due to scheduled toll increases and the full year impact of the 2014 fare
  - Flight Fees increase of \$21 million due to higher recoverable costs.
- Other Sources include proceeds available from previous bonds issuances, capital contributions in aid of construction from third parties, and financial income.
- Grants and Contributions, insurance and miscellaneous revenues are expected to be lower mainly for the WTC Transportation Hub.
- Application of Passenger Facility Charges are expected to be higher by \$51 million due to the timeline for spending on PFC eligible capital projects.

<b>USES:</b>	<b>2014 Budget</b>	<b>2015 Budget</b>	<b>Variance</b>	<b>% Change</b>
Expenses (Core)	\$2,793	\$2,844	\$51	1.8%
World Trade Center - Incremental Ramp-up of Operations	-	108	108	-
Debt Service - Operations	920	1,149	229	24.9%
Deferred & Other Expenses	113	79	(34)	-30.1%
Gross Capital Expenditures	4,387	3,623	(764)	-17.4%
<b>Total</b>	<b>\$8,213</b>	<b>\$7,803</b>	<b>(\$410)</b>	

\* Totals may not add due to rounding.

### Budget Uses - Significant Highlights/Challenges:

- The operating budget of \$2.9 billion (an increase of \$50 million) continues to hold core operating expense growth at 1.8%--at or below the rate of inflation for the ninth consecutive year.
  - Continues to invest in capacity planning for future air and bus travel demands.
  - Provides investment in sustainability & conservation initiatives.
  - Invests in maintenance resources to ensure reliable facility systems.
  - Continues to support small, local, minority & women owned businesses.
  - Provides robust customer service support at our facilities.
  - Increases authorized permanent position levels to 7,092 (an increase of 114 positions) to support maintenance for electrical systems, fire and life-safety systems, and PATH railcar inspections.

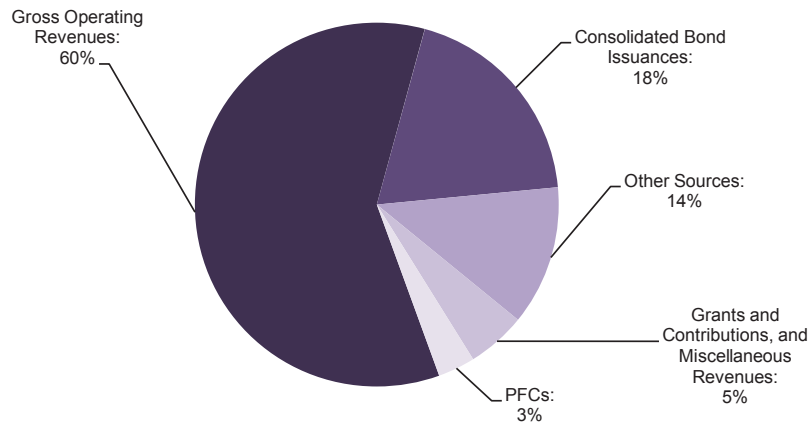
- Includes an increase of \$108 million for the ramp-up of WTC operations; for building and site-wide operating, maintenance and security costs. Revenues from increased building rent fully offset the increase in expenses during this transition period.
- The increase in Debt Service is due to higher scheduled interest and principal payments on outstanding debt.
- Deferred & Other Expenses provides for technology infrastructure to replace aging systems and improve efficiency, building fit-out costs for PA space at 4 WTC, Aircraft Fueling trucks and vehicle replacements vital to operating and building our facilities.

#### ***Capital Budget - Significant Highlights/Challenges:***

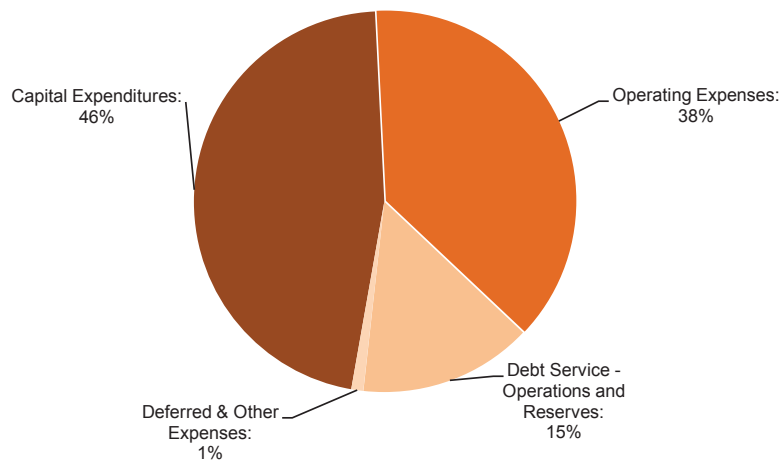
- Capital spending for 2015 totals \$3.6 billion. Major investments to the Region include:
  - Tunnels, Bridges and Terminals capital investment of \$814 million for state of good repair, enhanced quality of commute, rehabilitation of vital crossings, and building new bridge structures.
  - Aviation capital investment of \$778 million advances infrastructure improvements, including new terminal development, runway/taxiway projects and security improvements.
  - PATH capital investment of \$222 million for station and modernization program, including the signal replacement, and security enhancements.
  - Port Commerce capital investment of \$153 million for facilities for berths and wharfs infrastructure improvements, and continued development at Port Jersey and Greenville Yards.
  - WTC capital investment of \$1.6 billion for the continued development of site wide infrastructure, completion of 1WTC, the WTC Transportation Hub and Oculus (which is expected to open in the Fall of 2015), and continued development of WTC retail concourse areas throughout the complex (which portions will open in the year 2015).

## Summary of Sources and Uses - 2015 Budget

### Sources: \$7.803 Billion



### Uses: \$7.803 Billion



# THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

(Including its related entities)

## 2015 BUDGET \*

(In Thousands)

Item	Personal Services	Materials & Services	Total Expenditures
Audit	\$10,986	\$2,854	\$13,840
Aviation	182,220	632,565	814,785
Aircraft Rescue and Fire Fighting	65,555	6,339	71,894
Chief, Capital Planning, Execution & Asset Management	1,345	118	1,463
Chief Financial Officer	873	2,870	3,743
Chief Operating Officer	3,596	2,462	6,058
Chief of Public & Government Affairs	220	38	258
Chief, Real Estate & Development	2,072	686	2,758
Chief Security Office	24,737	125,568	150,305
Public Safety	387,266	36,462	423,728
Comptroller's	12,223	882	13,105
Engineering	99,344	230,524	329,868
Capital Construction Contracts	-	932,981	932,981
Executive Directors Office	1,198	181	1,379
Deputy Executive Directors Office	1,077	188	1,265
Ferry Program	-	1,595	1,595
Government & Community Affairs	3,027	1,790	4,817
Human Resources (Incl. Medical Services)	18,234	7,909	26,143
Inspector General	13,305	9,758	23,063
Labor Relations	1,213	497	1,710
Law	18,408	23,925	42,333
Management and Budget	7,348	1,313	8,661
Marketing	3,720	5,761	9,481
Media Relations	1,831	539	2,370
Office of Business Diversity and Civil Rights	2,790	1,835	4,625
Office of Emergency Management	4,154	7,538	11,692
Office of Environmental & Energy Programs	2,897	1,840	4,737
Office of Financial Analysis	1,020	400	1,420
Office of the Secretary	3,762	2,488	6,250
Operations Services	69,059	14,264	83,323
Planning and Regional Development	3,407	1,030	4,437
Port Commerce	28,589	48,206	76,795
Procurement	13,440	3,445	16,885
Project Management Office	2,464	4,514	6,978
Rail Transit	210,445	64,438	274,883
Real Estate & Development	7,649	68,852	76,501
Technology Department	19,081	52,435	71,516
Corporate Enterprise Systems	-	26,441	26,441
Treasury	5,771	53,737	59,508
Tunnels, Bridges & Terminals	132,984	477,832	610,816
WTC Construction	23,391	1,113,024	1,136,415
WTC Redevelopment	6,621	371,508	378,129
Other:			
Amounts in Connection with Operating Asset Obligations	-	21,468	21,468
Bi-state Dredging Program	-	4,300	4,300
Debt Service - Operations	-	1,149,118	1,149,118
Debt Service - Capital	-	271,123	271,123
Purchased Insurance-Operating & Capital	-	175,373	175,373
Municipal Rents and Amounts in Lieu of Taxes	-	303,660	303,660
Port Authority Insurance Captive Entity, LLC	-	5,560	5,560
Capital Agency Infrastructure Improvement Provision	-	30,000	30,000
Regional Programs - Operating	712	3,803	4,515
Special Project Bonds & Agency Allocations	(2,494)	101,259	98,765
<b>Total Port Authority Budget</b>	<b>\$1,395,540</b>	<b>\$6,407,296</b>	<b>\$7,802,836</b>

\* Totals may not add due to rounding.

Corrected as of January 22, 2015 to incorporate the budget schedule adopted by the Board of Commissioners on December 10, 2014.

(1) Net after charges to other departments

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## Sources

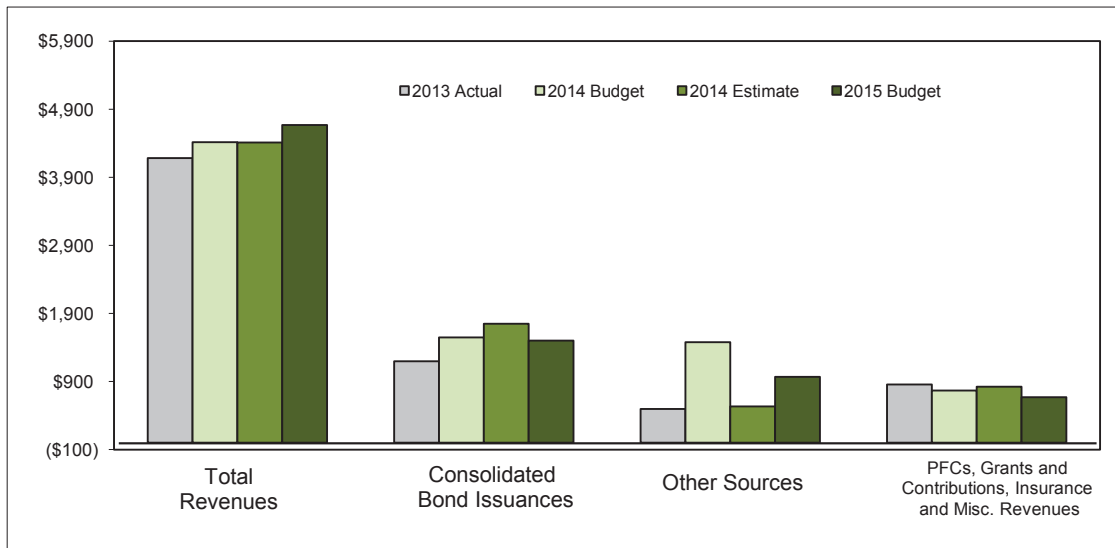
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## SOURCES

(In Millions)



	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Revenues:</b>				
<b>Gross Operating Revenues:</b>				
Rentals	\$1,647	\$1,650	\$1,690	<b>\$1,787</b>
Tolls and Fares	1,463	1,600	1,553	<b>1,692</b>
Aviation Fees	653	738	745	<b>758</b>
Parking	240	247	251	<b>254</b>
Other	182	183	174	<b>176</b>
<b>Total Revenues</b>	<b>4,184</b>	<b>4,417</b>	<b>4,412</b>	<b>4,667</b>
<b>Consolidated Bond Issuances</b>	<b>1,200</b>	<b>1,550</b>	<b>1,748</b>	<b>1,500</b>
<b>Other Sources</b>	<b>499</b>	<b>1,479</b>	<b>536</b>	<b>968</b>
<b>Grants and Contributions, Insurance and Miscellaneous Revenues</b>	<b>681</b>	<b>559</b>	<b>541</b>	<b>409</b>
<b>Application of Passenger Facility Charges</b>	<b>175</b>	<b>208</b>	<b>281</b>	<b>259</b>
<b>Total Sources</b>	<b>\$6,739</b>	<b>\$8,213</b>	<b>\$7,518</b>	<b>\$7,803</b>

## GROSS OPERATING REVENUES BY FACILITY

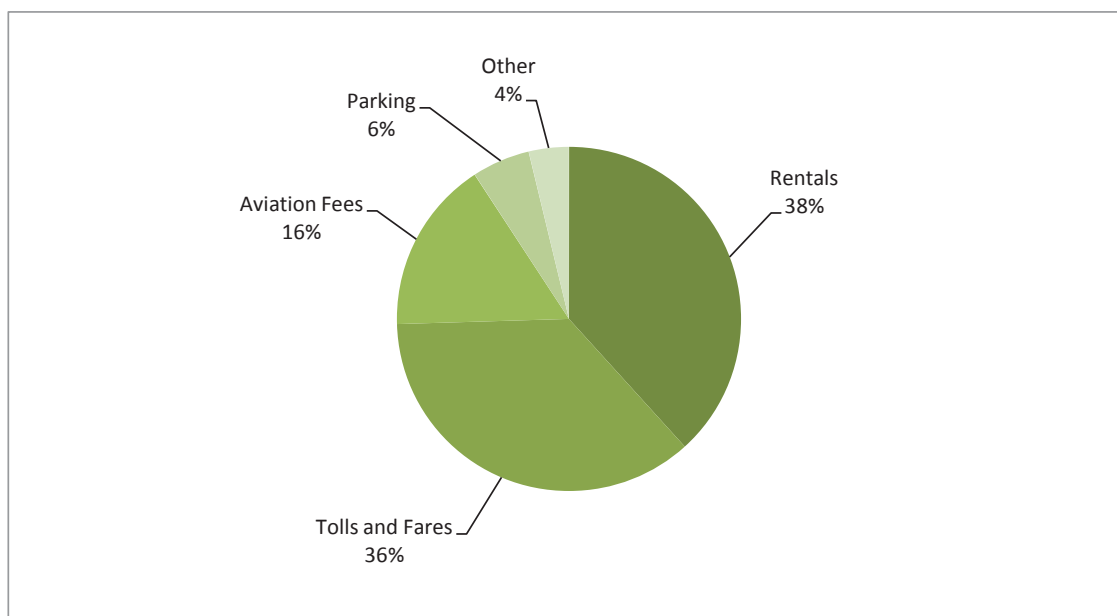
(In Thousands)

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Aviation</b>				
LaGuardia Airport	\$347,024	\$372,260	\$370,689	<b>\$357,535</b>
John F. Kennedy International Airport	1,127,474	1,113,833	1,147,637	<b>1,152,581</b>
Newark Liberty International Airport	799,553	887,806	893,931	<b>894,411</b>
Teterboro Airport	38,901	36,964	37,149	<b>37,464</b>
Stewart International Airport	8,348	8,599	8,153	<b>8,077</b>
<b>Total - Aviation</b>	<b>2,321,300</b>	<b>2,419,462</b>	<b>2,457,559</b>	<b>2,450,068</b>
<b>Tunnels, Bridges &amp; Terminals</b>				
Holland Tunnel	170,116	175,784	173,938	<b>191,227</b>
Lincoln Tunnel	213,241	228,531	224,155	<b>245,192</b>
George Washington Bridge	611,018	649,555	650,489	<b>706,746</b>
George Washington Bridge Bus Station	1,623	1,621	1,599	<b>1,595</b>
Bayonne Bridge	34,901	41,477	36,085	<b>38,392</b>
Goethals Bridge	165,660	180,145	173,027	<b>186,941</b>
Outerbridge Crossing	133,936	162,941	141,930	<b>154,080</b>
Port Authority Bus Terminal	39,065	44,387	42,959	<b>44,661</b>
<b>Total - Tunnels, Bridges &amp; Terminals</b>	<b>1,369,560</b>	<b>1,484,441</b>	<b>1,444,182</b>	<b>1,568,834</b>
<b>Rail</b>				
PATH Rapid Transit	146,656	173,755	165,528	<b>182,228</b>
Journal Square Transportation Center	4,246	4,875	4,185	<b>4,506</b>
<b>Total - Rail</b>	<b>150,902</b>	<b>178,630</b>	<b>169,713</b>	<b>186,734</b>
<b>Port Commerce</b>				
Port Newark	86,292	75,508	79,020	<b>76,644</b>
Elizabeth - PA Marine Terminal	124,106	121,062	126,054	<b>125,875</b>
Brooklyn - PA Marine Terminal	3,392	5,841	5,186	<b>5,508</b>
Red Hook Container Terminal	11,193	1,708	1,496	<b>1,540</b>
Howland Hook Marine Terminal	13,890	13,947	11,208	<b>15,949</b>
Greenville Yard	480	361	602	<b>648</b>
New York & New Jersey Rail, LLC	2,657	2,958	2,958	<b>4,029</b>
Port Jersey - Port Authority Marine Terminal	20,516	22,393	22,033	<b>21,195</b>
<b>Total - Port Commerce</b>	<b>262,526</b>	<b>243,778</b>	<b>248,557</b>	<b>251,389</b>
<b>Development</b>				
Essex County Resource Recovery Facility	457	423	968	<b>24</b>
PA Industrial Park at Elizabeth	1,077	1,479	1,079	<b>1,392</b>
Bathgate Industrial Park	4,846	4,919	4,921	<b>4,208</b>
Ferry Transportation Services	263	209	172	<b>187</b>
Teleport	12,640	14,084	13,788	<b>14,123</b>
Newark Legal & Communications Center	2,509	403	1,809	<b>-</b>
Hoboken Waterfront	7,174	7,038	7,098	<b>7,825</b>
Queens West Waterfront	789	842	771	<b>794</b>
<b>Total Development</b>	<b>29,755</b>	<b>29,397</b>	<b>30,606</b>	<b>28,553</b>
<b>World Trade</b>				
World Trade Center	49,243	57,845	59,597	<b>175,559</b>
WTC Site	845	2,765	1,354	<b>2,875</b>
WTC Retail LLC	-	-	-	<b>2,576</b>
<b>Total World Trade</b>	<b>50,088</b>	<b>60,610</b>	<b>60,951</b>	<b>181,010</b>
<b>Regional &amp; Other</b>	<b>208</b>	<b>500</b>	<b>550</b>	<b>500</b>
<b>Total Gross Operating Revenues</b>	<b>\$4,184,339</b>	<b>\$4,416,818</b>	<b>\$4,412,118</b>	<b>\$4,667,088</b>

\* Totals may not add due to rounding.

## Operating Revenues by Major Category - 2015 Budget

(In Thousands)



	Total	Aviation	Tunnels, Bridges & Terminals	Rail Transit	Port Commerce	Development	World Trade
<b>Rentals</b>	\$1,786,593	\$1,344,051	\$43,484	\$7,129	\$219,624	\$29,053	\$143,252
<b>Tolls and Fares</b>	1,692,030	-	1,514,091	177,939	-	-	-
<b>Aviation Fees</b>	758,380	758,380	-	-	-	-	-
<b>Parking</b>	254,388	241,249	11,260	1,326	553	-	-
<b>Other</b>	175,697	106,388	-	340	31,211	-	37,758
<b>Total</b>	<b>\$4,667,088</b>	<b>\$2,450,068</b>	<b>\$1,568,835</b>	<b>\$186,734</b>	<b>\$251,389</b>	<b>\$29,053</b>	<b>\$181,010</b>

\* Totals may not add due to rounding.

**Rentals** - The Port Authority charges a rental fee for the use of its various facilities. There are primarily two types of rentals: Fixed Rentals, which are generated from leases; and Percentage Rentals, which are mostly generated by a percentage fee that is charged to companies providing goods and services at our facilities.

**Tolls and Fares** - These revenues are a result of tolls imposed at tunnels and bridges and fares charged to passengers of the Port Authority Trans-Hudson railroad system.

**Aviation Fees** - These fees are based on cost recovery agreements with airlines and are calculated on the basis of direct and allocated costs of operating and maintaining public aircraft facilities and the weight of aircraft using the runways.

**Parking** - The Port Authority charges an hourly or daily rate for the use of parking lots located at the airports and bus terminals.

**Other** - This includes World Trade Center Net Leases rent, and facility rentals related to Special Project Bonds.

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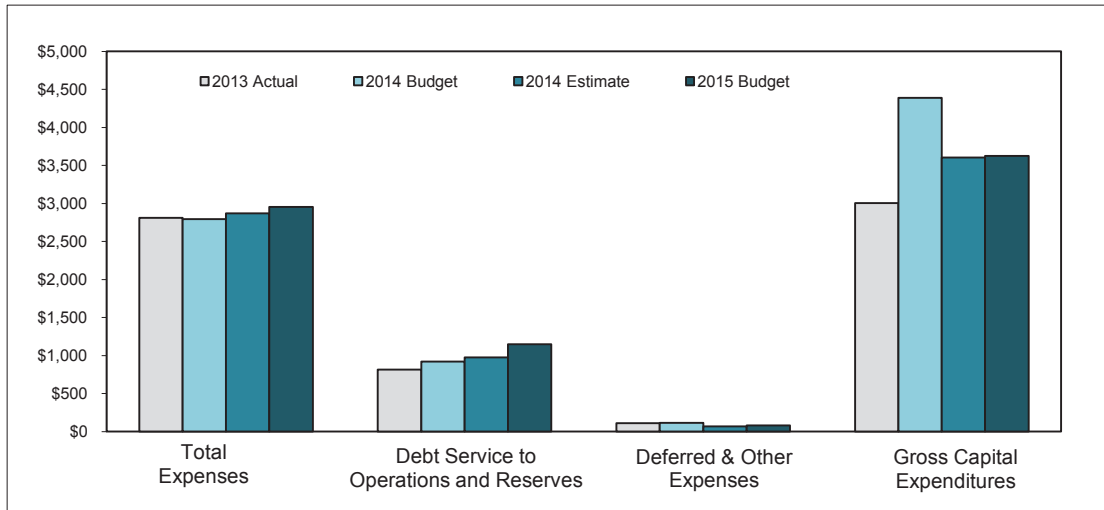
## Uses

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## USES

(In Millions)



	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Expenses:</b>				
<b>Operating Expenses:</b>				
Operations	\$825	\$871	\$872	\$876
Security	570	634	632	645
Maintenance	622	458	515	565
Management Services	360	388	401	395
Rent & PILOT	305	319	328	356
Interest Expense (special project bond interest and operating asset financings)	130	123	122	115
<b>Total Expenses</b>	<b>2,810</b>	<b>2,793</b>	<b>2,870</b>	<b>2,952</b>
<b>Debt Service Charged to Operations &amp; Reserves:</b>				
Interest on Bonds and Other Obligations	596	692	643	766
Debt Maturities and Retirements	204	226	226	261
Repayment of Asset Financing Obligations	16	2	106	122
<b>Total Debt Service</b>	<b>815</b>	<b>920</b>	<b>975</b>	<b>1,149</b>
<b>Deferred &amp; Other Expenses</b>	<b>109</b>	<b>113</b>	<b>69</b>	<b>79</b>
<b>Capital Expenditures:</b>				
Line Departments (including PFCs)	1,246	1,768	1,712	1,968
World Trade Center	1,756	2,400	1,887	1,625
Regional and Other	3	48	5	-
Agency Infrastructure Improvements Provision	-	172	-	30
<b>Total Gross Capital Expenditures</b>	<b>3,005</b>	<b>4,387</b>	<b>3,604</b>	<b>3,623</b>
<b>Total Uses</b>	<b>\$6,739</b>	<b>\$8,213</b>	<b>\$7,518</b>	<b>\$7,803</b>

\* Totals may not add due to rounding.

## EXPENSES BY FACILITY

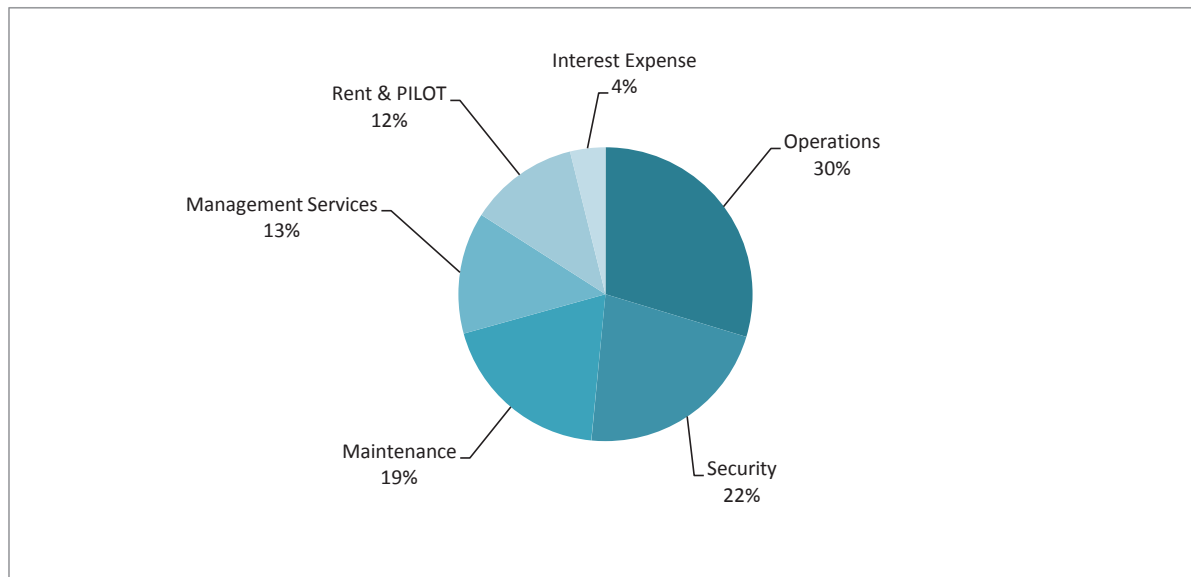
(In Thousands)

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Aviation</b>				
LaGuardia Airport	\$244,999	\$260,801	\$259,017	\$253,895
John F. Kennedy International Airport	681,118	698,974	724,791	718,888
Newark Liberty International Airport	412,928	439,783	461,976	439,603
Teterboro Airport	24,607	27,189	28,283	26,090
Stewart International Airport	17,541	20,100	23,607	20,045
Downtown Manhattan Heli	-	-	26	-
PFC Program	87	-	394	-
<b>Total - Aviation</b>	<b>1,381,280</b>	<b>1,446,847</b>	<b>\$1,498,068</b>	<b>1,458,521</b>
<b>Tunnels, Bridges &amp; Terminals</b>				
Holland Tunnel	71,432	71,179	72,800	69,547
Lincoln Tunnel	88,182	89,980	88,322	91,327
George Washington Bridge	108,850	104,740	102,356	108,716
George Washington Bridge Bus Station	5,145	7,844	7,960	5,885
Bayonne Bridge	21,015	16,468	17,077	17,400
Goethals Bridge	23,058	23,023	25,969	23,920
Outerbridge Crossing	22,690	25,042	23,135	24,631
Port Authority Bus Terminal	100,041	97,269	101,685	101,598
<b>Total - Tunnels, Bridges &amp; Terminals</b>	<b>440,413</b>	<b>435,545</b>	<b>439,304</b>	<b>443,024</b>
<b>Rail</b>				
PATH Rapid Transit	282,053	269,811	321,526	301,392
Journal Square Transportation Center	10,029	12,050	12,623	11,819
<b>Total - Rail</b>	<b>292,082</b>	<b>281,861</b>	<b>334,149</b>	<b>313,211</b>
<b>Port Commerce</b>				
Port Newark	68,259	77,955	75,999	89,202
Elizabeth - PA Marine Terminal	29,637	27,769	24,420	28,706
Brooklyn - PA Marine Terminal	8,886	10,231	10,464	10,746
Red Hook Container Terminal	22,656	9,703	8,081	7,887
Howland Hook Marine Terminal	10,333	11,958	12,973	10,779
Greenville Yard	5	5	5	5
New York & New Jersey Rail, LLC	4,980	4,666	6,357	5,398
Port Jersey - Port Authority Marine Terminal	23,592	23,799	23,100	21,553
<b>Total - Port Commerce</b>	<b>168,348</b>	<b>166,086</b>	<b>161,399</b>	<b>174,276</b>
<b>Development</b>				
Essex County Resource Recovery Facility	434	403	84	338
PA Industrial Park at Elizabeth	(69)	134	142	239
Bathgate Industrial Park	2,153	3,126	2,546	2,404
Ferry Transportation Services	2,976	2,695	1,071	2,702
Teleport	12,221	14,557	13,875	13,486
Newark Legal & Communications Center	(70)	54	131	360
Hoboken Waterfront	581	-	(40)	2
<b>Total Development</b>	<b>18,226</b>	<b>20,969</b>	<b>17,809</b>	<b>19,531</b>
<b>World Trade</b>				
World Trade Center	86,410	186,192	172,597	290,337
WTC Retail LLC	1,694	1,643	2,191	6,304
<b>Total World Trade</b>	<b>88,104</b>	<b>187,835</b>	<b>174,788</b>	<b>296,641</b>
<b>Regional &amp; Other Programs</b>	<b>3,458</b>	<b>8,220</b>	<b>3,088</b>	<b>4,515</b>
Port Authority Insurance Captive Entity, LLC	4,518	4,991	4,985	5,560
<b>Total Operating &amp; Maintenance Expenses</b>	<b>2,396,428</b>	<b>2,552,354</b>	<b>2,633,590</b>	<b>2,715,279</b>
<b>Allocated Expenses</b>	<b>200,137</b>	<b>216,733</b>	<b>213,213</b>	<b>214,465</b>
<b>Total Operating Expenses</b>	<b>2,596,565</b>	<b>2,769,087</b>	<b>2,846,803</b>	<b>2,929,744</b>
<b>Operating Asset Obligations</b>	<b>25,908</b>	<b>23,837</b>	<b>23,778</b>	<b>21,468</b>
<b>Total Expenses</b>	<b>2,622,473</b>	<b>\$2,792,924</b>	<b>\$2,870,580</b>	<b>\$2,951,211</b>

\* Totals may not add due to rounding.

## Operating Expenses by Major Category - 2015 Budget

(In Thousands)



	Total	Aviation	Tunnels, Bridges & Terminals	Rail Transit	Port Commerce	Development & Ferry Transportation	World Trade	Allocated & Other
Operations	\$876,285	\$442,566	\$148,563	\$117,701	\$39,881	\$10,749	\$84,152	\$32,673
Security	644,699	295,912	121,264	48,439	17,480	760	63,350	97,494
Maintenance	565,014	226,539	91,339	97,048	48,487	4,717	63,352	33,532
Management Services	394,838	73,339	37,261	23,324	35,817	728	22,793	201,576
Rent & PILOT	355,552	239,471	3,698	837	26,798	2,385	54,598	27,765
Interest Expense	114,823	92,759	-	-	-	-	-	22,064
Total	\$2,951,211	\$1,370,586	\$402,125	\$287,349	\$168,463	\$19,339	\$288,245	\$415,104

\* Totals may not add due to rounding.

**Operations** - Non-maintenance operations spending, including customer service, facility management, facility operations, leases, revenue collection costs, and utilities.

**Security** - Providing safe and secure facilities by vigilance over potential threats, investment in infrastructure and new technology, and employment of best practices in security and emergency preparedness operations.

**Maintenance** - Costs incurred to keep property, facility structures and equipment operating at a high level of performance, including conforming with applicable codes and regulations, thereby preventing injury to life and damage to property. Activities include Electrical, General Maintenance (Elevators and Escalators, Tunnel Subway Pump, Automotive Maintenance and Servicing, etc.), Inspections, Mechanical, Janitorial/Grounds Keeping, Snow and Ice Removal, Structural (inspections)

**Management Services** - Reflects functions that support line business operations as well as agency-wide management, including costs related to agency oversight, departmental management, audit, financial services, human resources management, insurance, legal services, planning, public and government affairs, technology support, and training.

**Rent & PILOT** - Payments made periodically to governmental agencies and other landlords in return for the use of land, buildings, offices, or other property.

**Interest Expense** - Includes interest on special project bonds and operating asset obligations.

**Allocated & Other** is comprised of police headquarters, staff department and development expenses which are allocated to facilities.

## ALLOCATED EXPENSES

(In Thousands)

Department / Office	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Audit	\$9,029	\$9,628	\$10,518	\$9,675
Chief, Capital Planning, Execution & Asset Management	2,523	2,153	1,855	2,147
Chief Engineer	2,516	2,617	2,516	2,680
Chief Financial Officer	4,278	3,546	3,539	3,743
Chief Operating Officer	2,401	4,240	4,866	5,831
Chief of Public & Government Affairs	24	391	61	258
Comptroller's	9,753	9,955	10,731	10,601
Chief, Real Estate & Development	2,492	2,731	2,848	2,759
Executive Directors Office	1,306	1,332	1,313	1,379
Deputy Executive Directors Office	1,500	1,440	1,324	1,266
Government & Community Affairs	4,010	4,768	4,329	4,817
Human Resources	22,271	24,641	25,198	24,314
Inspector General	10,183	8,537	10,149	8,871
Labor Relations	1,338	1,670	2,468	1,710
Law	21,985	20,497	21,545	20,394
Management and Budget	6,634	7,796	6,631	7,858
Marketing	5,761	5,833	5,196	4,945
Media Relations	1,939	2,476	1,871	2,370
Office of Business Diversity and Civil Rights	3,886	5,373	4,323	4,625
Office of Environmental and Energy Programs	3,742	4,849	4,718	4,737
Office of Financial Analysis	1,436	1,487	1,144	1,420
Office of the Secretary	4,632	5,382	5,255	6,250
Operation Services	4,578	5,070	4,543	5,103
Planning & Regional Development	4,581	4,797	4,773	4,438
Procurement	9,056	8,976	9,540	10,425
Real Estate	7,571	18,050	17,546	18,520
Treasury	10,736	10,898	13,138	11,153
Technology Department	55,871	60,448	54,107	60,691
Corporate Enterprise Systems	13,231	20,496	15,475	19,498
WTC Construction	3,385	3,404	-	-
Other (Revenue, Reclassifications, etc.)	(686)	(3,134)	(446)	(959)
Sub-total General Administrative	231,961	260,349	251,076	261,518
Allocated Expenses <sup>(1)</sup> :				
Less General Administrative allocated to Capital	33,573	49,206	44,040	52,304
General Administrative Allocated to Operations	198,388	211,143	207,036	209,215
Development Expenses Allocated to Operations	1,749	5,590	6,177	5,250
Total Allocated Expenses	\$200,137	\$216,733	\$213,213	\$214,465

<sup>(1)</sup> Allocated Expenses reflects General Administrative Expenses (less amount allocated to capital), plus Development Expenses. Development Expenses are general expenses which includes certain studies and initiatives which support the Port District.

\* Totals may not add due to rounding.



## CAPITAL EXPENDITURES BY FACILITY

(In Thousands)

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Aviation (including PFCs)</b>				
LaGuardia Airport	\$111,526	\$186,221	\$208,750	<b>\$347,851</b>
John F. Kennedy International Airport	154,898	195,905	198,176	<b>308,221</b>
Newark Liberty International Airport	130,459	110,021	185,879	<b>93,873</b>
Teterboro Airport	39,424	23,481	12,594	<b>4,931</b>
Stewart International Airport	32,645	43,699	43,526	<b>23,208</b>
<b>Total - Aviation</b>	<b>468,952</b>	<b>559,328</b>	<b>648,925</b>	<b>778,084</b>
<b>Tunnels, Bridges &amp; Terminals</b>				
Holland Tunnel	15,480	29,977	16,945	<b>36,590</b>
Lincoln Tunnel	139,526	297,814	328,231	<b>312,481</b>
George Washington Bridge	59,108	90,339	47,042	<b>65,835</b>
George Washington Bridge Bus Station	3,837	51,565	20,127	<b>35,856</b>
Bayonne Bridge	102,613	245,348	208,948	<b>274,389</b>
Goethals Bridge	53,485	56,279	36,810	<b>38,001</b>
Outerbridge Crossing	14,556	12,587	12,198	<b>7,203</b>
Port Authority Bus Terminal	27,684	28,662	18,609	<b>43,759</b>
<b>Total - Tunnels, Bridges &amp; Terminals</b>	<b>416,289</b>	<b>812,569</b>	<b>688,910</b>	<b>814,114</b>
<b>Rail</b>				
PATH Rapid Transit	171,556	179,647	197,731	<b>221,432</b>
Journal Square Transportation Center	6,269	1,299	2,728	<b>198</b>
<b>Total - Rail</b>	<b>177,825</b>	<b>180,946</b>	<b>200,459</b>	<b>221,631</b>
<b>Port Commerce</b>				
Port Newark	52,743	57,151	54,671	<b>67,857</b>
Elizabeth - PA Marine Terminal	9,617	6,683	16,445	<b>14,957</b>
Brooklyn - PA Marine Terminal	7,043	6,326	6,217	<b>2,848</b>
Red Hook Container Terminal	-	-	-	<b>749</b>
Howland Hook Marine Terminal	8,284	12,443	14,013	<b>12,806</b>
NY and NJ Rail LLC	3,135	35,112	7,820	<b>27,960</b>
Port Jersey - Port Authority Marine Terminal	100,601	94,996	73,492	<b>25,355</b>
<b>Total - Port Commerce</b>	<b>181,423</b>	<b>212,710</b>	<b>172,658</b>	<b>152,533</b>
<b>Development</b>				
Ferry Transportation Services	70	-	2,558	<b>-</b>
Teleport	296	1,165	205	<b>860</b>
Bathgate Industrial Park	231	-	-	<b>-</b>
<b>Total - Development</b>	<b>597</b>	<b>1,165</b>	<b>2,763</b>	<b>860</b>
<b>World Trade Center</b>				
WTC Transportation Hub	381,304	552,129	296,203	<b>350,207</b>
WTC Retail LLC	260,197	400,000	304,530	<b>294,245</b>
One World Trade Center	429,593	666,297	440,648	<b>349,210</b>
WTC Site (including infrastructure, memorial and VSC)	683,538	779,772	845,278	<b>631,726</b>
<b>Total - World Trade Center</b>	<b>1,754,632</b>	<b>2,398,198</b>	<b>1,886,659</b>	<b>1,625,388</b>
<b>Net Capital Expenditures - Line Departments</b>	<b>2,999,718</b>	<b>4,164,917</b>	<b>3,600,374</b>	<b>3,592,610</b>
<b>Regional &amp; Other Programs:</b>				
Regional Infrastructure Renewal Program	-	30,000	-	<b>-</b>
Other Regional Programs	3,151	17,592	5,193	<b>-</b>
<b>Total - Regional &amp; Other Programs</b>	<b>3,151</b>	<b>47,592</b>	<b>5,193</b>	<b>-</b>
<b>Agency Infrastructure Improvement Provision</b>	<b>-</b>	<b>172,000</b>	<b>-</b>	<b>30,000</b>
<b>Total Net Capital Expenditures</b>	<b>3,002,869</b>	<b>4,384,509</b>	<b>3,605,567</b>	<b>3,622,610</b>
<b>Add Back - Financial Income</b>	<b>1,785</b>	<b>2,482</b>	<b>800</b>	<b>822</b>
<b>Total Gross Capital Expenditures</b>	<b>\$3,004,654</b>	<b>\$4,386,991</b>	<b>\$3,606,367</b>	<b>\$3,623,432</b>
<b>Capital Funding Sources:</b>				
Capital Paid with Reserves & Other Contributions	\$618,654	\$2,836,991	\$1,858,777	<b>\$2,123,432</b>
Capital Paid with Debt	2,386,000	1,550,000	1,747,590	<b>1,500,000</b>
<b>Total Capital Funding Sources</b>	<b>\$3,004,654</b>	<b>\$4,386,991</b>	<b>\$3,606,367</b>	<b>\$3,623,432</b>

\* Totals may not add due to rounding.

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## **Budget Support Schedules**

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## Revenues, Expenses and Changes in Net Position

Prepared in accordance with Generally Accepted Accounting Principles  
(In Thousands)

	2013 Actual	2014 Estimate	2015 Budget	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast
<b>Gross Operating Revenues</b>	\$4,184,039	\$4,412,118	<b>\$4,667,088</b>	\$5,018,491	\$5,141,340	\$5,290,675	\$5,437,185
<b>Operating Expenses:</b>							
Operating & Maintenance Expenses	(2,396,131)	(2,633,590)	<b>(2,715,277)</b>	(2,778,016)	(2,891,551)	(2,930,697)	(2,987,430)
Allocated Expenses	(200,137)	(213,213)	<b>(214,465)</b>	(221,591)	(221,841)	(226,943)	(232,163)
<b>Total Operating Expenses</b>	<b>(2,596,268)</b>	<b>(2,846,802)</b>	<b>(2,929,742)</b>	<b>(2,999,606)</b>	<b>(3,113,392)</b>	<b>(3,157,640)</b>	<b>(3,219,593)</b>
Net (revenue)/expense related to Superstorm Sandy	(28,229)	(66,137)	-	-	-	-	-
Depreciation & Amortization	(940,254)	(960,061)	<b>(1,010,401)</b>	(1,104,178)	(1,135,763)	(1,233,847)	(1,261,284)
<b>Income from Operations</b>	<b>675,746</b>	<b>671,392</b>	<b>726,945</b>	<b>914,707</b>	<b>892,185</b>	<b>899,188</b>	<b>956,309</b>
<b>Non-operating revenues and (expenses)</b>							
Interest Income	35,036	17,057	<b>9,726</b>	31,182	47,886	58,330	79,266
Net increase/(decrease) in fair value of invest.	(26,428)	-	-	-	-	-	-
Interest Expense	(597,445)	(745,207)	<b>(770,388)</b>	(887,658)	(935,268)	(968,371)	(1,026,417)
Operating Asset Obligations	(25,908)	(23,778)	<b>(21,468)</b>	(19,290)	(17,270)	(16,128)	(13,091)
Net gain/(loss) on disposition of assets	4,423	-	-	-	-	-	-
4WTC associated payments	36,660	4,698	<b>36,766</b>	40,411	65,293	65,293	65,293
<b>Net non-operating expenses</b>	<b>(573,662)</b>	<b>(747,229)</b>	<b>(745,365)</b>	<b>(835,356)</b>	<b>(839,359)</b>	<b>(860,875)</b>	<b>(894,949)</b>
<b>Income before capital contributions and PFC</b>	<b>102,084</b>	<b>(75,837)</b>	<b>(18,420)</b>	<b>79,351</b>	<b>52,827</b>	<b>38,313</b>	<b>61,360</b>
<b>Capital contributions and passenger facility charges</b>							
Grants and Contributions in aid of construction <sup>(1)</sup>	701,459	474,560	<b>408,469</b>	409,378	407,840	218,524	80,619
Passenger facility charges (PFC)	224,301	230,444	<b>236,286</b>	243,224	249,857	255,898	261,773
Total capital contributions and PFC	925,760	705,004	<b>644,755</b>	652,602	657,697	474,422	342,392
<b>Increase in Net Position</b>	<b>\$1,027,844</b>	<b>\$629,167</b>	<b>\$626,335</b>	<b>\$731,954</b>	<b>\$710,523</b>	<b>\$512,735</b>	<b>\$403,752</b>
<b>Net Position, January 1</b>	<b>\$12,700,483</b>	<b>\$13,728,327</b>	<b>\$14,357,494</b>	<b>\$14,983,829</b>	<b>\$15,715,783</b>	<b>\$16,426,306</b>	<b>\$16,939,041</b>
<b>Net Position, December 31</b>	<b>13,728,327</b>	<b>14,357,494</b>	<b>14,983,829</b>	<b>15,715,783</b>	<b>16,426,306</b>	<b>16,939,041</b>	<b>17,342,792</b>
<b>Increase in Net Position</b>	<b>\$1,027,844</b>	<b>\$629,167</b>	<b>\$626,335</b>	<b>\$731,954</b>	<b>\$710,523</b>	<b>\$512,735</b>	<b>\$403,752</b>

<sup>(1)</sup> Grants and Contributions in aid of construction in 2013 includes \$190 million in non-cash capital contributions from the WTC Towers 3 and 4 net lessee.

\* Totals may not add due to rounding.

### Disclaimer:

The information in this schedule is based upon conditions existing at the present time, recognizing that the estimates of future revenues and expenses set forth in the forecast years constitute present estimates and statements of expectation. Any forecast is subject to uncertainties, and, inevitably, some estimates and assumptions will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the forecasts set forth herein and actual results, and those differences may be material.

## Consolidated Statement of Net Position

(In Thousands)

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>ASSETS:</b>				
Cash and Investments	\$5,324,582	\$4,249,411	\$5,018,180	<b>\$4,690,237</b>
Receivables, net	490,097	453,452	649,360	<b>598,949</b>
Restricted Receivables	47,293	47,109	43,478	<b>54,789</b>
Deferred charges and other noncurrent assets	1,722,062	1,908,316	1,505,320	<b>1,473,859</b>
Amounts receivable - Special Project Bonds	1,587,468	1,513,891	1,513,892	<b>1,435,940</b>
Amounts receivable - 4 WTC Project Bonds	1,248,697	1,248,697	1,248,187	<b>1,248,187</b>
Unamortized costs for regional programs	405,260	378,650	405,260	<b>378,650</b>
Facilities, net	27,645,980	31,207,110	29,967,522	<b>32,465,332</b>
Total assets	<u>38,471,439</u>	<u>41,006,636</u>	<u>40,351,199</u>	<u><b>42,345,943</b></u>
<b>LIABILITIES:</b>				
Accounts payable	1,029,780	1,419,067	1,319,562	<b>1,539,562</b>
Accrued interest and other liabilities (including PAICE)	861,974	1,215,077	1,064,337	<b>1,169,886</b>
Accrued pension and other employee benefits	631,968	548,643	751,973	<b>703,535</b>
Amounts Payable - Special Project Bonds	1,587,468	1,513,891	1,513,892	<b>1,435,940</b>
Amounts Payable - 4 WTC Project Bonds	1,248,697	1,225,520	1,248,187	<b>1,248,187</b>
Bonds and other asset financing obligations	19,383,225	20,628,941	20,095,754	<b>21,265,004</b>
Total liabilities	<u>24,743,112</u>	<u>26,551,139</u>	<u>25,993,705</u>	<u><b>27,362,114</b></u>
<b>NET ASSETS</b>	<u><b>\$13,728,327</b></u>	<u><b>\$14,455,497</b></u>	<u><b>\$14,357,494</b></u>	<u><b>\$14,983,829</b></u>
<b>Net assets are composed of:</b>				
<b>Retained Earnings:</b>				
Invested in capital assets, net of related debt	\$10,093,713	\$11,954,604	\$11,861,201	<b>\$12,400,364</b>
Restricted:				
Restricted Passenger Facility Charges	181,358	207,805	192,835	<b>170,210</b>
P A Insurance Captive Entity - PAICE	173,109	160,172	178,668	<b>179,737</b>
Minority Interest in Tower 1 Joint Venture, LLC	100,000	100,000	100,000	<b>100,000</b>
Unrestricted	3,180,147	2,032,916	2,024,791	<b>2,133,518</b>
<b>Total Net assets</b>	<u><b>\$13,728,327</b></u>	<u><b>\$14,455,497</b></u>	<u><b>\$14,357,494</b></u>	<u><b>\$14,983,829</b></u>

\* Totals may not add due to rounding.

## INFORMATION ON PORT AUTHORITY OPERATIONS BY FACILITY

Prepared in accordance with Generally Accepted Accounting Principles  
(In Thousands)

	Gross Operating Revenues	O&M Expenses	Allocated Expenses	Depreciation & Amortization	Net Interest & Other Exp.	Net Income Before Grants Contributions & PFCs	Grants, Contributions, Insurance & PFCs	2015 Budget Net Income/ (Loss)	2014 Estimate Net Income/ (Loss)	2013 Actual Net Income/ (Loss)
<b>Aviation</b>										
LaGuardia Airport	\$357,535	\$253,895	\$24,170	\$51,870	\$30,439	(\$2,839)	\$3,244	\$405	\$19,593	\$19,240
John F. Kennedy International Airport	1,152,581	718,888	38,462	143,896	69,813	181,522	10,472	191,994	193,102	170,432
Newark Liberty International Airport	894,411	439,603	31,297	121,184	56,413	245,914	12,399	258,313	239,085	176,890
Teterboro Airport	37,464	26,090	2,354	16,444	7,356	(14,779)	6,537	(8,242)	(10,851)	6,982
Stewart International Airport	8,077	20,045	523	5,022	3,369	(20,882)	14,868	(6,014)	(18,483)	(7,295)
<b>Total - Aviation</b>	<b>2,450,068</b>	<b>1,458,521</b>	<b>96,805</b>	<b>338,416</b>	<b>167,390</b>	<b>388,937</b>	<b>47,519</b>	<b>436,455</b>	<b>422,446</b>	<b>366,249</b>
<b>Tunnels, Bridges &amp; Terminals</b>										
Holland Tunnel	191,227	69,547	9,970	15,178	6,792	89,739	863	90,603	58,958	62,752
Lincoln Tunnel	245,192	91,327	12,099	39,118	13,003	89,645	1,111	90,755	70,153	67,443
George Washington Bridge	706,746	108,716	12,931	37,153	22,669	525,278	995	526,273	481,589	429,046
George Washington Bridge Bus Station	1,595	5,885	1,046	1,855	-	(7,192)	75	(7,117)	(8,798)	(5,996)
Bayonne Bridge	38,392	17,400	2,134	5,144	5,387	8,327	188	8,515	6,116	(576)
Goethals Bridge	186,941	23,920	2,993	34,830	4,533	120,664	225	120,890	104,901	117,834
Outerbridge Crossing	154,080	24,631	2,988	4,474	1,722	120,265	225	120,490	109,413	101,380
Port Authority Bus Terminal	44,661	101,598	11,245	25,538	12,726	(106,447)	976	(105,471)	(105,425)	(111,251)
<b>Total - Tunnels, Bridges &amp; Terminals</b>	<b>1,568,834</b>	<b>443,024</b>	<b>55,406</b>	<b>163,291</b>	<b>66,832</b>	<b>840,279</b>	<b>4,657</b>	<b>844,938</b>	<b>716,906</b>	<b>660,632</b>
<b>Rail</b>										
PATH Rapid Transit	182,228	301,392	46,027	160,985	66,231	(392,407)	271,273	(121,134)	(21,732)	(49,595)
Journal Square Transportation Center	4,506	11,819	262	6,721	2,361	(16,657)	-	(16,657)	(17,509)	(15,636)
<b>Total - Rail</b>	<b>186,734</b>	<b>313,211</b>	<b>46,289</b>	<b>167,706</b>	<b>68,592</b>	<b>(409,064)</b>	<b>271,273</b>	<b>(137,790)</b>	<b>(39,241)</b>	<b>(65,231)</b>
<b>Port Commerce</b>										
Port Newark	76,644	89,202	4,707	28,958	21,132	(67,356)	3,366	(63,990)	(49,272)	(27,889)
Elizabeth - PA Marine Terminal	125,875	28,706	1,491	35,530	29,185	30,963	113	31,075	34,910	16,406
Brooklyn - PA Marine Terminal	5,509	10,746	523	663	1,515	(7,938)	881	(7,057)	(7,893)	(8,023)
Howland Hook Marine Terminal	15,949	10,779	523	16,997	11,755	(24,105)	-	(24,105)	(30,806)	(30,113)
Greenville Yard	649	5	-	-	-	643	-	643	597	595
Port Jersey - Port Authority Marine Terminal	21,195	21,553	523	2,277	11,220	(14,378)	3,048	(11,331)	(13,663)	(16,631)
New York & New Jersey Rail, LLC	4,030	5,398	-	356	3,329	(5,053)	31,001	25,947	3,223	(1,496)
Red Hook Container Terminal	1,540	7,887	262	227	-	(6,836)	-	(6,836)	(7,206)	(12,196)
<b>Total - Port Commerce</b>	<b>251,389</b>	<b>174,276</b>	<b>8,029</b>	<b>85,009</b>	<b>78,136</b>	<b>(94,061)</b>	<b>38,409</b>	<b>(55,653)</b>	<b>(70,110)</b>	<b>(79,346)</b>
<b>Development</b>										
Essex County Resource Recovery Facility	24	338	-	1,261	82	(1,657)	-	(1,657)	(610)	(1,861)
PA Industrial Park at Elizabeth	1,392	239	5	279	200	668	-	668	451	537
Bathgate Industrial Park	4,208	2,404	-	1,137	76	590	-	590	976	1,003
Ferry Transportation Services	187	2,702	-	5,289	3,341	(11,145)	-	(11,145)	(5,444)	(12,857)
Teleport	14,123	13,486	262	1,871	254	(1,750)	-	(1,750)	(1,454)	(2,391)
Newark Legal & Communications Center	0	360	-	2,747	429	(3,535)	-	(3,535)	(6,662)	(1,364)
Hoboken Waterfront	7,825	2	16	2,841	2,229	2,738	-	2,738	2,036	658
Queens West Waterfront	794	-	-	605	1,341	(1,152)	-	(1,152)	(1,166)	(1,454)
<b>Total Development</b>	<b>28,553</b>	<b>19,531</b>	<b>283</b>	<b>16,030</b>	<b>7,952</b>	<b>(15,242)</b>	<b>-</b>	<b>(15,242)</b>	<b>(11,872)</b>	<b>(17,728)</b>
<b>World Trade Center</b>										
World Trade Center	175,559	165,234	330	22,703	265,396	(278,104)	-	(278,104)	(314,195)	23,102
WTC Site	2,875	125,103	7,323	34,644	-	(164,195)	46,610	(117,585)	(101,306)	128,461
WTC Retail LLC	2,576	6,304	-	13,981	59,995	(77,703)	-	(77,703)	(61,838)	(11,293)
<b>World Trade Center</b>	<b>181,010</b>	<b>296,641</b>	<b>7,652</b>	<b>71,328</b>	<b>325,391</b>	<b>(520,002)</b>	<b>46,610</b>	<b>(473,392)</b>	<b>(477,338)</b>	<b>140,271</b>
<b>Regional and Other</b>										
Port Authority Insurance Captive Entity, LLC	-	5,560	-	-	-	(5,560)	-	(5,560)	(4,985)	(4,304)
Net (revenue)/expense related to Sandy	-	-	-	-	-	-	-	-	66,137	28,229
<b>Sub-total</b>	<b>4,667,088</b>	<b>2,715,279</b>	<b>214,465</b>	<b>916,552</b>	<b>745,365</b>	<b>75,429</b>	<b>408,469</b>	<b>483,898</b>	<b>493,764</b>	<b>900,828</b>
<b>PFC Program</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93,849</b>	<b>-</b>	<b>(93,849)</b>	<b>236,286</b>	<b>142,437</b>	<b>135,403</b>	<b>127,017</b>
<b>Total Port Authority</b>	<b>\$4,667,088</b>	<b>\$2,715,279</b>	<b>\$214,465</b>	<b>\$1,010,401</b>	<b>\$745,365</b>	<b>(\$18,420)</b>	<b>\$644,755</b>	<b>\$626,334</b>	<b>\$629,167</b>	<b>\$1,027,844</b>

\* Totals may not add due to rounding.

## Revenues and Reserves

Prepared pursuant to Port Authority bond resolution

(In Thousands)

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Gross Operating Revenues</b>	\$4,184,039	\$4,416,818	\$4,412,118	<b>\$4,667,088</b>
<b>Expenses:</b>				
<b>Operating &amp; Maintenance Expenses</b>	2,396,131	2,552,354	2,633,590	<b>2,715,277</b>
<b>Allocated Expenses</b>	200,137	216,733	213,213	<b>214,465</b>
<b>Total Operating Expenses</b>	2,596,268	2,769,087	2,846,803	<b>2,929,742</b>
<b>Operating Asset Obligations</b>	25,908	23,837	23,778	<b>21,468</b>
<b>Total Expenses</b>	2,622,176	2,792,924	2,870,580	<b>2,951,210</b>
<b>Net Operating Revenues before Net Recoverables</b>	1,561,863	1,623,894	1,541,538	<b>1,715,878</b>
<b>Net (revneue)/expense related to Superstorm Sandy</b>	(28,229)	-	(66,137)	-
<b>Net Operating Revneues</b>	1,590,092	1,623,894	1,607,675	<b>1,715,878</b>
<b>Financial Income:</b>				
<b>Interest Income</b>	23,464	13,589	17,057	<b>9,726</b>
<b>Net increase/(decrease) in fair value of investments</b>	(26,428)	-	-	-
<b>Restricted Net Assets - Port Authority Insurance Captive Entity, LLC</b>	4,305	491	491	<b>1,069</b>
<b>Grants and contributions in aid of construction</b>	540,746	553,770	469,821	<b>371,703</b>
<b>Application of 4 WTC Associated Payments</b>	36,660	4,698	4,698	<b>36,766</b>
<b>Application of Passenger Facility Charges</b>	175,421	208,011	280,732	<b>258,911</b>
<b>Net Revenues Available for Debt Service and Reserves</b>	2,344,260	2,404,453	2,380,473	<b>2,394,053</b>
<b>Debt Service:</b>				
<b>Interest on Bonds and Other Obligations</b>	595,513	691,858	642,880	<b>766,210</b>
<b>Debt Maturities and Retirements</b>	204,000	226,205	226,205	<b>260,550</b>
<b>Repayment of Asset Financing Obligations</b>	15,701	2,482	105,562	<b>122,358</b>
<b>Total Debt Service</b>	815,214	920,545	974,647	<b>1,149,118</b>
<b>Increase in Reserves from Operations &amp; Financial Income</b>	1,529,046	1,483,909	1,405,826	<b>1,244,935</b>
<b>Direct Investment in Facilities</b>	(1,059,756)	(1,942,362)	(1,543,899)	<b>(1,572,878)</b>
<b>Appropriation to / (from) Reserves for Self-Insurance</b>	10,414	-	-	-
<b>Acceleration of unamortized brokerage commissions</b>	(46,863)	-	-	-
<b>Net Increase / (Decrease) in Reserves for Year</b>	432,841	(458,453)	(138,073)	<b>(327,943)</b>
<b>Reserves, beginning of year</b>	3,377,075	3,878,478	3,809,916	<b>3,671,844</b>
<b>Reserves, end of year</b>	\$3,809,916	\$3,420,025	\$3,671,844	<b>\$3,343,901</b>

\* Totals may not add due to rounding.

## ASSETS AND LIABILITIES

(Pursuant to Port Authority Bond Resolutions)

(In Thousands)

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
<b>Assets</b>				
Invested In Facilities	\$42,344,631	\$48,101,672	\$46,996,891	<b>\$50,428,285</b>
Cash and Investments	5,324,582	4,249,411	5,018,180	<b>4,690,237</b>
Other Assets	4,984,376	5,142,403	5,591,050	<b>4,808,473</b>
<b>Total Assets</b>	<b>52,653,589</b>	<b>57,493,486</b>	<b>57,606,121</b>	<b>59,926,995</b>
<b>Liabilities</b>				
Consolidated Bonds and Notes	18,212,064	19,887,870	19,638,550	<b>20,433,470</b>
Other Obligations	2,441,856	3,480,483	3,645,431	<b>3,515,661</b>
Accounts Payable and Other Liabilities	2,697,751	3,182,787	3,308,533	<b>3,458,771</b>
<b>Total Liabilities</b>	<b>23,351,672</b>	<b>26,551,140</b>	<b>26,592,514</b>	<b>27,407,902</b>
<b>Net Assets</b>	<b>\$29,301,918</b>	<b>\$30,942,346</b>	<b>\$31,013,606</b>	<b>\$32,519,093</b>
<b>Net Assets Are Composed Of:</b>				
Facility Infrastructure Investment	\$25,463,903	\$27,483,807	\$27,341,763	<b>\$29,175,192</b>
<b>Reserves:</b>				
General Reserve Fund	2,029,051	2,164,305	2,130,050	<b>2,242,550</b>
Consolidated Bond Reserve Fund	1,780,865	1,255,720	1,541,794	<b>1,101,351</b>
<b>Total Reserve Funds</b>	<b>3,809,916</b>	<b>3,420,025</b>	<b>3,671,844</b>	<b>3,343,901</b>
Appropriated Reserves for Self-insurance	28,100	38,514	-	-
<b>Net Assets</b>	<b>\$29,301,918</b>	<b>\$30,942,346</b>	<b>\$31,013,606</b>	<b>\$32,519,093</b>

\* Totals may not add due to rounding.

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## **Outstanding Obligations and Financing**

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## SUMMARY OF DEBT TYPE

(In Thousands)

Type:	2013 Actual	Issued/ Accreted	2014 Repaid/ Refunded	Estimate	Issued/ Accreted	2015 Repaid/ Refunded	Budget
<b>Consolidated Bonds</b>	\$18,212,063	\$2,880,237	(\$1,863,280)	\$19,229,020	\$1,500,000	(\$295,550)	<b>\$20,433,470</b>
<b>Commercial Paper</b>	348,110	1,239,415	(1,139,340)	448,185	150,000	(120,000)	<b>478,185</b>
<b>Variable Rate Master Notes</b>	77,900	-	-	77,900	-	-	<b>77,900</b>
<b>PA Equipment Notes</b>	46,925	-	(15,425)	31,500	-	(31,500)	-
<b>Fund Buy-out Obligation</b>	311,077	23,699	(51,214)	283,562	21,383	(51,212)	<b>253,733</b>
<b>MOTBY Obligation</b>	52,329	925	(5,000)	48,254	1,129	(5,000)	<b>44,383</b>
<b>4 WTC Net Lease Obligation</b>	1,225,520	-	-	1,225,520	-	-	<b>1,225,520</b>
<b>Sub-total</b>	20,273,924	4,144,276	(3,074,259)	21,343,941	1,672,512	(503,262)	<b>22,513,191</b>
<b>Special Project Bonds</b>	1,587,468	-	(73,576)	1,513,892	-	(77,952)	<b>1,435,940</b>
<b>Total Obligations</b>	<b>\$21,861,392</b>	<b>\$4,144,276</b>	<b>(\$3,147,835)</b>	<b>\$22,857,833</b>	<b>\$1,672,512</b>	<b>(\$581,214)</b>	<b>\$23,949,131</b>

\* Totals may not add due to rounding.

### Notes on Limitations of Outstanding Obligations

Limitations applicable to Port Authority debt are not, unless otherwise indicated, "legal limits" established by State constitutions or laws but, rather, are set forth in, or calculated in accordance with, the contracts with the holders of such obligations, as adopted by the Port Authority's Board of Commissioners. Subject to the issuance tests and limitations contained in the various resolutions and policies established by the Port Authority.

(1) Consolidated Bonds: (which includes Consolidated Notes) established pursuant to the Consolidated Bond Resolution of October 9, 1952, under which additional bonds may not be issued except under one or another of three conditions, each of which requires that a certain future calendar year's debt service is met at least 1.3 times by certain revenues.

(2) Commercial Paper: These obligations are issued to provide interim financing for authorized projects at Port Authority facilities and may be outstanding until December 31, 2015. The maximum aggregate principal amount that may be outstanding at any one time is \$300 million for Series A and \$200 million for Series B.

(3) Variable Rate Master Notes: These notes may be issued in aggregate principal amounts outstanding at one time not to exceed \$400 million.

(4) Port Authority Equipment Notes: These notes may be issued in aggregate amounts outstanding at any one time not to exceed \$250 million.

(5) Fund Buy-Out Obligation: Represents the present value of amounts due to the States of New York and New Jersey upon the termination, in 1990, of the Fund for Regional Development.

(6) MOTBY Obligation: Represents the present value of amounts due to the Bayonne Local Redevelopment Authority for the purchase of the Marine Ocean Terminal at Bayonne Peninsula.

(7) 4 WTC Net Lease Obligations: Represents the principal amount due on the New York Liberty Development Corporation Liberty Revenue Bonds, Series 2011, for the 4 World Trade Center Project.

(8) Special Project Bonds: Neither the full faith and credit of the Port Authority, nor the General Reserve Fund, nor the Consolidated Bond Reserve Fund are pledged to the payment of the principal and interest on special project bonds. Each series of Special Project Bonds is to be issued under a separate resolution and may be issued in one or more installments as the Port Authority may determine.

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# Staffing

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## Budgeted Permanent Positions

DEPARTMENT	2013 Actual	2014 Estimate	2015 Budget
<b>CHIEF OF HUMAN CAPITAL</b>			
Human Resources (including Medical Services)	75	76	76
Labor Relations	6	6	6
<b>CHIEF, CAPITAL PLANNING, EXECUTION &amp; ASSET MANAGEMENT</b>	5	5	5
Project Management Office	8	8	13
Business Diversity and Civil Rights	14	16	18
Environmental & Energy Programs	12	12	12
Planning & Regional Development	22	22	20
WTC Redevelopment	16	16	16
WTC Construction	110	98	98
<b>CHIEF, PROCUREMENT &amp; CONTRACTING OFFICER/Procurement</b>	92	92	92
<b>CHIEF, TECHNOLOGY SERVICES/Technology Department</b>	104	102	102
<b>CHIEF ENGINEER/Engineering</b>	538	538	546
<b>CHIEF FINANCIAL OFFICER</b>	3	4	4
Comptroller's	98	98	98
Management and Budget	42	41	41
Office of Financial Analysis	7	6	6
Priority Programs	6	6	6
Treasury	42	42	42
<b>CHIEF OPERATING OFFICER</b>	7	10	10
Aviation (including ARFF)	1,026	1,198	1,235
Port Commerce	169	167	167
Rail Transit	1,073	1,070	1,082
Tunnels, Bridges & Terminals	873	872	890
Operations Services	423	423	423
<b>CHIEF, PUBLIC &amp; GOVERNMENT AFFAIRS</b>	2	2	2
Government and Community Affairs	13	13	13
Media Relations	10	10	10
Marketing	24	23	23
<b>CHIEF, REAL ESTATE &amp; DEVELOPMENT</b>	50	49	49
<b>EXECUTIVE DIRECTORS OFFICE</b>	4	4	4
<b>DEPUTY EXECUTIVE DIRECTORS OFFICE</b>	4	4	4
<b>GENERAL COUNSEL</b>			
Law	127	127	127
<b>INSPECTOR GENERAL/Office of Investigations</b>	47	47	47
Audit	74	77	77
<b>SECRETARY</b>	16	16	16
Transparency Office	2	2	4
<b>CHIEF SECURITY OFFICER</b>	5	9	6
Security Operations & Programs	21	47	65
WTC Security	1	3	4
Security Business Resource Management	0	61	72
Office of Emergency Management	17	16	16
Public Safety	1,589	1,540	1,545
<b>TOTAL PERMANENT POSITIONS</b>	<b>6,777</b>	<b>6,978</b>	<b>7,092</b>

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## Activity Highlights

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## ACTIVITY HIGHLIGHTS

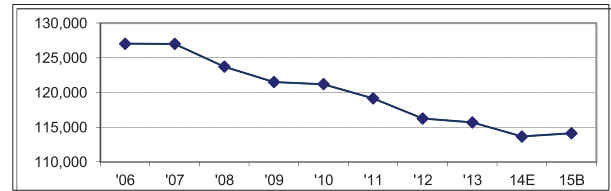
**2006 - 2013 ACTUAL, 2014 ESTIMATE AND 2015 BUDGET**  
(in thousands)

### Tunnels, Bridges & Terminals

#### (Eastbound Vehicular Movements)

	Autos	Buses	Trucks	Total
2006	115,506	3,140	8,374	127,020
2007	115,349	3,139	8,516	127,004
2008	112,176	3,158	8,391	123,725
2009	110,755	3,119	7,626	121,500
2010	110,482	3,122	7,602	121,206
2011	108,428	3,111	7,611	119,150
2012	105,895	2,957	7,401	116,253
2013	105,452	2,948	7,288	115,688
2014 Estimate	103,673	2,955	7,024	113,652
2015 Budget	104,150	3,026	6,947	114,123

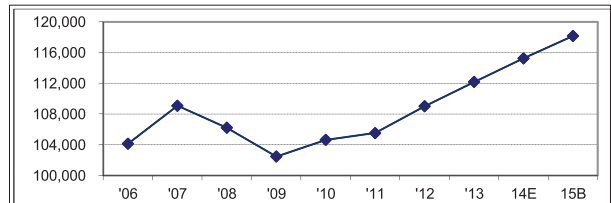
**TB&T - All Vehicles**



### Aviation - Passengers

	International	Domestic	Total
2006	30,969	73,164	104,133
2007	33,523	75,546	109,069
2008	34,635	71,579	106,214
2009	33,514	68,956	102,470
2010	35,377	69,258	104,635
2011	36,465	69,053	105,518
2012	37,687	71,328	109,015
2013	39,584	72,595	112,179
2014 Estimate	41,948	73,290	115,238
2015 Budget	43,150	75,006	118,156

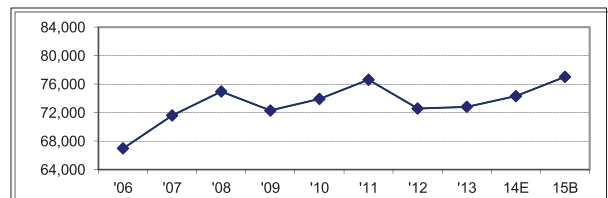
**Aviation - Total Passenger Traffic**



### PATH - Passengers

2006	66,966
2007	71,592
2008	74,954
2009	72,277
2010	73,911
2011	76,600
2012 *	72,563
2013 *	72,803
2014 Estimate	74,299
2015 Budget	77,018

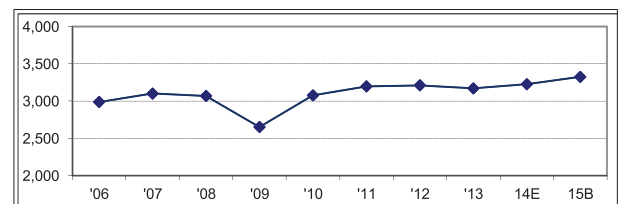
**PATH - Passengers**



### Port Commerce - Containers

2006	2,988
2007	3,100
2008	3,069
2009	2,652
2010	3,076
2011	3,197
2012	3,211
2013	3,170
2014 Estimate	3,226
2015 Budget	3,324

**Port Commerce - Containers**



\* Reflects declined passenger ridership due to recovery efforts from Superstorm Sandy.



# 2015 Capital Budget Summary







## THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

### 2015 CAPITAL SPENDING

	2015 BUDGET
Aviation	\$778,084
Development	860
PATH	221,631
Port Commerce	152,533
Tunnels, Bridges & Terminals	814,114
World Trade Center	1,625,388
Agency Infrastructure Improvements	30,000
Total	<u>\$3,622,610</u>

#### Category Designations

Mandatory	(MAND)
Revenue Producing Projects	(RPP)
Security	(SEC)
State of Good Repair	(SGR)
System Enhancement Projects	(SEP)

#### Stages Designations

Conceptual Design	(Stage 1)
Preliminary Design	(Stage 2)
Contract Documents	(Stage 3)
Construction	(Stage 4)

CMWP	Capital Major Works Program
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**THE PORT AUTHORITY OF NEW YORK & NEW JERSEY**  
**2015 CAPITAL SPENDING**  
**SORTED BY DEPARTMENT, FACILITY AND PROGRAM**  
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>AVIATION</b>				
<b>CA02-LaGUARDIA AIRPORT</b>				
<b>AERONAUTICAL</b>				
CA02-128	TRANSFER OF RUNWAY DECK ELECTRICAL CIRCUITS	SGR	4	493
CA02-129	REHABILITATION OF RUNWAY DECK STRUCTURAL ELEMENTS - 2	SGR	4	2,794
CA02-401	REHABILITATION OF RUNWAY 13-31 AND ASSOCIATED TAXIWAYS	SGR	3	11,984
CA02-417	RUNWAY 13 & 22 DECKS SAFETY OVERRUN	MAND	4	49,107
CA02-423	REHABILITATION OF TAXIWAYS WEST OF RUNWAY 4-22	SGR	3	7,574
CA02-445	REHABILITATION OF TAXIWAYS A, M, AND ZA	SGR	4	1,863
CA02-466	REHABILITATION OF TAXIWAY "A" FROM ("L" TO "B") AND TAXIWAY "B" (FROM "G" TO "CY")	SGR	1	602
				<b>74,418</b>
<b>INFRASTRUCTURE</b>				
CA02-328	UPGRADE PUMPS IN PUMP HOUSE 4	SGR	4	1,264
CA02-454	FEEDER UPGRADE AND REDISTRIBUTION FOR DELTA 2013 EXPANSION OF DELTA AIRLINES	SEP	4	113
CA02-486	LAGUARDIA AIRPORT FLOOD CONTROL AND RESILIENCY IMPROVEMENTS	SEP	1	7,879
				<b>9,257</b>
<b>LANDSIDE</b>				
CA02-360	REHABILITATION OF EAST END LGA ROAD PAVEMENT	SGR	4	117
CA02-451	CMWP - TRAFFIC AND INTERSECTION SAFETY IMPROVEMENTS - PHASE 1	MAND	4	31
				<b>149</b>
<b>SECURITY</b>				
CA02-037	PHYSICAL PROTECTION OF TERMINAL BUILDING GLASS	SEC	1	39
CA02-114	INSTALLATION OF BOLLARD AT TENANT TERMINALS	SEC	4	297
CA02-231	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	767
CA02-447	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	1,405
				<b>2,508</b>
<b>TERMINALS</b>				
CA02-434	CTB WATER DAMAGE REMEDIATION PHASE - 2	SGR	4	371
CA02-446	FACILITY DATA ROOM REHABILITATION	SEP	1	787
				<b>1,158</b>
<b>CA02-LaGUARDIA AIRPORT</b>				<b>87,489</b>
<b>CA22-LGA REDEVELOPMENT PROGRAM</b>				
<b>TERMINALS</b>				
CA22-419	CTB REDEVELOPMENT PROGRAM - TERMINAL CONSTRUCTION AND RAMP	RPP	1	25,000
CA22-442	AIR TERMINAL HIGHWAY EAST OF GUARD POST 1	SEP	1	3,588
CA22-482	LGA REDEVELOPMENT PROGRAM FINAL PLANNING & DESIGN	RPP	1	19,407
				<b>47,994</b>

**THE PORT AUTHORITY OF NEW YORK & NEW JERSEY**  
**2015 CAPITAL SPENDING**  
**SORTED BY DEPARTMENT, FACILITY AND PROGRAM**  
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>INFRASTRUCTURE</b>				
CA22-372	CENTRAL HEATING & REFRIGERATION PLANT	SGR	1	7,500
CA22-429	RELOCATION OF PARKING LOT 10E / INGRAHAMS MTN	SEP	1	31,805
CA22-440	REPLACEMENT OF UTILITIES EAST OF GUARD POST 1	SGR	1	61,579
CA22-443	SURFACE AND STRUCTURE PARKING PROGRAM	SEP	1	21,908
CA22-444	HANGARS 1, 2 & 4 SITE REUTILIZATION	SEP	4	23,409
CA22-460	CES AND WES TIE FEEDERS REINFORCEMENT	SEP	4	16,243
CA22-461	EAST END SUBSTATION FOUNDATION AND SITE UTILITIES	SGR	4	552
CA22-469	EAST END SUBSTATION BUILDING, EQUIPMENT AND FEEDERS	SGR	4	23,586
CA22-474	EAST PARKING GARAGE	SEP	4	25,788
				<b>212,368</b>
<b>CA22-LGA REDEVELOPMENT PROGRAM</b>				<b>260,362</b>
<b>CA03-JFK INTERNATIONAL AIRPORT</b>				
<b>AERONAUTICAL</b>				
CA03-168	REHABILITATION OF RUNWAY 4L-22R	SGR	4	206,530
CA03-518	REPLACEMENT OF RUNWAY 4R APPROACH LIGHTING SYSTEM PIER	SGR	1	269
CA03-529	REHABILITATION OF TAXIWAY Q AND QG	SGR	1	599
CA03-614	REHABILITATION OF TAXIWAY B (TAXIWAY N TO TAXIWAY TB)	SGR	4	636
CA03-616	NORTH BOUNDARY ROAD REALIGNMENT	MAND	4	2,874
CA03-618	RELOCATION OF RESTRICTED VEHICLE SERVICE ROAD BRIDGE - J8	SEP	4	104
CA03-619	REHABILITATION OF TAXIWAY Z AND H AND G	SGR	1	265
CA03-621	REPLACEMENT OF 5KV FEEDERS	SGR	3	6,546
CA03-516	REHABILITATION OF RUNWAY 4R-22L	SGR	1	1,577
CA03-755	CMWP - FORMER HANGAR 12 SITE - WEST AREA LIGHTING	SGR	3	993
CA03-760	ENGINEERED MATERIAL ARRESTOR SYSTEM	MAND	4	2,185
CA03-769	JFK AOA LIGHT CIRCUIT REPLACEMENT	SGR	1	481
				<b>223,058</b>
<b>INFRASTRUCTURE</b>				
CA03-016	EMERGENCY FUEL SHUTOFF SYSTEM	MAND	4	26
CA03-017	REPLACEMENT OF GEOCOMPOSITE LINERS AT BULK FUEL FARM - PHASE 2	MAND	4	20
CA03-555	REHABILITATION OF VAN WYCK NORTH & SOUTH SERVICE ROAD	SGR	4	375
CA03-574	BUILDING 156 (CONTROL TOWER) ROOFING AND HVAC REPLACEMENT	SGR	1	1,846
CA03-605	ROOF REPLACEMENT PROGRAM BUILDING 14	SGR	3	914
CA03-636	SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	SGR	4	2,471
CA03-645	CMWP - SWITCH HOUSE #2 CLIMATE CONTROL AND RELATED WORK	SGR	4	83
CA03-646	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SGR	1	1,885
CA03-675	REPLACEMENT OF FIRE ALARM SYSTEM AT THE CONTROL TOWER	SGR	3	1,752
CA03-677	UPGRADE/REHABILITATION FACILITY-WIDE FIRE ALARM SYSTEM	SGR	1	420
CA03-748	CMWP - ACCESS AND SAFETY IMPROVEMENTS AT BLDG 161 (FIRE PUMP STATION)	SEP	3	916
				<b>10,708</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>LANDSIDE</b>				
CA03-023	PAVEMENT REHABILITATION OF NORTH BOUNDARY EASTERN, & NORTH HANGAR ROAD	SGR	4	642
CA03-025	PAVEMENT REHABILITATION OF PAN-AM AND BERGEN ROAD & FEDERAL CIRCLE RAMPS	SGR	4	3,621
CA03-036	PAVEMENT REHABILITATION OF EAST & WEST HANGAR ROAD	SGR	4	150
CA03-554	REHABILITATION OF 148TH STREET AND JFK EXPRESSWAY RAMPS	SGR	4	213
CA03-594	REHABILITATION OF PAVEMENT CARGO SERVICE ROAD	SGR	4	234
				<b>4,860</b>
<b>SECURITY</b>				
CA03-061	CCTV EQUIPMENT IN TERMINAL BAGGAGE AREAS	SEC	3	624
CA03-141	INSTALLATION OF BOLLARD AT TENANT TERMINALS	SEC	4	8,077
CA03-389	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	1,719
CA03-391	AIRPORT CHECKPOINT DIGITAL CCTV SYSTEM IMPROVEMENTS	SEC	4	880
CA03-507	UNMANNED GATES	SEC	4	796
CA03-639	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	1,853
				<b>13,948</b>
<b>TERMINALS</b>				
CA03-591	DELTA T3/T4 REDEVELOPMENT	RPP	4	55,281
CA03-763	INSTALLATION OF WELCOME CENTERS AT TERMINAL 4 AND 5	SEP	4	365
				<b>55,646</b>
<b>CA03-JFK INTERNATIONAL AIRPORT</b>				<b>308,221</b>
<b>CA04-NEWARK LIBERTY INTERNATIONAL AIRPORT</b>				
<b>AERONAUTICAL</b>				
CA04-516	INSTALLATION OF RUNWAY 11 EMAS FOR RSA IMPROVEMENTS	MAND	4	2,761
CA04-524	REHABILITATION OF TAXIWAY Z (FROM RUNWAY EDGE TO "UA")	SGR	1	190
CA04-569	END AROUND TAXIWAYS FOR RUNWAY 4L-22R	SEP	1	3,499
CA04-455	REHABILITATION OF RUNWAY 4L-22R	SGR	4	1,690
CA04-507	REHABILITATION OF TAXIWAY P DELAY REDUCTION AND OTHER IMPROVEMENTS	SGR	4	96
CA04-512	RELOCATE BREWSTER ROAD & SITEWORK PREPARATION FOR EMAS	MAND	4	179
CA04-599	CMWP - INSTALLATION OF PRE-CONDITION AIR UNITS FOR AIRCRAFT AT GATES B54 AND B55 FOR TERMINAL "B"	SEP	1	52
				<b>8,467</b>

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**2015 CAPITAL SPENDING**  
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**(In thousands)**

PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>INFRASTRUCTURE</b>				
CA04-041	SCHOOL SOUNDPROOFING - PHASE 3	MAND	4	4,112
CA04-057	CMWP - AIRTRAIN GUIDEWAY COLUMN PROTECTION	SEP	1	869
CA04-468	CENTRAL TERMINAL AREA 27KV ELECTRICAL DISTRIBUTION LOOP CLOSURE	SEP	4	2,387
CA04-498	REPLACEMENT OF HIGH TEMPERATURE HOT WATER GENERATORS AT CHRP	SGR	4	1,189
CA04-519	CMWP - REPLACEMENT OF GUARD POSTS "E-2" AND "D"	SGR	4	263
CA04-528	REPLACEMENT OF CHRP NORTH ELECTRICAL SUBSTATION AND CHILLER UPGRADES	SGR	3	380
CA04-539	4TH ELECTRICAL SUBSTATION AT TERMINAL B	SEP	3	939
CA04-547	CMWP - REHABILITATION OF FUEL PIT VAULT HATCHES AT C1 RAMP	MAND	1	676
CA04-579	INFRASTRUCTURE RENEWAL - ELECTRICAL DISTRIBUTION	SGR	3	5,000
CA04-583	INFRASTRUCTURE RENEWAL - FUEL DISTRIBUTION - PHASE 1	SGR	3	18,278
CA04-584	TERMINAL B INFRASTRUCTURE AND UTILITY REPLACEMENT & UPGRADE VIA WORK ORDER	SGR	4	1,555
CA04-596	BUILDING 157 INFRASTRUCTURE IMPROVEMENT	SEP	3	593
CA04-629	REMAIN OVERNIGHT PARKING	RPP	3	9,672
CA04-635	CMWP - INSTALLATION OF BUILDING 190 PARKING LOT ACCESS AND UNDERGROUND UTILITY	SEP	4	171
CA04-639	EWR REMOVAL & REPLACEMENT OF #8 5 KV AOA CABLE AND SPLICES DAMAGED BY SANDY	SGR	1	748
				<b>46,833</b>
<b>LANDSIDE</b>				
CA04-513	AIRTRAIN BASE GUIDEWAY MID-LIFE OVERHAUL	SGR	4	2,182
CA04-514	AIRTRAIN BASE VEHICLE SUBSYSTEM LIFECYCLE OVERHAUL	SGR	4	6,855
CA04-529	REHABILITATION OF CENTRAL TERMINAL AREA BRIDGES	SGR	1	100
CA04-538	REHABILITATION OF TERMINAL C DEPARTURE AND 1&9 EXIT SOUTH AREA ROADWAY	SGR	4	2,218
CA04-555	END-OF-LIFE REPLACEMENT OF AIRTRAIN HVAC	SGR	4	240
CA04-559	REPLACEMENT OF BRIDGE N20	SGR	1	329
CA04-589	REHABILITATION OF EXPANSION JOINTS AND STRUCTURAL ELEMENTS OF FACILITY BRIDGES	SGR	3	1,900
				<b>13,824</b>
<b>SECURITY</b>				
CA04-045	PHYSICAL PROTECTION OF TERMINAL BUILDING GLASS	SEC	1	1,479
CA04-049	CCTV EQUIPMENT IN TERMINAL BAGGAGE AREAS	SEC	3	358
CA04-316	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	3,273
CA04-482	INSTALLATION OF BOLLARD AT TENANT TERMINALS	SEC	4	159
CA04-598	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	1,747
				<b>7,016</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>TERMINALS</b>				
CA04-473	TERMINAL B REHABILITATION ELECTRICAL & MECHANICAL SYSTEM - PHASE 2	SGR	4	281
CA04-593	TERMINAL B DEVELOPMENT OF OPERATIONAL IMPROVEMENTS FOR SOUTH END OF TERMINAL	RPP	1	1,170
				<b>1,451</b>
<b>CA04-NEWARK LIBERTY INTERNATIONAL AIRPORT</b>				<b>77,591</b>
<b>CA44-NEWARK LIBERTY INTERNATIONAL AIRPORT REDEVELOPMENT</b>				
<b>TERMINALS</b>				
CA44-017	LOWER LEVEL EXPANSION OF VERTICAL CIRCULATION AT TERMINAL B4	RPP	4	2,542
CA44-018	MID & UPPER LEVELS INTERNATIONAL DEPARTURES	RPP	4	265
CA44-026	MID-LEVEL INTERNATIONAL MEETER/GREETER	RPP	4	227
				<b>3,034</b>
<b>TERMINAL A REDEVELOPMENT PROGRAM</b>				
CA44-031	AIRSIDE PLANNING (2.0) - TERMINAL A REDEVELOPMENT PROGRAM - PHASE II PLANNING	RPP	1	957
CA44-032	TERMINAL A REDEVELOPMENT PROGRAM OVERALL PLANNING - TERMINAL PLANNING	RPP	1	2,975
CA44-037	TERMINAL A REDEVELOPMENT - TERMINAL CONSTRUCTION	RPP	1	960
CA44-039	TERMINAL A REDEVELOPMENT - LANDSIDE CONSTRUCTION	RPP	1	6,359
CA44-041	TERMINAL A REDEVELOPMENT - AIRTRAIN CONSTRUCTION	RPP	1	1,997
				<b>13,248</b>
<b>CA44-NEWARK LIBERTY INTERNATIONAL AIRPORT REDEVELOPMENT</b>				<b>16,282</b>
<b>CA05-TETERBORO AIRPORT</b>				
<b>AERONAUTICAL</b>				
CA05-084	IMPROVE RUNWAY 6-24 RUNWAY SAFEWAY AREA	MAND	4	219
CA05-130	REPLACEMENT OF TAXIWAY B WITH NEW TAXIWAY V	SEP	1	263
CA05-149	CMWP - REPLACEMENT OF DEICING FLUID STORAGE TANKS	SEP	4	129
CA05-152	TEB REPLACEMENT OF AIRFIELD LIGHTING VAULT	SGR	1	391
CA05-112	RUNWAY 1 RUNWAY SAFEWAY AREA -1000 FT OVERRUN AND PATROL ROAD	MAND	4	293
CA05-122	CMWP - INSTALLATION OF INTERIOR WILDLIFE FENCE	SEP	3	1,615
				<b>2,910</b>
<b>INFRASTRUCTURE</b>				
CA05-141	STORMWATER DRAINAGE SYSTEM IMPROVEMENTS	SEP	1	991
CA05-142	ARFF BUILDING REPLACEMENT	SEP	1	197
CA05-147	CMWP - TEB-PAPD FEMALE LOCKER ROOM FACILITY AT BUILDING 27	MAND	4	66
CA05-151	TEB REMOVAL & REPLACEMENT OF #8 5 KV AOA CABLE AND SPLICES DAMAGED BY SANDY	SGR	1	285
				<b>1,539</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>SECURITY</b>				
CA05-049	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	482
				<b>482</b>
<b>CA05-TETERBORO AIRPORT</b>				<b>4,931</b>
<b>CA06-STEWART AIRPORT</b>				
<b>AERONAUTICAL</b>				
CA06-007	TERMINAL EXPANSION FEDERAL INSPECTION FACILITY AND WELCOME CENTER	SEP	3	499
CA06-017	REHABILITATION OF TAXIWAY B	SGR	3	2,323
CA06-045	REPLACEMENT OF AIRFIELD SIGNS	SGR	4	1,589
CA06-046	CMWP - POSITIVE AIR PRESSURE FOR PASSENGER LOADING BRIDGES	MAND	3	801
CA06-066	REHABILITATION OF RUNWAYS 9-27 AND 16-34	SGR	4	8,986
CA06-070	MILL AND OVERLAY OF TAXIWAY M	SGR	4	508
CA06-100	RUNWAY INCURSION MITIGATION - PHASE 1B	MAND	4	5,127
				<b>19,833</b>
<b>INFRASTRUCTURE</b>				
CA06-012	REHABILITATION OF OPERATIONS CONTROL CENTER	SGR	1	105
CA06-079	BACKFLOW PREVENTER DEVICES	MAND	3	278
				<b>384</b>
<b>SECURITY</b>				
CA06-050	DESIGN AND CONSTRUCTION OF THE MID-HUDSON REGIONAL CRIME LABORATORY	SEP	4	2,991
				<b>2,991</b>
<b>CA06-STEWART AIRPORT</b>				<b>23,208</b>
<b>AVIATION TOTAL</b>				<b>778,084</b>
<b>DEVELOPMENT</b>				
<b>CW03-TELEPORT</b>				
<b>INFRASTRUCTURE</b>				
CW03-020	ELECTRICAL SYSTEM UPGRADE	SGR	4	860
				<b>860</b>
<b>CW03-TELEPORT</b>				<b>860</b>
<b>DEVELOPMENT TOTAL</b>				<b>860</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>PATH</b>				
<b>CR02-PATH</b>				
<b>CARS</b>				
CR02-345	PURCHASE NEW RAILCARS (PA-5)	SGR	4	1,248
CR02-406	SYSTEM UPGRADES FOR PA-5 FLEET	SGR	1	2,388
				<b>3,636</b>
<b>INFRASTRUCTURE</b>				
CR02-233	WASHINGTON ST SUBSTATION	SGR	1	1,126
CR02-259	CONTINUOUS WELDING FOR THE RAIL PROGRAM	SGR	4	855
CR02-290	PATH EXTENSION TO NEWARK LIBERTY INTERNATIONAL AIRPORT	SEP	1	6,394
CR02-328	TUNNEL TRACK AND DRAINAGE PROGRAM	SGR	4	2,065
CR02-336	REPLACEMENT AND UPGRADE OF THE CHRISTOPHER ST SUBSTATION	SGR	4	10,085
CR02-384	NEWARK COMPRESSOR	SEP	3	144
CR02-412	REHABILITATION OF DUCT BANK	SGR	1	6,187
CR02-419	FIRE ALARM SYSTEMS REHABILITATION	SGR	1	1,579
CR02-421	TUNNEL ELECTRICAL LIGHTING SYSTEM	SGR	1	224
CR02-427	CR02-427 - TUNNEL EMERGENCY EVACUATION SHAFTS - LIGHTING & EXIT SIGNAGE	SGR	4	143
CR02-434	EMERGENCY DIESEL GENERATORS FOR HARRISON CAR MTC FACILITY & CONSOLIDATED SHOP	SEP	3	362
CR02-462	REPLACEMENT OF SUBSTATION #7	SGR	3	2,339
CR02-463	REPLACEMENT OF SUBSTATION #9	SGR	3	2,806
CR02-486	CMWP - RAIL ROAD AVE AND CAISSON 1 VENT BLDG ROOF REPLACEMENT	SGR	1	222
CR02-497	SUBSTATION #9 - PROPERTY ACQUISITION	SGR	2	599
CR02-508	CMWP - REPLACEMENT OF ROOF FOR SUBSTATION 5 (BACKUS)	SGR	4	852
CR02-509	REPLACEMENT OF ROOF FOR SUBSTATION 15 (CAISSON)	SGR	4	150
CR02-517	CONSOLIDATED MTC SHOP - EXHAUST AND VENTILATION SYSTEM MODIFICATIONS	SGR	4	251
CR02-527	REPLACEMENT OF IN-GROUND LIFTS HARRISON CAR MTC FACILITY	SGR	1	4,089
CR02-545	CR02-545 - REPLACEMENT OF ATS EQUIPMENT	SGR	4	1,301
CR02-557	REPLACEMENT OF 650V DC 2,000KCMIL CABLES IN ALL TUNNELS EXCEPT E AND F	SGR	4	364
CR02-569	SUBSTATION #8 - PROPERTY ACQUISITION	SGR	2	1,331
CR02-572	REPLACEMENT OF SWITCHING STATION #10 - NEWARK, NJ	SGR	4	70
CR02-574	30TH ST MEZZANINE REHABILITATION	SGR	3	500
CR02-582	HACKENSACK RIVER BRIDGE EMERGENCY GENERATOR FUEL TANK	SGR	3	382
CR02-583	REPAIRS TO ADDRESS LATENT SALT HURRICANE SANDY DAMAGE IN TUNNELS v PHASE I	SGR	1	15,241
CR02-584	EQUIPMENT PURCHASE RECOVERY WORK	SGR	1	2,270
CR02-585	DESIGN AND PURCHASE RESILIENCY EQUIPMENT	SGR	1	6,000
CR02-518	REPLACEMENT OF SWITCHING STATION NO. 6	SGR	4	3,056
CR02-576	REPLACEMENT OF ROOF - MACMILLAN BLOEDEL (MMB) BUILDING	SGR	1	402
CR02-580	CMWP - SOUTH ST YARD COUNTER-TERRORISM INFRASTRUCTURE IMPROVEMENTS	SGR	4	986
CR02-588	SUBS 7, 8, 9 AND 14 MID-TERM REPAIRS	SGR	4	425
CR02-599	HARRISON CAR MAINTENANCE FACILITY AUTOMATIC FLOOD BARRIER	SGR	1	236
CR02-601	HARRISON CAR MAINTENANCE FACILITY CONCRETE SEA WALL	SGR	1	1,101
				<b>74,137</b>



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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>SECURITY</b>				
CR02-573	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	1,411
				<b>1,411</b>
<b>SIGNALS/COMMUNICATIONS</b>				
CR02-150	SIGNAL REPLACEMENT PROGRAM - INSTALL	SGR	4	58,865
CR02-352	CR02-352 - RADIO BASE STATION/SIMULCAST RADIO SYS	SGR	1	586
CR02-492	CR02-492 - REHAB VITAL SIGNAL RELAY	SGR	4	791
CR02-495	CR02-495 - CHRISTOPHER ST - CONTROL CABLES	SGR	4	170
				<b>60,412</b>
<b>STATIONS</b>				
CR02-458	REPLACEMENT & UPGRADE OF HARRISON STATION	SEP	1	29,606
CR02-496	HARRISON STATION - PROPERTY ACQUISITION, REMEDIATION & DEMOLITION	SEP	1	2,178
CR02-586	HOBOKEN STATION UNDER PLATFORM FANS	SGR	1	618
CR02-587	HOBOKEN STATION STAIRS FLOOD DOORS	SGR	1	194
CR02-598	GROVE ST. STATION - INTERIM ADA	MAND	3	2,755
				<b>35,351</b>
<b>TRACKS</b>				
CR02-212	TIE RENEWAL PROGRAM	SGR	4	2,070
CR02-258	TURNOUT REPLACEMENT - PHASE 3	SGR	1	4,716
CR02-261	CONTACT RAIL PROGRAM	SGR	4	1,105
CR02-358	RESTRAINING RAIL PROGRAM	SGR	4	596
CR02-516	REPLACEMENT OF MITER RAILS HACKENSACK RIVER BRIDGE	SGR	4	3,847
CR02-602	EXTENSION OF RAIL YARDS	SGR	1	4,100
				<b>16,435</b>
<b>CR02-PATH</b>				<b>191,382</b>
<b>CR08-PATH SAFETY</b>				
<b>INFRASTRUCTURE</b>				
CR08-022	TUNNEL EMERGENCY VENTILATION FAN BLADE RENOVATION	SGR	4	505
				<b>505</b>
<b>SECURITY</b>				
CR08-066	EXCHANGE PLACE LANDSIDE SECURITY	SEC	4	583
CR08-068	JOURNAL SQUARE TRANSPORTATION CENTER PHYSICAL PROTECTION	SEC	1	1,719
CR08-078	CONSTRUCTION OF FLOODGATE AT TUNNEL A,B,E,& F	SEC	4	11,127
CR08-079	TUNNEL MITIGATION	SEC	4	4,080
CR08-081	EXCHANGE PLACE WATERSIDE PROTECTION	SEC	3	658
CR08-091	CCTV & ACCESS CONTROL UPGRADES AT 33RD,HOB,PAV, & NWK STATION	SEC	4	906
CR08-096	INSTALLATION NEW LENEL ACCESS CONTROL &CCTV AT SUBSTATIONS AND ROOMS	SEC	3	2,411
CR08-101	CCTV AND ACCESS CONTROL AT 9TH, 14TH, 23RD STATION	SEC	4	4,034
CR08-104	CR08-104 - JSTC - RADIO SYSTEM MODIFICATIONS	SEC	1	1,110
				<b>26,629</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>SIGNALS/COMMUNICATIONS</b>				
CR08-100	UPGRADE OF UNIFIED COMMUNICATIONS NETWORK - SONET	SGR	4	2,917
				<b>2,917</b>
<b>CR08-PATH SAFETY</b>				<b>30,050</b>
<b>CR21-JOURNAL SQUARE TRANSPORTATION CENTER</b>				
<b>INFRASTRUCTURE</b>				
CR21-032	BUS TERMINAL ESCALATOR REPLACEMENT	SGR	4	198
				<b>198</b>
<b>CR21-JOURNAL SQUARE TRANSPORTATION CENTER</b>				<b>198</b>
<b>PATH TOTAL</b>				<b>221,631</b>
<b>PORT COMMERCE</b>				
<b>CP05-PORT NEWARK</b>				
<b>DREDGING</b>				
CP05-120	CONSOLIDATE PROJECT TO 50 FT-NJ, PJ, AMBEROSE	MAND	4	5,442
				<b>5,442</b>
<b>INFRASTRUCTURE</b>				
CP05-173	BERTH 14 WHARF RECONSTRUCTION	SGR	4	14,687
CP05-220	BERTHS 30, 32 AND 34 FENDER SYSTEM UPGRADE	SGR	3	1,524
CP05-233	BERTH 3 WHARF RECONSTRUCTION	SGR	4	10,334
CP05-238	SANITARY LIFT STATIONS AT NJMT	SGR	4	4,471
CP05-246	BERTH 19 REHABILITATION	SGR	3	3,307
CP05-249	TRAFFIC SIGNALS AT NJMT	SGR	1	5,561
CP05-251	UPGRADE OF ELECTRICAL SYSTEMS IN BLDG 260	SGR	1	506
CP05-269	CMWP - W.O.#2 - PRIORITY MARINE REHABILITATION - BERTHS 15 & 17	SGR	4	921
CP05-193	UPGRADE WATER LINES AT NJMT	SGR	1	3,092
CPXX-CMW	INFRASTRUCTURE IMPROVEMENTS	SGR	1	5000
				<b>49,404</b>
<b>INTERMODAL</b>				
CP05-148	EXPRESS RAIL/CORBIN INTERMODAL RAIL SUPPORT - TRACK WORK - PHASE 2A	RPP	4	3,587
CP05-267	CMWP - RAIL ROAD TRACK REHABILITATION VIA WORK ORDER (MFP926323)	SGR	1	201
				<b>3,788</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>ROADWAYS</b>				
CP05-156	PORT STREET & BREWSTER ROAD CONNECTOR	SEP	4	511
CP05-187	PORT STREET CAPACITY AND CORBIN STREET RAMPS IMPROVEMENT	SEP	3	7,555
CP05-270	CMWP - W.O.# 1, 2 & 3 - NJMT - PAVING AND UTILITY VIA WORK ORDER	SGR	4	672
				<b>8,738</b>
<b>SECURITY</b>				
CP05-255	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	486
				<b>486</b>
<b>CP05-PORT NEWARK</b>				<b>67,857</b>
<b>CP08-ELIZABETH PA MARINE TERMINALS</b>				
<b>DREDGING</b>				
CP08-111	UTILITIES RELOCATION KVK/NB 50' CHANNEL	MAND	4	9,515
CP08-112	CONSOLIDATED PROJECT TO 50 FEET-NJ-PJ	MAND	4	5,442
				<b>14,957</b>
<b>CP08-ELIZABETH PA MARINE TERMINALS</b>				<b>14,957</b>
<b>CP09-BROOKLYN MARINE TERMINALS</b>				
<b>INFRASTRUCTURE</b>				
CP09-108	PIERS CRUISE TERMINAL SHORE POWER	SEP	4	2,848
CP91-067	BROOKLYN PIERS RED HOOK - SUBSTATIONS ELECTRICAL EQUIPMENT	SGR	1	749
				<b>3,598</b>
<b>CP09-BROOKLYN MARINE TERMINALS</b>				<b>3,598</b>
<b>CP11-HOWLAND HOOK</b>				
<b>DREDGING</b>				
CP11-039	CONSOLIDATED PROJECT TO 50 FEET-NY-AMBROSE	MAND	4	1,662
CP11-044	UTILITIES RELOCATION ARTHUR KILL 50' CHANNEL	MAND	4	9,518
				<b>11,180</b>
<b>INTERMODAL</b>				
CP11-055	PORT IVORY INTERMODAL TERMINAL (TRACKS 6-7) - PHASE 1B	RPP	4	472
CP11-056	HOWLAND HOOK ROADWAY ACCESS IMPROVEMENTS - EASTBOUND RAMP	SEP	1	1,154
				<b>1,626</b>
<b>CP11-HOWLAND HOOK</b>				<b>12,806</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>CP16-PORT JERSEY-PORT AUTHORITY MARINE TERMINAL</b>				
<b>DEVELOPMENT</b>				
CP16-027	GLOBAL TERMINAL DEVELOPMENT	RPP	4	113
				<b>113</b>
<b>INTERMODAL</b>				
CP16-035	EXPRESS RAIL - INTERMODAL CONTAINER TRANSFER FACILITY AT GREENVILLE YARD	RPP	1	15,193
				<b>15,193</b>
<b>INFRASTRUCTURE</b>				
CP16-059	REPLACE HEATING SYSTEM IN BUILDING 180 IN PORT JERSEY SOUTH	SGR	4	422
CP16-066	UPGRADE OF PROTECTIVE DEVICES & DISTRIBUTION EQUIPMENT - EAST SUBSTATION	SGR	1	2,602
CP16-068	PORT JERSEY - UNDERGROUND ELECTRICAL DELIVERY LINES REPLACEMENT	SGR	1	275
				<b>3,299</b>
<b>ROADWAYS</b>				
CP16-038	ACCESS IMPROVEMENTS PORT JERSEY	RPP	4	6,751
				<b>6,751</b>
<b>CP16-PORT JERSEY-PORT AUTHORITY MARINE TERMINAL</b>				<b>25,355</b>
<b>CP17-GREENVILLE YARD/NYNJ RAIL LLC</b>				
<b>REGIONAL FREIGHT</b>				
CP17-016	INSTALLATION OF SUPPORT TRACKS	RPP	3	8,430
CP17-019	CONSTRUCTION OF NEW BARGE	RPP	3	4,146
CP17-027	RECONSTRUCTION OF TRANSFER BRIDGE#10	RPP	3	7,310
CP17-029	PURCHASE OF 3 NEW ULTRA-LOW EMISSIONS LOCOMOTIVES	SEP	4	3,843
CP17-033	FENDER SYSTEM MODIFICATIONS AT 65TH STREET TERMINAL (CROSS HARBOR)	SEP	3	3,686
CP17-034	REHABILITATION OF MOORING CELLS AT NY/NJ RAILROAD	SGR	1	545
				<b>27,960</b>
<b>CP17-GREENVILLE YARDS / NYNJ RAIL LLC</b>				<b>27,960</b>
<b>PORT COMMERCE TOTAL</b>				<b>152,533</b>

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PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>TUNNELS BRIDGES &amp; TERMINALS</b>				
<b>CB02-HOLLAND TUNNEL</b>				
<b>INFRASTRUCTURE</b>				
CB02-040	REHABILITATION OF TUNNEL VENT SYSTEM MECHANICAL/ELECTRICAL	SGR	4	14,945
CB02-123	REPLACEMENT OF PIERS 9/204	SGR	3	9,329
CB02-162	REPLACEMENT FLOOR DRAINS/PIPING OF 4 VENT BLDGS	SGR	4	1,126
CB02-180	STAIR REHABILITATION IN NEW YORK RIVER VENTILATION BUILDINGS	SGR	4	990
CB02-188	CMWP - REPLACEMENT OF WATERLINE ALONG SOUTH TUNNEL ENTRANCE ROADWAY	SGR	4	56
CB02-195	REHABILITATION SUPPLY BLOWER PORTS	SGR	3	480
CB02-202	TOLL COLLECTION SYSTEM REPLACEMENT	SGR	3	1,037
CB02-213	HT - MITIGATION OF WATER LEAKAGE AT OFFSET DUCTS AND EXHAUST DUCTS	SGR	3	227
CB02-224	ITCS STRATEGIC INVESTMENT	SGR	4	515
CB02-225	LATENT SALT DAMAGE TO MEP SYSTEMS	SGR	1	3,920
CB02-226	LATENT SALT DAMAGE MITIGATION	SGR	1	1,052
				<b>33,676</b>
<b>SECURITY</b>				
CB02-184	ACCESS CONTROL SYSTEM ENHANCEMENT	SEC	4	995
CB02-200	WATERSIDE BUFFER ZONE PROTECTION	SEC	3	513
CB02-205	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	706
CB02-208	IN-BUILDING RF COVERAGE ENHANCEMENTS	SEC	4	700
				<b>2,915</b>
<b>CB02-HOLLAND TUNNEL</b>				<b>36,590</b>
<b>CB03-LINCOLN TUNNEL</b>				
<b>BRIDGE</b>				
CB03-211	STRUCTURAL REHABILITATION AND REPAVING OF HELIX	SGR	4	20,383
CB03-213	REPLACEMENT OF HELIX - PLANNING	SGR	1	705
				<b>21,087</b>
<b>INFRASTRUCTURE</b>				
CB03-093	REPAINTING OF TUNNEL VENTILATION FANS	SGR	4	1,501
CB03-167	EXPLOSION PROOF EQUIPMENT AT MID-RIVER PUMP ROOMS	SGR	4	507
CB03-231	REPLACEMENT OF VENTILATION LOUVERS IN NY VENTILATION BUILDINGS	SGR	4	2,532
CB03-245	DECK REPLACEMENT OF THE NY EXPRESSWAY BTWN W31ST AND W33RD STREETS	SGR	3	12,250
CB03-262	REPLACEMENT OF TOLL COLLECTION SYSTEM	SGR	3	1,606
CB03-272	CMWP - TRAVEL TIME SYSTEM (ITS) UPGRADE	SGR	4	68
CB03-284	ITCS STRATEGIC INVESTMENT	SGR	4	720
CB03-285	LATENT SALT DAMAGE TO MEP SYSTEMS	SGR	1	666
CB03-286	LATENT SALT DAMAGE MITIGATION	SGR	1	666
CB03-287	XBL SIGNAL UPGRADE	SGR	4	1,497
CB03-289	ADDITIONAL BUS PARKING/STAGING IN LOTS D & E	SEP	3	993
				<b>23,005</b>

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<b>ROADWAYS</b>				
CB03-244	REPAVING OF CENTER TUNNEL	SGR	3	3,285
CB03-280	REPLACE CURB PLATES IN THE NORTH AND SOUTH TUBES	SGR	4	1,266
CB03-288	CROSSOVER BETWEEN RAMPS 97 AND 98	SEP	3	169
				<b>4,720</b>
<b>SECURITY</b>				
CB03-252	ACCESS CONTROL SYSTEM ENHANCEMENT	SEC	4	1,829
CB03-261	WATERSIDE BUFFER ZONE PROTECTION	SEC	3	462
CB03-266	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	712
CB03-234	NEW YORK BUS RAMP COMPLEX/PROTECTION	SEC	1	636
				<b>3,640</b>
<b>LINCOLN TUNNEL ACCESS INFRASTRUCTURE IMPROVEMENTS</b>				
CB03-267	IMPROVEMENTS TO PULASKI SKYWAY	SGR	4	200,375
CB03-268	REPLACEMENT OF ROUTE 7 WITTPENN BRIDGE	SGR	4	40,751
CB03-269	EXTENSION OF ROUTE 1 & 9T (NEW ROAD)	SEP	4	18,903
				<b>260,029</b>
<b>CB03-LINCOLN TUNNEL</b>				<b>312,481</b>

**CB04-GEORGE WASHINGTON BRIDGE**

<b>BRIDGE</b>				
CB04-302	REHABILITATION OF HUDSON RAMPS PAVEMENTS	SGR	4	2,874
CB04-132	REHABILITATION OF STRUCTURAL STEEL, LEAD PAINT REMOVAL & RECOATING UNDERSIDE	SGR	1	2,341
CB04-261	REHABILITATION OF UPPER LEVEL SPAN OVER NJ ANCHORAGE AND HUDSON TERRACE	SGR	3	2,012
CB04-270	REHABILITATION OF MAIN SPAN UPPER LEVEL STRUCTURAL STEEL	SGR	4	15,671
CB04-272	REHABILITATION OF NY/NJ ANCHOR MAIN CABLE STRANDS	SGR	4	4,474
CB04-285	REHABILITATION OF THE PALISADES INTERSTATE PARKWAY HELIX	SGR	3	2,207
CB04-286	NEW YORK RAMPS HR1 & HR2 - STRUCTURAL STEEL REHABILITATION, LEAD ABATEMENT & PAINT	SGR	3	73
CB04-287	PRIORITY STEEL AND CONCRETE REHABILITATION	SGR	4	995
CB04-300	PAVEMENT REPLACEMENT OF LOWER LEVEL EAST BOUND MAIN SPAN, LLEB APPROACH & RAMPS	SGR	3	485
CB04-317	REHABILITATION OF CENTER AVE BRIDGE AND LEMOINE AVE BRIDGE	SGR	1	1,221
CB04-319	REHABILITATION OF SUSPENDER ROPE REPLACEMENT & MAIN CABLE	SGR	3	4,395
CB04-333	FACILITY STEEL AND CONCRETE REHABILITATION	SGR	4	3,501
CB04-336	REHABILITATION OF TME OVERPASSES - PHASE 1	SGR	1	571
CB04-370	CMWP - GWB - TRAVEL TIME SYSTEM (ITS) UPGRADE	SGR	3	859
				<b>41,679</b>

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<b>INFRASTRUCTURE</b>				
CB04-228	REHABILITATION OF MAIN SPAN FIRE STANDPIPE SYSTEM	SGR	4	310
CB04-252	NJ ANCHORAGE IMPROVEMENTS	SGR	4	1,632
CB04-262	REPLACEMENT OF IMPACT ATTENUATORS GUIDE RAILS & BARRIERS	SGR	4	574
CB04-288	GWB - TME REHABILITATION OF MEDIAN BARRIERS AND TRAFFIC SAFETY IMPROVEMENTS	SGR	3	785
CB04-306	CMWP - REPLACEMENT OF PASSENGER ELEVATOR AT GWB NJAB	MAND	4	62
CB04-312	UPGRADE/REPLACE ITS SIGNS AND FIELD DEVICES	SGR	1	3,608
CB04-323	REPLACEMENT OF NJ BUILDINGS & MIS STRUCTURES	SGR	4	43
CB04-361	REHABILITATION OF FACILITY WIDE PRIORITY	SGR	3	742
CB04-377	ITCS STRATEGIC INVESTMENT	SGR	4	1,598
				<b>9,354</b>
<b>ROADWAYS</b>				
CB04-258	FORT LEE STREET IMPROVEMENTS	SGR	1	1,022
CB04-260	TOLL COLLECTION SYSTEM REPLACEMENT	SGR	3	3,377
CB04-276	REHABILITATION OF 178TH & 179TH STREET RAMPS, BUS RAMPS, AND BUS TURNAROUND	SGR	3	2,616
CB04-301	PIP NORTHBOUND & SOUTHBOUND-REHABILITATION	SGR	4	1,098
CB04-362	GWB REPAVE EASTBOUND UPPER LEVEL	SGR	3	426
				<b>8,538</b>
<b>SECURITY</b>				
CB04-318	ACCESS CONTROL SYSTEM ENHANCEMENT	SEC	4	4,741
CB04-351	ACCESS RAMP BARRIER UPGRADES	SEC	3	562
CB04-357	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	745
CB04-375	MAIN CABLE PROTECTION	SEC	1	215
				<b>6,264</b>
<b>CB04-GEORGE WASHINGTON BRIDGE</b>				<b>65,835</b>
<b>CB06-BAYONNE BRIDGE</b>				
<b>BRIDGE</b>				
CB06-087	NAVIGATIONAL CLEARANCE PROGRAM	SEP	1	270,675
				<b>270,675</b>
<b>INFRASTRUCTURE</b>				
CB06-113	TOLL COLLECTION SYSTEM REPLACEMENT	SGR	3	451
CB06-119	TOLLS BY MAIL FUNCTIONALITY	SEP	4	3,039
				<b>3,490</b>
<b>SECURITY</b>				
CB06-100	CCTV CAMERA SYSTEM REPLACEMENT	SEC	4	224
				<b>224</b>
<b>CB06-BAYONNE BRIDGE</b>				<b>274,389</b>

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<b>CB07-GOETHALS BRIDGE</b>				
<b>BRIDGE</b>				
CB07-103	GOETHALS BRIDGE MODERNIZATION	SGR	4	32,535
CB07-139	STRUCTURAL STEEL REPAIR	SGR	4	46
CB07-145	INTERCHANGE RAMP PROJECT	SEP	1	2,611
				<b>35,192</b>
<b>INFRASTRUCTURE</b>				
CB07-149	REPLACEMENT OF TOLL COLLECTION SYSTEM	SGR	3	927
CB07-155	ITCS STRATEGIC INVESTMENT	SGR	4	431
				<b>1,358</b>
<b>SECURITY</b>				
CB07-134	REPLACEMENT OF CCTV CAMERA SYSTEM	SEC	4	919
CB07-152	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	532
				<b>1,451</b>
<b>CB07-GOETHALS BRIDGE</b>				<b>38,001</b>
<b>CB08-OUTERBRIDGE CROSSING</b>				
<b>BRIDGE</b>				
CB08-099	REPAIR OF STRUCTURAL STEEL	SGR	4	123
				<b>123</b>
<b>INFRASTRUCTURE</b>				
CB08-083	TOLL CANOPY - REPLACEMENTS OF HVAC UNITS AND ROOF	SGR	4	582
CB08-110	REPLACEMENT OF TOLL COLLECTION SYSTEM	SGR	3	775
CB08-117	ITCS STRATEGIC INVESTMENT	SGR	4	404
				<b>1,761</b>
<b>ROADWAYS</b>				
CB08-107	REHABILITATION OF PAVEMENT	SGR	4	3,937
				<b>3,937</b>
<b>SECURITY</b>				
CB08-097	REPLACEMENT OF CCTV CAMERA SYSTEM	SEC	4	867
CB08-115	CROSS BRACING	SEC	1	515
				<b>1,382</b>
<b>CB08-OUTERBRIDGE CROSSING</b>				<b>7,203</b>
<b>CB48-GEORGE WASHINGTON BRIDGE BUS STATION</b>				
<b>INFRASTRUCTURE</b>				
CB48-056	GWBBS REDEVELOPMENT	RPP	4	35,426
				<b>35,426</b>



**THE PORT AUTHORITY OF NEW YORK & NEW JERSEY**  
**2015 CAPITAL SPENDING**  
**SORTED BY DEPARTMENT, FACILITY AND PROGRAM**  
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>SECURITY</b>				
CB48-061	INSTALLATION OF BOLLARDS	SEC	1	430
				<b>430</b>
<b>CB48-GEORGE WASHINGTON BRIDGE BUS STATION</b>				<b>35,856</b>
<b>CT06-PORT AUTHORITY BUS TERMINAL</b>				
<b>INFRASTRUCTURE</b>				
CT06-120	REPLACEMENT OF BUILDING AUTOMATED MONITORING & CONTROL SYSTEM	SGR	4	2,743
CT06-199	REPLACEMENT OF FIRE PUMPS	SGR	4	2,160
CT06-200	REPLACEMENT OF FIRE ALARM SYSTEM	MAND	3	930
CT06-202	REPLACEMENT OF PRIMARY ELECTRIC SERVICE	SGR	4	4,803
CT06-211	PABT - WEST MIDTOWN BUS PARKING AND STAGING FACILITY	SEP	1	4,126
CT06-220	PUBLIC RESTROOMS	SGR	1	3,148
CT06-230	REPLACEMENT OF SOUTH WING HVAC UNITS AND ASSOCIATED ELECTRICAL DISTRIBUTION SYSTEM	SGR	4	13,425
CT06-259	PABT NORTH WING SBL WEARING COURSE REPLACEMENT	SGR	3	385
CT06-267	CMWP - PABT - VIDEO PROCESSING EQUIPMENT ROOM MODIFICATIONS	SGR	4	158
CT06-274	MITIGATION OF MAJOR CEILING LEAKS	SGR	1	3,090
CT06-275	REPLACEMENT OF VISUAL PAGING SYSTEM AND MASTER CLOCK SYSTEM	SGR	1	76
CT06-278	INSTALLATION OF BUS TRACKING SYSTEM AND SOFTWARE	SEP	1	1,243
CT06-279	IMPROVE CELL PHONE AND WIFI SERVICE	SEP	1	101
CT06-280	INSTALLATION OF CCTV CAMERAS AT THE TOP OF ESCALATORS AT PULL-THROUGH GATES	SEP	4	209
CT06-281	ENHANCEMENT OF BUILDING ENTRANCES AND REPLACEMENT OF ENTRANCE/EXIT DOORS	SGR	1	1,126
				<b>37,722</b>
<b>SECURITY</b>				
CT06-239	INTERNAL STRUCTURAL ENHANCEMENTS	SEC	1	486
CT06-241	UPGRADE OF CCTV SURVEILLANCE EQUIPMENT	SEC	3	2,994
CT06-246	ENHANCEMENT OF ACCESS CONTROL SYSTEM	SEC	4	1,639
CT06-266	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	1	918
				<b>6,037</b>
<b>CT06-PORT AUTHORITY BUS TERMINAL</b>				<b>43,759</b>
<b>TUNNELS, BRIDGES &amp; TERMINALS TOTAL</b>				<b>814,114</b>

**THE PORT AUTHORITY OF NEW YORK & NEW JERSEY**  
**2015 CAPITAL SPENDING**  
**SORTED BY DEPARTMENT, FACILITY AND PROGRAM**  
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2015 BUDGET
<b>WORLD TRADE CENTER</b>				
R12	WTC TRANSPORTATION HUB	MAND	4	350,207
W11	WTC INFRASTRUCTURE	MAND/SEC	4	602,085
W30	WTC RETAIL REDEVELOPMENT	RPP	4	294,245
W31	ONE WORLD TRADE CENTER	RPP	4	349,210
W34	DESIGN, CONSTRUCT AND BUILD OUT PA CORP OFFICES (4 WTC)	MAND	4	29,641
<b>WORLD TRADE CENTER TOTAL</b>				<b>1,625,388</b>
<b>PROVISIONS</b>				
	AGENCY INFRASTRUCTURE IMPROVEMENTS	PRO	1	30,000
<b>PROVISIONS TOTAL</b>				<b>30,000</b>
<b>AGENCY TOTAL</b>				<b>3,622,610</b>

# Appendices





## APPENDIX A: Agency Overview

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### Port District

- Population: 18.3 Million (2013)
- Labor Force: 9,084 Million (2013)
- Source: Moody's Economy.com



## ***Origins***

### **History**

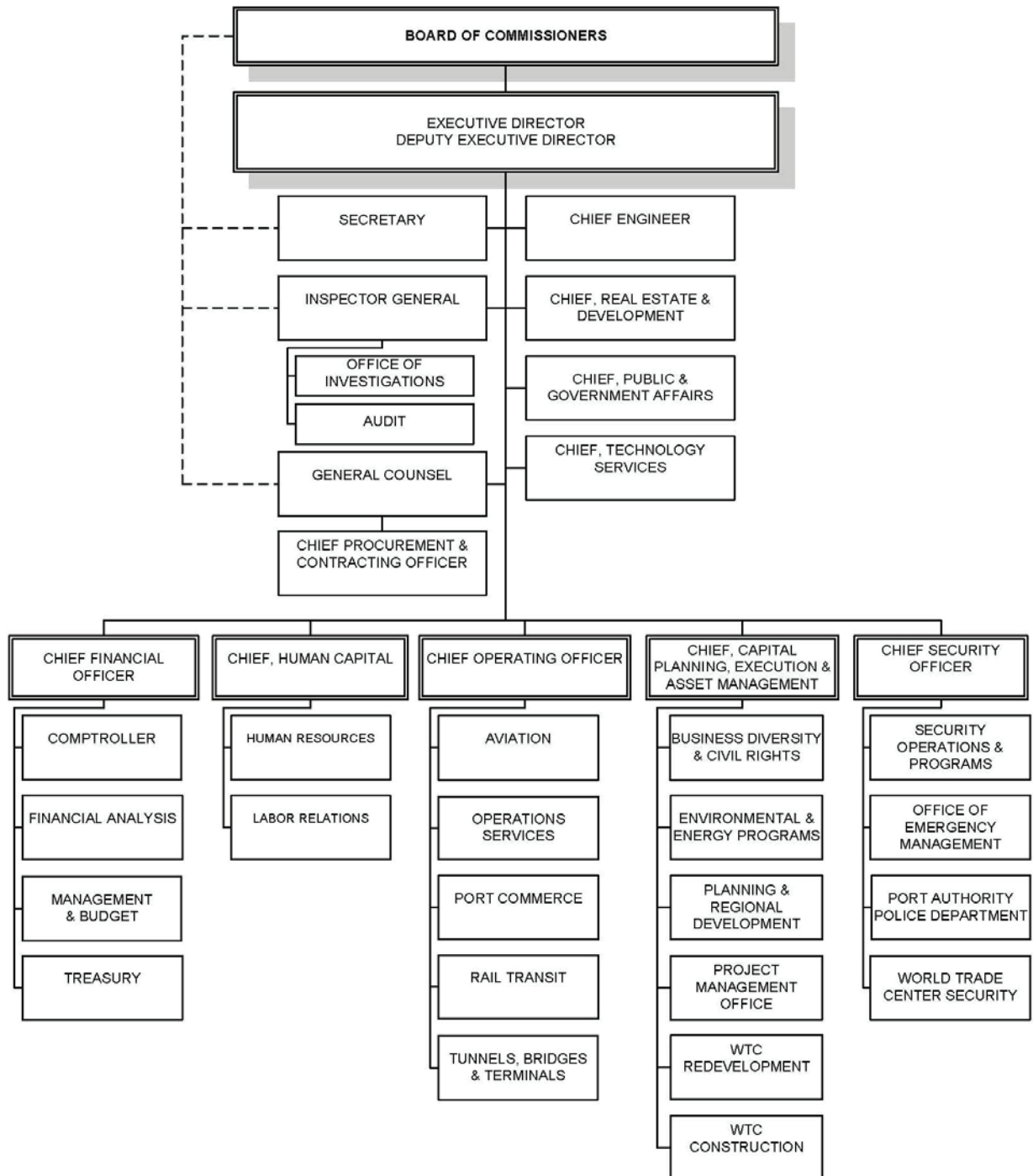
The Port Authority of New York and New Jersey (the “Port Authority”) was established by Compact between New York and New Jersey on April 30, 1921, as the first interstate agency created under the clause of the United States Constitution permitting compacts between states with the consent of Congress. The Compact also created the Port District, an area of about 1,500 square miles in both states, centering about New York Harbor. Over the years, the mandate of the agency has developed to promote and protect the commerce of the bistate port and to undertake port and regional improvements not likely to be financed by private enterprise or to be attempted by either state alone: modern wharfage for the harbor shared by the two states, tunnel and bridge connections between the states, terminal and transportation facilities and, in general, trade and transportation projects to promote the region’s economic well-being.

### **Governance**

The Governor of each state appoints six Commissioners 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 without remuneration. The Governors retain the right to veto the actions of the Commissioners from their respective state. The Port Authority undertakes projects and activities in accordance with the Port Compact of 1921 and amendatory and supplemental bistate legislation. An Executive Director, appointed by the Board of Commissioners, is responsible for managing the operation of the Port Authority in a manner consistent with the agency’s policies, as established by the Board. The Executive Director and the individual directors are responsible for operating within the budget and capital plan authorized by the Board of Commissioners by monitoring and controlling the fiscal performance of the Port Authority and its departments.

## Organizational Chart

### THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY



## ***Key Position Responsibilities***

**GENERAL COUNSEL** -- provides centralized management in connection with legal representation of Port Authority and its wholly owned corporate entities; oversees all practice areas within the Law Department, including corporate, litigation, risk management & corporate security and procurement.

**INSPECTOR GENERAL** -- promotes integrity, economy and efficiency in the Port Authority and its subsidiary corporations, as well with third-party individuals or organizations doing business with the Port Authority through its Office of Investigations and Audit Department, each responsible for critical aspects of Port Authority's corruption prevention and compliance efforts.

**SECRETARY** -- serves as liaison with Chairman and members of Board and provides support to Chairman, Board of Commissioners, and Executive staff in order to effectuate agency's critical business objectives, while ensuring that agency is conducting its business in accordance with Agency's By-Laws, statutory authority and Board policies.

**CHIEF ENGINEER** -- acts as corporate advisor to Executive Director and is the technical authority for structural integrity and code compliance, principal authority on engineering matters, and responsible to Executive Director for ensuring that all existing and new Port Authority facilities are structurally sound, safe, and in conformance with applicable codes and Port Authority technical standards.

**CHIEF, REAL ESTATE & DEVELOPMENT** -- manages and coordinates all real estate issues and business relationships associated with development of World Trade Center and Port Authority's other major real estate development initiatives, including Bathgate Industrial Park, Essex County Resource Recovery Facility, Ferry Transportation, Industrial Park at Elizabeth, The Legal Center, The Teleport, Queens West Waterfront Development and South Waterfront at Hoboken.

**CHIEF, PUBLIC & GOVERNMENT AFFAIRS** -- provides executive guidance to establish agency's public agenda and oversees and coordinates work of Media Relations, Marketing Communications, Special Events, Audio-Visual/Photography, Employee Communications and Government and Community Relations.

**CHIEF, TECHNOLOGY SERVICES** -- delivers services, promotes innovation and enables the Port Authority to use technology to meet its day-to-day obligations and its long-term vision.

**CHIEF, PROCUREMENT AND CONTRACTING OFFICER** -- is responsible for all procurement protocols, processes, and awards including construction, consultants, commodity and services solicitations, and warehouse inventory management, while providing leadership based on competition, integrity, and transparency.

**CHIEF FINANCIAL OFFICER** -- oversees financial operations of Port Authority, including developing, implementing, and monitoring agency wide policies and strategies governing investments, financing, resource planning, budgeting, capital planning, accounting, performance measurement, analysis, financial analysis and financial controls.

**CHIEF, HUMAN CAPITAL** -- supports the agency's human resources efforts in the areas of compensation, benefits, talent management, recruitment, testing and assessment, metrics, occupational health services, service delivery, EEO compliance, diversity and inclusion, and labor relations, including negotiations for 24 unions across the Port Authority and PATH.

**CHIEF OPERATING OFFICER** -- oversees and ensures safe, efficient, secure and economically sound operation of Port Authority aviation, bus, tunnel, bridge, commercial and maritime facilities, and Port Authority Trans Hudson Corporation (PATH); and establishes and maintains consistent and best practice standards and procedures for management of agency's Capital and Operating Major Works projects.

**CHIEF, CAPITAL PLANNING, EXECUTION & ASSET MANAGEMENT** -- responsible for oversight of the capital program and the development of strategies, business practices and supporting systems that will increase the value of Port Authority capital investment including World Trade Center Construction, Environmental & Energy Programs, Business Diversity and Civil Rights, Planning & Regional Development and Office of Strategic Initiatives.

**CHIEF SECURITY OFFICER** -- responsible for oversight of centralized security and public safety functions, programs, resources, and personnel to include the Port Authority Police Department, WTC Security, the Office of Emergency Management, Security Project Management Department.



## **APPENDIX B: Economic Outlook**

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### ***Regional Economic Backdrop***

The Chief Economist with the Agency's Planning and Regional Development department provides the Regional Economic Outlook. The Port Authority bolsters the regional economic livelihood through infrastructure that support and strengthen commerce and economic development. Its assets include the major New York /New Jersey airports, marine terminals and ports, the PATH rail transit system, the six bridges and tunnels connecting New York and New Jersey, as well as bus terminals, and the World Trade Center (WTC) site in Manhattan.

The Port Authority is a linchpin in the regional economy, annually moving millions of people, and millions of tons of cargo on its network of aviation, rail, surface transportation, and seaport facilities. In 2013, Port Authority airports handled 6.8% of the US aviation passenger traffic and 16.5% of US air cargo volume. Port Authority assets on average now support more than 500,000 regional job-years, \$23 billion in annual wages and \$80 billion in regional economic activity annually.

The Great Recession of 2008/2009, coupled with the structural changes in national and regional economic activity and shifts in business and consumer behavior patterns, have had an impact on traditional agency activity and revenues streams. For example, automobile travel has been falling for eight consecutive years and total truck activity is back to where it stood in the mid-1980's. Given the scope of the Port Authority's operation and the magnitude of its impact on the regional economy, the agency continuously monitors the regional, national, and international economic trends as it moves through the annual process of developing its budget.

### **National Trends**

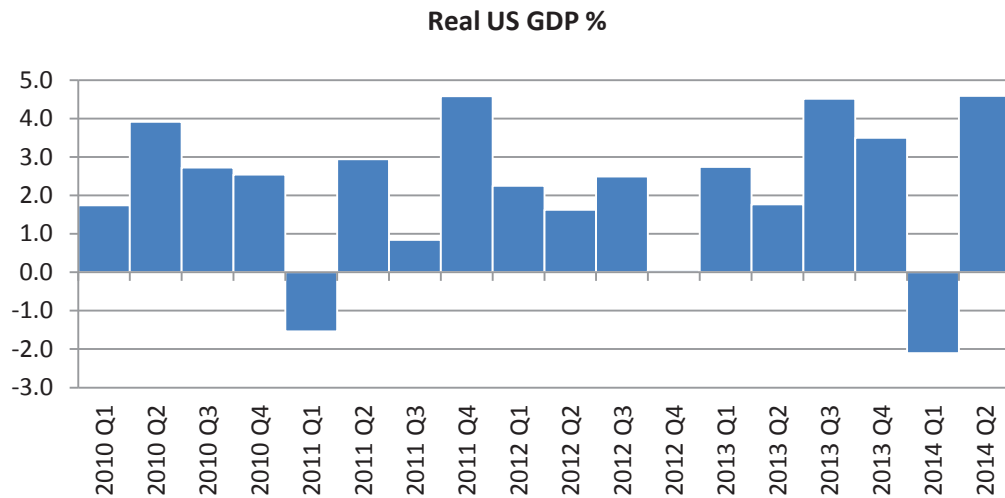
Since the official end of the Great Recession in 2009, the national economy has been slowly healing and positioning itself for stronger growth in the near term. In particular, after a quarter of negative Real GDP growth in early 2014, the economy has seen a strengthening growth trend for the rest of the year. The year 2014 is expected to produce real economic growth of roughly 2.0 percent. Yet, the story of economic recovery is beset by challenges brought on by the problems in the Eurozone, continued political debate over the right fiscal policy and the monetary policy exit strategy followed by the Federal Reserve, and weaker growth in emerging market economies such as India and China. In addition, structural concerns such as a lack of income growth and rising income inequality further cloud the picture of sustained future recovery of the national economy.

A main contributor to economic growth has been the US consumer sector, supported by a more buoyant housing market and improved employment conditions. Despite many setbacks, US households have continued to spend in line with their aggregate income gains and their strengthening financial position due to strong stock market gains. Nevertheless, the year 2014 has also seen challenges in the form of slowing household formation growth, which may foreshadow less demand for household goods such as furniture in the next year. Recent declines in the price of crude oil, down more than \$20 from its peak price, have a favorable effect on household budgets and provide a broad stimulative effect for the economy.

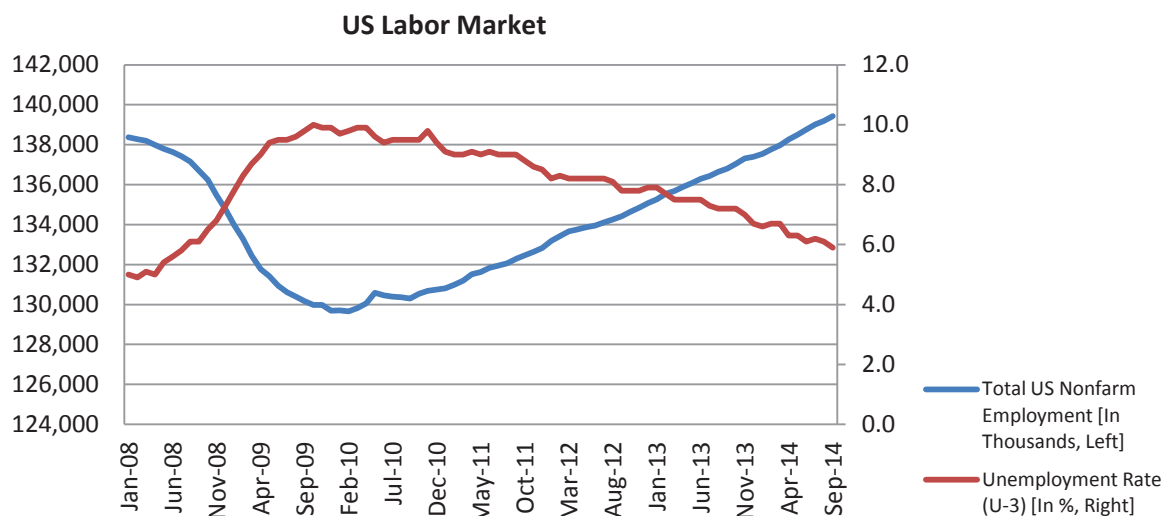
Housing, and in particular the recovery of real estate prices across the country, has continued to buoy consumer spending even though the real estate price gains and market activity have become more uneven regionally. The 20-year City Case-Shiller Index has increased more than 20% since its trough in early 2012. Home mortgage rates continue to be close to all time lows and bank lending standards have been modestly relaxed in recent months. Building activity has improved, but most activity still takes place in existing inventory, which has a less positive effect on economic growth than new housing construction. The pace of investor purchases of homes has slowed and now it is questionable if, without such institutional demand, the pace of recovery in housing can continue. In addition, foreclosure rates in some judicial states such as New York and New Jersey have ticked up due to the delay in processing bankruptcy filings in court.

The budget cuts in the form of sequestration now appear to be a nearly permanent fixture. Demand remains for the funding of large scale infrastructure projects across the country, keeping in mind the record low financing rates, but it appears unlikely that the political process will accommodate these requests.

Conditions in the Eurozone have again resurfaced as a main challenge to global and US economic growth. As the latest data suggest, the Eurozone may be approaching another recession, with economic indicators in Germany softening in recent months. While a European recession may not be sufficient to derail the expansion in the US, the direct linkages via product markets as well as the additional uncertainty and concerns, it may be sufficient to slow economic activity on this side of the Atlantic.



Employment levels in the domestic labor market have returned to and now even exceeded their pre-recession peaks. The unemployment rate has fallen below 6% and monthly net employment gains exceeded 200,000 on average for most of 2014. While unemployment rates across the board have come down, problems of high and long-term unemployment among workers persist. In addition, other groups of workers such as older individuals who have been laid off for longer stretches of time and even young workers relatively new to the work force seem to be having a hard time finding work even in a recovering economy. In addition, the rate of labor force participation has continued to decline signaling a labor market that is beset with significant structural problems and imbalances.

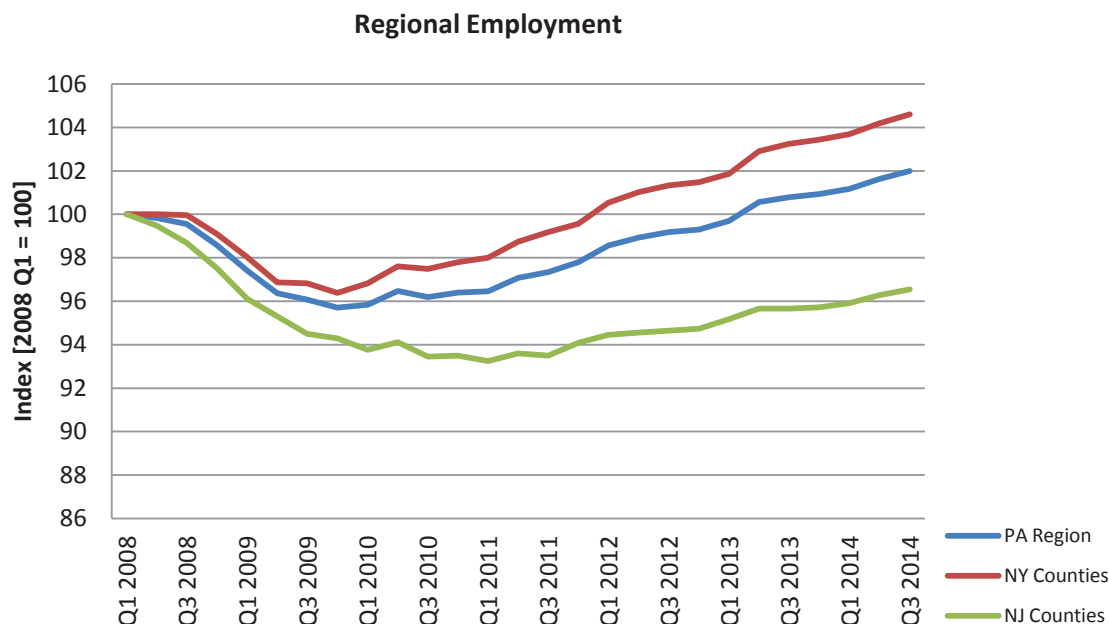


On another front, the positive correlation between economic growth and national driving trends, as measured by vehicle-miles-travelled (VMT), no longer exists. In fact, while GDP has recovered quite strongly in recent years, national VMT has continued to fall throughout the country. The reasons for the decoupling of surface travel from economic output and employment metrics include recent changes in demographics, altered driver behavior especially among Millennials, the high price of transportation, and changes in logistics patterns affecting both heavy and light trucks. The change in this relationship is of great importance to the Port Authority because of the dependence on vehicular traffic across its bridges and tunnels to generate agency revenues. In our estimation, nearly 24 million individuals between 2006 and 2013 chose to abandon the automobile for their trans-Hudson trip and now frequent trains and buses instead. There are also a significant number of trips that have simply been foregone.

### Regional Trends

The Port Authority economic region draws its strength from the vast, densely populated local consumer base and its attractiveness for tourists and visitors from all over the world. These features allow the New York-New Jersey area to remain a premier metropolitan region and gateway in the United States. The regional economic recovery has continued to perform ahead of the national economy in terms of the gains in output and employment post-recession. In the 18-county Port District, output growth for 2014 likely will exceed 2 percent, which may be slightly higher than for the nation. Consumer spending has been strong in New York City and surrounding counties in part a result of record tourism activity in the Greater New York area.

Total employment levels now exceed the pre-crisis levels, a recovery especially driven by the strong employment growth in the five counties making up New York City. The city has seen record employment growth in 2013 and experienced similar trends in 2014. The New Jersey counties, making up the other half of the Port District and initially lagging behind national and New York recovery indicators, now exhibit gains in employment and a general improvement of economic conditions. But the pace of recovery in New Jersey remains slow and has been negatively affected in recent months by the economic troubles of the gaming sector in Atlantic City.



Despite the overall positive trends, employment gains appeared to be tempered by the fact that the recovery has occurred in economic sectors that are quite different from the ones that lost most of the jobs during and after the Great Recession. The finance, insurance, brokerage and banking sectors, which have been major contributors to regional income at a rate disproportionately high compared to their share of employment, have been very severely affected, and have continued to show lackluster growth. In fact, some of the jobs in banking and financial services may never return. Sectors such as leisure and hospitality, tourism, healthcare, and professional business services, i.e. not the traditional office based sectors of the regional economy, have shown very strong gains across the board. Healthcare for instance did not experience any declines in employment even during the 2008/2009 crisis.

These shifts in industry composition in the region could affect traffic volumes at Port Authority bridges and tunnels. Sectors such as finance, insurance and banking have typically been a large portion of the local bridge and tunnel-commuting base. However, growth in these sectors has slowed, while it has been picking up in other sectors such as leisure and hospitality, tourism and professional business services, which have a lower incidence of automobile commuting. In addition, some of those sectors may have a lower incident of shift work, healthcare is one example, and that may be manifesting itself in the levels of auto trips across the region.



## **APPENDIX C: Budget Process and Financial Policies**

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The Port Authority's annual budget is prepared on a basis consistent with the Port Authority's By-Laws. The Board approves an annual expenditure budget comprised of operating expenses, debt service, gross capital expenditures and other expenditures such as heavy vehicles and computer systems that are deferred and amortized in future periods. The Board also approves the long-term strategic plan and updated capital plan of the agency, and approves amendments to the current year budget as necessary.

### **A Unified Planning Process**

Each year, in conjunction with the development of its annual budget, Port Authority staff undertakes a comprehensive planning process designed to ensure that the agency is consistently moving towards achieving long-term goals. Over the past years, the Port Authority has worked to unify this process by coordinating the development of business plans, capital programs, and the annual budget. This unified planning model allows the agency's long-term strategic plan to have a greater impact on each aspect of agency operations. The goals identified are incorporated into both departmental business plans and the agency's capital program. In turn, business and capital plans drive resource allocation decisions.

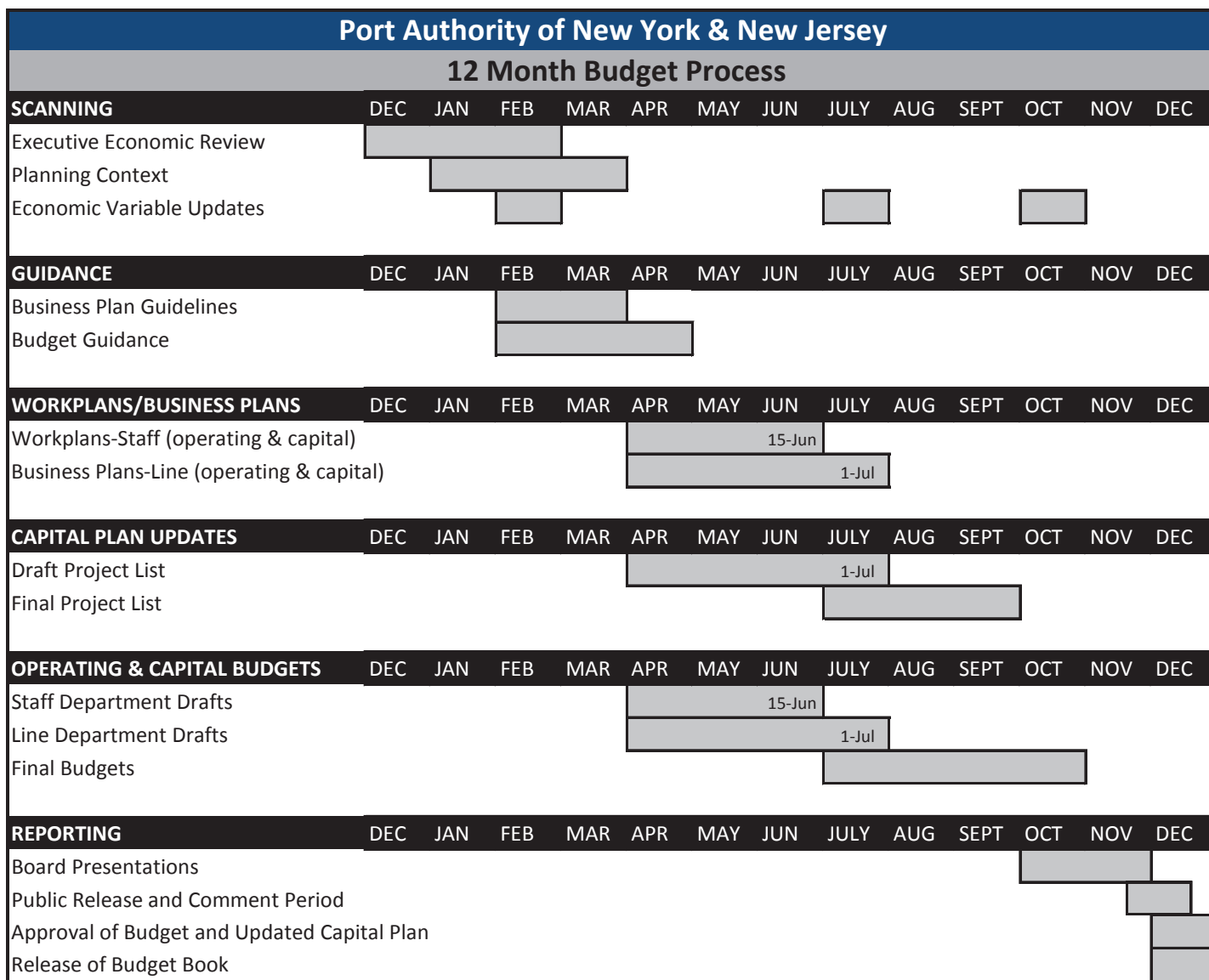
### **Developing the Budget**

Typically, the budget process begins with the scanning process. This involves an effort on the part of the Executive Director's Office and senior staff to understand the economic outlook and the environment in which the agency will be operating in the coming years. This information is then used to re-assess agency priorities and develop short-term strategies in line with agency-wide goals. The Executive Director's office then issues planning and budget guidance that includes agency wide priorities, the regional planning context, and budget targets for each department. This guidance informs the development of department business and work plans, the capital program, and the budget for the coming year.

Line Departments, the five departments that reflect the Port Authority's major lines of business (Port Commerce, Aviation, PATH, Tunnels, Bridges, and Terminals, and World Trade Center), are asked to submit business plans that identify department wide strategies and initiatives, both operating and capital, that reflect over-arching agency goals and take into account the planning context and priorities identified by the Executive Director. Similarly, staff departments, which support the agency's major lines of business, submit work plans that identify the ways in which these departments will help line businesses achieve agency-wide goals given the pre-established regional planning context. An agency-wide forum comprised of the Executive Management Team, the Office of the Chief Operating Officer, Line Departments and Staff Departments such as Capital Planning, Planning and Regional Development Department and the Management and Budget Department provide agency feedback on departmental business/work plans as they are finalized.

In conjunction with incorporating agency feedback into finalized business/work plans, departments develop operating budget proposals by aligning our business planning, budgeting and financial planning processes to focus on core transportation assets, safety and security, customer services and environmental stewardship. This approach provides a context to analyze the budgets at the business-unit level in order to prioritize expenses, fund critical initiatives, and provide for increased maintenance demands, while containing core expense growth. Line Departments also develop updated capital project lists and capital budget proposals that reflect the continuous risk-based prioritization and ranking of projects as managed by Capital Planning. The process considers asset condition, operational and revenue impact, threat assessment, customer service, regional benefit, and regulatory and statutory requirements.

Once these budget proposals have been submitted, the Management and Budget Department assesses the financial impact of the submissions, and coordinates Executive Budget Briefings with the Executive Management Team and departments to discuss their budget baselines, new initiatives, and proposed adjustments in order to develop a consolidated budget proposal that meets agency and department goals within the financial constraints of the agency and within the capital plan. Following these reviews, individual or group briefings are held with the Commissioners on the proposed Budget and updates to the Capital Plan in preparation for the public release of the Budget Document on the Port Authority external website for public review and comment. Public comments are then reviewed with the Board prior to the budget being finalized and adopted by the Board, pending gubernatorial review by the States of New York and New Jersey. In general, this is a 12-month process and follows the calendar as shown. When circumstances warrant, the process may be extended.



### Basis of Budgeting

Revenues and expenses are budgeted in an enterprise fund using the accrual basis of accounting (including interdepartmental rents). The budgeted Revenues and Reserves schedule is prepared pursuant to Port Authority bond resolutions and differs in some respects from accounting principles generally accepted in the United States, with the primary difference being the inclusion of principal and interest payments on outstanding Port Authority debt in lieu of depreciation and amortization related to capital investment. This is intended to demonstrate to the bondholders that the agency is generating sufficient cash flows to meet current and future debt service. For presentation purposes, budgeted net income is also calculated on a basis consistent with generally accepted accounting principles. The Management and Budget Department prepares periodic financial reports, designed to inform all levels of executive management, that measure and discuss actual and projected performance against budget and the capital plan. Financial reports are also presented to the Board of Commissioners on a Quarterly basis that concisely describe the operating and capital results and financial position of the agency as a whole, including year-end estimates, highlight exceptions or significant changes impacting the agency's financial condition, and to suggest areas where management action may be necessary.

### Financial Policies

The Port Authority is financially self-sustaining and raises the moneys necessary to operate its facilities and provide services to the public at large through tolls, fares, rentals and other user charges. Funds needed for capital improvements, construction and acquisition of facilities are raised on the basis of the Port Authority's own credit. The Port Authority cannot pledge the credit of either of the States of New York and New Jersey or any municipality, nor can it levy taxes or assessments.

Within the context of programmatic agency-wide objectives, the Port Authority has established various financial measures designed to ensure that the agency is able to sustain its projects, plan for the future, and fund debt service. The Port Authority maintains two

reserve funds, the General Reserve Fund and Consolidated Bond Reserve Fund, which were established in accordance with applicable laws, statutes and resolutions. The agency has set specific targets for the balances of the reserve funds at any given time, as well as other debt related ratios, including the Additional Bonds Test (as defined in the Consolidated Bond Resolution), and debt service coverage.

The General Reserve Fund is pledged in support of Consolidated Bonds and Notes. Statutes which required the Port Authority to create the General Reserve Fund established the principle of pooling revenues from all facilities and require that the Port Authority apply surplus revenues from all of its facilities financed by the issue and sale of bonds legal for investment (as defined in the applicable statutes) to maintain the General Reserve Fund in an amount at least equal to 10% of the par value of outstanding bonds legal for investment. The balance remaining of all net revenues of the Port Authority's existing facilities after deducting payments for debt service upon all Consolidated Bonds and 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 Notes. Consolidated Bonds and 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 Notes.

Other asset obligations (commercial paper obligations, and variable rate master notes), and the interest thereon, are not secured by or payable from the General Reserve Fund. Principal of, and interest on, other asset obligations are payable solely from the proceeds of obligations issued for such purposes or from net revenues paid into the Consolidated Bond Reserve Fund and, in the event such proceeds or net revenues are insufficient therefore, from other moneys of the Port Authority legally available for such payments. Operating asset obligations (equipment notes and the Fund buy-out obligation) are paid in the same manner and from the same sources as operating expenses. Special Project Bonds are not secured by or payable from the General Reserve Fund or the Consolidated Bond Reserve Fund.

The Port Authority has a long-standing policy of maintaining total 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. The moneys in the reserve funds may be accumulated or applied only to purposes set forth in legislation and the agreements with the holders of the Port Authority's obligations pertaining thereto.

#### **Debt Management Policies**

The Port Authority follows specific criteria when dealing with debt management, financing capital construction at the agency's facilities or refunding existing obligations. It does so by closely monitoring and controlling the flow of Variable Rate Master Notes, Commercial Paper, Equipment Notes, and Special Project Bonds. These debt management criteria are described in more detail below:

- Variable Rate Master Notes - Cannot be issued if the resulting aggregate principal amount at any one time outstanding is in excess of \$400 million.
- Commercial Paper - Cannot be issued if the resulting aggregate principal amount at any one time outstanding is in excess of \$500 million (\$300 million for Series A and \$200 million for Series B).
- Port Authority Equipment Notes - Proceeds are to be used in connection with the purchase of certain equipment by the Port Authority, to refund certain obligations issued by the Port Authority in connection with the purchase of equipment and for incidental purposes, including certain cost of such note obligations. These notes cannot be issued if the resulting aggregate principal amount at any one time outstanding is in excess of \$250 million.
- Special Project Bonds - Issued only for the purpose of providing funds for a single project for a lessee or for the purpose of refunding all or any part of a prior series of Special Project Bond obligations. These bonds shall not be issued in an amount that is greater than the amount determined by the Port Authority to be necessary to accomplish the purpose for which such Series of Special Project Bonds is issued.





## Appendix D: Select Capital and Operational Performance Metrics

*The Port Authority continues to advance its mission to meet critical infrastructure needs of the bi-state region.*

Capital Performance Metrics*					
GOALS	PROJECTS	PROJECT DELIVERABLES	2014 MAJOR OUTCOMES	2015 BUDGET	2015 PROJECT MILESTONES
Building the Region and Investing in the Future	World Trade Center Site	<ul style="list-style-type: none"> <li>One World Trade Center (1WTC)</li> <li>WTC Retail</li> <li>WTC Memorial &amp; Museum</li> <li>WTC Transportation Hub which will become the third largest transportation hub in New York</li> <li>Vehicle Security Center (VSC)</li> <li>Liberty Park</li> <li>Property management facility</li> <li>PAPD Command Center</li> <li>Common site infrastructure</li> <li>WTC parking</li> <li>Streets and integrated Campus Security Plan</li> </ul>	<ul style="list-style-type: none"> <li>Opened 1WTC with the move in of Conde Nast</li> <li>Opened direct access to the WTC Memorial and Museum, and Memorial Plaza to the public</li> <li>Opened the West Concourse and Platform A of the WTC Transportation Hub to PATH commuters</li> <li>Started screening operations in the VSC</li> <li>Opened a number of streets and walkways including: Fulton Street south of 1WTC, Vesey Street north of 1WTC, Greenwich Street along the western edge of Tower 4, Cortland Way along north edge of Tower 4</li> </ul>	\$1.6 B	<ul style="list-style-type: none"> <li>Continue lease up of 1WTC</li> <li>Advance other revenue initiatives including WTC licensing program</li> <li>Open the WTC Transportation Hub and retail concourse areas</li> <li>Open One World Observatory to the public</li> <li>Open Vesey Street for vehicular traffic in and out of the VSC</li> <li>Open Platform B of the WTC Transportation Hub to provide eastern access to the site for commuters</li> <li>Deconstruct the temporary PATH station</li> <li>Start construction of the west bathtub vehicular access</li> </ul>
	Bayonne Bridge Navigational Clearance Program	<ul style="list-style-type: none"> <li>Raise the navigational clearance from 151-foot to 215-foot utilizing innovative construction staging that will maintain vehicular traffic during construction.</li> <li>Reconstruction and rehabilitation of the existing Bayonne Bridge including provision of 12-foot travel lanes, shoulders, median safety divider, acceleration and deceleration lanes, a widened 15-foot walkway, and provision for future transit corridor</li> </ul>	<ul style="list-style-type: none"> <li>Completed northbound roadway bridge demolition, and constructed new piers</li> <li>Erected 22 of 26 northbound concrete spans</li> <li>Erected NY and NJ arch towers and new arch portals</li> <li>Completed new electrical rooms and mechanical and electrical buildings (NY/NJ)</li> <li>Erected new steel hangers, floor beams, and steel framing for new elevated roadway at 215-foot elevation</li> </ul>	\$274 M	<ul style="list-style-type: none"> <li>Complete northbound roadway foundations</li> <li>Substantially complete northbound roadway segments and piers</li> <li>Install main span deck framework</li> <li>Install poured roadway deck</li> </ul>
	LGA Central Terminal Building and Infrastructure Redevelopment	<ul style="list-style-type: none"> <li>State-of-the-art facility for domestic air travel and other infrastructure improvements</li> </ul>	<ul style="list-style-type: none"> <li>Completed pile driving and duct bank work at East End Substation.</li> <li>Continued progress on contract for buildings, equipment and feeders for the East End Substation</li> <li>Designated a parking lot for valet parking to decrease congestion</li> </ul>	\$260 M	<ul style="list-style-type: none"> <li>Complete demolition of hangers 2 and 4</li> <li>Begin operations of East Parking Garage</li> <li>Achieve Runway Safety Area Compliance (Runways 13 and 22 deck extension and arrestor bed installation)</li> </ul>

## Capital Performance Metrics\* (Continued)

	GOALS	PROJECT DELIVERABLES	2014 MAJOR OUTCOMES	2015 BUDGET	2015 PROJECT MILESTONES
Building the Region and Investing in the Future (Continued)	Goethals Bridge Replacement	<ul style="list-style-type: none"> <li>Replacement of 900-foot bridge including six 12-foot wide lanes and outer and inner shoulders, in conjunction with a private developer</li> </ul>	<ul style="list-style-type: none"> <li>Completed Right of Way parcel acquisition for properties in NJ and NY</li> <li>Obtained notice to proceed for full construction</li> </ul>	\$43 M	<ul style="list-style-type: none"> <li>Continue construction on main span eastbound</li> <li>Complete the design of main span westbound and commence construction</li> <li>Continue construction on eastbound approach roadway structures</li> <li>Commence construction on westbound approach roadway structures</li> </ul>
	George Washington Bridge Deck Replacement	<ul style="list-style-type: none"> <li>Rehabilitation of the upper level spans of the Bridge</li> </ul>	<ul style="list-style-type: none"> <li>Completed replacement of all deck panels</li> </ul>	\$16 M	<ul style="list-style-type: none"> <li>Complete all remaining work including other priority repairs and sealing of joints</li> </ul>
Moving Travelers and Commuters	Enhance safety and performance via PATH Signal System Replacement Program	<ul style="list-style-type: none"> <li>Comply with the requirements from the Federal Railroad Administration (FRA) for Positive Train Control (PTC)</li> <li>Increase capacity by 20% when fully deployed by providing for shorter headways</li> </ul>	<ul style="list-style-type: none"> <li>Proceeded with installation of new signal bungalows</li> <li>Completed delivery of Automatic Train Control (ATC) signal equipment for installation at Hoban Control Center</li> <li>Continued testing of ATC system on test track</li> </ul>	\$60 M	<ul style="list-style-type: none"> <li>Complete testing of ATC system on Newark to World Trade Center line to be PTC compliant</li> <li>Continue installation of 26 new signal bungalows</li> </ul>
	Modernize PATH Railcar fleet through New Car Purchase Program	<ul style="list-style-type: none"> <li>Put back into service the remaining cars damaged by Superstorm Sandy</li> <li>Increase PATH car maintenance responsibilities as more cars come off warranty</li> </ul>	<ul style="list-style-type: none"> <li>Monitored fleet performance and identified required car modifications to be addressed by Kawasaki</li> <li>Monitored Kawasaki's performance on cars still under warranty, while PATH assumes such duties for cars coming off warranty</li> </ul>	\$4 M	<ul style="list-style-type: none"> <li>Project completed. All cars are off warranty and will be maintained by PATH staff</li> </ul>
	Superstorm Sandy recovery and resiliency efforts	<ul style="list-style-type: none"> <li>Address salt water damage to electrical systems and substations including power washing efforts, as well as the replacement of track, signal, and critical electrical substation components to increase resiliency of PATH, and to lessen impacts of future events</li> </ul>	<ul style="list-style-type: none"> <li>Completed cleaning and power washing of tunnels between WTC and Exchange Place stations during weekend closures (Tunnels E and F)</li> <li>Advanced engineering design to replace infrastructure that suffered water damage including: Harrison Car Maintenance Facility (HCMF), Substation 7, power equipment in Tunnels E and F, and Hackensack River Bridge emergency fuel tank</li> </ul>	\$40 M	<ul style="list-style-type: none"> <li>Continue design of critical assets' replacement/reconstruction</li> <li>Advance design of resiliency projects under the FTA's Competitive Resilience program.</li> </ul>

Capital Performance Metrics * (continued)					
	GOALS	PROJECT DELIVERABLES	2014 MAJOR OUTCOMES	2015 BUDGET	2015 PROJECT MILESTONES
Moving Travelers and Commuters (continued)	Implement Port Authority Bus Terminal (PABT) Quality of Commute (QoC) Improvement Program	<ul style="list-style-type: none"> <li>Improve the passenger experience at the Bus Terminal, which serves over 65 million passenger trips a year</li> </ul>	<ul style="list-style-type: none"> <li>Developed a \$90 million QoC program in order to improve customer service at the Bus Terminal</li> <li>Began implementation of the program by bidding and awarding contracts to implement the various initiatives identified</li> <li>Improved Bus Terminal passenger experience with installed supplementary ventilation units and personal electronic charging stations, and accelerating leak mitigation efforts</li> <li>Undertook actions to ease commuting challenges including: worked with vendors and carriers to enhance cell/WiFi service; identified upgrades for customer information kiosks and started restrooms rehabilitation</li> </ul>	\$16 M (capital) \$2 M (operating)	<ul style="list-style-type: none"> <li>Continue advancement of projects to improve on-time performance</li> <li>Continue projects associated with building and system improvements</li> <li>Continue work on Midtown Bus Master Plan that will outline comprehensive options for trans-Hudson bus transportation</li> </ul>
	Intermodal Rail Program	<ul style="list-style-type: none"> <li>Comprehensive rail system with on-dock intermodal facilities for all marine terminals</li> </ul>	<ul style="list-style-type: none"> <li>Proceeded with construction with goal of completion of project by the end of 2016</li> </ul>	\$54 M	<ul style="list-style-type: none"> <li>Begin Phase 1 construction of Intermodal Container Transfer Facility (ICTF) at Global Terminal</li> </ul>
Connecting Cargo to Customers	Port Commerce Infrastructure Program	<ul style="list-style-type: none"> <li>The Infrastructure program is intended to invest in port assets in order to reduce maintenance costs, expand capacity and ensure code compliance for all systems</li> </ul>	<ul style="list-style-type: none"> <li>Continued all berth reconstruction projects</li> <li>Continued replacement of water lines at NJ Marine Terminals (NJMT)</li> <li>Upgraded sanitary lift stations</li> <li>Repaired/replaced traffic signals</li> <li>Upgraded electrical systems at administration building</li> <li>Completed shoreline protection projects</li> <li>Completed development of wharf asset management system</li> </ul>	\$54 M	<ul style="list-style-type: none"> <li>Complete eastern section of Berth 3, continue Berth 14 construction, and award contract for construction of Berth 19</li> <li>Award contracts for resilient fender system for Berths 30, 32, and 34 and undertake pre-contract repairs</li> <li>Complete sanitary lift stations upgrades</li> <li>Award contracts for the traffic signal integration project</li> <li>Advance wharf asset management recommendations</li> <li>Commence construction on Port Jersey gas substation</li> <li>Award contracts for reconstruction of Transfer Bridge 10 and 65<sup>th</sup> Street fender</li> </ul>
	Harbor Deepening Program (HDP)	<ul style="list-style-type: none"> <li>Improved navigational safety</li> <li>Increased capacity to accommodate future cargo vessels</li> </ul>	<ul style="list-style-type: none"> <li>Proceeded with completion of deepening program</li> <li>Resumed excavation of NYC Department of Environmental Protection Water Siphon's and associated deepening of Anchorage channel.</li> </ul>	\$32 M	<ul style="list-style-type: none"> <li>Complete deepening projects</li> <li>Complete water siphon related work</li> <li>Achieve certification of channel depth by Army Corps of Engineers</li> </ul>

Performance Metrics*				
FACILITIES	PERFORMANCE MEASURE	OPERATING OBJECTIVE	2014 MAJOR OUTCOMES	2015 TARGET
Airports	Flight Delay Reduction	<ul style="list-style-type: none"> <li>• Improvement of year-to-year delay statistics for all airports</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction of YTD operations delays from 8.0% (October 2013) to 5.3% (October 2014)</li> </ul>	<ul style="list-style-type: none"> <li>• Less than 5.3% of total operations delayed</li> </ul>
	Customer Satisfaction	<ul style="list-style-type: none"> <li>• Meet or exceed industry benchmark in annual customer satisfaction survey for all Port Authority airport terminals</li> </ul>	<ul style="list-style-type: none"> <li>• Increased proportion of highly satisfied customers by 2 percentage points</li> </ul>	<ul style="list-style-type: none"> <li>• Increase proportion of highly satisfied customers by at least 2 percentage points</li> </ul>
	FAA Part 139 Compliance	<ul style="list-style-type: none"> <li>• Meet Federal Aviation Administration (FAA) Federal Aviation Regulation (FAR) Part 139 to meet all safety standards and maintain airports' operating certificates</li> </ul>	<ul style="list-style-type: none"> <li>• All reported discrepancies were corrected in a timely manner</li> </ul>	<ul style="list-style-type: none"> <li>• Meet all FAR Part 139 mandates, including correcting any discrepancies, by FAA imposed deadlines</li> </ul>
Tunnels, Bridges and Bus Terminals	Incident Response Time	<ul style="list-style-type: none"> <li>• Improve safety and travel time reliability by ensuring incidents are responded to and cleared in a timely and effective manner</li> </ul>	<ul style="list-style-type: none"> <li>• Decreased in response time over the previous year</li> </ul>	<ul style="list-style-type: none"> <li>• Decrease in response time over the previous year</li> </ul>
	Timely/accurate communications with PABT passengers	<ul style="list-style-type: none"> <li>• Improve communication with passengers during the evening rush to provide more timely, accurate and specific information regarding operation conditions at the Lincoln Tunnel and Bus Terminal</li> <li>• Improve communication with passengers to more directly solicit customer feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Enhanced use of the E-Alerts and the public address system</li> <li>• Resumed regular commuter forums at the Bus Terminal ("Commuter Chats"), which were held in August and December 2014</li> </ul>	<ul style="list-style-type: none"> <li>• Provide more timely, accurate and specific information to passengers during the evening rush</li> <li>• Enhance the Bus Terminal's information kiosks to make them more user friendly</li> <li>• Host quarterly Commuter Chats</li> </ul>
	Improve On-Time Performance at PABT	<ul style="list-style-type: none"> <li>• Improve on-time performance and reduce crowding conditions at the Bus Terminal</li> </ul>	<ul style="list-style-type: none"> <li>• Modified operational procedures in coordination with major bus carriers to improve bus movement/throughput during the evening rush</li> <li>• Identified gate utilization efficiencies</li> <li>• Improved staff ability to remove disabled vehicles by providing additional training and use of technology</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicate staff to identify impediments to bus flow during the evening rush and take immediate action to remedy the problem</li> <li>• Install bus tracking system to better manage bus operations</li> <li>• Implement gate utilization efficiencies to sustain 90% on-time performance</li> </ul>

Performance Metrics (continued)*				
FACILITIES	PERFORMANCE MEASURE	OPERATING OBJECTIVE	2014 MAJOR OUTCOMES	2015 TARGET
PATH	Operational Safety at PATH	<ul style="list-style-type: none"> <li>Operate PATH system with a high degree of safety for passengers and employees</li> </ul>	<ul style="list-style-type: none"> <li>Completed employee safety training programs</li> <li>Designed and conducted four safety stand downs to enhance employee safety awareness</li> </ul>	<ul style="list-style-type: none"> <li>Continue employee safety training program</li> <li>Perform quarterly system safety stand downs for employees</li> </ul>
	On-Time Performance at PATH	<ul style="list-style-type: none"> <li>Maintain high percentage of PATH trains operating on-time (within 3 minutes of scheduled departure/arrival time).</li> </ul>	<ul style="list-style-type: none"> <li>98.01% on-time performance during 24-hour periods.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain or exceed 98.01% 24-hour on-time performance</li> </ul>
	Service Reliability	<ul style="list-style-type: none"> <li>Maintain high mean distance between failure (number of miles, on average, a PATH car travels before breakdown or failure occurs that results in delay)</li> </ul>	<ul style="list-style-type: none"> <li>115,000 miles between failure</li> </ul>	<ul style="list-style-type: none"> <li>Maintain or exceed 96.61% peak period on-time performance</li> </ul>
	Timely/accurate communications with passengers	<ul style="list-style-type: none"> <li>Provide timely and accurate information to PATH customers on operational issues and incidents that impact PATH scheduled service</li> <li>Improve quality of communications with passengers through direct customer feedback and customer satisfaction ratings</li> </ul>	<ul style="list-style-type: none"> <li>Provided direct communications with customers through PATH Alerts, notifying passengers of system incidents and delays</li> <li>Implemented 2014 customer satisfaction survey including a measure to rate PATH customer communications</li> </ul>	<ul style="list-style-type: none"> <li>Enhance timeliness and accuracy of PATH Alerts notifications</li> <li>Develop Incident Communication Response Criteria and quarterly measurement process</li> <li>Improve annual PATH customer satisfaction ratings for communications attributes</li> </ul>
	Increased Intermodal efficiency	<ul style="list-style-type: none"> <li>Increase percent of cargo moved by rail to 20% by 2020</li> </ul>	<ul style="list-style-type: none"> <li>16% of port cargo moved by rail</li> </ul>	<ul style="list-style-type: none"> <li>Move at least 16.5% of port cargo by rail</li> </ul>
Port Commerce	Improved reliability and turn times, and reduced delays and queuing	<ul style="list-style-type: none"> <li>Created Port Performance Task Force to provide a framework for port stakeholders to discuss areas of common interest, identify challenges to port efficiency and service reliability and recommend solutions and performance indicators in order to maintain the Port's position as the preeminent Port in the country</li> </ul>	<ul style="list-style-type: none"> <li>Issued a final report with 23 recommendations to improve overall port efficiency</li> <li>Created permanent Council on Port Performance (CPP) and identified primary focus areas: development of a new chassis management system, development of a truck management system, and expansion of the Radio Frequency Identification (RFID) system to capture queue and turn times</li> </ul>	<ul style="list-style-type: none"> <li>In conjunction with other Council on Port Performance (CPP) Members</li> <li>Implement a new chassis management system</li> <li>Advance the implementation of the truck management and RFID system to improve truck congestion and turnaround times</li> </ul>

\*Note: These selected performance measures reflect the Port Authority's ongoing efforts to enhance operational performance across all facilities.



## APPENDIX E: *Glossary*

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**Allocated Expenses** – Expenses allocated to various business programs and facilities of the Port Authority, using labor as the basis for allocation, for the provision of centralized general management and administrative services and/or general services applicable to Port District development activities.

**Budget** – A formal financial estimate of expected revenues and expenditures setting forth the Port Authority’s financial operations for a calendar year in a form compatible with the Port Authority’s accounting system. The estimate is prepared by all departments and approved by the Board of Commissioners. It serves as the basis for producing the Financial Plan and becomes a means of achieving systematic review of program expenditures to ensure that they are made in accordance with the policies and financial decisions of the Board and the By-Laws of the Port Authority.

**Capital Expenditures** — Expenditures for projects that benefit future accounting periods and are expected to prolong the service lives of assets beyond the originally assigned life or result in a better or more efficient asset. Capital expenses are broken down into six categories that reflect the policy goals of the agency:

- **Mandatory (MAND)** – Projects required by law, governmental rule or regulation, or by a rule or policy of the Board of Commissioners.
- **Regional Projects (SRP)** – Projects undertaken by the Port Authority which advance the objectives of the Port Authority but unlike other Port Authority projects—which are typically confined to a specific Port Authority operated facilities – are not operated by the Port Authority. They are generally initiated at the request of one of the two states.
- **Revenue Producing Projects (RPP)** – Projects which provide system enhancements, improved customer service levels, and/or regional benefits and which yield a positive financial return to the Port Authority on its invested capital.
- **Security (SEC)** – Projects that are necessary to meet the Agency’s Security Plan. The Office of Emergency Management has reviewed the scope of the projects for consistency with Agency security goals.
- **State of Good Repair (SGR)** – Projects that are necessary to maintain the continued functioning of a Port Authority assets consistent with the Agency’s business objectives, especially those necessary to maintain critical structural integrity and operational capability of facilities.
- **System Enhancing Projects (SEP)** – Projects that provide system enhancements, improved customer service levels, and/or regional benefits but do not yield a positive financial return to the Port Authority.

**Capital Plan** – Reflects the current assessment of the potential need for capital expenditures for the modernization, renovation, rehabilitation, expansion or acquisition of existing and additional facilities in order to continue to maintain appropriate levels of service.

**Commercial Paper (CP)** – Short-term obligations authorized to be issued to provide interim financing for the payment of capital expenditures in connection with the facilities of the Port Authority or to refund prior obligations.

**Consolidated Bonds** – A form of long-term debt issued pursuant to the Consolidated Bond Resolution of 1952 and subsequent resolutions.

**Consolidated Bond Reserve Fund** – A special fund created by Section 7 of the Consolidated Bond Resolution. The balance remaining of all net revenues of the Port Authority's existing facilities after deducting payments for debt service upon all Consolidated Bonds and 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 Notes. Consolidated Bonds and 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.

**Debt Service** – Represents interest payments, accruals, and mandatory and accelerated amortization (by sinking fund payments, serial maturities, bank loan payments, etc.), on outstanding debt charged to the operating and reserve funds.

**Deferred and Other Expenses** – refers primarily to expenditures for items such as heavy vehicles and equipment and computer systems, which are deferred and amortized in future periods.

**Development Expenses** – Represents those general expenses of the Port Authority for the development of the Port District. Expenses include certain studies and initiatives.

**Direct Investment in Facilities** – Represents application of moneys in the Consolidated Bond Reserve Fund to the Capital Fund, subject to statutory, contractual, and other commitments and financial policies of the Port Authority in addition to other capital funds carried forward and the proceeds of Port Authority obligations to be issued.

**Direct Prorated Expenses** – Centralized line department, operations and maintenance services, and engineering general expenses that are prorated directly to individual operating facilities and business programs based on their prorated share of direct labor costs.

**Facility** – A location classification defining a complete and self-contained unit operated by the Port Authority.

**Fund Balance** – Represents the balance of cash and certain specified securities, some of which are required Port Authority Statutes.

**Fund Buy-Out** – Represents the annual implicit interest cost (8.25%) contained in the present value of amounts due to the States of New York and New Jersey upon the termination, in 1990, of the Fund for Regional Development.

**General Reserve Fund** – A special fund established pursuant to Chapter 5 of the Laws of New Jersey of 1931 and Chapter 48 of the Laws of New York of 1931, as amended and supplemented. Under the statutes authorizing the pledge of the General Reserve Fund, the Port Authority may raise monies to finance or refinance any of its present facilities by the issue and sale of bonds legal for investment. Additional terminal or transportation facilities may also be financed this way. Surplus revenues from facilities are required to be pooled by the Port Authority and applied to the maintenance of a General Reserve Fund in an amount equal to at least 10% of the par value of all such outstanding bonds legal for investment, as so defined.

**Gross Operating Revenues** – Revenues from rentals, tolls, fares, aviation fees and other charges derived in connection with the use of and privileges granted at Port Authority facilities before the deduction of operating expenses.

**Net Operating Revenues** – Gross operating revenues less operating expenses and amounts in connection with operating asset obligations, adjusted by net recoverable/expense amounts related to the events of September 11, 2001.



**Operating Asset Financing** — Interest expense associated with the funding of operating assets such as the **Fund Buy-Out**, where the Port Authority assumed the assets and liabilities of the former Fund for Regional Development, which had been established to sub-lease World Trade Center space previously held by the State of New York; and **Equipment Notes**, which are obligations that are authorized to be issued to facilitate the purchase of operating equipment such as automotive vehicles, telephones, radios, computer equipment and office furnishings.

**Operating Expenses** — Expenses incurred in connection with the operation, maintenance, security, repair and administration of Port Authority facilities and business programs, including direct prorated and allocated expenses. Operating expenses are subdivided into six categories:

- **Interest Expense** — Interest costs for special project bonds and operating assets.
- **Maintenance** — Labor and materials to protect the agency's capital investments and keep properties, facility structures and equipment operating at a high level of performance, including complying with applicable codes and regulations, thereby preventing injury to life and damage to property.
- **Management Services** — Support operations for all lines of business -- Aviation, PATH, Port Commerce, Tunnels, Bridges & Terminals, and World Trade Center.
- **Operations** — Staff and materials required to manage transportation facilities and provide support services to the traveling public throughout the Port Authority's regional transportation network, which includes airports, vehicular tunnels, bridges and terminals, rail transit system and port shipping facilities.
- **Rent & PILOT** — Payments made periodically to governmental agencies and landlords in return for the use of land, a building, an office, or other property.
- **Security** — Providing safe and secure facilities nation by vigilance over potential threats, investment in infrastructure and new technology, and employment of best practices in security and emergency preparedness operations. Adapting programs in response to changing conditions and meeting or exceeding government and industry standards while adding value to the business.

**Operating Ratio** — The resultant of dividing the Port Authority's gross operating revenues by operating expenses.

**Passenger Facility Charge (PFC)** — Pursuant to the Federal Aviation Safety and Capacity Expansion Act of 1990, the Port Authority has been authorized to impose a PFC on passengers utilizing its airports. PFC collections are restricted to projects undertaken with the prior approval of the FAA.

**Port Authority Equipment Notes (PAEN)** — Obligations authorized to be issued for purposes of payment for expenditures in connection with the facilities of the Port Authority or to refund prior obligations. PAEN carry variable interest rates set by a remarketing agent and are subject to prepayment at the option of the Port Authority or upon demand of the holders.

**Return On Investment (ROI)** — The relationship, generally expressed as a percentage, between the net income and the investment required to earn the income.

**Special Project Bonds (SPB)** — Limited obligations issued for the purpose of providing specific projects for a lessee or to refund prior obligations. SPBs are secured solely by a pledge of facility rental derived by the Port Authority under a lease with the lessee. Neither the full faith and credit of the Port Authority nor any of its revenues, assets or reserve funds are pledged for the payment of debt service on the bonds.

**Sources of Funds** — Gross operating revenues generated by Port Authority facilities as well as monies generated from the issuance of bonds, notes and other obligations, receipt of grants, insurance proceeds, earned income on investments and money drawn down from reserve funds, as well as the collection of Airport Passenger Facility charges. A balanced budget is achieved when the Sources of Funds is equal to the planned spending or Uses of Funds for the fiscal year.

**Times Debt Service Earned** — The relationship of net revenues available for debt service and reserves to the total obligatory bonded debt service. In this context, “total obligatory bonded debt service” excludes Fund for Regional Development buyout principal and interest expense, debt service on Special Project Bonds, operating equipment lease financing obligations and any PFC backed debt associated with investment in use.

**Uses of Funds** — The cost of operating expenses, capital expenditures, debt service on outstanding bonds, notes and others obligations, and other expenditures that are deferred and amortized in future periods. When the Uses of Funds is equal to revenues generated by the Sources of Funds, the budget is balanced.

**Variable Rate Master Notes (VRMN)** — Obligations authorized to be issued for purposes of payment for capital expenditures in connection with the facilities of the Port Authority or to refund prior obligations. VRMN carry variable interest rates in accordance with specified indices and are subject to prepayment at the option of the Port Authority or upon demand of the holders.

**Versatile Structure Obligations (VSO)** — Obligations authorized to be issued for purposes of payment for capital expenditures in connection with the facilities of the Port Authority or to refund prior obligations. VSO carry variable interest rates set by a remarketing agent and are subject to prepayment at the option of the Port Authority or upon demand of the holders.



