

Preliminary 2012 Budget
December 8, 2011

Preliminary 2012 Budget

- **Preliminary Budget, both Operating and Capital**
- **Subject to ongoing review**
- **Preliminary report due in January 2012**
- **Final report delivered by June 2012**

Preliminary 2012 Budget Highlights

- **Includes full year of increased toll and fare revenues**
 - **Estimated at \$383 million higher than 2011 Budget**

- **The Preliminary Operating Budget reflects:**
 - **Increase in total expense budget of 1.2% to accommodate incremental items:**
 - Contractually obligated accelerated final payment for Brooklyn Bridge Park
 - Interim port operating agreement
 - New Police Posts at World Trade Center Memorial
 - **Virtually flat core operating expenses for 6 consecutive years**
 - **Continue to hold the line on authorized position levels at 6,777**
 - **No salary increases for non-represented staff**
 - **Committing \$828 million in security**
 - **Continuing to invest in environmental programs totaling \$26 million**

Preliminary 2012 Budget Highlights (Cont'd)

- **The Preliminary Capital Budget reflects \$3.66 billion in spending including;**
 - **Runway and taxiway improvements at our airports**
 - **Modernizing the PATH system**
 - **Continuing the dredging program**
 - **Access infrastructure enhancement projects**
 - **Goethals Bridge and Bayonne Bridge modernization**
 - **Continued reconstruction of the WTC site**

Activity Levels *(Activity In millions)*

	Preliminary 2012 <u>Budget</u>	2011 <u>Budget</u>	<u>Variance</u>	<u>%</u>
Tunnels and Bridges – Vehicles	121.5	122.4	(0.9)	(0.7%)
PATH – Passengers	78.4	73.3	5.1	7.0%
Aviation – Passengers	108.4	107.2	1.2	1.1%
Port Commerce - Containers	3.5	3.0	0.5	16.7%

Preliminary 2012 Budget Summary

(\$ in millions)

	Preliminary		
	2012	2011	
	Budget	Budget	Variance
Operating Expenses	\$2,561	\$2,530	\$31
Debt Service	832	701	131
Deferred & Other Expenses	45	47	(2)
Gross Capital Expenditures	3,657	3,887	(230)
Total Budget	\$7,095	\$7,165	(\$70)

Preliminary 2012 Capital Budget

(\$ in millions)

	Preliminary		
	2012 Budget	2011 Budget	Variance
<u>Line Departments</u>			
Aviation	\$452	\$432	\$20
PATH	352	400	(48)
Port Commerce	346	283	63
TB&T	626	177	449
Development	2	9	(7)
Sub- Total Line Departments	1,778	1,301	477
WTC	2,001	1,944	57
Regional Capital Programs	121	43	78
Capital Infrastructure Fund	-	594	(594)
Provision for Efficiency	(246)	-	(246)
Financial Income	3	5	(2)
Total Gross Capital Budget	\$3,657	\$3,887	(\$230)

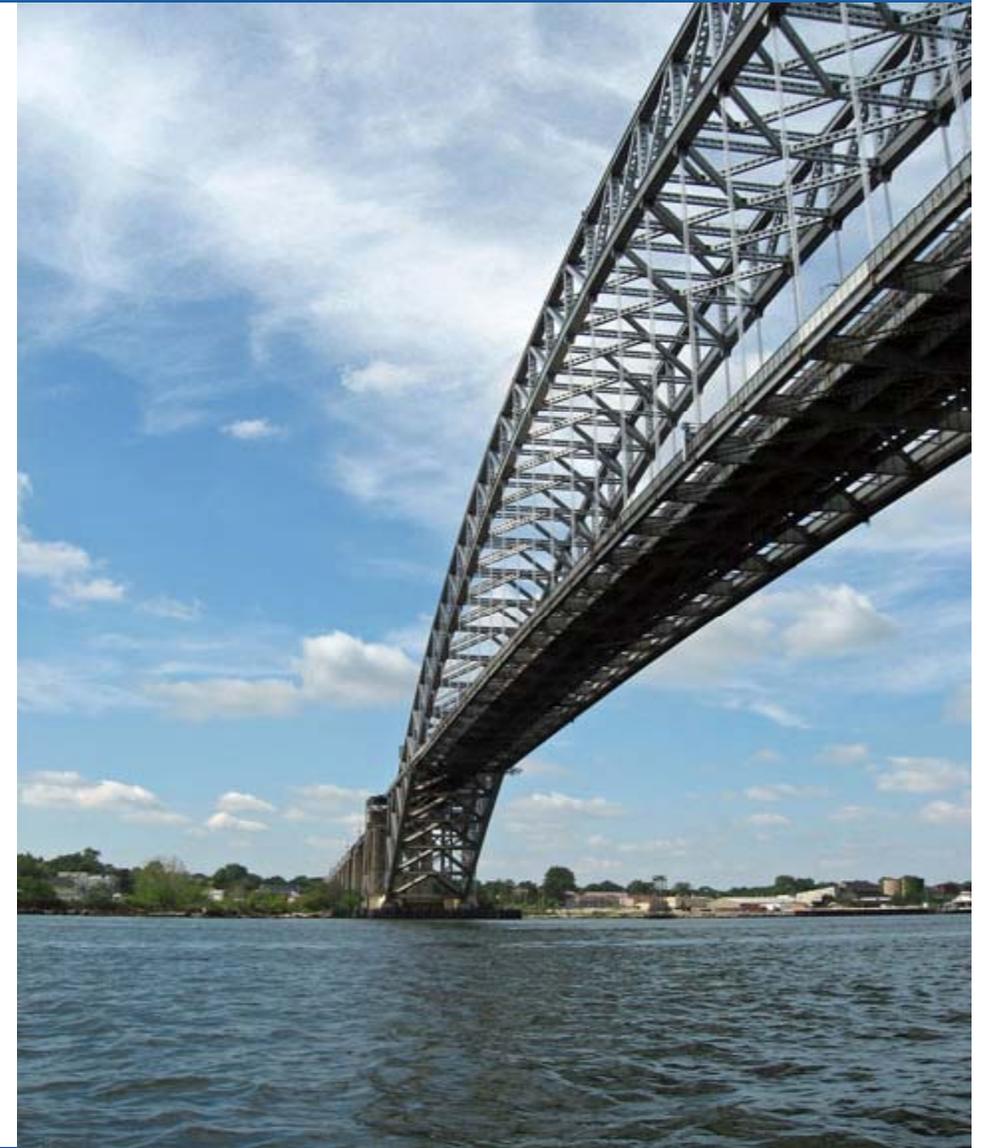
Runway and Taxiway Reconstruction and Improvements at Our Airports



Modernizing the PATH System



Planning for the Goethals Bridge and Bayonne Bridge Modernization Programs



Continuing Dredging Program at Port Authority Ports



Continued Reconstruction of the World Trade Center Site and Transportation Hub



Moving Forward

- Continue to hold the line on operating expenses by leveraging technology, streamlining business practices and by reducing consulting services
- Delivery of priority capital projects
- Ongoing comprehensive review of the Agency by the Special Committee to scrutinize the capital plan, lower costs and increase efficiencies
- Preliminary report due in January 2012
- Final report to be delivered by end of June 2012