2024

FINANCIAL STATEMENTS & APPENDED NOTES

FOR THE YEAR ENDED DECEMBER 31,2024

Comptroller's Department

PORT AUTHORITY NY NJ

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TABLE OF CONTENTS

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CERTIFICATE WITH RESPECT TO 2024 FINANCIAL STATEMENTS

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

Dated: New York, New York
March 12, 2025

RCotton

Richard Cotton
Executive Director

Elizabeth M. McCarthy
Chief Financial Officer

Daniel G. McCarron

Daniel G. McCarron
Comptroller

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

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audits and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Port Authority, as of December 31, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Port Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis and the schedules listed under the heading Required Supplementary Information within the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits for the years ended December 31, 2024 and 2023 were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port Authority's basic financial statements.

The supplementary information included in Schedules D-1, D-2, D-3, E and F, as listed in the table of contents, for the years ended December 31, 2024 and 2023 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information included in Schedules D-1, D-2, D-3, E and F is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the years ended December 31, 2024 and 2023.

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

Other Information

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

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

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

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

Responsibilities of Management for Schedules A, B, and C

Management is responsible for the preparation and fair presentation of Schedules A, B, and C in accordance with the requirements of the Port Authority's bond resolutions. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our objectives are to obtain reasonable assurance about whether Schedules A, B, and C as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Port Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

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

Restriction on Use

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

KPMG LLP

March 12, 2025

Introduction

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

The Port Authority of New York and New Jersey Enterprise Fund Financial Statements Comparison for the Years Ended December 31, 2024, December 31, 2023 and December 31, 2022

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

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

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

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

2024 vs. 2023

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2023 vs. 2022

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 In accordance with GASB Statement No. 96, as described in *Note A.3.q, "Nature of the Organization and Summary of Significant Accounting Policies,"* 2022 amounts have been restated.
2 Includes $32.5 million in 2024, 2023 and 2022 related to Tower 4 Liberty Bonds debt service payments due the Port Authority from the WTC Tower 4 net lessee.

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

Gross Operating Revenues

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

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

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

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

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

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

** Includes Development Facilities and Ferry Transportation.

2024 vs. 2023

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

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

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

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

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

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

2023 vs. 2022

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

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

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

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

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

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

Operating Expenditures

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

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

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

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

Note: Amounts exclude the straight-line amortization of lease assets recognized under GASB Statement No. 87.
* Includes PATH operating expenses related to the PATH station located at the WTC Transportation Hub.
** Includes Development Facilities, Ferry Transportation and Other Programs. Operating Expenses include GASB Statement No. 87 contra rent expense amounts related to leases entered into for the purposes of providing centralized support services to Port Authority facilities.

2024 vs. 2023

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

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

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

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

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

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

2023 vs. 2022

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

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

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

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

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

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

Amortization of Lease Assets, (Port Authority as lessee)

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

2024 vs. 2023

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

2023 vs. 2022

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

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

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

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

Depreciation and Amortization

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

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

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

** Includes WTC Transportation Hub and Hudson Tunnel Project.

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

2024 vs. 2023

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

2023 vs. 2022

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

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

Income/(Loss) from Operations

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

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

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

1 Includes LGA Terminal B landlord leasehold depreciation of $66 million in 2024, $62 million in 2023, and $63 million in 2022.
2 Includes Regional Facilities and Programs, Development Facilities, Moynihan Station Transportation Program and Ferry Transportation.
3 Includes WTC Transportation Hub.
4 In accordance with GASB Statement No. 96 as described in *Note A.3.q, Nature of the Organization and Summary of Significant Accounting Policies*, the cumulative impact of adopting GASB Statement No. 96 has been incorporated as a restatement to the Port Authority's 2022 Statement of Revenues, Expenses and Changes in Net Position.

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

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

Nonoperating Revenues and Expenses

A summary of nonoperating revenues and expenses follows:

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

1 Includes amounts related to Tower 4 Liberty Bonds debt service payments due the Port Authority from the WTC Tower 4 net lessee.
2 In accordance with GASB Statement No. 96 as described in *Note A.3.q, Nature of the Organization and Summary of Significant Accounting Policies*, 2022 Nonoperating Revenue and Expenses have been restated for comparison purposes.

2024 vs. 2023

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

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

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

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

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

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

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

2023 vs. 2022

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

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

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

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

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

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

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

Capital Contributions and Passenger Facility Charges (PFCs)

A summary of Capital Contributions and PFCs follows:

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

2024 vs. 2023

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

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

2023 vs. 2022

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

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

Capital Construction Activities

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

A summary of capital investment by business segment follows:

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

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

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

Capital Funding Sources 2024*

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

* Capital funding sources exclude accrued amounts in connection with capital construction activities.
** Includes funding for LGA Terminal B landlord leasehold capital investment.

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

Capital Financing and Debt Management

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

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

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

Credit Ratings

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

DEBT OBLIGATION	Standard & Poor's	Fitch Ratings	Moody's Ratings
Consolidated Bonds	AA-	AA-	Aa3

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

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

Other Activities

Toll & Fare Increases

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

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

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

Cashless Tolling

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

Airport User Fees

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

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

2025 Budget

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

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

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

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

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

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

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

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

2024 vs. 2023

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

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

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

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

2023 vs. 2022

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

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

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

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
(Enterprise Fund)

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

See Notes to Financial Statements.

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

See Notes to Financial Statements.

Statements of Cash Flows

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

See Notes to Financial Statements.

Statements of Cash Flows (continued)

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

3. Capital obligations:

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

4. Noncash investing, capital and financing activities:

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

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

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

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

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

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

Statements of Fiduciary Net Position

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

See Notes to Financial Statements.

Statements of Changes in Fiduciary Net Position

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

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

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

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

1. Reporting Entity

a. The Port Authority of New York and New Jersey (the Port Authority) was created in 1921 by Compact between the States of New York and New Jersey with the consent of the United States Congress. The Compact envisions the Port Authority as being financially self-sustaining. As such, the agency must raise the funds necessary for the improvement, construction, or acquisition of its facilities and their operation generally upon the basis of its own credit. Cash derived from Port Authority operations and other cash received may be disbursed only for specific purposes in accordance with provisions of various statutes and agreements with holders of its obligations and others. The costs of providing facilities and services to the general public on a continuing basis are recovered primarily from operating revenue sources, including rentals, tolls, fares, aviation and port fees, and other charges.

b. The Governor of each State, with the consent of the respective State Senate, appoints six of the twelve members of the governing Board of Commissioners. The Commissioners serve without remuneration for six-year overlapping terms. Meetings of the Commissioners of the Port Authority are open to the public in accordance with policies adopted by the Commissioners. The actions taken by the Commissioners at Port Authority meetings are subject to gubernatorial review and may be vetoed by the Governor of their respective State. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *"The Financial Reporting Entity*," as amended, for financial reporting purposes, the Port Authority is a joint venture between the States of New York and New Jersey.

c. The Audit Committee, which consists of four members of the Board of Commissioners other than the Chairman and Vice Chairman of the Port Authority, provides oversight of the quality and integrity of the Port Authority's framework of internal controls, compliance systems and the accounting, auditing, and financial reporting processes. The Audit Committee retains independent auditors and reviews their performance and independence. The independent auditors are required to provide written disclosure of, and discuss with the Audit Committee, any significant relationships or issues that would have a bearing on their independence. The Audit Committee meets directly, on a regular basis, with the independent auditors, general counsel of the Port Authority, and management of the Port Authority. The Audit Committee retained KPMG LLP to perform the independent audit of the Port Authority's financial statements and Mitchell Titus, LLP to perform the independent audit of the Port Authority of New York and New Jersey Retiree Health Benefits Trust financial statements for the year ended December 31, 2024.

d. Enterprise fund financial statements and schedules include the accounts of the Port Authority and its blended component units, including:

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

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

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

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

2. Basis of Accounting

a. Port Authority business-type activities are accounted for using the flow of economic resources measurement focus and accrual basis of accounting. All assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, including revenues and expenses, are accounted for in an enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred.

b. Port Authority fiduciary activities are accounted for using the flow of economic resources measurement focus and accrual basis of accounting. Assets, liabilities and net position are accounted for in a fiduciary fund with investments reported at fair value, advance fundings reported when paid and contributions related to pay-as-you go benefit payments reported when benefit payments come due.

c. The Port Authority follows accounting principles generally accepted in the United States of America as prescribed by the GASB.

3. Significant Accounting Policies

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

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

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

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

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

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

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

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

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

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

e. Enterprise fund net position is comprised of:

  - ➢ Net investment in capital assets, which consists of capital assets, net of accumulated depreciation, less the outstanding balances related to payables, bonds, notes, or other liabilities that are attributable to the acquisition, construction, or improvement of those assets.

  - ➢ Restricted, which consists of net resources that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Port Authority's policy to use restricted resources first.

  - ➢ Unrestricted, which consists of net resources that do not meet the definition of Restricted or Net investment in capital assets.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a. Revenues and expenses of facilities are accounted for in the operating fund. The financial resources received and expended for the construction or acquisition of certified Port Authority facilities or capital infrastructure improvements are accounted for in the capital fund. Transactions involving the application of net revenues are accounted for in the reserve funds.

b. Port Authority bond resolutions provide that net operating revenues shall not include an allowance for depreciation on facilities other than depreciation of ancillary equipment. Thus, depreciation is not a significant factor in determining the net revenues and reserves of the Port Authority or their application as provided for in the Port Authority's bond resolutions. Instead, capital expenditures are provided for through deductions from net revenues available for debt service in amounts equal to principal payments on debt outstanding or through the application of monies previously deposited in the Consolidated Bond Reserve Fund for the purposes of funding capital investment in facilities. These amounts are credited at par to *Net Position – Facility infrastructure investment* in the capital fund on *Schedule B – Assets and Liabilities*.

c. Debt service in connection with operating asset obligations is paid from the same revenues and in the same manner as operating expenses of the Port Authority.

d. Capital costs for Regional Facilities and Programs are included in *Invested in facilities* in accordance with Port Authority bond resolutions.

e. Consolidated Bonds and Consolidated Notes are recorded as outstanding at their par value commencing on the date that the Port Authority is contractually obligated to issue and sell such obligations. Bond premiums received or discounts provided at issuance related to bonds issued for the purpose of funding capital construction or refunding existing capital debt obligations are recorded as either a reduction of (discount) or addition to (premium) *Net Position – Facility infrastructure investment* in the capital fund on *Schedule B – Assets and Liabilities* at the time of issuance.

f. To reflect the cumulative amount invested by the Port Authority since 1921 in connection with its facilities, the historical cost of capital assets removed from service due to retirement is not deducted from *Invested in facilities*. However, if a capital asset is sold, the proceeds received from the sale are deposited in the capital fund for purposes of funding future capital investment or retiring existing debt obligations and deducted from cumulative *Invested in facilities* on *Schedule B – Assets and Liabilities* at the time of the sale.

g. Contributed capital amounts resulting from non-exchange transactions, including contributions in aid of construction where the Port Authority does not receive a cash reimbursement for prior cash outlays, are included in *Invested in facilities*, and credited to *Net Position – Facility infrastructure investment* in the capital fund.

h. Amounts attributable to the collection and investment of PFCs are restricted and can only be used for FAA approved airport-related projects. Revenues derived from the collection and investment of PFCs, net of the air carriers' handling charges, are initially deferred as *Unapplied Passenger Facility Charges* on *Schedule B – Assets and Liabilities* and applied as revenue on *Schedule A – Revenues and Reserves* for the reimbursement of previous capital cash outlays by the Port Authority when the PFCs become available for application. Capital investment funded by PFCs is reflected as a component of *Invested in facilities* on *Schedule B – Assets and Liabilities*.

i. Amounts received in connection with the March 18, 2014 transfer of the Port Authority's interests in the WTC Retail Joint Venture to Westfield are recognized as revenue in their entirety when they are received and are recorded on that basis on *Schedule A – Revenues and Reserves*.

j. The cumulative impact of adopting GASB Statement No. 68, "*Pensions*" and GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*" was recognized as an increase or decrease to the operating fund's net position in the year of adoption and is being amortized as an application from the Consolidated Bond Reserve Fund over a closed 30- year period.

k. In accordance with Port Authority bond resolutions, operating expenses provide for contingencies related to the application of future operating and maintenance expenses.

l. In accordance with Port Authority bond resolutions, rental income received and rent paid related to leases, including leases that contain fixed-rent payments and subject to GASB Statement No. 87 are recognized as rental revenue or rent expense in accordance with the rental terms contained in their respective lease agreements.

m. Rent payments paid or received in advance are deferred and reported in *Other current assets* or *Other current* or *Other non-current liabilities,* respectively. Advance payments are amortized on a straight-line basis over the term of the lease agreement.

n. Payments for SBITAs, including SBITAs that contain fixed-rent payments and subject to GASB Statement No. 96 are recognized in accordance with the subscription terms contained in their respective subscription agreements.

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

Statements of Net Position to Schedule B – Assets and Liabilities

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

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

Statements of Revenues, Expenses and Changes in Net Position to Schedule A – Revenues and Reserves

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

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

Note B - Facilities, net

	Facilities, net Dec. 31, 2023	Additions	Transfers to Completed Construction	Depreciation**	Retirements/ Dispositions	Facilities, net Dec. 31, 2024
			(In thousands)			
Capital assets not being depreciated:						
Land	$ 1,543,194	$ —	$ 7,789	$ —	$ —	**$ 1,550,983**
Construction in progress*	3,987,579	2,389,848	(1,295,511)	—	—	**5,081,916**
Total capital assets not being depreciated	5,530,773	2,389,848	(1,287,722)	—	—	**6,632,899**
Depreciable capital assets:						
Buildings, bridges, tunnels, other structures	26,781,383	—	569,427	—	(87,764)	**27,263,046**
Machinery and equipment	14,111,295	—	443,217	—	(127,454)	**14,427,058**
Runways, roadways and other paving	8,409,737	—	120,609	—	(157,027)	**8,373,319**
Utility infrastructure	9,112,982	—	154,469	—	(65,273)	**9,202,178**
Total other capital assets being depreciated	58,415,397	—	1,287,722	—	(437,518)	**59,265,601**
Accumulated depreciation:						
Buildings, bridges, tunnels, other structures	(7,867,677)	—	—	(630,265)	87,764	**(8,410,178)**
Machinery and equipment	(6,999,033)	—	—	(480,068)	127,454	**(7,351,647)**
Runways, roadways and other paving	(4,438,083)	—	—	(259,518)	157,027	**(4,540,574)**
Utility infrastructure	(4,197,172)	—	—	(345,279)	65,273	**(4,477,178)**
Total accumulated depreciation	(23,501,965)	—	—	(1,715,130)	437,518	**(24,779,577)**
Facilities, net	$ 40,444,205	$ 2,389,848	$ —	$ (1,715,130)	$ —	**$ 41,118,923**

	Facilities, net Dec. 31, 2022	Additions	Transfers to Completed Construction	Depreciation**	Retirements/ Dispositions	Facilities, net Dec. 31, 2023
			(In thousands)			
Capital assets not being depreciated:						
Land	$ 1,542,429	$ —	$ 765	$ —	$ —	$ 1,543,194
Construction in progress*	5,203,504	1,840,084	(3,056,009)	—	—	3,987,579
Total capital assets not being depreciated	6,745,933	1,840,084	(3,055,244)	—	—	5,530,773
Depreciable capital assets:						
Buildings, bridges, tunnels, other structures	25,260,972	—	1,540,364	—	(19,953)	26,781,383
Machinery and equipment	13,361,972	—	849,302	—	(99,979)	14,111,295
Runways, roadways and other paving	8,228,625	—	193,758	—	(12,646)	8,409,737
Utility infrastructure	8,657,797	—	471,820	—	(16,635)	9,112,982
Total other capital assets being depreciated	55,509,366	—	3,055,244	—	(149,213)	58,415,397
Accumulated depreciation:						
Buildings, bridges, tunnels, other structures	(7,279,902)	—	—	(607,728)	19,953	(7,867,677)
Machinery and equipment	(6,637,369)	—	—	(461,643)	99,979	(6,999,033)
Runways, roadways and other paving	(4,187,962)	—	—	(262,767)	12,646	(4,438,083)
Utility infrastructure	(3,873,293)	—	—	(340,514)	16,635	(4,197,172)
Total accumulated depreciation	(21,978,526)	—	—	(1,672,652)	149,213	(23,501,965)
Facilities, net	$ 40,276,773	$ 1,840,084	$ —	$ (1,672,652)	$ —	$ 40,444,205

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

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

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

Note C – Cash and Investments

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

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

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

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

** Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.
Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.
Level 3 inputs are unobservable inputs for the asset; they should be used only when relevant Level 1 and Level 2 inputs are unavailable.
Port Authority investments are valued at the closing price on the last business day of the fiscal year or last trade reported on the major market exchange on which the individual securities are traded.

*** Investments are valued at unamortized cost.

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

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

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

Port Authority Investment Policies

Port Authority policy provides for cash funds of the Port Authority to be deposited in banks with offices located in the Port District, provided that the total funds on deposit in any bank do not exceed 50% of the bank's combined capital and permanent surplus. These funds must be fully secured by deposit of collateral having a minimum fair value of 110% of actual daily balances in excess of that part of the deposits secured through the Federal Deposit Insurance Corporation (FDIC) and the New Jersey Governmental Unit Deposit Protection Act (GUDPA). The collateral must consist of obligations of the United States of America, the Port Authority, the State of New York or the State of New Jersey held in custodial bank accounts in banks in the Port District having combined capital and surplus in excess of $1 million.

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

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

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

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

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

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

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

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

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

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

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

PAICE Investment Policies

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Investment Policies

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

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

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

Rate of Return

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

Diversification

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

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

Market Risk

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

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

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

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

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

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

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

Credit Risk

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

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

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

* N/A represents securities that were not rated.
** Fixed-income investments exclude guaranteed U.S. Treasury and U.S. Government agency securities totaling $180 million and $193 million, respectively.

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

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

* N/A represents securities that were not rated.
** Fixed-income investments exclude guaranteed U.S. Treasury and U.S. Government agency securities totaling $154 million and $156 million, respectively.

Cash and cash equivalents held in the Trust, at December 31, 2024 of $21.3 million primarily consists of $8.4 million of short-term U.S. Government Treasury securities and $12.7 million of commercial paper. Cash and cash equivalents held in the Trust, at December 31, 2023 of $23 million consist of $12 million of short-term

U.S. Government Treasury securities and $11 million of commercial paper. The commercial paper has credit ratings of A2 and P2 from Standard & Poor's and Moody's Ratings, respectively and a range of F1 to F2 from Fitch Ratings.

Concentration of Credit Risk

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

Custodial Credit Risk

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

Interest Rate Risk

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

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

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

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

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

Note D - Outstanding Financing Obligations

Outstanding bonds and other asset financing obligations

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

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

A. Consolidated Bonds and Consolidated Notes

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

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

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

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

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

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

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

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

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

On December 12, 2024, the Board of Commissioners approved a plan of finance for Consolidated Bonds and Consolidated Notes sold during the period beginning January 1, 2025 through December 31, 2025 (the 2025

Consolidated Bonds Authorization). The 2025 Consolidated Bonds Authorization authorizes the issuance of Consolidated Bonds and Consolidated Notes in a total aggregate principal amount not to exceed $4.3 billion (including any issuance of indebtedness sold in 2025 under the Port Authority's Versatile Structure Obligations resolution). The 2025 Consolidated Bonds Authorization provided that as of December 31, 2024, any authority to issue and sell Consolidated Bonds and Consolidated Notes under the previous December 14, 2023 authorization was deemed extinguished.

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

B. Special Obligation Institutional Loan Program and Commercial Paper Obligations

Special Obligation Institutional Loan Program

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

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

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

	Dec. 31, 2023	Issued	Refunded/Repaid	Dec. 31, 2024
		(In thousands)		
Obligation outstanding	$ 539,455	$ 23,659	$ 150,000	$ 413,114

	Dec. 31, 2022	Issued	Refunded/Repaid	Dec. 31, 2023
		(In thousands)		
Obligation outstanding	$ —	$ 539,455	$ —	$ 539,455

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

Commercial Paper Obligations

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

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

C. Variable Rate Master Notes

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

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

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

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

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

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

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

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

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

D. Port Authority Equipment Notes

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

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

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

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

The total purchase price of $235 million was discounted to a present value of $178.4 million at an implicit interest rate of 5.25% per annum and recognized as a special obligation of the Port Authority in 2010 (see *Note*

E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions), for additional information related to the payment of special obligations of the Port Authority).

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

	Dec. 31, 2022	Accretion	Amortization	Dec. 31, 2023
		(In thousands)		
Obligation Outstanding	$ 40,992	$ —	$ 2,848	$ 38,144

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

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

F. Tower 4 Liberty Bonds

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

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

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

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

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

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

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

G. Goethals Bridge Replacement Developer Financing Arrangement

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

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

	Dec. 31, 2023	**Issued**	**Amortization**	**Dec. 31, 2024**
		(In thousands)		
Goethals Bridge Replacement Developer Financing Arrangement	$ 1,020,300	$ —	$ 2,844	**$ 1,017,456**

	Dec. 31, 2022	**Issued**	**Amortization**	**Dec. 31, 2023**
		(In thousands)		
Goethals Bridge Replacement Developer Financing Arrangement	$ 1,022,275	$ —	$ 1,975	$ 1,020,300

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

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

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

H. Hudson Tunnel Project (HTP) Support Obligation

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

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

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

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

*Includes approximately $19 thousand of accrued interest

<u>Note E – General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)</u>

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

Consolidated Bonds and Consolidated Notes

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

Authority equally with other obligations of the Port Authority secured by the General Reserve Fund; and, ***c)*** the Consolidated Bond Reserve Fund established by the Consolidated Bond Resolution.

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

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

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

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

Special Obligations

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

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

Net revenues for purposes of special obligations of the Port Authority are defined, with respect to any date of calculation, as the revenues of the Port Authority pledged under the Consolidated Bond Resolution, and remaining after: ***i)*** payment or provision for payment of debt service on Consolidated Bonds and Consolidated Notes as required by the applicable provisions of the Consolidated Bond Resolution; ***ii)*** payment into the

General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes; and, ***iii)*** applications to the authorized purposes under Section 7 of the Consolidated Bond Resolution.

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

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

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

Note F – Grants and Contributions in Aid of Construction

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

Policing programs

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

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

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

Grants, in connection with operating activities

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

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

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

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

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

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

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

Contributions in Aid of Capital Construction

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

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

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

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

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

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

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

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

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

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

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

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

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

Lease Receivable and Deferred Inflow of Resources

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

A summary of the change in the lease receivables follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
	(In thousands)		
$4,838,763	$39,822	$234,236	**$4,644,349**

Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023*
	(In thousands)		
$4,572,733	$507,511	$241,481	$4,838,763

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

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

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
	(In thousands)		
$5,347,802	$38,289	$301,579	**$5,084,512**

Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023*
	(In thousands)		
$5,158,110	$497,429	$307,737	$5,347,802

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

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

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

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

Lease-Leaseback Transactions

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

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

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

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

	2024		
	WTC Tower 4 Net-Lease	**WTC Tower 4 Port Authority Office Space Leaseback**	**Net**
		(In thousands)	
Lease receivable/(liability)	**$ 2,055,420**	**$ (750,739)**	**$ 1,304,681**
(Deferred inflows of resources, leases)/lease asset	**(1,954,475)**	**683,011**	**(1,271,464)**
Lease amortization (revenue)/expense	**(25,873)**	**32,719**	**6,846**
Interest (income)/expense	**(80,930)**	**21,175**	**(59,755)**

	2023		
	WTC Tower 4 Net-Lease	WTC Tower 4 Port Authority Office Space Leaseback	Net
		(In thousands)	
Lease receivable/(liability)	$ 2,055,420	$ (767,541)	$ 1,287,879
(Deferred inflows of resources, leases)/lease asset	(1,980,348)	715,730	(1,264,618)
Lease amortization (revenue)/expense	(25,873)	32,719	6,846
Interest (income)/expense	(79,218)	21,626	(57,592)

Regulated Lease Agreements

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

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

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

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

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

Variable Rent Lease (excluding certain regulated leases)

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

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

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

Lease Liability and Lease Asset

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

A summary of changes in the lease liabilities follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
	(In thousands)		
$6,424,743	$2,859	$91,989	**$6,335,613**

Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023*
	(In thousands)		
$6,497,812	$14,558	$87,627	$6,424,743

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

A summary of changes in the lease assets follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024*
	(In thousands)		
$6,943,174	$2,859	$173,918	**$6,772,115**

Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023*
	(In thousands)		
$7,105,371	$14,558	$176,755	$6,943,174

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

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

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

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

Subscription-Based Information Technology Agreements (SBITAs)

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

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

A summary of changes in the subscription liabilities follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024
	(In thousands)		
$ 4,438	$ 2,328	$ 5,199	**$ 1,567**

Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023
	(In thousands)		
$ 15,713	$ —	$ 11,275	$ 4,438

A summary of changes in the subscription assets follows:

Dec. 31, 2023	Additions	Amortization	Dec. 31, 2024
	(In thousands)		
$ 12,189	$ 2,328	$ 7,998	**$ 6,519**

Dec. 31, 2022	Additions	Amortization	Dec. 31, 2023
	(In thousands)		
$ 19,947	$ —	$ 7,758	$ 12,189

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

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

Note H – Regional Facilities and Programs

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

Regional Facilities

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

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

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

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

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

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

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

Interstate Transportation Network Programs

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

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

Note I - Pension Plans

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

Port Authority Employees

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

NYSLRS Plan Benefits

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

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

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

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

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

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

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

Tiers 3, 4 and 5 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62. Generally, the benefit for Tier 3, Tier 4 and Tier 5 members is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tiers 3, 4 and 5 members with five or more years of service can retire as early as age 55 with reduced benefits. Tiers 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. Final average salary is the average of the wages earned in the three highest consecutive years of employment. For ERS Tiers 3, 4 and 5 members, each year used in the final average salary calculation is limited to no more than 10% greater than the average of the previous two years. For PFRS Tier 5 (there are no Port Authority members enrolled in PFRS Tier 3), each year used in the final average salary calculation is limited to no more than 20% greater than the average of the previous two years.

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

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

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

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

NYSLRS Net Pension Liability - 2024 and 2023

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

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

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

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

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

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

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

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

NYSLRS Pension Expense - 2024 and 2023

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

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

NYSLRS Deferred Inflows/Outflows of Resources - 2024 and 2023

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

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

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

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

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

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

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

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

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

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

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

NYSLRS Actuarial Assumptions - 2024 and 2023

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

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

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

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

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

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

* The real rate of return is net of the long-term inflation assumption of 2.9% in 2024 and 2.5% in 2023.
** Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity, respectively.

NYSLRS Discount Rate Analysis - 2024 and 2023

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

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

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

		2024	
	1% Decrease (4.9%)	**Discount Rate (5.9%)**	**1% Increase (6.9%)**
		(In thousands)	
ERS - Port Authority's proportionate share of the NPL/(NPA)	**$ 651,303**	**$ 207,151**	**$ (163,809)**
PFRS - Port Authority's proportionate share of the NPL/(NPA)	**984,461**	**421,207**	**(44,122)**
Total	**$ 1,635,764**	**$ 628,358**	**$ (207,931)**

	1% Decrease (4.9%)	2023 Discount Rate (5.9%)	1% Increase (6.9%)
		(In thousands)	
ERS - Port Authority's proportionate share of the NPL/(NPA)	$ 723,660	$ 299,457	$ (55,013)
PFRS - Port Authority's proportionate share of the NPL	974,572	467,522	47,655
Total	$ 1,698,232	$ 766,979	$ (7,358)

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

New York State Voluntary Defined Contribution Program (VDC)

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

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

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

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

<u>Port Authority Trans-Hudson Corporation (PATH) Employees</u>

Federal Railroad Retirement Program

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

Taxes. In 2024 and 2023, 1,295 and 1,285 PATH employees, respectively, participated in the Federal Railroad Retirement Program.

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

Railroad Retirement Tier I	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
			($ In thousands)		
2024	**7.65%**	**$ 11,020**	**7.65%**	**$ 11,020**	**$ 22,040**
2023	7.65%	$ 11,799	7.65%	$ 11,799	$ 23,598

Railroad Retirement Tier II	Employee Tax Rate	Employee Taxes	Employer Tax Rate	Employer Taxes	Total Taxes
			($ In thousands)		
2024	**4.9%**	**$ 6,137**	**13.1%**	**$ 16,409**	**$ 22,546**
2023	4.9%	$ 6,095	13.1%	$ 16,294	$ 22,389

Detailed information about the Federal Railroad Retirement Program can be found in the U.S. Railroad Retirement Board Performance and Accountability Report, which is publicly available at the following web address: https://www.rrb.gov/sites/default/files/2024-11/par2024_0.pdf.

PATH Employees Supplemental Pension Plans

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

PATH Represented Employees

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

PATH Non-represented Employees

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

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

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

PATH Exempt Employee Supplemental Pension Plan Total Pension Liability - 2024 and 2023

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

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

* The Plan's TPL reported at December 31, 2024 was measured as of January 1, 2024 based on an actuarial valuation as of the same date.
**The Plan's TPL reported at December 31, 2023 was measured as of January 1, 2023 based on an actuarial valuation as of the same date.

PATH Exempt Employee Supplemental Pension Plan Pension Expense - 2024 and 2023

Pension expense related to the Plan totaled:

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

PATH Exempt Employee Supplemental Pension Plan Deferred Outflows/Inflows of Resources - 2024 and 2023

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

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

Deferred Outflows of Resources	2024	2023
	(In thousands)	
Differences between actual and expected experience	**$ 496**	$ 1,175
Changes in actuarial assumptions	**6,225**	4,634
Subtotal - Deferred Outflows of Resources	**6,721**	5,809
Contributions subsequent to the measurement date*	**4,662**	4,748
Total Deferred Outflows of Resources	**$ 11,383**	$ 10,557

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

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

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

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

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

PATH Exempt Employee Supplemental Pension Plan Actuarial Assumptions- 2024 and 2023

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

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

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

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

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

PATH Exempt Employee Supplemental Pension Plan Discount Rate Analysis- 2024 and 2023

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

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

		2024	
	1% Decrease (2.26%)	**Discount Rate (3.26%)**	**1% Increase (4.26%)**
		(In thousands)	
Total Pension Liability	**$ 125,034**	**$ 110,085**	**$ 97,716**

		2023	
	1% Decrease (1.06%)	Discount Rate (2.06%)	1% Increase (3.06%)
		(In thousands)	
Total Pension Liability	$ 115,320	$ 101,958	$ 90,854

Total Pension Expense

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

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

Note J – Other Postemployment Benefits (OPEB)

Plan Description and Organization

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

OPEB Expense

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

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

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

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

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

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

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

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

Actuarial Methods and Assumptions

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

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

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

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

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

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

** Declining to an ultimate medical healthcare cost trend rate of 4.5% in 2035 (including inflation factors of 2.3% for 2024 and 2023).

*** Decreasing to 4.5% in 2035

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31 is summarized in the following table:

	Target Asset Allocation		Long-Term Expected Real Rate of Return*	
Asset Class	**2024**	2023	**2024**	2023
Domestic Equity	**33%**	33%	**4.9%**	5.4%
International Equity	**21%**	21%	**4.6%**	5.2%
Real Estate Investment Trust	**6%**	6%	**4.7%**	4.3%
Fixed Income	**40%**	40%	**2.7%**	1.7%

* The long-term expected real rate of return is net of the long-term inflation assumption of 2.3%. in 2024 and 2023.

Note K– Commitments and Certain Charges to Operations

1. Approval of a budget by the Board of Commissioners does not in itself authorize any specific expenditures, which are authorized from time to time by or as contemplated by other actions by the Board of Commissioners of the Port Authority consistent with statutory, contractual and other commitments of the Port Authority, including agreements with the holders of its obligations.

2. At December 31, 2024, the Port Authority had entered into various construction contracts totaling approximately $3.5 billion, which are expected to be completed within the next three years.

3. Other amounts receivable, net recognized on the Statements of Net Position at December 31, 2024, is comprised of the following:

	Dec. 31, 2023	Additions	Deductions	Dec. 31, 2024
		(In thousands)		
Long-term receivables from tenants	$ 74,521	$ 18,881	$ 21,433	**$ 71,969**
Deferred amounts due from WTC Tower 4 and WTC Tower 3 net lessees	46,738	1,469	—	**48,207**
Amounts due – Goethals Bridge Replacement Bridge Developer	28,238	—	—	**28,238**
Other receivables	8,877	—	—	**8,877**
Tower 4 Liberty Bonds debt service	6,374	32,517	32,519	**6,372**
Total other amounts receivable, net	$ 164,748	$ 52,867	$ 53,952	**$ 163,663**

4. The 2024 balance of Other noncurrent liabilities consists of the following:

	Dec. 31, 2023	Additions	Deductions	Dec. 31, 2024
		(In thousands)		
Self-Insured Public Liability Claims	$ 68,812	$ 19,906	$ 13,762	**$ 74,956**
Self-Insured Workers' Compensation Claims	90,641	28,244	23,584	**95,301**
Other payables	76,123	751	56	**76,818**
Pollution remediation obligation	29,665	4,256	9,302	**24,619**
Asset forfeiture program	27,248	1,770	1,367	**27,651**
Reinsurance premium payable	7,982	14,019	22,001	**—**
Surety and security deposits	4,425	66	188	**4,303**
WTC Joint Venture Returns	16,130	—	—	**16,130**
Deferred Gain/Loss on NLCC	4,761	—	—	**4,761**
GASB Statement No. 96 SBITA liabilities	4,477	1,567	4,477	**1,567**
Total Liabilities	330,264	70,579	74,737	**326,106**
Less: Current workers' compensation liability	20,869			**20,444**
Current GASB Statement No. 96 SBITA liabilities	4,477			**760**
Total Other non-current liabilities	$ 304,918			**$ 304,902**

5. In accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, an operating expense provision and corresponding liability measured at its current value using the expected cash flow method is recognized when an obligating event occurs. In 2024, the Port Authority recognized an additional $4.3 million in pollution remediation obligations, primarily related to asbestos abatement at certain Aviation facilities and Marine Terminals. Cumulative operating expense remediation provisions through December 31, 2024 totaled $132.9 million, net of $2.1 million in recoveries.

   As of December 31, 2024, the outstanding pollution remediation liability totaled $24.6 million, primarily consisting of future remediation activities associated with asbestos removal, lead based paint abatement, groundwater contamination, and soil contamination at Port Authority facilities.

Note L – Information with Respect to the Redevelopment of the World Trade Center Campus

Conceptual Framework for the Redevelopment of the Office, Retail and Other Components of the World Trade Center

The terms of the original July 2001 net leases established both an obligation and concomitant right for the net lessees, at their sole cost and expense, to restore their net leased premises following a casualty whether or not the damage is covered by insurance proceeds in accordance, to the extent feasible, prudent and commercially reasonable, with the plans and specifications as they existed before the casualty or as otherwise agreed to with the Port Authority.

The redevelopment of the WTC site has proceeded pursuant to The World Trade Center Memorial and Cultural General Project Plan adopted in 2004 and amended in 2007 and 2022 (GPP) by Lower Manhattan Development Corporation (LMDC) which provides for approximately 10 million square feet of above-grade office space with associated storage, mechanical, loading, below-grade parking, and other nonoffice space, and was planned to consist of up to five office towers (one of which may instead be a multiuse building, including residential space at a mix of market and affordable rents), space for retail businesses, the World Trade Center Transportation Hub, a memorial and interpretive museum, The St. Nicholas Greek Orthodox Church and National Shrine, The Performing Arts Center at the World Trade Center (now doing business as the "Perelman Performing Arts Center") and certain related infrastructure. A December 2010 World Trade Center Amended MDA, among the Port Authority, PATH, 1 WTC LLC, WTC Retail LLC, and the Silverstein net lessees, sets forth the respective rights and obligations of the parties thereto with respect to construction on the WTC site, including the allocation of construction responsibilities and costs between the parties to the MDA.

One World Trade Center

On June 13, 2011, the Port Authority and The Durst Organization (Durst) through entities formed by such parties entered into various agreements in connection with the establishment of a joint venture with respect to the construction, financing, leasing, management and operation of One World Trade Center. Pursuant to the 2011 joint venture agreement between the Port Authority and Durst, the parties have calculated that Durst's equity percentage interests in the joint venture, effective 2025, is 15.07%. This calculation is based on Durst's 2011 initial capital contribution of $100 million, other noncash contributions, and the 2020 stabilized net operating income of the building. One World Trade Center contains 3.0 million square feet of space, comprised of commercial office space and an indoor observation deck. As of December 31, 2024, WTC Tower 1 LLC (the current net lessee of One World Trade Center) has leased: (i) approximately 2.8 million square feet of office space at One World Trade Center, representing approximately 94% of the leasable office space; (ii) certain portions of the One World Trade Center rooftop, together with ancillary space, for a broadcasting and communications facility; and, (iii) the 100th through 102nd floors of One World Trade Center under a lease to Legends OWO, LLC for an observation deck, which opened to the public in 2015.

World Trade Center Tower 2

The MDA requires the Tower 2 Silverstein net lessee to complete subgrade and foundation work for Tower 2, which has been substantially completed by the Port Authority as part of the overall site improvements shared by all of the World Trade Center tenants. Upon closing of any future construction financing and commencement of above-grade construction of Tower 2, the Tower 2 Silverstein net lessee will be required to reimburse the Port Authority for the Tower 2 Silverstein net lessee's allocated costs for the subgrade and foundation work funded by the Port Authority at the site. Under the Tower 2 net lease, ground rent is payable by the Tower 2 Silverstein net lessee upon the earlier of: (i) commencement of construction of Tower 2; and, (ii) December 2022, whether or not construction has commenced. As of December 2022, construction of Tower 2 had not commenced and the Port Authority asserts that ground rent is now due under the terms of the Tower 2 net lease. Silverstein Properties has not yet made payment thereof and has requested additional time to arrange financing before beginning to pay ground rent. Ground rent for the site until the commencement of construction is approximately $2.5 million per month, reducing to approximately $1.3 million per month when construction begins.

World Trade Center Tower 3

To assist the Silverstein net lessee of Tower 3 in the construction of the Tower 3 office tower following satisfaction of certain private real estate and capital markets triggers, the Port Authority entered into a Tower 3 Tenant Support Agreement in 2010 (as subsequently amended in 2014, the "Tower 3 Tenant Support Agreement"). Under the Tower 3 Tenant Support Agreement, the Port Authority, together with New York State and New York City, was required to provide up to $600 million in overall support, comprised of: (x) $210 million for the construction of Tower 3 (paid for as a landlord capital improvement) and (y) backstop funding of $390 million for construction overruns and certain leasing cost overruns, operating expense deficits and certain leasing cost overruns (provided as a rent deferral under the Tower 3 net lease), and senior debt service shortfalls (which would be paid by the Port Authority if necessary in the future, as a special limited co-obligor on the senior debt issued for Tower 3), with such senior debt service shortfalls payable as a special obligation of the Port Authority, subject in each case to the overall limit of $390 million for the backstop (see *Note E- General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)* for additional information related to the payment of special obligations of the Port Authority). The State of New York and the City of New York have each agreed to reimburse the Port Authority for up to $200 million of the $600 million provided under the Tower 3 Tenant Support Agreement for a combined reimbursement to the Port Authority from the State of New York and the City of New York of up to $400 million. To date, the Port Authority has applied $84.5 million of the $93.4 million received from the State of New York as a capital contribution for the partial reimbursement of the $210 million landlord capital improvement the Port Authority made in December 2014 toward the construction of Tower 3 and for Tower 3 backstop funding. In addition, under a Public Support Agreement with the City of New York, the Port Authority will receive $130 million plus accrued interest in WTC PILOT credits as reimbursement for the remaining share of the Port Authority's landlord capital improvement. WTC payments in lieu of taxes (PILOT) credits from City of New York commenced in July 2019.

Under the Tower 3 Support Agreement, the Tower 3 Silverstein net lessee is responsible for the repayment of any outstanding balance of the $390 million backstop on a subordinated basis, without interest, from Tower 3 revenues, upon termination of the Tower 3 Support Agreement. All repayments of the Tower 3 backstop received by the Port Authority would be distributed among the Port Authority, the State of New York and the City of New York in accordance with their respective shares of the $390 million backstop payments. As security for such repayment, the Tower 3 Silverstein net lessee, the Port Authority and a third-party banking institution entered into an account control agreement directing revenues derived from the operation of Tower 3 to be deposited into a segregated lockbox account and administered and disbursed by the banking institution in accordance with the Tower 3 Support Agreement. To provide additional security to the Port Authority, the Tower 3 Silverstein net lessee assigned to the Port Authority various contracts in connection with the development and construction of Tower 3, together with all licenses, permits, approvals, easements and other rights of the Tower 3 Silverstein net lessee, granted a first priority pledge of all of the ownership interests in the Tower 3 Silverstein net lessee to the Port Authority and granted a subordinated mortgage on the leasehold interest created under the Tower 3 net lease. The Tower 3 net lessee exercised its right to defer certain Tower 3 net lease rent payments due the Port Authority effective November 2017.

As of December 31, 2024, deferred rent due from the Tower 3 net lessee totaled approximately $48.2 million. As of December 31, 2024, the Silverstein Tower 3 net lessee has repaid the approximately $9.0 million in senior debt service shortfalls previously provided under the WTC Tower 3 Tenant Support Agreement.

Tower 3 was substantially completed in March 2018, and officially opened on June 11, 2018. As of December 31, 2024, 87% of leasable office space has been leased to tenants.

World Trade Center Tower 4

In December 2010, the Port Authority, as tenant, entered into a lease with the Tower 4 Silverstein net lessee, as landlord, for approximately 600,000 square feet of office space for use as the Port Authority's executive offices with an initial term of 30 years and four 5-year renewal options. In November 2014, such space lease was amended to provide for the surrender by the Port Authority of two floors to the Tower 4 Silverstein net lessee. Tower 4 was substantially completed in October 2013. As of December 31, 2024, approximately 92% of the leasable office space has been leased to tenants.

Also, in December 2010, the Port Authority entered into certain agreements with the Silverstein net lessee of Tower 4, providing for the Port Authority's support for the construction of Tower 4 (the Tower 4 Support Agreements) by participating in the November 15, 2011 financing for Tower 4 (Debt Service Obligations) and providing additional rent deferrals and other concessions (Tenant Support). In particular, the Port Authority agreed to become a co-borrower/obligor for the Tower 4 Liberty Bonds which were issued on November 15, 2011, in the aggregate principal amount of approximately $1.2 billion, by the New York Liberty Development Corporation to finance construction and development of WTC Tower 4. On September 14, 2021, the New York Liberty Development Corporation issued Series 2021A bonds for approximately $1.2 billion and Series 2012B bonds for approximately $11.4 million to cover issuance costs, to refinance the original Tower 4 Liberty Bonds to achieve interest rate savings, with the material terms of the original November 2011 Tower 4 financing remaining unchanged, including the Port Authority remaining a co-borrower/obligor for the refunding bonds (the original November 2011 Tower 4 financing and the September 2021 refinancing are hereafter referred to herein, interchangeably, as the Tower 4 Liberty Bonds).

The Port Authority's payment of debt service on the Tower 4 Liberty Bonds is a special obligation of the Port Authority, evidenced by a separate Tower 4 Bond Payment Agreement between the Port Authority and the Tower 4 Liberty Bond trustee (see *Note E - General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)* for additional information related to the payment of special obligations of the Port Authority).

Originally, the Silverstein net lessee of Tower 4 had the right to defer payment of net lease rent payable to the Port Authority under the Tower 4 net lease, to provide cash flow to pay certain operating expense deficits, certain capital expenditures upon completion of Tower 4 and a limited amount of construction and leasing cost overruns. The Tower 4 net lessee exercised its right to defer certain Tower 4 net lease rent payments due the Port Authority effective November 2016. As of December 31, 2024, no deferred rent was due from the Tower 4 net lessee. The Debt Service Obligations are required to be reimbursed or paid to the Port Authority from Tower 4 cash flow, with interest at a rate of 7.5% annum until paid.

The Tower 4 Silverstein net lessee informed the Port Authority in 2022 that, in accordance with the Tower 4 Support Agreements, it had achieved the debt service coverage threshold which would allow it to terminate the Port Authority's Tenant Support obligations in return for terminating certain account control lockboxes for Tower 4. The termination, which has now been effectuated, resulted in the repayment $50.7 million of Tower 4 deferred rent plus accrued interest to the Port Authority. Surplus revenues held in a Tower 4 operating account for the benefit of the Port Authority were transferred to a similar account for Tower 3 to cover deferred amounts due to the Port Authority on account of its support for Tower 3. The termination of the Tenant Support obligations did not affect the Port Authority's Debt Service Obligations or the pledge of rents and the leasehold mortgage which serve as security therefor.

The World Trade Center Transportation Hub

On July 28, 2005, the Board of Commissioners of the Port Authority authorized the WTC Transportation Hub project for the construction of a transportation hub and permanent PATH terminal. Construction commenced on September 6, 2005. On October 18, 2012, the Board of Commissioners reauthorized the WTC Transportation Hub project at an estimated total project cost range of approximately $3.74 billion to $3.995 billion. The Port Authority reached the maximum funding amount of $2.872 billion from the FTA toward the construction of the WTC Transportation Hub in 2017. On March 3, 2016, the World Trade Center Transportation Hub Oculus and underground pedestrian connections to certain mass transit lines opened to the public and on August 16, 2016, the retail portions opened to the public.

World Trade Center Infrastructure Projects

In addition to the WTC Transportation Hub, the Port Authority continues to construct various WTC site infrastructure projects toward full buildout of the WTC site. In 2014, certain portions of these infrastructure projects, including portions of the vehicular security center for cars and delivery vehicles to access subgrade loading facilities became operational to support commercial operations and development throughout the WTC site. Other WTC infrastructure projects include street configurations, utilities, a central chiller plant and related electrical distribution systems that support operations of the WTC site.

World Trade Center Retail

Through a series of transactions between the Port Authority and a single-purpose entity formed by an affiliate of Westfield America, Inc., which was acquired by Unibail-Rodamco-Westfield SE (formerly Unibail-Rodamco SE) in June 2018 (such entity, together with its Westfield predecessor, (URW)), the Port Authority has been involved in the planning and construction of the retail components of the World Trade Center. A URW entity has net leased the retail premises from the Port Authority for an upfront payment and a nominal annual amount. The Port Authority continues to be responsible for the construction of additional retail premises at other locations on the World Trade Center site and is obligated to fund the remaining project costs for their construction. Upon completion and lease up of such additional retail premises, the Port Authority expects to receive additional payments for the fair value of such additional retail space, to be determined according to the methodology specified in the agreement with URW, which is not expected to fully compensate the Port Authority for the cost of construction.

As of December 31, 2024, including Westfield's 2012 initial joint venture membership capital contribution of $100 million, the Port Authority has received $897 million for the transfer of its interests in the WTC retail joint venture to URW, which is recognized under GASB Statement No. 87 as a deferred inflow of resources related to leases and is being amortized over the remaining term of the net lease.

WTC Memorial and Museum, The St. Nicholas Greek Orthodox Church and National Shrine, and The Perelman Performing Arts Center at the World Trade Center

The Port Authority does not have any responsibility for the operation and maintenance of the WTC Memorial and Museum, The St. Nicholas Greek Orthodox Church and National Shrine, or The Perelman Performing Arts Center at the World Trade Center. The WTC Memorial Plaza opened for public access on September 11, 2011 and the Museum opened to the public on May 21, 2014. The St. Nicholas Greek Orthodox Church and National Shrine opened to the public in December 2022 and The Perelman Performing Arts Center at the World Trade Center, opened to the public in September 2023.

Note M – Risk Financing Activities

The Port Authority carries insurance or requires insurance to be carried (if available) on or in connection with its facilities and those under construction to protect against direct physical loss or damage and resulting loss of revenue and against liability in such amounts as it deems appropriate, considering deductibles, retentions, and exceptions or exclusions of portions of facilities and the scope of insurable hazards. A portion of the insurance under the programs described below is provided by the Port Authority's captive insurer, PAICE (see "Port Authority Insurance Captive Entity, LLC" in this Section). Most policies are renewed annually and therefore will expire during the calendar year.

Property Damage and Loss of Revenue Insurance Program

The property damage and loss of revenue insurance program on Port Authority facilities (which was renewed effective June 1, 2024 and expires on June 1, 2025) covers all Port Authority facilities, excluding the World Trade Center (except for the area of the PATH station inside the fare zone). Portions of the property damage and loss of revenue insurance program on the Port Authority facilities are insured through PAICE and largely reinsured through commercial reinsurers.

Property damage and loss of revenue insurance on the operating portions of the World Trade Center[1] and related infrastructure is provided in a separate program (which was renewed effective June 1, 2024 and expires on June 1, 2025). Portions of the property damage and loss of revenue insurance on the operating portions of the World Trade Center[1] are insured through PAICE and partially reinsured through commercial reinsurers.

The Port Authority also purchased property terrorism insurance with respect to all Port Authority facilities for a two-year term, effective June 1, 2023. The terrorism coverage is insured through PAICE and reinsured through the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA)[2] and commercial reinsurers.

Public Liability Insurance Programs

The Port Authority's public liability insurance programs (which were renewed effective October 27, 2024 and expires October 27, 2025) include general liability and workers' compensation coverage for Port Authority facilities and components of the World Trade Center and insurance for aviation war risk for aviation facilities.

Terrorism liability insurance with respect thereto is insured through PAICE and reinsured through TRIPRA and commercial reinsurers. The terrorism liability insurance policy was renewed effective October 27, 2023 and expires October 27, 2025.

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[1] The Port Authority's insurance programs do not provide coverage for World Trade Center Towers 2, 3, 4 (except for the Port Authority's Tower 4 leased space), Tower 5, the World Trade Center Memorial/Museum, the St. Nicholas Greek Orthodox Church and National Shrine, the Perelman Performing Arts Center at the World Trade Center and the net leased retail components (except for certain retail infrastructure) of the World Trade Center site. Coverage for these assets is the responsibility of the net lessees.

[2] Under TRIPRA, the formula provides that the federal government generally reinsures 80% of certified terrorism losses subject to aggregate industry insured losses of at least $200 million and a 20% insurance carrier/captive deductible, in an amount not to exceed an annual cap on all such losses payable under TRIPRA of $100 billion. In the event of a certified act of terrorism, the law allows the United States Treasury to recoup 140% of the amount of federal payments for insured losses during that calendar year.

The Port Authority also carries terrorism and/or malicious acts insurance for losses to property and liability resulting from nuclear, chemical, biological, or radiological material for all Port Authority facilities. The program is insured through a combination of PAICE, commercial reinsurers and TRIPRA and was renewed effective October 27, 2023 and expires October 27, 2025.

Construction Insurance Programs

The Port Authority maintains a rolling owner-controlled or wrap-up insurance program for all Port Authority operated facilities under construction (excluding the World Trade Center), which was renewed effective June 1, 2023, and expires June 1, 2026, including builders' risk, general liability insurance, and statutory workers' compensation coverage. PAICE provides portions of the general liability insurance while statutory workers' compensation insurance is provided through commercial insurance.

The Port Authority began a stand-alone owner-controlled insurance program on March 27, 2018, that expired March 27, 2024, for construction of Terminal A at Newark Liberty International (EWR) Airport, which included builders' risk, general liability insurance, and statutory workers' compensation insurance provided through commercial insurance. PAICE provided portions of the construction general liability insurance while statutory workers' compensation insurance is provided through commercial insurance.

Port Authority Insurance Captive Entity, LLC

In 2006, the Port Authority established a captive insurance company, known as the "Port Authority Insurance Captive Entity, LLC," for insuring certain risk exposures of the Port Authority and its related entities. Under its current Certificate of Authority issued by the District of Columbia, PAICE is authorized to transact insurance business in connection with workers' compensation, general liability, builders' risk, property and terrorism insurance coverages for the Port Authority and its related entities. With the passage of TRIPRA, PAICE assumed coverage for acts of terrorism under the Port Authority's public liability and property damage and loss of revenue insurance programs.

Effective June 1, 2023, PAICE retains the first $500,000 in general liability coverage of the Port Authority's rolling owner-controlled insurance program. The next $4.5 million, excess of the primary $500,000, is reinsured through commercial reinsurers.

Effective June 1, 2023, PAICE provides $5 billion of property terrorism insurance for World Trade Center facilities for Certified Acts of Terrorism, and $1.02 billion for Noncertified Acts of Terrorism. In addition, PAICE provides $2 billion of property terrorism insurance for all other facilities for Certified Acts of Terrorism, and $420 million for Noncertified Acts of Terrorism. PAICE is fully reinsured for property terrorism by TRIPRA and commercial reinsurers.

In addition, renewed for two years effective October 27, 2023 (expiring October 27, 2025), PAICE provides $600 million in coverage under the terrorism liability program, which is fully reinsured by TRIPRA and commercial reinsurers.

Further, renewed for two years effective October 27, 2023 (expiring October 27, 2025), PAICE provides $1.6 billion in coverage under the nuclear, chemical, biological, and radiological terrorism and malicious acts program, up to $500 million of which is fully reinsured by TRIPRA and commercial reinsurers. The $1.1 billion in excess of the $500 million is partially reinsured by TRIPRA.

The financial results for PAICE for the year ended December 31, 2024 are set forth below. As PAICE is a blended component unit of the Port Authority, restricted amounts associated with PAICE recorded on the Port Authority's financial statements have been adjusted to eliminate intercompany transfers related to insurance premiums and intercompany loans paid to or from PAICE and the Port Authority.

		Amounts (In thousands)
Financial Position		
Total Assets	$	596,852
Total Liabilities		41,726
Net Position, December 31, 2024	**$**	**555,126**
Operating Results 2024		
Revenues	$	45,263
Expenses		2,837
Change in Net Position	$	42,426
Net Position at January 1, 2023	$	512,700
Net Position at December 31, 2024	**$**	**555,126**

The audited financial statements as of and for the years ended December 31, 2024 and December 31, 2023 of PAICE, which provides additional information concerning PAICE assets and liabilities, are available from the Comptroller's Department of the Port Authority of New York and New Jersey, 2 Montgomery Street, Jersey City, New Jersey 07302.

Self-Insured Loss Reserves

A liability is recognized when it is probable that the Port Authority has incurred an uninsured loss and the amount of the loss can be reasonably estimated. The liability for self-insured claims is based upon the estimated cost of settling the claim, which includes an actuarial review of estimated claims expenses, estimated recoveries, retention thresholds, and a provision for incurred but not reported (IBNR) claims. Workers' compensation and public liability IBNR self-insured loss reserves were discounted to their present value using a 5.25% discount rate. Changes in the self-insured public liability self-insured loss reserves and self-insured workers' compensation loss reserves are as follows:

Self-insured public liability loss reserves:

Year	Beginning Balance	Changes in Loss Reserves	Payments	Year-End Balance*
		(In thousands)		
2024	**$68,812**	**$19,906**	**$13,762**	**$74,956**
2023	$70,270	$15,332	$16,790	$68,812

*** Loss reserves exclude loss adjustment expenditures.**

Self-insured workers' compensation loss reserves:

Year	Beginning Balance	Changes in Loss Reserves	Payments	Year-End Balance*
		(In thousands)		
2024	**$90,641**	**$28,244**	**$23,584**	**$95,301**
2023	$87,141	$27,575	$24,075	$90,641

*** Loss reserves exclude loss adjustment expenditures.**

NEW YORK STATE AND LOCAL EMPLOYEES RETIREMENT SYSTEM (ERS)

Schedule of Proportionate Share of Net Pension Liability (Asset)

	2024	2023	2022
		($ In thousands)	
Port Authority's proportion of the net pension liability	**1.4%**	1.4%	1.4%
Port Authority's proportionate share of the net pension liability (asset)	**$207,151**	$299,457	$(118,530)
Covered payroll (April 1– March 31)	**$492,955**	$470,518	$ 461,420
Port Authority's proportionate share of the net pension liability, as a percentage of its covered payroll	**42.0%**	63.6%	(25.7)%
Plan fiduciary net position as a percentage of the total pension liability	**93.9%**	90.8%	103.7%

Schedule of Employer Contributions*	**2024**	2023	2022
		($ In thousands)	
Contractually required contribution	**$ 69,713**	$ 57,832	$ 55,306
Contributions in relation to the contractually required contribution*	**$ 69,713**	$ 57,832	$ 55,306
Contribution deficiency (excess)	**$ —**	$ —	$ —
Port Authority's covered payroll (January 1 – December 31)	**$522,472**	$478,197	$ 452,650
Contributions as a percentage of covered payroll	**13.3%**	12.1%	12.2%

* Required employer contributions were paid on February 3, 2025.

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

Schedule of Proportionate Share of Net Pension Liability

	2024	2023	2022
		($ In thousands)	
Port Authority's proportion of the net pension liability	**8.9%**	8.5%	8.8%
Port Authority's proportionate share of the net pension liability	**$421,207**	$467,522	$ 50,218
Covered payroll (April 1– March 31)	**$359,511**	$370,833	$349,395
Port Authority's proportionate share of the net pension liability, as a percentage of its covered payroll	**117.2%**	126.1%	14.4%
Plan fiduciary net position as a percentage of the total pension liability	**89.7%**	87.4%	98.7%

Schedule of Employer Contributions*	**2024**	2023	2022
		($ In thousands)	
Contractually required contribution	**$109,425**	$101,083	$ 92,716
Contributions in relation to the contractually required contribution*	**$109,425**	$101,083	$ 92,716
Contribution deficiency (excess)	**$ —**	$ —	$ —
Port Authority's covered payroll (January 1 – December 31)	**$372,582**	$358,860	$350,440
Contributions as a percentage of covered payroll	**29.4%**	28.2%	26.5%

* Required employer contributions were paid on February 3, 2025.

See accompanying independent auditors' report.

2021	2020	2019	2018	2017	2016	2015
			($ In thousands)			
1.7%	1.6%	1.3%	1.3%	1.3%	1.3%	1.3%
$ 1,658	$ 430,993	$ 91,792	$ 41,400	$ 120,672	$ 212,555	$ 44,906
$ 461,634	$ 536,527	$ 515,065	$ 408,384	$ 395,378	$ 392,529	$ 309,571
0.4%	80.3%	17.8%	10.2%	30.5%	54.2%	14.5%
99.95%	86.4%	96.2%	98.2%	94.7%	90.7%	97.9%

2021	2020	2019	2018	2017	2016	2015
			($ In thousands)			
$ 71,150	$ 77,635	$ 70,582	$ 56,866	$ 56,743	$ 57,530	$ 63,072
$ 71,150	$ 77,635	$ 70,582	$ 56,866	$ 56,743	$ 57,530	$ 63,072
$ —	$ —	$ —	$ —	$ —	$ —	$ —
$ 461,539	$ 462,194	$ 536,454	$ 500,841	$ 404,701	$ 395,725	$ 409,234
15.4%	16.8%	13.2%	11.4%	14.0%	14.5%	15.4%

2021	2020	2019	2018	2017	2016	2015
			($ In thousands)			
9.8%	7.7%	7.7%	7.6%	7.4%	8.0%	8.9%
$ 169,991	$ 412,870	$ 129,920	$ 77,081	$ 152,806	$ 236,004	$ 24,490
$ 329,673	$ 467,638	$ 271,764	$ 263,292	$ 256,168	$ 246,060	$ 248,631
51.6%	88.3%	47.8%	29.3%	59.7%	95.9%	9.8%
95.8%	84.9%	95.1%	96.9%	93.5%	90.2%	99.0%

2021	2020	2019	2018	2017	2016	2015
($ In thousands)						
$ 91,287	$ 123,221	$ 61,277	$ 59,931	$ 60,797	$ 57,807	$ 53,652
$ 91,287	$ 123,221	$ 61,277	$ 59,931	$ 60,797	$ 57,807	$ 53,652
$ —	$ —	$ —	$ —	$ —	$ —	$ —
$ 340,538	$ 398,506	$ 393,630	$ 262,701	$ 260,867	$ 253,096	$ 253,597
26.8%	30.9%	15.6%	22.8%	23.3%	22.8%	21.2%

FEDERAL RAILROAD RETIREMENT PROGRAM

Schedule of Employee and Employer Railroad Contributions

Railroad Retirement Tier I	**Employee Tax Rate**	**Employee Taxes**	**Employer Tax Rate**	**Employer Taxes**	**Total Taxes**
			($ In thousands)		
2024	**7.65%**	**$ 11,020**	**7.65%**	**$ 11,020**	**22,040**
2023	7.65%	11,799	7.65%	11,799	23,598
2022	7.65%	11,191	7.65%	11,191	22,382
2021	7.65%	9,329	7.65%	9,329	18,658
2020	7.65%	9,384	7.65%	9,384	18,768
2019	7.65%	8,466	7.65%	8,466	16,932
2018	7.65%	8,197	7.65%	8,197	16,394
2017	7.65%	8,150	7.65%	8,150	16,300
2016	7.65%	8,086	7.65%	8,086	16,172
2015	7.65%	7,747	7.65%	7,747	15,494
Total Taxes		$ 93,369		$ 93,369	$ 186,738

Railroad Retirement Tier II	**Employee Tax Rate**	**Employee Taxes**	**Employer Tax Rate**	**Employer Taxes**	**Total Taxes**
			($ In thousands)		
2024	**4.9%**	**$ 6,137**	**13.1%**	**$ 16,409**	**$ 22,546**
2023	4.9%	6,095	13.1%	16,294	22,389
2022	4.9%	5,620	13.1%	15,025	20,645
2021	4.9%	5,130	13.1%	13,714	18,844
2020	4.9%	5,170	13.1%	13,823	18,993
2019	4.9%	4,832	13.1%	12,918	17,750
2018	4.9%	4,687	13.1%	12,530	17,217
2017	4.9%	4,659	13.1%	12,455	17,114
2016	4.9%	4,475	13.1%	11,964	16,439
2015	4.9%	4,379	13.1%	11,707	16,086
Total Taxes		$ 51,184		$ 136,839	$ 188,023

See accompanying independent auditors' report.

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PATH EXEMPT EMPLOYEES SUPPLEMENTAL PENSION PLAN

Schedule of Changes to Total Pension Liability and Related Ratios

	2024	2023	2022	2021
		($ In thousands)		
Total Pension Liability				
Service cost	**$ 4,445**	$ 6,239	$ 5,709	$ 3,905
Interest cost	**3,871**	2,593	2,534	2,649
Changes of benefit terms	**—**	—	—	9,607
Differences between expected and actual experience	**(1,416)**	(754)	915	1,082
Changes in assumptions	**5,975**	(23,699)	937	8,015
Benefit payments	**(4,748)**	(4,074)	(4,495)	(3,925)
Net change in total pension liability	**8,127**	(19,695)	5,600	21,333
Total Pension Liability (Beginning)	**101,958**	121,653	116,053	94,720
Total Pension Liability (Ending)	**$ 110,085**	$ 101,958	$ 121,653	$ 116,053
Covered Payroll	**$ 17,710**	$ 16,160	$ 16,106	$ 16,364
Total Pension Liability as a % of Covered Payroll	**621.6%**	630.9%	755.3%	709.2%

Note: As of December 31, 2024, there are no plan assets accumulated in a trust for purposes of making future pension payments to members.

See accompanying independent auditors’ report.

	2020	2019	2018	2017	2016	2015
	$ 2,401	$ 1,720	$ 1,585	$ 1,323	$ 1,280	$ 900
	3,155	3,070	3,169	2,961	2,850	3,271
	—	—	—	—	—	—
	2,926	1,778	(1,449)	5,478	(945)	51
	13,667	(15,700)	5,676	(5,496)	3,809	10,632
	(3,927)	(3,751)	(3,691)	(3,563)	(4,701)	(3,389)
	18,222	(12,883)	5,290	703	2,293	11,465
	76,498	89,381	84,091	83,388	81,095	69,630
	$ 94,720	$ 76,498	$ 89,381	$ 84,091	$ 83,388	$ 81,095
	$ 14,872	$ 13,052	$ 13,913	$ 13,590	$ 13,187	$ 12,356
	636.9%	586.1%	642.4%	618.8%	632.4%	656.3%

OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN

Schedule of Changes in the Port Authority's Net OPEB Liability and Related Ratios

	2024	2023	2022
		($ In thousands)	
Total OPEB liability:			
Service cost	**$ 91,689**	$ 84,179	$ 35,107
Interest cost	**284,118**	245,921	196,063
Changes in benefit terms	**—**	(207)	6,233
Differences between expected and actual experience	**16,998**	123,420	116,370
Changes in assumptions	**437,369**	342,269	557,468
Benefit payments	**(228,251)**	(220,561)	(189,699)
Net change in total OPEB liability	**601,923**	575,021	721,542
Total OPEB liability-beginning	**4,325,439**	3,750,418	3,028,876
Total OPEB liability-ending (a)	**4,927,362**	4,325,439	3,750,418
Plan fiduciary net position:			
Contributions-employer	**228,251**	200,832	—
Net investment income/(loss)	**172,212**	211,782	(310,021)
Benefit payments	**(228,251)**	(220,561)	(189,699)
Administrative expenses	**(101)**	(101)	(88)
Net change in plan fiduciary net position	**172,111**	191,952	(499,808)
Plan fiduciary net position-beginning	**1,659,830**	1,467,878	1,967,686
Plan fiduciary net position-ending (b)	**1,831,941**	1,659,830	1,467,878
Net OPEB liability-ending (a) – (b)	**$ 3,095,421**	$ 2,665,609	$ 2,282,540
Plan fiduciary net position as a percentage of the total OPEB liability	**37.18%**	38.37%	39.14%
Covered-Employee payroll	**$ 1,042,752**	$ 1,013,683	$ 975,057
Net OPEB liability as a percentage of Covered-Employee payroll	**296.85%**	262.96%	234.09%

*Information provided for Required Supplementary Information will be provided for ten years, as the information becomes available in subsequent years.

See accompanying independent auditors' report.

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

Schedule A - Revenues and Reserves

(pursuant to Port Authority bond resolutions)

	Year ended December 31, 2024			2023
	Operating Fund	Reserve Funds	Combined Total	Combined Total
		(In thousands)		
Gross operating revenues:				
Tolls and fares	$ 2,168,395	$ —	**$ 2,168,395**	$ 2,070,662
Rentals	2,439,316	—	**2,439,316**	2,249,607
Aviation fees	1,719,025	—	**1,719,025**	1,606,056
Parking and other	530,812	—	**530,812**	549,780
Utilities	154,505	—	**154,505**	148,952
Total gross operating revenues	7,012,053	—	**7,012,053**	6,625,057
Operating expenses:				
Employee compensation, including benefits	1,995,896	—	**1,995,896**	1,801,019
Contract services	1,258,488	—	**1,258,488**	1,203,897
Rents and payments in-lieu-of taxes (PILOT)	470,470	—	**470,470**	445,628
Materials, equipment and other	387,283	—	**387,283**	446,055
Utilities	211,411	—	**211,411**	202,970
Total operating expenses	4,323,548	—	**4,323,548**	4,099,569
Net operating revenues	2,688,505	—	**2,688,505**	2,525,488
Financial income:				
Interest income	29,037	135,295	**164,332**	136,095
Net increase in fair value of investments	10,212	70,851	**81,063**	126,211
Contributions in aid of construction	346,455	—	**346,455**	225,680
Application of Passenger Facility Charges	293,050	—	**293,050**	488,053
Application of 4 WTC associated payments	34,717	—	**34,717**	34,732
Grants, in connection with operating activities	234,868	—	**234,868**	111,886
Pass-through grant program payments	(48,206)	—	**(48,206)**	(12,156)
Net revenues available for debt service and reserves	3,588,638	206,146	**3,794,784**	3,635,989
Debt service:				
Interest on Consolidated Bonds and Notes	1,008,340	—	**1,008,340**	1,018,184
Maturities and retirements of Consolidated Bonds and Notes	515,545	—	**515,545**	478,055
Interest expense incurred during construction	154,341	—	**154,341**	127,566
Interest on special obligations	—	117,510	**117,510**	119,566
Maturities and retirements of special obligations	—	6,869	**6,869**	5,909
Total debt service	1,678,226	124,379	**1,802,605**	1,749,280
Transfers to reserves	$ (1,910,412)	1,910,412	**—**	—
Revenues after debt service and transfers to reserves		1,992,179	**1,992,179**	1,886,709
Direct investment in facilities		(1,722,404)	**(1,722,404)**	(943,156)
Change in Accounting Principle - pension / OPEB		(25,773)	**(25,773)**	(24,086)
Increase in reserves		244,002	**244,002**	919,467
Reserve balances, January 1		4,807,770	**4,807,770**	3,888,303
Reserve balances, December 31		$ 5,051,772	**$ 5,051,772**	$ 4,807,770

See Notes to Financial Statements.

Schedule B - Assets and Liabilities
(pursuant to Port Authority bond resolutions)

	December 31, 2024				2023
	Operating Fund	**Capital Fund**	**Reserve Funds**	**Combined Total**	Combined Total
			(In thousands)		
ASSETS					
Current assets:					
Cash	$ 125,854	$ —	$ 10,643	**$ 136,497**	$ 170,410
Restricted cash:					
Passenger Facility Charges	129	—	—	**129**	919
Port Authority Insurance Captive Entity, LLC	49,617	—	—	**49,617**	75,248
Harbor Dredging	69,504	—	—	**69,504**	19,124
Other, including Asset Forfeiture Funds	10,896	—	—	**10,896**	10,552
Investments	341,565	98,862	431,357	**871,784**	1,335,243
Restricted Investments - PAICE	7,599	—	—	**7,599**	8,356
Restricted investments - PFC	6,432	—	—	**6,432**	5,315
Interfund balances	65,407	100,085	(165,492)	**—**	—
Current receivables, net	1,415,096	—	—	**1,415,096**	1,268,889
Other current assets	87,680	54,506	—	**142,186**	156,464
Restricted receivables and other assets	90,150	—	—	**90,150**	119,741
Total current assets	2,269,929	253,453	276,508	**2,799,890**	3,170,261
Noncurrent assets:					
Restricted cash	4,316	—	—	**4,316**	4,452
Investments	—	—	4,775,264	**4,775,264**	3,636,589
Restricted investments - PAICE	184,889	—	—	**184,889**	119,603
Other amounts receivable, net	127,025	36,638	—	**163,663**	164,748
Other noncurrent assets	1,568,650	4,663	—	**1,573,313**	1,578,860
Restricted other noncurrent assets - PAICE	5,066	—	—	**5,066**	4,785
Amounts receivable - Tower 4 Liberty Bonds	—	1,230,305	—	**1,230,305**	1,232,505
Invested in facilities	—	73,697,912	—	**73,697,912**	71,301,755
Total noncurrent assets	1,889,946	74,969,518	4,775,264	**81,634,728**	78,043,297
Total assets	4,159,875	75,222,971	5,051,772	**84,434,618**	81,213,558
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	666,380	—	—	**666,380**	517,098
OPEB related amounts	1,074,010	—	—	**1,074,010**	975,122
LIABILITIES					
Current liabilities:					
Accounts payable	549,591	677,544	—	**1,227,135**	929,749
Accrued interest and other current liabilities	939,447	1,060	—	**940,507**	827,261
Restricted other liabilities - PAICE	7,421	—	—	**7,421**	7,620
Accrued payroll and other employee benefits	213,493	—	—	**213,493**	203,106
Unapplied Passenger Facility Charges	52,595	—	—	**52,595**	52,446
Current portion bonds and other asset financing obligations	34,991	550,930	—	**585,921**	565,986
Total current liabilities	1,797,538	1,229,534	—	**3,027,072**	2,586,168
Noncurrent liabilities:					
Accrued pension and other postemployment benefits	3,833,864	—	—	**3,833,864**	3,534,546
Other noncurrent liabilities	281,496	17,838	—	**299,334**	300,159
Restricted other noncurrent liabilities - PAICE	20,867	—	—	**20,867**	24,780
Amounts payable - Tower 4 Liberty Bonds	—	1,230,305	—	**1,230,305**	1,232,505
Bonds and other asset financing obligations	1,269,467	24,365,696	—	**25,635,163**	25,730,473
Total noncurrent liabilities	5,405,694	25,613,839	—	**31,019,533**	30,822,463
Total liabilities	7,203,232	26,843,373	—	**34,046,605**	33,408,631
DEFERRED INFLOWS OF RESOURCES					
Pension related amounts	267,044	—	—	**267,044**	70,838
OPEB related amounts	34,305	—	—	**34,305**	110,034
NET POSITION	$ (1,604,316)	$ 48,379,598	$ 5,051,772	**$ 51,827,054**	$ 49,116,275
Net position is comprised of:					
Facility infrastructure investment	$ —	$ 48,379,598	$ —	**$ 48,379,598**	$ 45,909,268
Change in accounting principle - pension / OPEB	(1,604,316)	—	—	**(1,604,316)**	(1,600,763)
Reserves	—	—	5,051,772	**5,051,772**	4,807,770
NET POSITION	$ (1,604,316)	$ 48,379,598	$ 5,051,772	**$ 51,827,054**	$ 49,116,275

See Notes to Financial Statements.

Schedule C - Analysis of Reserve Funds
(pursuant to Port Authority bond resolutions)

	Year ended December 31, 2024			2023
	General Reserve Fund	**Consolidated Bond Reserve Fund**	**Combined Total**	Combined Total
		(In thousands)		
Balance, January 1	$ 2,523,802	$ 2,283,968	**$ 4,807,770**	$ 3,888,303
(Decrease)/increase in reserve funds *	(7,489)	2,124,047	**2,116,558**	2,012,184
	2,516,313	4,408,015	**6,924,328**	5,900,487
Applications:				
Maturities and Retirements on special obligations	—	6,869	**6,869**	5,909
Interest on special obligations	—	117,510	**117,510**	119,566
Direct investment in facilities	—	1,722,404	**1,722,404**	943,156
Change in Accounting Principle - pension / OPEB	—	25,773	**25,773**	24,086
Total applications	—	1,872,556	**1,872,556**	1,092,717
Balance, December 31	$ 2,516,313	$ 2,535,459	**$ 5,051,772**	$ 4,807,770

*Combined increase in reserve funds consists of "Transfers to reserves" from the operating fund totaling $1.9 billion, plus financial income generated on reserve funds of $206 million in 2024.

STATISTICAL AND OTHER SUPPLEMENTAL INFORMATION

For the year ended December 31, 2024

The Statistical and Other Supplemental Information section presents additional information as a means to provide context to the information contained in the financial statements, note disclosures and schedules.

Selected Statistical Financial Trends Data – Schedule D-1 (Pursuant to U.S. GAAP)

Trend information is provided to help the reader understand how the Port Authority's financial performance and fiscal condition has changed over time.

Selected Statistical Debt Service Data – Schedule D-2 (Pursuant to Port Authority bond resolutions)

The Port Authority has several forms of outstanding financing obligations.

Information on Port Authority revenues, outstanding financing obligations, debt service, and reserves is included here for statistical purposes (more detailed information about the various kinds of debt instruments used by the Port Authority can be found in *Note D - Outstanding Financing Obligations*, and reserve funds are described in *Note E - General and Consolidated Bond Reserve Funds (pursuant to Port Authority bond resolutions)* to the financial statements). Debt limitations, including in some cases, limits on total authorized amounts or requirements for the issuance of additional bonds, may be found in the various resolutions establishing and authorizing such obligations.

Selected Statistical Financial Data by Business Segment – Schedule D-3 (Pursuant to U.S. GAAP)

Schedule provides information on gross operating revenues, operating expenses and capital investment, summarized by Port Authority business segments.

Information on Port Authority Operations – Schedule E (Pursuant to U.S. GAAP)

Detailed information on Port Authority’s operating results including income from operations, nonoperating expenses, net interest expense, capital contributions, and net income is provided on a Port Authority operating facility level.

Information on Capital Investment in Port Authority Facilities – Schedule F (Pursuant to U.S. GAAP)

Schedule provides information on capital investment, summarized by Port Authority operating facilities, including current year capital investment and depreciation.

Port Authority Facility Traffic – Schedule G (Unaudited)

This schedule provides comparative information on Port Authority facility traffic relative to vehicles, passengers, containers, cargo, waterborne vehicles and plane movements.

Schedule D-1 - Selected Statistical Financial Trends Data (pursuant to U.S. GAAP)

	2024	2023	2022 (Restated)
Revenues, Expenses and Changes in Net Position:			
Gross operating revenues:			
Tolls and fares	**$ 2,168,395**	$ 2,070,662	$ 1,942,726
Rentals (a)(d)	**2,363,621**	2,187,837	1,978,706
Aviation fees	**1,719,025**	1,606,056	1,395,424
Parking and other	**530,812**	549,780	478,337
Utilities	**154,505**	148,952	182,163
Rentals - Special Project Bonds Projects	**—**	—	—
Gross operating revenues	**6,936,358**	6,563,287	5,977,356
Operating expenses:			
Employee compensation, including benefits [c]	**1,995,896**	1,801,019	1,438,403
Contract services [e]	**1,261,199**	1,200,165	1,054,605
Rental and payments in-lieu-of taxes (PILOT) [d]	**114,028**	84,878	47,434
Materials, equipment and other	**387,283**	446,055	336,727
Utilities	**211,411**	202,970	243,750
Interest on Special Project Bonds	**—**	—	—
Operating expenses	**3,969,817**	3,735,087	3,120,919
Net insurance recoverables	**—**	—	—
Depreciation of facilities and landlord leasehold investment	**(1,781,344)**	(1,734,310)	(1,717,977)
Amortization of costs for regional programs	**(3,462)**	(6,478)	(17,939)
Amortization of lease assets, as lessee [d]	**(173,918)**	(176,755)	(172,776)
Income from operations [c]	**1,007,817**	910,657	947,745
Income/(loss) on investments (including fair value adjustment) [b]	**245,595**	269,373	(83,167)
Interest expense on bonds and other asset financing [b]	**(1,189,660)**	(1,180,570)	(1,109,910)
Interest income, as lessor [d]	**158,610**	155,290	140,978
Interest expense, as lessee [d]	**(211,305)**	(213,973)	(220,654)
Net loss on disposition of assets, including leases	**(160)**	(2,281)	—
Pass-through grant program payments	**(48,206)**	(12,156)	—
4 WTC associated payments	**32,517**	32,532	32,545
Grants in connection with operating activities	**234,868**	111,886	160,290
Contributions in aid of construction	**346,455**	227,574	290,491
Passenger facility charges	**292,998**	309,123	274,414
Increase/(decrease) in net position December 31, [c][d]	**$ 869,529**	$ 607,455	$ 432,732
Net position is comprised of			
Net investment in capital assets	**$ 15,043,573**	$ 15,128,051	$ 14,942,315
Restricted	**771,346**	719,624	851,723
Unrestricted [c][d]	**1,716,151**	813,866	260,048
Net position December 31,	**$ 17,531,070**	$ 16,661,541	$ 16,054,086

(a) 2014 -2020 Rentals include amortization of unearned income related to the March 2014 transfer of the Port Authority's interests in the WTC Retail Joint Venture. Commencing in 2021 Rentals includes the straight-line amortization of deferred inflows related to leases, as lessor, recognized under GASB Statement No. 87, "*Leases.*"

(b) For presentation purposes, amortization of bond premiums received at issuance for the years ended 2015 and 2016 have been reclassified from Income on investments to Interest expense on bonds and other asset financing.

(c) 2017 restated amounts include the impact related to the adoption of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*"

(d) 2021 restated amounts include impacts related to the adoption of GASB Statement No. 87, "*Leases.*"

(e) 2022 restated amounts include impacts related to the adoption of GASB Statement No. 96, "*SBITAs.*"

Schedule D-1 - Selected Statistical Financial Trends Data (pursuant to U.S. GAAP)

	2021 (Restated)	2020	2019	2018	2017 (Restated)	2016	2015
				(In thousands)			
	$ 1,836,692	$ 1,571,827	$ 1,876,911	$ 1,865,384	$ 1,873,622	$ 1,865,481	$ 1,718,770
	1,565,609	1,421,467	1,748,683	1,673,994	1,618,439	1,564,527	1,446,980
	1,213,743	907,314	1,287,263	1,192,454	1,128,352	1,112,436	1,063,902
	353,261	240,329	408,609	384,088	377,421	399,178	359,631
	125,937	112,008	144,176	149,008	139,502	138,987	144,580
	—	81,129	74,073	79,080	83,053	86,755	92,719
	5,095,242	4,334,074	5,539,715	5,344,008	5,220,389	5,167,364	4,826,582
	1,296,724	1,395,588	1,413,979	1,338,277	1,318,935	1,290,334	1,178,967
	938,408	929,520	1,046,216	934,821	880,331	852,926	833,903
	59,715	403,661	388,462	396,048	390,576	352,293	356,162
	289,810	290,033	315,676	298,121	252,533	264,977	252,071
	184,651	163,078	191,770	195,968	183,482	165,802	186,830
	—	81,129	74,073	79,080	83,053	86,755	92,719
	2,769,308	3,263,009	3,430,176	3,242,315	3,108,910	3,013,087	2,900,652
	—	4,033	175,678	—	18,323	—	123
	(1,601,696)	(1,533,267)	(1,420,696)	(1,329,283)	(1,231,139)	(1,173,747)	(1,124,383)
	(27,393)	(33,217)	(36,730)	(41,874)	(44,164)	(64,765)	(64,665)
	(167,396)	—	—	—	—	—	—
	529,449	(491,386)	827,791	730,536	854,499	915,765	737,005
	(13,544)	81,961	87,948	89,304	35,326	(3,974)	4,215
	(1,152,878)	(1,011,896)	(968,242)	(937,983)	(908,343)	(900,914)	(882,840)
	140,611	—	—	—	—	—	—
	(214,019)	—	—	—	—	—	—
	(4,623)	—	—	—	—	—	—
	(2,613)	(26,853)	(3,142)	(1,438)	(19,717)	(10,695)	(51,429)
	66,715	65,293	65,293	65,293	65,293	41,521	36,766
	256,609	489,228	25,665	24,006	39,845	64,315	101,074
	273,179	258,925	261,054	252,225	187,473	674,950	586,295
	159,854	75,509	292,568	286,395	275,785	264,363	248,707
	$ 38,740	$ (559,219)	$ 588,935	$ 508,338	$ 530,161	$ 1,045,331	$ 779,793
	$ 15,406,620	$ 14,954,997	$ 14,620,518	$ 14,190,682	$ 13,179,105	$ 12,746,144	$ 11,810,573
	606,816	538,552	550,736	500,610	760,912	567,443	456,429
	(392,082)	414,561	1,296,075	1,187,102	1,430,039	3,261,307	3,262,561
	$ 15,621,354	$ 15,908,110	$ 16,467,329	$ 15,878,394	$ 15,370,056	$ 16,574,894	$ 15,529,563

Schedule D-2 - Selected Statistical Debt Service Data (pursuant to Port Authority bond resolutions)

	2024	2023	2022
Gross operating revenues:*			
Tunnels, Bridges and Terminals	**$ 2,067,422**	$ 1,988,089	$ 1,880,833
PATH	**166,059**	148,408	123,878
Port	**387,684**	371,322	396,989
Aviation	**3,946,104**	3,657,985	3,225,138
Development	**21,166**	26,566	25,991
World Trade Center	**406,123**	432,248	380,847
Other	**17,495**	439	154
Total gross operating revenues	**7,012,053**	6,625,057	6,033,830
Operating expenses:*			
Tunnels, Bridges and Terminals	**(751,900)**	(669,404)	(569,411)
PATH	**(598,465)**	(552,762)	(481,409)
Port	**(228,039)**	(197,560)	(181,602)
Aviation	**(2,336,181)**	(2,285,789)	(1,899,501)
Development	**(8,257)**	(19,451)	(11,268)
World Trade Center	**(388,255)**	(370,817)	(342,499)
Other	**(12,451)**	(3,786)	(729)
Total operating expenses	**(4,323,548)**	(4,099,569)	(3,486,419)
Operating and maintenance contingencies	—	—	—
Net insurance recoverables	—	—	—
Amounts in connection with operating asset obligations	—	—	—
Net operating revenues	**2,688,505**	2,525,488	2,547,411
Financial income	**245,395**	262,306	(84,157)
Grants and contributions in aid of construction, net	**533,117**	325,410	448,982
Application of WTC Retail Joint Venture Payments**	—	—	16,968
Application of Passenger Facility Charges	**293,050**	488,053	63,664
Application of 4 WTC associated payments	**34,717**	34,732	34,745
Net revenues available for debt service and reserves (a)	**3,794,784**	3,635,989	3,027,613
DEBT SERVICE			
Interest on Consolidated Bonds and Notes (b)	**(1,162,681)**	(1,145,750)	(1,088,361)
Times, interest earned (a/b)	**3.26**	3.17	2.78
Maturities and retirements of Consolidated Bonds and Notes (c)	**(515,545)**	(478,055)	(463,107)
Times, debt service earned [a/(b+c)]	**2.26**	2.24	1.95
APPLICATION OF RESERVES			
Direct investment in facilities	**(1,722,404)**	(943,156)	(867,790)
Appropriations for self-insurance and changes in accounting principles	**(25,773)**	(24,086)	(22,511)
Interest on special obligations	**(117,510)**	(119,566)	(101,564)
Maturities and retirements of special obligations	**(6,869)**	(5,909)	(4,859)
Net increase/(decrease) in reserves	**244,002**	919,467	479,421
RESERVE BALANCES			
January 1	**4,807,770**	3,888,303	3,408,882
December 31	**5,051,772**	4,807,770	3,888,303
Reserve funds balances represented by:			
General Reserve	**2,516,313**	2,523,802	2,551,509
Consolidated Bond Reserve	**2,535,459**	2,283,968	1,336,794
Total	**$ 5,051,772**	$ 4,807,770	$ 3,888,303
FINANCING OBLIGATIONS AT DECEMBER 31 (at par value)			
Consolidated Bonds and Notes	**$ 24,705,420**	$ 24,653,960	$ 24,971,430
Fund for regional development buy-out obligation	—	—	—
MOTBY obligation	**35,147**	38,144	40,992
Amounts payable - Special Project Bonds	—	—	—
Variable rate master notes	**44,600**	44,600	44,600
Commercial paper obligations	—	—	499,060
Special Obligation Institutional Loan Program	**413,114**	539,455	—
Hudson Tunnel Program Support Obligation	**5,347**	—	—
Tower 4 Liberty Bonds	**1,230,305**	1,232,505	1,234,705
Goethals Bridge Replacement Developer Financing Arrangement	**1,017,456**	1,020,300	1,022,275
Total financing obligations	**$ 27,451,389**	$ 27,528,964	$ 27,813,062

* Gross operating revenues and operating expenses exclude GAAP adjustments related to GASB Statement No. 87 and GASB Statement No. 96.

** Commencing in 2014 amounts received in connection with the transfer of the Port Authority interests in the WTC Joint Venture are recognized in their entirety in the year in which they were received.

Note: This selected financial data is prepared primarily from information contained in Schedules A, B and C and is presented for general information only and is not intended to reflect the specific applications of the revenues and reserves of the Port Authority, which are governed by statutes and its bond resolutions.

Schedule D-2 - Selected Statistical Debt Service Data (pursuant to Port Authority bond resolutions)

2021	2020	2019	2018	2017	2016	2015
		(In thousands)				
$ 1,796,752	$ 1,542,081	$ 1,740,044	$ 1,737,458	$ 1,739,552	$ 1,742,028	$ 1,599,575
85,221	82,110	210,610	203,800	202,880	191,261	184,560
386,625	327,665	322,061	310,637	295,651	300,569	270,263
2,508,088	2,032,359	2,913,161	2,762,279	2,682,523	2,646,213	2,537,233
23,080	21,370	24,380	25,632	24,967	25,956	26,561
333,497	319,195	319,952	294,735	264,769	252,086	199,883
81	34	247	207	787	682	756
5,133,344	4,324,814	5,530,455	5,334,748	5,211,129	5,158,795	4,818,831
(524,557)	(552,976)	(553,759)	(524,212)	(525,862)	(509,529)	(499,873)
(467,051)	(447,034)	(457,515)	(447,552)	(423,384)	(415,251)	(389,276)
(164,852)	(163,395)	(174,213)	(166,405)	(160,495)	(167,724)	(175,976)
(1,617,594)	(1,752,439)	(1,886,112)	(1,754,801)	(1,693,563)	(1,612,470)	(1,557,926)
(11,215)	(11,612)	(11,475)	(11,786)	(12,399)	(10,853)	(13,659)
(320,647)	(335,014)	(346,535)	(333,848)	(312,242)	(293,864)	(258,748)
(305)	(539)	(567)	(3,711)	(4,973)	(3,396)	(5,194)
(3,106,221)	(3,263,009)	(3,430,176)	(3,242,315)	(3,132,918)	(3,013,087)	(2,900,652)
—	—	—	—	—	—	(50,000)
—	4,033	175,678	—	18,323	—	123
(708)	(5,851)	(9,529)	(12,921)	(16,050)	(18,871)	(21,387)
2,026,415	1,059,987	2,266,428	2,079,512	2,080,484	2,126,837	1,846,915
(13,548)	81,867	87,440	86,250	33,574	(4,784)	4,080
525,452	712,295	252,765	220,741	193,381	347,390	321,980
—	—	—	—	—	77,869	66,963
147,557	131,149	289,639	433,326	285,335	229,921	273,721
66,715	65,293	65,293	65,293	65,293	41,520	36,766
2,752,591	2,050,591	2,961,565	2,885,122	2,658,067	2,818,753	2,550,425
(1,098,922)	(940,309)	(872,275)	(868,510)	(858,694)	(824,586)	(810,356)
2.50	2.18	3.40	3.32	3.10	3.42	3.15
(398,600)	(387,820)	(334,500)	(319,090)	(300,905)	(268,520)	(259,315)
1.84	1.54	2.45	2.43	2.29	2.58	2.38
(870,697)	(1,398,366)	(1,550,920)	(1,771,900)	(1,623,347)	(1,132,915)	(1,949,785)
(21,038)	(19,662)	(18,375)	—	—	—	—
(128,782)	(130,857)	(133,537)	(103,056)	(69,570)	(81,601)	(66,461)
(26,678)	(608)	81	(188)	(1,276)	6,669	(51,928)
207,874	(827,031)	52,039	(185,922)	(195,725)	517,800	(587,420)
3,201,008	4,028,039	3,976,000	4,161,922	4,357,647	3,839,847	4,427,267
3,408,882	3,201,008	4,028,039	3,976,000	4,161,922	4,357,647	3,839,847
2,480,806	2,401,503	2,388,243	2,297,475	2,297,475	2,297,475	2,297,475
928,076	799,505	1,639,796	1,678,525	1,864,447	2,060,172	1,542,372
$ 3,408,882	$ 3,201,008	$ 4,028,039	$ 3,976,000	$ 4,161,922	$ 4,357,647	$ 3,839,847
$ 24,189,474	$ 23,388,115	$ 22,161,860	$ 20,898,775	$ 20,672,365	$ 20,429,565	$ 21,019,925
—	52,898	100,258	143,939	184,230	221,393	253,732
43,697	46,268	48,711	51,032	53,237	55,332	44,383
—	—	1,150,415	1,245,835	1,327,680	1,391,170	1,451,170
44,600	69,600	69,600	69,600	77,900	77,900	77,900
574,000	557,325	500,565	480,765	464,615	388,315	425,760
—	—	—	—	—	—	—
—	—	—	—	—	—	—
1,236,905	1,225,520	1,225,520	1,225,520	1,225,520	1,225,520	1,225,520
1,023,286	1,023,398	1,022,518	1,021,023	934,198	744,401	430,800
$ 27,111,962	$ 26,363,124	$ 26,279,447	$ 25,136,489	$ 24,939,745	$ 24,533,596	$ 24,929,190

	2024	2023	2022 [h] (Restated)	2021 [g] (Restated)
Gross Operating Revenues:				
Tunnels, Bridges and Terminals	**$ 2,068,245**	$ 1,987,504	$ 1,879,336	$ 1,796,696
PATH	**165,624**	147,947	124,003	85,998
Port	**387,633**	371,279	396,977	386,622
Aviation	**3,941,040**	3,653,830	3,223,841	2,507,776
Development	**20,730**	21,695	21,346	18,536
World Trade Center	**340,580**	380,593	331,699	299,533
Other [a]	**12,506**	439	154	81
Total	**$ 6,936,358**	$ 6,563,287	$ 5,977,356	$ 5,095,242
Operating Expenses: [b]				
Tunnels, Bridges and Terminals	**$ 752,413**	$ 668,427	$ 568,085	$ 524,422
PATH	**598,828**	552,255	481,163	466,844
Port	**209,895**	176,769	160,737	145,723
Aviation	**2,048,948**	1,995,247	1,603,391	1,345,891
Development	**8,031**	19,111	10,930	10,879
World Trade Center	**386,579**	360,917	295,907	275,268
Other [c] [e]	**(34,877)**	(37,639)	706	281
Total	**$ 3,969,817**	$ 3,735,087	$ 3,120,919	$ 2,769,308
Capital Investment: [d]				
Tunnels, Bridges and Terminals	**$ 555,415**	$ 509,607	$ 297,637	$ 393,208
PATH (including WTC Transportation Hub) [i]	**357,190**	379,097	269,254	332,023
Port	**76,518**	52,240	29,709	37,834
Aviation [f]	**1,314,888**	883,460	1,251,048	1,148,207
Development	—	—	—	—
World Trade Center	**92,147**	89,274	80,114	106,809
Other [j]	—	—	—	—
Total	**$ 2,396,158**	$ 1,913,678	$ 1,927,762	$ 2,018,081

[a] Includes Ferry Transportation and Regional Facilities and Other Programs.
[b] Amounts include all direct and allocated operating expenses.
[c] Includes Ferry Transportation, Regional Facilities and Other Programs, and GASB Statement No. 87 amounts related to leases entered into for the purpose of providing centralized support services to Port Authority facilities.
[d] Capital investment includes capital investments funded with capital contributions. Capital investment is reduced by capital expenditures write-offs.
[e] 2017 restated amount includes $(24) million related to the adoption of GASB Statement No. 75, "*Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*."
[f] Includes LaGuardia Terminal B landlord leasehold capital investment.
[g] 2021 restated amounts include impacts related to the adoption of GASB Statement No. 87, "*Leases*."
[h] 2022 restated amounts include impacts related to the adoption of GASB Statement No. 96, "*SBITAs*."
[i] Includes amounts related to the Hudson Tunnel Project, including capital investment amounts previously reported in “Other” related to the Gateway Early Work.
[j] Includes Ferry Transportation and Moynihan Station Transportation Program Program.

2020	2019	2018	2017 (Restated)	2016	2015
	(In thousands)				
$ 1,542,081	$ 1,740,044	$ 1,737,458	$ 1,739,552	$ 1,742,028	$ 1,599,575
82,110	210,610	203,800	202,880	191,261	184,560
327,665	322,061	310,637	295,651	300,569	270,263
2,032,359	2,913,161	2,762,279	2,682,523	2,646,213	2,537,233
21,370	24,380	25,632	24,967	25,956	26,561
328,455	329,212	303,995	274,029	260,655	207,634
34	247	207	787	682	756
$ 4,334,074	$ 5,539,715	$ 5,344,008	$ 5,220,389	$ 5,167,364	$ 4,826,582
$ 552,976	$ 553,759	$ 524,212	$ 525,862	$ 509,529	$ 499,873
447,034	457,515	447,552	423,384	415,251	389,276
163,395	174,213	166,405	160,495	167,724	175,976
1,752,439	1,886,112	1,754,801	1,693,563	1,612,470	1,557,926
11,612	11,475	11,786	12,399	10,853	13,659
335,014	346,535	333,848	312,242	293,864	258,748
539	567	3,711	(19,035)	3,396	5,194
$ 3,263,009	$ 3,430,176	$ 3,242,315	$ 3,108,910	$ 3,013,087	$ 2,900,652
$ 582,366	$ 697,449	$ 931,539	$ 885,311	$ 1,179,307	$ 956,231
344,982	364,400	378,445	274,429	454,031	268,428
43,999	120,019	146,153	106,455	133,874	93,729
1,378,516	1,885,944	1,278,372	772,520	584,996	791,805
1	111	3,682	893	1,569	2,110
216,441	266,795	314,472	311,122	846,597	904,787
82	73	1,737	150,409	290	3,144
$ 2,566,387	$ 3,334,791	$ 3,054,400	$ 2,501,139	$ 3,200,664	$ 3,020,234

Schedule E - Information on Port Authority Operations (pursuant to U.S. GAAP)

	Year ended December 31, 2024								2023
	Gross Operating Revenues (e)	**Operating Expenses (a)**	**Depreciation & Amortization**	**Amortization of Lease Assets, as Lessee**	**Income/(loss) from Operations**	**Interest, Grants & Other Expenses(b)**	**Capital Contributions & PFCs**	**Increase/ (decrease) in Net Position**	Increase/ (decrease) in Net Position
					(In thousands)				
INTERSTATE TRANSPORTATION NETWORK									
George Washington Bridge & Bus Station	$ 934,808	$ 193,305	$ 97,826	$ 22	$ 643,655	$ 39,121	$ 1,150	**$ 605,684**	$ 631,955
Holland Tunnel	233,064	120,503	28,079	—	84,482	8,846	29,088	**104,724**	114,436
Lincoln Tunnel	309,128	152,875	93,721	71	62,461	47,247	469	**15,683**	19,112
Bayonne Bridge	56,573	30,389	34,247	—	(8,063)	42,709	—	**(50,772)**	(54,834)
Goethals Bridge	302,030	37,108	44,544	—	220,378	73,888	—	**146,490**	128,290
Outerbridge Crossing	194,820	24,531	7,169	—	163,120	2,501	—	**160,619**	157,053
Port Authority Bus Terminal	37,822	193,702	34,306	—	(190,186)	8,939	—	**(199,125)**	(183,807)
Subtotal - Tunnels, Bridges & Terminals	2,068,245	752,413	339,892	93	975,847	223,251	30,707	**783,303**	812,205
PATH (c)	159,604	566,693	171,529	64	(578,682)	166,889	78,809	**(666,762)**	(651,026)
WTC Transportation Hub (c)	—	14,448	82,503	—	(96,951)	—	—	**(96,951)**	(92,827)
Journal Square Transportation Center (c)	6,020	17,687	3,915	—	(15,582)	1,140	—	**(16,722)**	(17,332)
Hudson Tunnel Project (g)	—	—	3,000	—	(3,000)	19	—	**(3,019)**	(3,130)
Subtotal - PATH	165,624	598,828	260,947	64	(694,215)	168,048	78,809	**(783,454)**	(764,315)
Ferry Transportation	317	717	3,978	21	(4,399)	1,911	—	**(6,310)**	(7,270)
Access to the Regions Core (ARC)	—	—	—	—	—	—	—	**—**	(270)
Moynihan Station Transportation Program	—	—	10,000	—	(10,000)	—	—	**(10,000)**	(11,508)
Total Interstate Transportation Network	2,234,186	1,351,958	614,817	178	267,233	393,210	109,516	**(16,461)**	28,842
AVIATION									
LaGuardia (d)(h)	579,408	413,278	222,404	29,252	(85,526)	87,611	68,241	**(104,896)**	(204,219)
JFK International (d)	1,895,394	887,831	204,354	73,577	729,632	84,324	299,939	**945,247**	723,332
Newark Liberty International (d)	1,390,133	677,866	241,026	51,533	419,708	108,490	101,265	**412,483**	377,738
Teterboro	67,793	38,388	13,438	—	15,967	4,724	8,321	**19,564**	6,469
New York Stewart International (d)	8,312	31,585	11,723	846	(35,842)	2,830	24,878	**(13,794)**	(26,779)
Total Aviation	3,941,040	2,048,948	692,945	155,208	1,043,939	287,979	502,644	**1,258,604**	876,541
PORT									
Port Newark	113,549	115,825	32,531	7,676	(42,483)	20,294	5,375	**(57,402)**	(55,345)
Elizabeth Port Authority Marine Terminal	204,184	33,916	18,808	—	151,460	11,694	405	**140,171**	132,010
Brooklyn Port Authority Marine Terminal	3,499	11,450	6,332	—	(14,283)	1,966	948	**(15,301)**	(17,873)
Red Hook Terminal	481	2,735	1,161	—	(3,415)	—	(592)	**(4,007)**	(1,133)
Howland Hook Marine Terminal	20,181	17,223	10,078	767	(7,887)	10,291	—	**(18,178)**	(13,950)
Greenville Yard Port Authority Marine Terminal	1,216	123	—	—	1,093	(1,244)	—	**2,337**	1,060
NYNJ Rail LLC	6,117	7,201	6,618	—	(7,702)	3,949	3,234	**(8,417)**	(4,433)
Port Jersey - Port Authority Marine Terminal	38,406	21,422	15,730	—	1,254	13,967	2,890	**(9,823)**	14,903
Total Port	387,633	209,895	91,258	8,443	78,037	60,917	12,260	**29,380**	55,239
DEVELOPMENT									
Essex County Resource Recovery Facility	3,165	98	—	—	3,067	(172)	—	**3,239**	2,870
Industrial Park at Elizabeth	3,992	109	249	—	3,634	(3,832)	—	**7,466**	497
Teleport	6,787	7,295	284	331	(1,123)	21	—	**(1,144)**	(7,483)
Newark Legal & Communications Center	9	117	—	—	(108)	—	—	**(108)**	(83)
Queens West Waterfront Development	2,394	—	565	—	1,829	1,990	—	**(161)**	(848)
Hoboken South Waterfront Development	4,383	412	1,049	—	2,922	(7,811)	—	**10,733**	8,815
Total Development	20,730	8,031	2,147	331	10,221	(9,804)	—	**20,025**	3,768
WORLD TRADE CENTER									
WTC Campus	4,103	175,762	121,338	—	(292,997)	(15,768)	15,033	**(262,196)**	(271,951)
One World Trade Center	236,776	143,662	131,642	—	(38,528)	144,316	—	**(182,844)**	(124,540)
WTC Towers 2, 3 & 4	42,934	39,689	80,636	—	(77,391)	(101,118)	—	**23,727**	23,939
WTC Tower 7	24,916	17,864	—	—	7,052	(4,425)	—	**11,477**	20,172
WTC Retail	31,851	9,602	46,561	—	(24,312)	(649)	—	**(23,663)**	(2,682)
Total World Trade Center	340,580	386,579	380,177	—	(426,176)	22,356	15,033	**(433,499)**	(355,062)
Regional Facilities	—	—	3,462	—	(3,462)	—	—	**(3,462)**	(6,478)
Other Programs (f)	12,189	(35,594)	—	9,758	38,025	23,083	—	**14,942**	4,605
Total	$ 6,936,358	$ 3,969,817	$ 1,784,806	$ 173,918	$ 1,007,817	$ 777,741	$ 639,453	**$ 869,529**	$ 607,455

(a) Amounts include direct and allocated operating expenses.
(b) Amounts include net interest expense (interest expense less financial income), interest expense and interest income related to leases subject to GASB Statement No. 87, Tower 4 Liberty Bond debt service reimbursements, Pass-through grant program payments, Grants in connection with operating activities and gains or losses generated by the disposition of assets, if any.
(c) PATH Gross operating revenues include PATH fares collected at the WTC and Journal Square Transportation Center PATH stations.
(d) Facility amounts include Passenger Facility Charges.
(e) Gross operating revenues include the amortization of deferred inflows of resources related to leases recognized under GASB Statement No. 87.
(f) Includes GASB Statement No. 87 amounts related to leases entered into for the purpose of providing centralized support services to Port Authority facilities.
(g) Includes amounts previously reported as Gateway Early Work Program
(h) Includes depreciation related to the LGA Terminal B landlord leasehold investment

Schedule F - Information on Capital Investment in Port Authority Facilities

(In thousands)

	Net Book Value at Dec. 31, 2023	Capital Investment [a]	Depreciation	Dispositions	Net Book Value at Dec. 31, 2024
INTERSTATE TRANSPORTATION NETWORK					
George Washington Bridge & Bus Station	$ 1,859,195	$ 207,064	$ 97,826	$ —	$ 1,968,433
Holland Tunnel	673,415	55,965	28,079	—	701,301
Lincoln Tunnel	1,785,558	157,516	93,721	—	1,849,353
Bayonne Bridge	1,473,756	2,473	34,247	—	1,441,982
Goethals Bridge	1,426,762	3,900	44,544	—	1,386,118
Outerbridge Crossing	110,708	6,628	7,169	—	110,167
Port Authority Bus Terminal	639,646	121,869	34,306	—	727,209
Subtotal - Tunnels, Bridges & Terminals	7,969,040	555,415	339,892	—	8,184,563
PATH	3,633,750	337,504	171,529	—	3,799,725
WTC Transportation Hub	3,141,607	1,345	82,503	—	3,060,449
Journal Square Transportation Center	64,298	12,907	3,915	—	73,290
Hudson Tunnel Project [e]	67,437	5,434	3,000	—	69,871
Subtotal - PATH	6,907,092	357,190	260,947	—	7,003,335
Ferry Transportation	67,733	—	3,978	—	63,755
Access to the Region's Core (ARC)	30,227	—	—	—	30,227
Moynihan Station Transportation Program	89,128	—	10,000	—	79,128
Total Interstate Transportation Network	15,063,220	912,605	614,817	—	15,361,008
AVIATION [b]					
LaGuardia [f]	3,946,816	80,847	222,404	—	3,805,259
JFK International	4,007,032	779,180	204,354	—	4,581,858
Newark Liberty International	4,617,445	429,118	241,026	—	4,805,537
Teterboro	190,252	24,746	13,438	—	201,560
New York Stewart International	127,331	997	11,723	—	116,605
Total Aviation	12,888,876	1,314,888	692,945	—	13,510,819
PORT					
Port Newark	714,785	50,362	32,531	—	732,616
Elizabeth Port Authority Marine Terminal	860,460	8,937	18,808	—	850,589
Brooklyn Port Authority Marine Terminal / Red Hook Terminal	76,245	(3,411)	7,493	—	65,341
Howland Hook Marine Terminal	415,079	980	10,078	—	405,981
Greenville Yard Port Authority Marine Terminal / NY NJ Rail LLC	183,937	5,107	6,618	—	182,426
Port Jersey-Port Authority Marine Terminal	470,123	14,543	15,730	—	468,936
Total Port	2,720,629	76,518	91,258	—	2,705,889
DEVELOPMENT					
Essex County Resource Recovery Facility	5,805	—	—	—	5,805
Industrial Park at Elizabeth	4,040	—	249	—	3,791
Teleport	284	—	284	—	—
Queens West Waterfront Development	80,217	—	565	—	79,652
Hoboken South Waterfront Development	48,559	—	1,049	—	47,510
Total Development	138,905	—	2,147	—	136,758
WORLD TRADE CENTER					
WTC Campus [c]	3,808,982	74,976	121,338	—	3,762,620
One World Trade Center	2,882,153	15,273	131,642	—	2,765,784
WTC Towers 2, 3 & 4[d]	2,503,657	—	80,636	—	2,423,021
WTC Retail	1,585,705	1,898	46,561	—	1,541,042
Total World Trade Center	10,780,497	92,147	380,177	—	10,492,467
TOTAL[f]	$ 41,592,127	$ 2,396,158	$ 1,781,344	$ —	$ 42,206,941
REGIONAL FACILITIES & PROGRAMS	$ 8,429	$ —	$ 3,462	$ —	$ 4,967

[a] Capital investment includes investment funded with capital contributions and is reduced by capital write-offs.
[b] Facility capital investment amounts include projects funded with Passenger Facility Charges.
[c] Capital investment includes campuswide infrastructure primarily related to utilities, roadways, WTC Memorial, WTC Vehicular Security Center and the WTC Chiller Plant.
[d] Includes WTC net lessee required capital contributions related to the construction of WTC Towers 3 and 4.
[e] Includes amounts previously reported as Gateway Early Work Program.
[f] Includes amounts related to the LGA Terminal B landlord leasehold investment

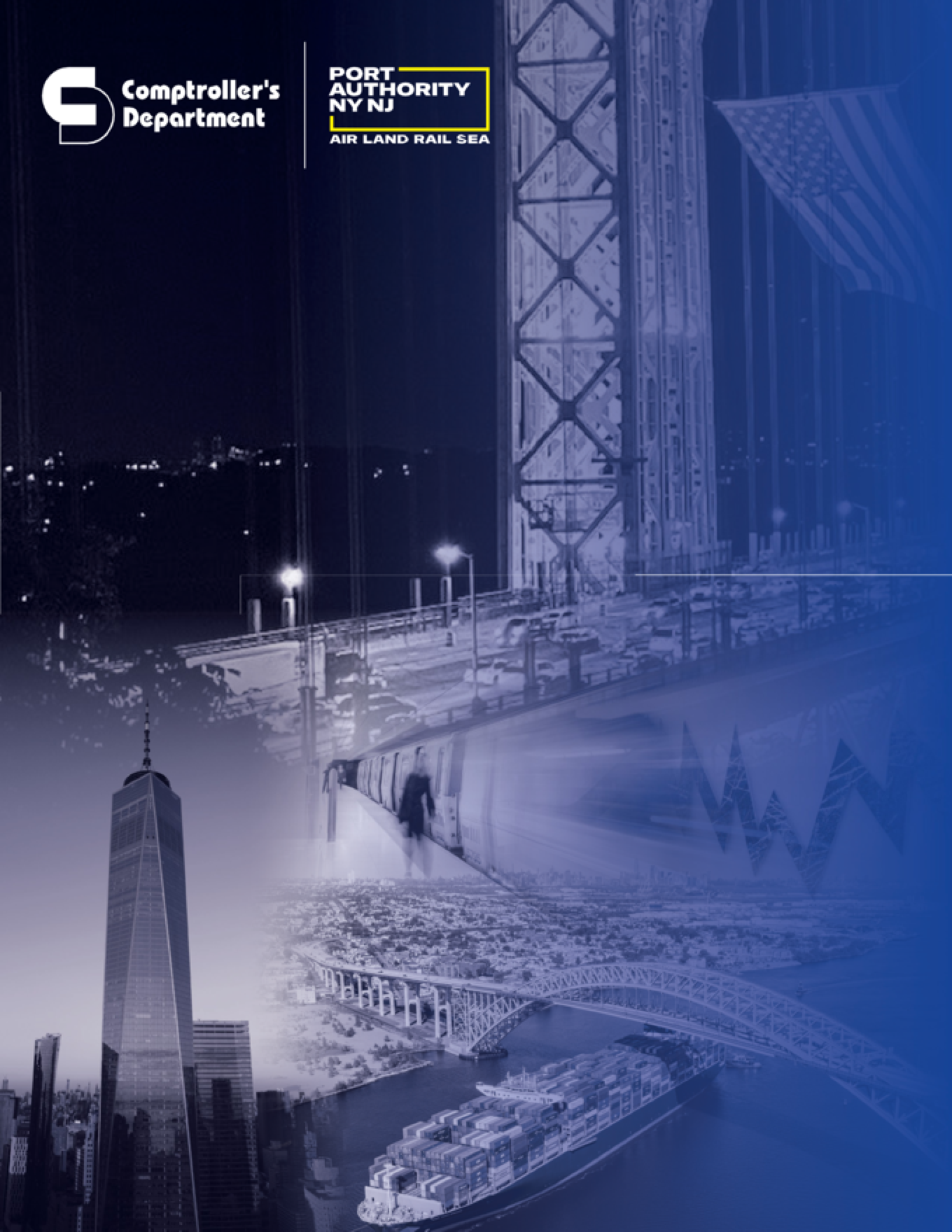
Schedule G - Port Authority Facility Traffic (Unaudited)*

		2024	2023	2022	2021
TUNNELS AND BRIDGES (Eastbound Traffic)	**AUTOMOBILES**				
	George Washington Bridge	**45,520,919**	46,019,125	45,594,258	45,107,088
	Lincoln Tunnel	**16,280,739**	16,545,912	17,181,771	15,631,752
	Holland Tunnel	**15,299,994**	15,201,121	14,299,537	13,647,628
	Staten Island Bridges	**34,599,411**	34,413,854	33,557,483	32,118,961
	Subtotal Automobiles	**111,701,063**	112,180,012	110,633,049	106,505,429
	BUSES				
	George Washington Bridge	**262,713**	239,769	256,445	277,876
	Lincoln Tunnel	**1,648,151**	1,613,761	1,526,562	1,399,329
	Holland Tunnel	**56,252**	52,541	43,961	38,187
	Staten Island Bridges	**146,661**	148,171	156,059	142,270
	Subtotal Buses	**2,113,777**	2,054,242	1,983,027	1,857,662
	TRUCKS				
	George Washington Bridge	**4,457,822**	4,369,170	4,103,693	3,887,376
	Lincoln Tunnel	**1,093,329**	1,094,781	979,555	870,595
	Holland Tunnel	**456,765**	439,248	365,493	335,758
	Staten Island Bridges	**2,601,687**	2,490,863	2,652,206	2,596,494
	Subtotal Trucks	**8,609,603**	8,394,062	8,100,947	7,690,223
	TOTAL VEHICLES				
	George Washington Bridge	**50,241,454**	50,628,064	49,954,396	49,272,340
	Lincoln Tunnel	**19,022,219**	19,254,454	19,687,888	17,901,676
	Holland Tunnel	**15,813,011**	15,692,910	14,708,991	14,021,573
	Staten Island Bridges	**37,347,759**	37,052,888	36,365,748	34,857,725
	Subtotal Vehicles	**122,424,443**	122,628,316	120,717,023	116,053,314
PATH	Total passengers	**57,247,481**	50,467,805	42,582,013	29,245,022
	Passenger weekday average	**186,120**	164,590	137,016	90,941
MARINE TERMINALS	General cargo [(a)] (Metric tons)	**35,724,771**	32,383,857	39,736,739	36,505,473
	Containers (in twenty foot equivalent units)	**8,698,526**	7,810,005	9,493,664	8,985,929
	International waterborne vehicles	**410,153**	366,796	420,929	458,026
	Waterborne bulk commodities (in metric tons)	**2,785,839**	3,066,864	3,697,618	4,037,804
	CONTAINERS				
	New Jersey Marine Terminals	**4,523,777**	4,145,208	4,730,639	4,550,386
	New York Marine Terminals	**271,603**	182,945	522,008	429,348
	Subtotal Containers	**4,795,380**	4,328,153	5,252,647	4,979,734
BUS TERMINALS	**BUS DEPARTURES**				
	Port Authority Bus Terminal	**954,211**	902,419	862,645	840,000
	George Washington Bridge Bus Station	**109,196**	108,520	104,710	105,000
	PATH Journal Square Transportation Center Bus Station	**311,000**	329,000	289,000	289,704
	Total Departures	**1,374,407**	1,339,939	1,256,355	1,234,704
AVIATION	**PLANE MOVEMENTS**				
	John F. Kennedy International Airport	**468,568**	479,026	449,238	290,778
	LaGuardia Airport	**353,061**	360,164	352,582	175,765
	Newark Liberty International Airport	**414,453**	426,575	401,326	282,280
	New York Stewart International Airport	**23,238**	25,967	28,197	25,951
	Subtotal Plane Movements	**1,259,320**	1,291,732	1,231,343	774,774
	DOMESTIC PASSENGERS				
	John F. Kennedy International Airport	**28,007,275**	28,896,454	28,449,455	18,037,803
	LaGuardia Airport	**31,813,670**	30,576,140	27,807,585	15,319,871
	Newark Liberty International Airport	**33,630,903**	34,547,171	31,943,547	22,446,527
	New York Stewart International Airport	**174,712**	150,763	244,664	135,144
	Subtotal Domestic Passengers	**93,626,560**	94,170,528	88,445,251	55,939,345
	INTERNATIONAL PASSENGERS				
	John F. Kennedy International Airport	**35,258,697**	33,180,238	26,838,256	12,750,519
	LaGuardia Airport	**1,730,273**	1,808,820	1,286,207	281,192
	Newark Liberty International Airport	**15,222,467**	14,537,370	11,621,707	6,603,025
	New York Stewart International Airport	**102,080**	103,102	53,287	—
	Subtotal International Passengers	**52,313,517**	49,629,530	39,799,457	19,634,736
	TOTAL PASSENGERS				
	John F. Kennedy International Airport	**63,265,972**	62,076,692	55,287,711	30,788,322
	LaGuardia Airport	**33,543,943**	32,384,960	29,093,792	15,601,063
	Newark Liberty International Airport	**48,853,370**	49,084,541	43,565,254	29,049,552
	New York Stewart International Airport	**276,792**	253,865	297,951	135,144
	Subtotal Passengers	**145,940,077**	143,800,058	128,244,708	75,574,081
	CARGO-TONS				
	John F. Kennedy International Airport	**1,672,227**	1,587,861	1,545,624	1,573,598
	LaGuardia Airport	**5,749**	6,026	6,662	6,328
	Newark Liberty International Airport	**711,556**	700,163	746,801	791,442
	New York Stewart International Airport	**26,458**	23,704	24,707	30,996
	Subtotal Cargo-tons	**2,415,990**	2,317,754	2,323,794	2,402,364
	Revenue mail-tons	**87,689**	104,919	145,329	146,672

*Certain 2024 numbers reflect estimated data based on available year-end information and are subject to revision.
(a)International oceanborne general and bulk cargo as recorded in the New York - New Jersey Customs District.

Schedule G - Port Authority Facility Traffic (Unaudited)*

2020	2019	2018	2017	2016	2015
38,784,553	47,700,000	47,264,000	47,594,000	47,497,000	46,361,000
11,513,663	15,317,000	15,742,000	15,841,000	15,993,000	15,706,000
11,061,685	15,033,000	14,460,000	14,247,000	14,727,000	14,763,000
27,572,632	33,636,000	32,373,000	31,430,000	30,303,000	28,883,000
88,932,533	111,686,000	109,839,000	109,112,000	108,520,000	105,713,000
253,278	440,000	448,000	442,000	440,000	429,000
1,395,997	2,186,000	2,170,000	2,161,000	2,164,000	2,165,000
53,052	159,000	168,000	179,000	191,000	199,000
104,646	167,000	186,000	180,000	177,000	176,000
1,806,973	2,952,000	2,972,000	2,962,000	2,972,000	2,969,000
3,704,358	3,821,000	3,792,000	3,684,000	3,692,000	3,666,000
772,995	1,031,000	1,048,000	1,037,000	1,055,000	1,061,000
324,381	443,000	443,000	446,000	447,000	447,000
2,287,868	2,295,000	2,163,000	2,153,000	2,085,000	2,091,000
7,089,602	7,590,000	7,446,000	7,320,000	7,279,000	7,265,000
42,742,189	51,961,000	51,504,000	51,720,000	51,629,000	50,456,000
13,682,655	18,534,000	18,960,000	19,039,000	19,212,000	18,932,000
11,439,118	15,635,000	15,071,000	14,872,000	15,365,000	15,409,000
29,965,146	36,098,000	34,722,000	33,763,000	32,565,000	31,150,000
97,829,108	122,228,000	120,257,000	119,394,000	118,771,000	115,947,000
27,005,307	82,219,587	81,733,402	82,812,915	78,553,560	76,541,453
90,287	284,380	280,860	283,719	269,081	258,425
34,829,323	41,090,000	37,577,000	35,450,000	32,556,203	36,781,069
7,585,819	7,471,131	7,179,788	6,710,817	6,251,953	6,371,720
469,529	570,023	573,035	577,223	505,150	477,170
3,010,322	3,639,822	3,686,686	3,975,000	3,212,603	5,050,519
4,038,301	3,950,890	3,828,434	3,599,514	3,416,144	3,427,226
217,200	287,217	267,020	246,910	186,364	236,787
4,255,501	4,238,107	4,095,454	3,846,424	3,602,508	3,664,013
835,000	1,190,000	1,203,000	1,199,000	1,193,000	1,179,000
103,000	166,000	171,000	172,000	172,000	170,000
291,921	482,725	479,960	478,900	478,640	478,560
1,229,921	1,838,725	1,853,960	1,849,900	1,843,640	1,827,560
199,767	456,060	455,495	448,366	448,753	439,298
139,178	374,078	371,905	369,152	369,987	358,609
211,460	446,320	453,377	438,578	431,594	413,873
22,513	33,222	32,542	34,787	37,295	37,834
572,918	1,309,680	1,313,319	1,290,883	1,287,629	1,249,614
8,267,666	28,233,791	28,117,337	26,961,081	27,245,463	26,806,854
7,853,368	28,875,041	27,857,697	27,474,292	27,996,763	26,684,923
12,121,093	32,004,140	31,730,735	30,330,568	27,995,353	25,693,128
97,392	366,124	366,130	307,621	275,421	281,754
28,339,519	89,479,096	88,071,899	85,073,562	83,513,000	79,466,659
8,362,976	34,317,281	33,518,898	32,518,263	31,693,184	30,079,898
391,824	2,209,853	2,224,430	2,087,936	1,790,006	1,752,745
3,771,799	14,332,312	14,128,785	12,891,846	12,324,428	11,805,317
—	159,591	324,281	141,077	—	—
12,526,599	51,019,037	50,196,394	47,639,122	45,807,618	43,637,960
16,630,642	62,551,072	61,636,235	59,479,344	58,938,647	56,886,752
8,245,192	31,084,894	30,082,127	29,562,228	29,786,769	28,437,668
15,892,892	46,336,452	45,859,520	43,222,414	40,319,781	37,498,445
97,392	525,715	690,411	448,698	275,421	281,754
40,866,118	140,498,133	138,268,293	132,712,684	129,320,618	123,104,619
1,152,601	1,338,415	1,422,160	1,394,509	1,311,191	1,332,091
5,826	6,376	5,996	6,878	7,586	7,721
695,345	825,266	848,161	822,589	746,770	405,214
24,145	23,606	22,808	20,834	18,729	15,144
1,877,917	2,193,663	2,299,125	2,244,810	2,084,276	1,760,170
135,733	177,413	154,244	153,733	140,418	126,026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