

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, May 20, 2004

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, May 20, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Kathleen P. Bincoletto, Senior Administrator, Office of the Secretary
 Bruce D. Bohlen, Treasurer
 Darrell B. Buchbinder, General Counsel-Elect
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Joseph Kucich, Professional Assistant, Office of the Secretary
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Michael F. O'Connor, Chief of Public Safety and Emergency Management
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety
 Alan L. Reiss, Deputy Director, Aviation
 Edmond F. Schorno, Chief of Staff
 Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning

Tiffany A. Townsend, Public Information Officer, Public Affairs

Ralph Tragale, Client Manager, Government and Community Affairs
Emery J. Ungrady, Deputy Chief of Staff

Guest:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey

The public session was called to order by Chairman Coscia at 2:44 p.m. and ended at 2:57 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meetings of April 1, 2004 and April 22, 2004. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of Audit Committee

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on May 18, 2004, which included discussion of contract matters and internal audit matters, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed and action taken in executive session at its meeting on May 20, 2004, which included discussion of certain lease and contract matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Construction

The Committee on Construction reported, for information, and the report was received and is included with these minutes.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on May 20, 2004, which included discussion of contract matters, and the report was received.

RETENTION OF AUDITORS

Under the By-Laws, the Audit Committee has the responsibility to oversee the audit of the accounts and financial statements of the Port Authority and its subsidiaries. The Audit Committee monitors the independent auditing function. The Committee also acts to designate independent auditors for retention.

The Audit Committee reported that, after a public solicitation process, it had decided that Deloitte & Touche LLP should continue to be retained as independent auditors to: audit the accounts and financial statements of the Port Authority and its wholly owned subsidiaries for the year ending December 31, 2004; perform a review of the Passenger Facility Charge Program and federal award programs; perform an evaluation of the Port Authority's internal control over financial reporting; provide services as requested in the disclosure process in connection with the issuance of Port Authority obligations; and provide other audit services, including a review of revenue and cost computations relating to and under the terms of the various lease agreements, financial and statistical data reports submitted to the Federal Transit Administration, field work and financial disclosure requirements of the Single Audit Act of 1984 for recipients of federal financial assistance.

It also was reported that the Executive Director is to authorize the retention of KPMG, which was selected after a public solicitation process, to provide professional internal auditing services to the Port Authority and its subsidiaries on an "as needed" basis for a five-year period commencing on June 1, 2004.

Approved.

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL A REDEVELOPMENT PROGRAM – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning for the modernization and expansion of Terminal A and related facilities at Newark Liberty International Airport (EWR) at a total estimated cost of \$20 million.

In 1973, when Terminal A was dedicated, EWR handled fewer than 7 million passengers and approximately 200,000 operations annually. Since that time, EWR has continued to grow and has become a major transportation hub for the region. In 2000, EWR handled 450,187 international and domestic aircraft operations accounting for 34.2 million passengers. Although air traffic dropped after September 11, 2001, current forecasts reflect that traffic will reach its pre-September 11, 2001 levels by 2006 and will continue to grow. Currently, Port Authority statistics for 2003 indicate that 405,808 international and domestic aircraft operations occurred at EWR, accounting for more than 30.5 million passengers. Current long-range forecasts reflect that traffic at EWR will increase by another 50 percent to 45 million annual air passengers by 2021. It is anticipated that additional gates to handle a fleet mix of larger aircraft, as well as terminal expansion, will be required to accommodate the forecasted future growth. Terminal C has already been modernized and expanded by Continental Airlines, Inc., and based on its geographic location (between Terminals A and C), Terminal B cannot be expanded to include additional gates. Therefore, Terminal A is the only terminal that has room to expand and to develop additional aircraft gates for wide-body aircraft.

EWR has experienced significant changes and improvements over the past fifteen years to address the growth in air traffic experienced to date and to prepare for the future. Some of the major initiatives undertaken include: extension of runways, taxiway and taxi-lane improvements, construction of hardstand parking areas, improvements in instrumentation and navigational equipment, a new air traffic control tower, significant development of cargo and airline hangar and service facilities, a new International Arrivals Facility and improved vertical circulation at Terminal B, major expansion of Terminal C, including a second International Facility and a new wide-body passenger concourse, construction of and subsequent extension of the AirTrain Newark system to the Northeast Corridor Station, two new parking garages, improved highway connections and airport roadways, signage improvements, consolidation of rental car facilities, new entry and exit plazas for many of the parking lots, including implementation of E-ZPass Plus, expanded frontage roadways and implementation of award-winning concession programs. The planning efforts associated with Terminal A would be in line with other efforts to accommodate the growth in air traffic at EWR.

Pressures on the terminal building have increased substantially in recent years, especially with the increased security requirements for passenger and baggage screening necessary in the post-September 11 environment. Despite the substantial increase in security measures and the dramatic increase in passenger enplanements, Terminal A has remained essentially the same since it was dedicated in 1973. Terminal A accommodates 11 air carriers at its 29 aircraft gates. Four of the carriers have long-term lease commitments, which expire between 2014 and 2018, with the others accommodated at two common-use gates or as subtenants to the lessee airlines. Modernization efforts to date have been focused on such things as improving door vestibules, finishes, signage, lighting and base-building infrastructure with some additional widening of the passenger connectors to accommodate functions unable to be incorporated in the existing terminal building footprint. As a result, there is significant passenger congestion throughout the

terminal complex that can only be remedied through extensive reconfiguration of the existing floor plan. The nature of the reconfiguration is not yet defined, but is anticipated to include: modifying existing ticketing areas to improve interior circulation and provide additional queuing areas; expanding the existing terminal footprint and reconfiguring the existing gate layout to include additional gates and facilities to accommodate new entrant airlines consistent with the EWR competition plan; providing space for improved passenger screening points; improving vertical circulation throughout the terminal building; relocating baggage claim facilities to the ground level; converting the existing baggage claim facilities to ticketing areas; and modifying outbound baggage systems, including providing in-line checked baggage screening where practical.

In addition to planning the terminal improvements, planning efforts will also evaluate necessary changes to the airside and landside components associated with Terminal A to address terminal access and frontage issues, aircraft parking issues, loss of patron parking areas, changes or improvements to the adjacent B1 satellite and connector at Terminal B to provide connections to the Federal Inspection Service facility, as well as other needs identified through the planning process.

The planning effort is expected to take place from June 2004 through December 2007. This effort provides the best opportunity to evaluate options and establish a master plan for modernizing and expanding Terminal A on a timely basis. This will allow necessary improvements to be identified and implemented at the earliest possible time to ensure that Terminal A remains in a state of good repair and that redevelopment advances in a manner consistent with a long-term plan for the terminal, allowing terminal deficiencies to be addressed initially while providing the framework to develop and expand facilities that can accommodate the forecasted growth and foster competition.

Funds for this effort are fully included in the Passenger Facility Charge application to the Federal Aviation Administration, authorized by the Board in March 2003.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Gargano, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that planning for the modernization and expansion of Terminal A and related facilities at Newark Liberty International Airport at a total estimated cost of \$20 million be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to contracts for professional, technical and advisory services and such other contracts and agreements as may be necessary to effectuate the planning, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

RESOLVED, that the form of all contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

LAGUARDIA AIRPORT – CENTRAL TERMINAL BUILDING MODERNIZATION PROGRAM – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning for the LaGuardia Airport (LGA) Modernization Program at a total estimated cost of \$15 million (including \$2.7 million of previously authorized planning costs).

The Central Terminal Building (CTB) at LGA was opened to air passenger traffic in 1964. In the 1980s, the Port Authority and the tenant airlines commenced a series of improvements aimed at modernizing the facility to better serve the traveling public and provide much needed flexibility for airline operations in a deregulated environment. Since that time, the Port Authority, the tenant airlines, and the third-party CTB concessions developer have invested an estimated amount of more than \$400 million in improving the terminal's ticketing, baggage facilities, public spaces and concessions. The final phase of the redevelopment program was to be the modernization of the four concourses serving the CTB. However, with the opening of the USAirways Terminal in 1992 and the move of that airline away from the CTB, traffic at the CTB dropped significantly and the demand for modernizing the concourses became less immediate. One element of this work was undertaken by American Airlines, Inc. in Concourse D, but the other concourses have remained mostly as they were when first constructed in the early 1960s.

In December 2000, the Executive Director authorized an agreement with Frederic R. Harris, Inc. for professional, technical, and advisory services for the LGA Modernization Program. The agreement called for the provision of planning and program management services to supplement existing staff efforts in conducting a comprehensive airport-wide planning effort to address current and forecast deficiencies in the airside, terminal, and landside facilities and supporting infrastructure. These planning services focused on the following categories of projects:

Required CTB Projects

- Modernized concourses and affected core terminal areas, including holdrooms, gates, concessions, and passenger and baggage screening facilities
- Central Heating and Refrigeration Plant Expansion
- Central Electric Substation Expansion

Projects Potentially Impacted by Improvements at the CTB

- Hangar Facilities
- Cargo Facilities
- Ground Service Equipment Maintenance Facilities
- Remain Overnight Aircraft Parking Positions
- Public and Employee Parking

Concurrent Opportunities

- Aircraft Hydrant Fueling

Beginning in early 2001, discussions were held with the tenant airlines, and they and the Port Authority jointly identified a number of deficiencies that a Modernization Program should address. The downturn in the aviation industry due to the terrorist attacks on September 11, 2001 and an economic downturn – as well as other factors – led to a temporary moratorium on planning terminal enhancements. However, with the return of traffic lost after September 11, 2001, coupled with changes in aircraft fleets toward larger aircraft, and stricter security measures mandated by the Transportation Security Administration (TSA), the CTB is facing the need to handle an increasing demand with a diminished capacity for same. These actions have brought to the forefront the need to advance the concourse improvements that have been under consideration for over a decade, along with other improvements needed to meet the TSA passenger and baggage screening requirements more effectively and efficiently.

In response to the above conditions, the LGA modernization planning efforts have been updated recently, and a number of potential scenarios were identified that can deliver the terminal improvements needed to meet future airport traffic demand at the 30 million annual air passengers level. This planning authorization will provide the resources needed to fully analyze the scenarios developed thus far (and other reasonable scenarios that may be generated through discussions with the airlines and other stakeholders), select a preferred alternative that is sensitive to the agency's current financial status, commence the environmental analyses needed to begin environmental permitting and advance the work through design and implementation.

It is anticipated that the planning phase, along with the environmental analyses processes for the LGA Modernization Program, will require three years. This proposed action would provide the Port Authority with the requisite planning, environmental, cost and financial information needed to make informed investment decisions for the future of LGA.

Funds for this effort, which includes \$1.2 million in 2003 costs, are fully included in the Passenger Facility Charge Application to the Federal Aviation Administration, authorized by the Board in March 2003.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Gargano, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that planning for the LaGuardia Airport Modernization Program at a total estimated cost of \$15 million (including \$2.7 million of previously authorized planning costs) be and it hereby is authorized, and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to contracts for professional, technical and advisory services and such other contracts and agreements as may be necessary to effectuate the planning, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

RESOLVED, that the form of all contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

LAGUARDIA AIRPORT – FORT LAUDERDALE JET CENTER, LLC – FIXED BASE OPERATOR AGREEMENT – AGA-658

It was recommended that the Board authorize the Executive Director to enter into an agreement with Fort Lauderdale Jet Center, LLC (Jet Center) to manage the Fixed Base Operation (FBO) serving general aviation activity at LaGuardia Airport (LGA).

Jet Center was the highest bidder in a publicly advertised competitive bid process that was conducted after the Board, at its meeting of November 20, 2003, rejected all bids for FBO Agreement AGA-586 and directed staff to re-procure using different bidding criteria. Under the terms of the proposed agreement, Jet Center would lease approximately 7,260 square feet of space on the first and second floors of the multi-tenant Marine Air Terminal, as well as an additional 1,040 square feet of aeronautical ground area, for a four-year term with three two-year renewal options, to be exercised at the discretion of the Port Authority. The term of the agreement would commence on or about August 1, 2004. Jet Center would be responsible for the collection of flight fees, the storage, parking, repair and maintenance of general aviation aircraft, the collection of related fees, and the sale of fuel and other ground support to general aviation aircraft.

Jet Center would pay to the Port Authority an annual basic rental in the amount of \$200,690, which would be escalated in the third year of the term and in each option period based on the greater of 4 percent or the percentage change in the Consumer Price Index, compounded over two years. Jet Center would also pay to the Port Authority the greater of: (1) 26.26 percent of all gross receipts (including fuel and ground support service sales), or (2) the annual fixed minimum amount of \$1,351,000. The Port Authority would have the right to terminate the agreement, without cause, upon thirty days' written notice to Jet Center. Upon termination of the agreement with the current FBO operator, the Port Authority is obligated to pay the incumbent its remaining unamortized investment of \$20,835 for capital improvements made in the premises. Upon commencement of the subject agreement, Jet Center is obligated to pay that amount to the Port Authority.

As compensation for its services, Jet Center will receive \$12 (increased to \$13 in the third year of the agreement; \$14 in the first option period; \$15 in the second option period; and \$16.50 in the third option period) for each general aviation take-off charge, and 91 percent of the Public Ramp Area and Public Aircraft Parking and Storage Area charges collected on behalf of the Port Authority. In addition, Jet Center would be permitted to charge its fuel customers at LGA a maximum of 10.5 percent (taxes included) above the average retail price charged at MacArthur, Farmingdale and White Plains Airports.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Gargano, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with Fort Lauderdale Jet Center, LLC to manage the Fixed Base Operation at LaGuardia Airport, substantially in accordance with the terms and conditions outlined to the

Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

BATHGATE INDUSTRIAL PARK – LEASE AGREEMENT – NEW YORK CITY SCHOOL CONSTRUCTION AUTHORITY AND NEW YORK CITY DEPARTMENT OF EDUCATION - SURRENDER AGREEMENT – INTERLINE BRANDS, INC.

It was recommended that the Board authorize the Executive Director to enter into: (1) a lease agreement with the New York City School Construction Authority (SCA) and the New York City Department of Education (DOE) covering the letting of approximately 100,000 square feet of land at the Bathgate Industrial Park, together with an existing building containing approximately 76,000 rentable square feet, for an approximate sixteen-year, two-month term commencing on or about August 1, 2004, at an aggregate basic rental over the term of the letting of approximately \$10.9 million; (2) a brokerage agreement with Cushman & Wakefield, Inc., providing for the payment of a brokerage commission of approximately \$545,000 in connection with the lease; and (3) a surrender agreement with Interline Brands, Inc. (Interline), the current lessee of the land.

The SCA plans to convert the existing industrial building into a public educational facility, at its sole cost and expense. Upon completion of construction, the lease will be assigned without recourse from the SCA to the DOE. Payment of basic rental will begin approximately twelve months after the commencement of the letting. DOE will pay additional rent to reimburse the Port Authority for all unamortized concessions of the Interline lease, as well as the consideration to be paid to Interline in connection with its surrender. DOE will also pay an amount equal to the annual rental amount payable by the Port Authority to the New York City Economic Development Corporation for the land and will be responsible for all building maintenance costs and utility charges.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Gargano, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into: (1) an agreement with the New York City School Construction Authority and the New York City Department of Education, covering the letting of land and an existing building at the Bathgate Industrial Park; (2) a brokerage agreement with Cushman & Wakefield, Inc., in connection with the lease; and (3) a surrender agreement with Interline Brands, Inc.; in each case, substantially in accordance with the terms and conditions outlined to the Board, or on such other terms and conditions as the Executive Director deems appropriate, subject to the conditions set forth in the following delegation; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of the agreements in the event that the rental payment terms and/or the term of the letting of the lease agreement are not substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of the foregoing agreements shall be subject to the approval of General Counsel or his authorized representative.

CONFIDENTIAL ITEM (pages 194-195)

This item shall not be available for public inspection until otherwise agreed to by the parties involved.

FINAL CONTRACT PAYMENTS

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of February 1, 2004 to February 29, 2004.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	ORIGINAL AUTHORIZATION	TOTAL AUTHORIZED	TOTAL PAYMENTS
AKB264018	STRUCTURAL IMPROVEMENTS-MAIN SPAN BAYONNE BRIDGE AMERICAN BRIDGE COMPANY	6,630,000 (A) 250,000 (C) <u>397,800</u> (D) 7,277,800	6,630,000 250,000 <u>397,800</u> 7,277,800	6,630,000 29,843 <u>304,827</u> 6,964,670
EWR434022	PARKING LOT 'D' LANDSCAPING NEWARK LIBERTY INTERNATIONAL AIRPORT TORSILIERI, INC.	740,486 (A) 200,000 (C) <u>44,429</u> (D)	740,486 200,000 <u>44,429</u>	692,986 (F) --0-- <u>44,400</u>
LGA990310	RUNWAY EXPANSION JOINT REPLACEMENT AT BULKHEADS LAGUARDIA AIRPORT JOHN P. PICONE, INC.	1,869,500 (A) 97,500 (B) 350,000 (C) 118,020 (D) <u>--0--</u> 2,435,020	1,869,500 97,500 350,000 200,000 (H) <u>--0--</u> 2,517,000	1,869,500 100,251 (G) 51,897 199,227 <u>32,669</u> (I) 2,253,544
JFK134194	CATHODIC PROTECTION SYSTEMS FOR SATELLITE TANK FARM JOHN F. KENNEDY INTERNATIONAL AIRPORT BEL-AIR ELECTRICAL CONSTRUCTION/ CORR TECH INC., A JOINT VENTURE	1,936,000 (A) 60,000 (C) 116,160 (D) 22,860 (E) <u>--0--</u> 2,135,020	1,936,000 60,000 275,000 (J) 22,860 <u>--0--</u> 2,293,860	1,820,800 (L) --0-- 234,746 22,860 <u>4,823</u> (K) 2,083,229
MF415830	ASBESTOS REMOVAL INTERSTATE TRANSPORTATION DEPARTMENT NEW YORK FACILITIES COMPREHENSIVE ENVIRONMENTAL SERVICE, INC.	1,000,000 (C) <u>30,000</u> (E) 1,030,000	1,000,000 <u>30,000</u> 1,030,000	917,376 <u>30,000</u> 947,376

- (A) Lump Sum.
- (B) Classified Work.
- (C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$47,500 for the deletion of part of the work .
- (G) Increase in classified work.
- (H) Increase in extra work in the amount of \$81,980 authorized on 3/26/2002.
- (I) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$32,669 as provided for in the contract.
- (J) Increase in extra work in the amount of \$158,840 authorized on 4/28/2000.
- (K) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$4,823 as provided for in the contract.
- (L) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$115,200 for changes in the scope of the work.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period of March 1, 2004 through March 31, 2004.

REPORT A:

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase</u> <u>Date</u>	<u>Par</u> <u>Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Purchase</u> <u>Price</u>	<u>Call</u> <u>Year</u>	<u>YTC</u> <u>@ Cost</u>	<u>BEY</u> <u>@ Cost</u>	<u>Total</u> <u>Principal</u>	<u>Dealer</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/01/04	\$50,000,000	FHDN	--	03/19/04	99.95	0.970%	0.975%	\$49,975,750.00	Merrill Lynch
03/01/04	50,000,000	FHDN	--	04/07/04	99.90	0.980	0.985	49,949,638.90	Morgan Stanley
03/01/04	50,000,000	FHDN	--	03/24/04	99.94	0.970	0.975	49,969,013.89	Mizuho
03/01/04	50,000,000	GECC CP	--	03/02/04	99.99	1.030	1.035	49,998,569.44	G.E. Capital
03/01/04	50,000,000	UBSFIN CP	--	03/02/04	99.99	1.040	1.045	49,998,555.55	Lehman Brothers
03/01/04	37,300,000	UBSFIN CP	--	03/02/04	99.99	1.040	1.045	37,298,922.44	Banc of America
03/01/04	100,000	JFK-APO	6.375%	12/01/15	99.90	--	6.387	99,900.00	JFKIAT-APO
03/02/04	50,000,000	USTB	--	04/29/04	99.85	0.925	0.930	49,925,486.11	ABN AMRO
03/02/04	14,000,000	USTB	--	04/15/04	99.89	0.925	0.930	13,984,172.22	Deutsche Bank
03/02/04	50,000,000	USTB	--	03/25/04	99.94	0.940	0.945	49,969,972.22	Merrill Lynch
03/02/04	50,000,000	USTB	--	04/01/04	99.92	0.935	0.940	49,961,041.67	Banc of America
03/02/04	25,000,000	FHDN	--	03/12/04	99.97	0.970	0.975	24,993,263.89	Greenwich Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/02/04	\$50,000,000	GE CORP CP	--	03/03/04	99.99	1.010%	1.015%	\$49,998,597.22	G.E. Capital
03/02/04	30,750,000	UBSFIN CP	--	03/03/04	99.99	1.010	1.015	30,749,137.29	Banc of America
03/02/04	30,750,000	UBSFIN CP	--	03/03/04	99.99	1.010	1.015	30,749,137.29	Banc of America
03/03/04	50,000,000	USTB	--	03/15/04	99.97	0.980	0.985	49,983,666.67	Deutsche Bank
03/03/04	20,000,000	FHDN	--	03/17/04	99.96	0.980	0.985	19,992,377.78	BANC ONE
03/03/04	30,000,000	FHDN	--	04/16/04	99.88	0.980	0.985	29,964,066.66	Merrill Lynch
03/03/04	50,000,000	FHDN	--	03/31/04	99.92	0.980	0.985	49,961,888.90	Morgan Stanley
03/03/04	44,660,000	CITIGLOBAL	--	03/04/04	99.99	1.000	1.005	44,658,759.44	Citiglobal
03/03/04	10,000,000	USTN	1.625%	02/28/06	99.81		1.722	9,981,250.00	ABN AMRO
03/04/04	30,000,000	USTB	--	03/15/04	99.97	0.980	0.985	29,991,016.67	ABN AMRO
03/04/04	50,000,000	USTB	--	04/01/04	99.93	0.960	0.965	49,962,666.67	BNP Paribas
03/04/04	10,000,000	USTB	--	03/15/04	99.97	0.980	0.985	9,997,005.56	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/04/04	\$40,000,000	USTB	--	03/15/04	99.97	0.980%	0.985%	\$39,988,022.22	Lehman Brothers
03/04/04	50,000,000	GECC CP	--	03/05/04	99.99	1.010	1.015	49,998,597.22	G.E. Capital
03/04/04	50,000,000	GECC CP	--	03/05/04	99.99	1.010	1.015	49,998,597.22	G.E. Capital
03/04/04	46,365,000	UBSFIN CP	--	03/05/04	99.99	1.010	1.015	46,363,699.18	Banc of America
03/05/04	50,000,000	USTB	--	03/15/04	99.97	0.965	0.970	49,986,597.22	Greenwich Capital
03/05/04	50,000,000	FHDN	--	04/28/04	99.85	0.980	0.986	49,926,500.00	BANC ONE
03/05/04	50,000,000	FHDN	--	04/02/04	99.92	0.990	0.995	49,961,500.00	Citiglobal
03/05/04	50,000,000	GECC CP	--	03/08/04	99.99	0.970	0.975	49,995,958.33	G.E. Capital
03/05/04	42,490,000	UBSFIN CP	--	03/08/04	99.99	0.980	0.985	42,486,529.97	Banc of America
03/08/04	30,000,000	USTB	--	06/03/04	99.78	0.930	0.935	29,932,575.00	Merrill Lynch
03/08/04	50,000,000	GE CORP CP	--	03/09/04	99.99	1.000	1.005	49,998,611.11	G.E. Capital
03/08/04	50,000,000	GE CORP CP	--	03/11/04	99.99	1.000	1.005	49,995,833.33	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/09/04	\$50,000,000	UBSFIN CP	--	03/10/04	99.99	0.990%	0.995%	\$49,998,625.00	Banc of America
03/10/04	50,000,000	FHDN	--	04/30/04	99.86	0.970	0.975	49,931,291.67	Mizuho
03/10/04	13,000,000	FCDN	--	03/18/04	99.98	0.960	0.965	12,997,226.67	Mizuho
03/10/04	42,500,000	UBSFIN CP	--	03/11/04	99.99	0.980	0.986	42,498,842.06	Banc of America
03/11/04	46,500,000	USTB	--	03/18/04	99.98	0.940	0.945	46,491,500.83	Deutsche Bank
03/11/04	50,000,000	USTB	--	03/25/04	99.96	0.930	0.935	49,981,916.67	Deutsche Bank
03/11/04	50,000,000	USTB	--	04/08/04	99.93	0.955	0.960	49,962,861.11	Deutsche Bank
03/11/04	50,000,000	USTB	--	04/08/04	99.93	0.955	0.960	49,962,861.11	Deutsche Bank
03/11/04	50,000,000	FHDN	--	03/31/04	99.95	0.970	0.975	49,973,055.56	Banc of America
03/11/04	25,000,000	UBSFIN CP	--	03/12/04	99.99	1.010	1.015	24,999,298.60	Lehman Brothers
03/11/04	33,780,000	UBSFIN CP	--	03/12/04	99.99	1.010	1.015	33,779,052.27	Lehman Brothers
03/12/04	50,000,000	GECC CP	--	03/15/04	99.99	1.000	1.005	49,995,833.33	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/12/04	\$24,975,000	UBSFIN CP	--	03/15/04	99.99	1.000%	1.005%	\$24,972,918.76	Lehman Brothers
03/12/04	25,000,000	CITIGLOBAL	--	03/15/04	99.99	1.000	1.005	24,997,916.67	Citiglobal
03/15/04	30,000,000	USTB	--	04/08/04	99.94	0.940	0.945	29,981,200.00	ABN AMRO
03/15/04	20,000,000	USTB	--	04/08/04	99.94	0.940	0.945	19,987,466.67	ABN AMRO
03/15/04	45,000,000	USTB	--	04/08/04	99.94	0.940	0.945	44,971,800.00	ABN AMRO
03/15/04	50,000,000	FHDN	--	04/12/04	99.92	0.970	0.975	49,962,277.78	Mizuho
03/15/04	31,000,000	UBSFIN CP	--	03/16/04	99.99	1.040	1.045	30,999,104.44	Banc of America
03/16/04	50,000,000	USTB	--	04/08/04	99.94	0.940	0.945	49,969,972.22	Merrill Lynch
03/16/04	35,000,000	UBSFIN CP	--	03/17/04	99.99	1.010	1.015	34,999,018.04	Banc of America
03/17/04	50,000,000	USTB	--	03/25/04	99.98	0.920	0.924	49,989,777.78	Deutsche Bank
03/17/04	25,000,000	FHDN	--	04/14/04	99.92	0.970	0.975	24,981,138.90	Merrill Lynch
03/17/04	47,000,000	UBSFIN CP	--	03/18/04	99.99	1.000	1.005	46,998,694.43	Banc of America

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/18/04	\$30,000,000	UBSFIN CP	--	03/19/04	99.99	1.010%	1.015%	\$29,999,158.32	Lehman Brothers
03/18/04	41,000,000	UBSFIN CP	--	03/19/04	99.99	1.010	1.015	40,998,849.70	Lehman Brothers
03/19/04	50,000,000	FHDN	--	04/12/04	99.94	0.970	0.975	49,967,666.67	Mizuho
03/19/04	50,000,000	FHDN	--	04/14/04	99.93	0.970	0.975	49,964,972.22	Mizuho
03/19/04	40,000,000	GECC CP	--	03/22/04	99.99	0.990	0.995	39,996,700.00	G.E. Capital
03/19/04	29,800,000	UBSFIN CP	--	03/22/04	99.99	0.990	0.995	29,797,541.50	Banc of America
03/22/04	50,000,000	GE CORP CP	--	03/23/04	99.99	1.000	1.005	49,998,611.11	G.E. Capital
03/22/04	28,550,000	UBSFIN CP	--	03/23/04	99.99	1.000	1.005	28,549,206.94	Lehman Brothers
03/23/04	50,000,000	GECS CP	--	03/30/04	99.98	1.000	1.005	49,990,277.78	G.E. Capital
03/23/04	34,500,000	UBSFIN CP	--	03/30/04	99.98	1.000	1.005	34,493,291.68	Merrill Lynch
03/24/04	50,000,000	USTB	--	07/15/04	99.71	0.923	0.928	49,855,218.75	Legg Mason
03/24/04	50,000,000	USTB	--	04/15/04	99.94	0.930	0.935	49,971,583.34	Deutsche Bank

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/24/04	\$50,000,000	USTB	--	06/24/04	99.77	0.910%	0.915%	\$49,883,722.22	Legg Mason
03/24/04	35,000,000	FHDN	--	04/16/04	99.94	0.980	0.985	34,978,086.12	Merrill Lynch
03/24/04	50,000,000	FHDN	--	04/21/04	99.92	0.980	0.985	49,961,888.90	Merrill Lynch
03/24/04	30,000,000	UBSFIN CP	--	03/25/04	99.99	0.980	0.985	29,999,183.33	Banc of America
03/25/04	50,000,000	USTB	--	04/22/04	99.93	0.935	0.940	49,963,638.89	Deutsche Bank
03/25/04	50,000,000	USTB	--	04/22/04	99.93	0.935	0.940	49,963,638.89	Deutsche Bank
03/25/04	25,000,000	USTB	--	04/22/04	99.93	0.935	0.940	24,981,819.44	Deutsche Bank
03/25/04	50,000,000	USTB	--	04/22/04	99.93	0.935	0.940	49,963,638.89	Deutsche Bank
03/25/04	50,000,000	USTB	--	04/15/04	99.95	0.937	0.942	49,972,670.83	ABN AMRO
03/25/04	50,000,000	USTB	--	04/22/04	99.93	0.935	0.940	49,963,638.89	Greenwich Capital
03/25/04	50,000,000	USTB	--	04/22/04	99.93	0.935	0.940	49,963,638.89	Mizuho
03/25/04	50,000,000	USTB	--	04/22/04	99.93	0.935	0.940	49,963,638.89	Mizuho

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/25/04	\$50,000,000	USTB	--	05/27/04	99.84	0.905%	0.910%	\$49,920,812.50	Banc of America
03/25/04	50,000,000	FHDN	--	05/26/04	99.83	0.980	0.986	49,915,611.11	Mizuho
03/25/04	26,735,000	UBSFIN CP	--	03/26/04	99.99	1.010	1.015	26,734,249.92	Lehman Brothers
03/26/04	25,000,000	FHDN	--	04/23/04	99.92	0.980	0.985	24,980,944.44	Mizuho
03/26/04	30,300,000	UBSFIN CP	--	03/29/04	99.99	1.000	1.005	30,297,475.01	Banc of America
03/29/04	22,435,000	UBSFIN CP	--	03/30/04	99.99	1.020	1.025	22,434,364.35	Merrill Lynch
03/30/04	35,000,000	FHDN	--	04/23/04	99.93	0.990	0.995	34,976,900.00	Greenwich Capital
03/30/04	50,000,000	GE CORP CP	--	04/05/04	99.98	1.000	1.005	49,991,666.67	G.E. Capital
03/30/04	30,000,000	GE CORP CP	--	04/05/04	99.98	1.000	1.005	29,995,000.00	G.E. Capital
03/31/04	50,000,000	FCDN	--	04/06/04	99.98	0.960	0.965	49,992,000.00	Morgan Stanley
03/31/04	50,000,000	FCDN	--	04/13/04	99.97	0.960	0.965	49,982,666.65	Morgan Stanley
03/31/04	28,795,000	UBSFIN CP	--	04/07/04	99.98	1.020	1.025	28,789,289.00	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
03/31/04	\$ 25,000,000	UBSFIN CP	--	04/07/04	99.98	1.020%	1.025%	\$ 24,995,041.68	Lehman Brothers
	<u>\$ 3,902,285,000</u>							<u>\$ 3,900,278,831.37</u>	

BEY - Bond Equivalent Yield

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
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No transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	03/01/04	03/03/04	\$ 1,226,000	0.970%	\$ 66.07
Lehman Brothers	03/01/04	03/02/04	15,549,000	1.000	431.92
BNP Paribas	03/01/04	03/02/04	30,660,000	1.000	851.67
BNP Paribas	03/01/04	03/02/04	31,866,000	1.000	885.17
BNP Paribas	03/01/04	03/02/04	36,245,000	1.000	1,006.81
BNP Paribas	03/01/04	03/02/04	37,559,000	1.000	1,043.31
BNP Paribas	03/01/04	03/02/04	48,802,000	1.000	1,355.61
Daiwa	03/01/04	03/03/04	49,387,000	0.970	2,661.41
Daiwa	03/01/04	03/03/04	49,387,000	0.970	2,661.41
Lehman Brothers	03/01/04	03/02/04	49,445,000	1.000	1,373.47
Lehman Brothers	03/01/04	03/02/04	49,445,000	1.000	1,373.47
Lehman Brothers	03/01/04	03/02/04	49,445,000	1.000	1,373.47

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	03/02/04	03/03/04	\$30,119,000	0.980%	\$ 819.91
Lehman Brothers	03/02/04	03/03/04	31,863,000	0.980	867.38
Lehman Brothers	03/02/04	03/03/04	35,365,000	0.980	962.71
Morgan Stanley	03/02/04	03/04/04	36,673,000	0.990	2,017.02
Banc of America	03/02/04	03/25/04	45,506,250	0.980	28,314.99 *
Banc of America	03/02/04	03/25/04	45,506,250	0.980	28,314.99 *
Morgan Stanley	03/02/04	03/04/04	49,690,000	0.990	2,732.95
Lehman Brothers	03/03/04	03/04/04	260,000	0.980	7.08 *
Lehman Brothers	03/03/04	03/04/04	565,000	0.980	15.38 *
Daiwa	03/03/04	03/04/04	4,259,000	0.980	115.94
Daiwa	03/03/04	03/04/04	25,861,000	0.980	703.99
Daiwa	03/03/04	03/04/04	31,864,000	0.980	867.41

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	03/03/04	03/04/04	\$35,366,000	0.980%	\$ 962.74
BNP Paribas	03/03/04	03/05/04	40,000,000	0.970	2,155.56
Lehman Brothers	03/03/04	03/04/04	49,385,000	0.980	1,344.37 *
Lehman Brothers	03/03/04	03/04/04	49,690,000	0.980	1,352.67 *
Lehman Brothers	03/03/04	03/04/04	49,950,000	0.980	1,359.75 *
Mizuho	03/04/04	03/05/04	957,500	1.000	26.60 *
Lehman Brothers	03/04/04	03/11/04	1,167,500	1.000	221.82 *
Lehman Brothers	03/04/04	03/11/04	1,167,500	1.000	221.82 *
Lehman Brothers	03/04/04	03/05/04	36,400,000	0.980	990.89
Morgan Stanley	03/04/04	03/08/04	41,822,000	0.970	4,507.48
Morgan Stanley	03/04/04	03/08/04	43,512,000	0.970	4,689.63
Morgan Stanley	03/04/04	03/08/04	44,844,000	0.970	4,833.19

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	03/04/04	03/11/04	\$48,770,000	1.000%	\$ 9,266.30 *
Lehman Brothers	03/04/04	03/11/04	48,770,000	1.000	9,266.30 *
Mizuho	03/04/04	03/05/04	48,980,000	1.000	1,360.56 *
Morgan Stanley	03/04/04	03/08/04	50,000,000	0.970	5,388.89
Nomura	03/05/04	03/08/04	26,400,000	0.970	2,134.00
Nomura	03/08/04	03/09/04	26,430,000	0.970	712.14
Morgan Stanley	03/08/04	03/11/04	40,705,000	0.960	3,256.40
Morgan Stanley	03/08/04	03/11/04	41,826,000	0.960	3,346.08
Morgan Stanley	03/08/04	03/11/04	44,252,000	0.960	3,540.16
Morgan Stanley	03/08/04	03/11/04	50,000,000	0.960	4,000.00
Banc of America	03/11/04	03/15/04	10,125,000	0.960	1,080.00 *
Lehman Brothers	03/11/04	03/15/04	20,350,000	1.000	2,227.20 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	03/11/04	03/15/04	\$38,798,000	0.970%	\$ 4,181.56
BNP Paribas	03/11/04	03/15/04	41,293,000	0.970	4,450.47
BNP Paribas	03/11/04	03/15/04	44,256,000	0.970	4,769.81
Nomura	03/15/04	03/16/04	1,062,000	1.000	29.50
Mizuho	03/15/04	03/17/04	5,436,000	0.970	292.94
Mizuho	03/15/04	03/17/04	28,837,000	0.970	1,553.99
Mizuho	03/15/04	03/17/04	35,433,000	0.970	1,909.45
Mizuho	03/15/04	03/17/04	37,168,000	0.970	2,002.94
Nomura	03/15/04	03/16/04	48,938,000	1.000	1,359.39
Mizuho	03/15/04	03/17/04	50,000,000	0.970	2,694.44
Banc of America	03/17/04	03/24/04	10,125,000	0.960	1,918.12 *
Mizuho	03/17/04	03/18/04	31,968,000	0.950	843.60 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	03/17/04	03/18/04	\$31,968,000	0.950%	\$ 843.60 *
Lehman Brothers	03/17/04	03/22/04	34,275,000	0.970	4,617.60
Lehman Brothers	03/17/04	03/22/04	34,460,000	0.970	4,642.53
Lehman Brothers	03/17/04	03/22/04	36,125,000	0.970	4,866.84
Banc of America	03/17/04	03/18/04	49,950,000	0.960	1,332.00 *
Banc of America	03/17/04	03/18/04	49,950,000	0.960	1,332.00 *
Lehman Brothers	03/18/04	03/25/04	492,500	1.010	93.57 *
Nomura	03/18/04	03/22/04	1,123,000	0.970	121.03
Nomura	03/18/04	03/22/04	2,490,000	0.970	268.37
Nomura	03/18/04	03/19/04	46,500,000	0.990	1,278.75
Nomura	03/18/04	03/22/04	48,755,000	0.970	5,254.71
Nomura	03/18/04	03/22/04	48,755,000	0.970	5,254.71

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	03/18/04	03/22/04	\$48,877,000	0.970%	\$ 5,267.85
Lehman Brothers	03/18/04	03/25/04	49,445,000	1.010	9,394.55 *
BNP Paribas	03/19/04	03/23/04	46,000,000	0.970	4,957.78
Daiwa	03/22/04	03/24/04	1,163,000	0.980	63.32
Lehman Brothers	03/22/04	03/23/04	32,199,000	0.990	885.47
Lehman Brothers	03/22/04	03/23/04	34,279,000	0.990	942.67
Lehman Brothers	03/22/04	03/23/04	34,832,000	0.990	957.88
Daiwa	03/22/04	03/24/04	44,853,000	0.980	2,442.00
Daiwa	03/22/04	03/24/04	49,387,000	0.980	2,688.85
Daiwa	03/22/04	03/24/04	55,147,000	0.980	3,002.45
Morgan Stanley	03/23/04	03/25/04	31,848,000	0.970	1,716.25
Morgan Stanley	03/23/04	03/25/04	32,995,000	0.970	1,778.06

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Morgan Stanley	03/23/04	03/25/04	\$34,280,000	0.970%	\$ 1,847.31
Morgan Stanley	03/23/04	03/25/04	46,000,000	0.970	2,478.89
Lehman Brothers	03/24/04	Open	875,000 *	Variable **	193.72 ***
Lehman Brothers	03/24/04	Open	49,750,000 *	Variable **	11,014.10 ***
Mizuho	03/25/04	Open	1,000,000 *	Variable **	186.12 ***
BNP Paribas	03/25/04	03/29/04	28,436,000	0.980	3,096.36
BNP Paribas	03/25/04	03/29/04	32,078,000	0.980	3,492.94
BNP Paribas	03/25/04	03/29/04	34,300,000	0.980	3,734.89
BNP Paribas	03/25/04	03/29/04	46,000,000	0.980	5,008.89
Mizuho	03/25/04	Open	48,937,500 *	Variable **	9,107.82 ***
Morgan Stanley	03/29/04	03/30/04	28,239,000	1.010	792.26
Morgan Stanley	03/29/04	03/30/04	32,082,000	1.010	900.08

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Morgan Stanley	03/29/04	03/30/04	\$34,304,000	1.010%	\$ 962.42
Morgan Stanley	03/29/04	03/30/04	46,034,000	1.010	1,291.51
Lehman Brothers	03/30/04	03/31/04	25,667,000	1.000	712.97
Lehman Brothers	03/30/04	03/31/04	30,050,000	1.000	834.72
Lehman Brothers	03/30/04	03/31/04	34,305,000	1.000	952.92
Banc of America	03/30/04	03/31/04	37,546,875	0.950	990.82 *
Banc of America	03/30/04	03/31/04	37,546,875	0.950	990.82 *
Banc of America	03/30/04	03/31/04	37,546,875	0.950	990.82 *
Banc of America	03/30/04	03/31/04	37,546,875	0.950	990.82 *
Lehman Brothers	03/30/04	03/31/04	46,035,000	1.000	1,278.75
Daiwa	03/31/04	04/01/04	25,667,000	1.010	720.10
Daiwa	03/31/04	04/01/04	30,051,000	1.010	843.10

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	03/31/04	04/01/04	\$34,306,000	1.010%	\$962.47
Banc of America	03/31/04	Open	37,546,875 *	Variable **	990.82 ***
Banc of America	03/31/04	Open	37,546,875 *	Variable **	990.82 ***
Banc of America	03/31/04	Open	37,546,875 *	Variable **	990.82 ***
Banc of America	03/31/04	Open	37,546,875 *	Variable **	990.82 ***
Daiwa	03/31/04	04/01/04	46,648,000	1.010	1,308.74

* This transaction was executed simultaneously with a like reverse/repurchase agreement.

** This rate subject to change daily.

*** Total interest earned is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Banc of America	03/02/04	03/25/04	\$45,506,250	0.400%	\$22,449.77
Banc of America	03/02/04	03/25/04	45,506,250	0.400	22,449.77
Lehman Brothers	03/03/04	03/04/04	49,950,000	0.880	1,221.00
Lehman Brothers	03/03/04	03/04/04	49,950,000	0.880	1,221.00
Lehman Brothers	03/03/04	03/04/04	49,950,000	0.880	1,221.00
Lehman Brothers	03/04/04	03/11/04	49,937,500	0.900	8,281.31
Lehman Brothers	03/04/04	03/11/04	49,937,500	0.900	8,281.31
Mizuho	03/04/04	03/05/04	49,937,500	0.900	1,248.44
Lehman Brothers	03/11/04	03/15/04	20,350,000	0.650	1,690.18
Banc of America	03/11/04	03/15/04	10,125,000	0.250	745.31
Banc of America	03/17/04	03/18/04	49,950,000	0.680	943.50
Banc of America	03/17/04	03/18/04	49,950,000	0.680	943.50

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Mizuho	03/17/04	03/18/04	\$31,968,000	0.650%	\$577.20
Mizuho	03/17/04	03/18/04	31,968,000	0.650	577.20
Banc of America	03/17/04	03/24/04	10,125,000	0.650	1,504.69
Lehman Brothers	03/18/04	03/25/04	49,937,500	0.910	8,295.18
Lehman Brothers	03/24/04	Open	50,625,000 *	Variable **	9,520.31 ***
Mizuho	03/25/04	Open	49,937,500 *	Variable **	5,895.40 ***
Banc of America	03/30/04	03/31/04	37,546,875	0.750	782.23
Banc of America	03/30/04	03/31/04	37,546,875	0.750	782.23
Banc of America	03/30/04	03/31/04	37,546,875	0.750	782.23
Banc of America	03/30/04	03/31/04	37,546,875	0.750	782.23
Banc of America	03/31/04	Open	37,546,875 *	Variable **	782.23 ***
Banc of America	03/31/04	Open	37,546,875 *	Variable **	782.23 ***

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>		<u>Total Interest Paid</u>
Banc of America	03/31/04	Open	\$37,546,875 *	Variable	**	\$782.23 ***
Banc of America	03/31/04	Open	37,546,875 *	Variable	**	782.23 ***

* This rate subject to change daily.

** Total interest paid is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT B: In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period of March 1, 2004 through March 31, 2004, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT C: In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period of March 1, 2004 through March 31, 2004 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of March 31, 2004, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$377 million, all of which pertain to refundings.

REPORT D: In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period of March 1, 2004 through March 31, 2004 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Report E: In addition to the transactions described in Report A, B, C, and D, the Executive Director also reports the following activity under the Futures Program authorized by the Board of Commissioners on December 10, 1987, during the period January 1, 2004 through March 31, 2004 involving the use of the Municipal Bond Futures Contracts (Muni) and the United States Treasury Bond Futures Contracts (T-Bonds) traded on the Chicago Board of Trade to manage the interest rate exposure on the future issuance of Consolidated Bonds and Notes.

Hedge for Consolidated Bonds:

<u>Date</u>	<u>Action</u>	<u>Number of Contracts</u>	<u>Short Position</u>	<u>Gains/(Losses) on Series Hedge*</u>	<u>Amount of Prospective Port Authority Debt Hedged</u>	<u>Estimated (Increase)/Decrease in Borrowing Costs on Portion of Debt Hedged</u>
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No outstanding Hedge during the 1st Quarter 2004

Whereupon, the meeting was adjourned.

Secretary