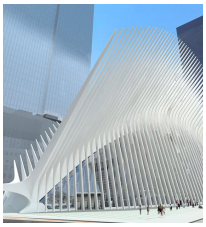

Proposed 2014 Budget

THE PORT AUTHORITY OF NY & NJ

MISSION

To identify and meet the critical transportation infrastructure needs of the bistate region's businesses, residents, and visitors: providing the highest quality, most efficient transportation and port commerce facilities and services that move people and goods within the region, providing access to the rest of the nation and to the world, while strengthening the economic competitiveness of the New York-New Jersey Metropolitan Region.

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2014
Budget Summary

THE NUMBERS AT A GLANCE

- ***Revenues of $4.4 billion*** are $186 million higher when compared to the 2013 budget. This 4.4% increase is due to higher tolls and fares from the scheduled increases, higher parking revenues from short-term rate increases, and increased flight fees mainly related to enhanced Aircraft Rescue and Fire Fighting (ARFF) services.

- ***Core operating expenses are flat at 1.1%*** over last year's budget, which is less than the expected regional rate of inflation of 2.1%, and represent a $28 million increase for:

    - Higher insurance premium costs of $18 million in a post-Sandy market and $9 million for enhanced security guard services at the airports.

    - Overall, the rest of the budget remained flat as the Port Authority has continued to demonstrate fiscal discipline in large part due to it continuous improvement initiatives and cost-cutting measures.

    - Escalations in contracts and labor costs were offset with reductions in energy usage and utilities costs, as well as human resources strategies around continued benefits reforms and overtime reduction targets.

  This year's increase to the agency's core operating budget as well as those of the last seven years is as follows:

2014:	1.1%	2010:	0%
2013:	0.6%	2009:	0%
2012:	1.2%	2008:	0.9%
2011:	0%	2007:	1.1%

- ***New World Trade Center costs of $93 million*** related to transitioning the World Trade Center from a construction site to a symbol of renewal and as well as providing greater security and safety to the public. These are for the operations, maintenance and management of World Trade Center site-wide facilities, as well as for policing, security and vehicle screening

- ***Enhanced Aircraft Rescue and Fire Fighting for $61 million*** provides a new FAA mandated staffing model, which will require deployment of an additional 201 police officers, of which $59 million of cost will be offset by flight recovery fees

- ***Newly established Chief Security & Command Structure is supported by $28 million*** to centralize and enhance existing security, policing and public safety functions, programs and

resources, include cyber security and provide for a new recruit class to fill vacancies created by transferring officers to the dedicated ARFF cadre and priority posts. Security operating costs, including policing for public safety, in the 2014 budget totals $652 million. When combined with the $282 million for capital security projects, we will spend close to $1 billion on security in 2014, bringing the agency's total investment in security to $8.4 billion since the terrorist attacks on September 11, 2001.

- ***Record capital budget of $4.4 billion*** for critical investment in our transportation assets to replace and modernize bridges and terminals, invest in state of good repair of existing assets, enhance capacity at our airports, seaports and rail system, and deliver the World Trade Center.

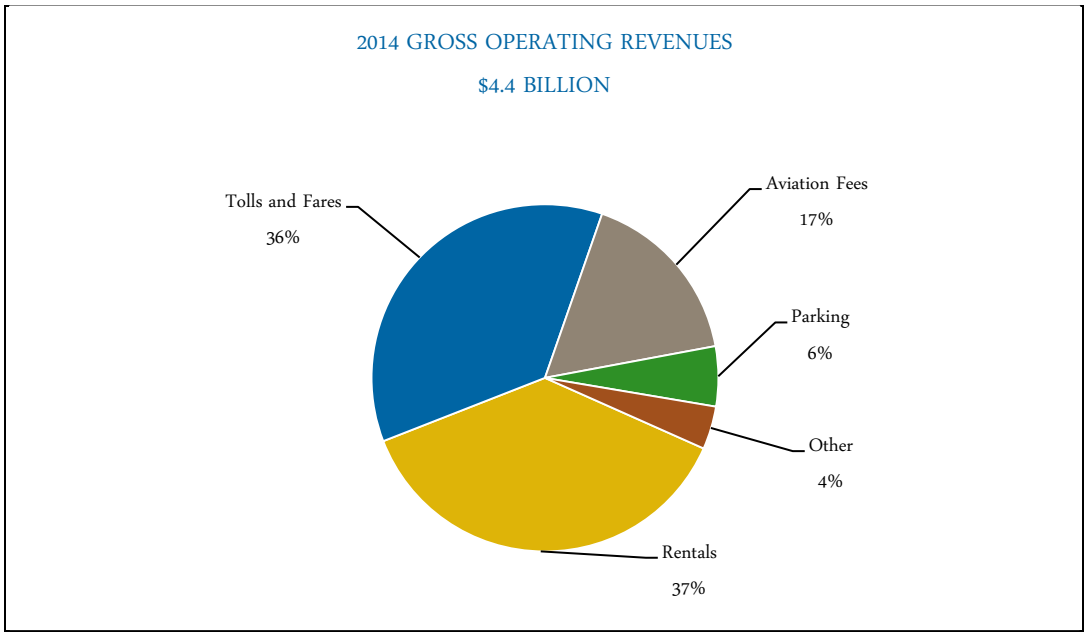
BUDGET SUMMARY

Sources of Funds

The Port Authority relies upon its own creditworthiness to access the capital markets to raise the necessary funds for the financing of its capital programs. It is not dependent on state or local taxes from New York or New Jersey and has no power to levy its own taxes or assessments. The agency generally funds its operating and capital expenditures through operating revenues generated by its facilities, the issuance of bonds, notes and other obligations, receipt of grants, insurance proceeds and other contributions, financial income earned on its investments, and the collection of Passenger Facility Charges (PFCs) at its airports. In 2014, the sources of all funds are anticipated to be $8.2 billion, including $4.4 billion in gross operating revenues, $1.5 billion in bonds, $1.4 billion in other sources, $559 million in grants and contributions and $208 million in PFCs.

Gross Operating Revenues

Gross operating revenues in the 2014 budget are expected to increase by $186 million to $4.4 billion. Projected gross operating revenues by category include $1.6 billion for tolls and fares, $1.7 billion in fixed, variable and percentage rentals, $738 million in flight fees, $247 million for parking and $177 million in miscellaneous revenues such as net leases and cargo facility charges.



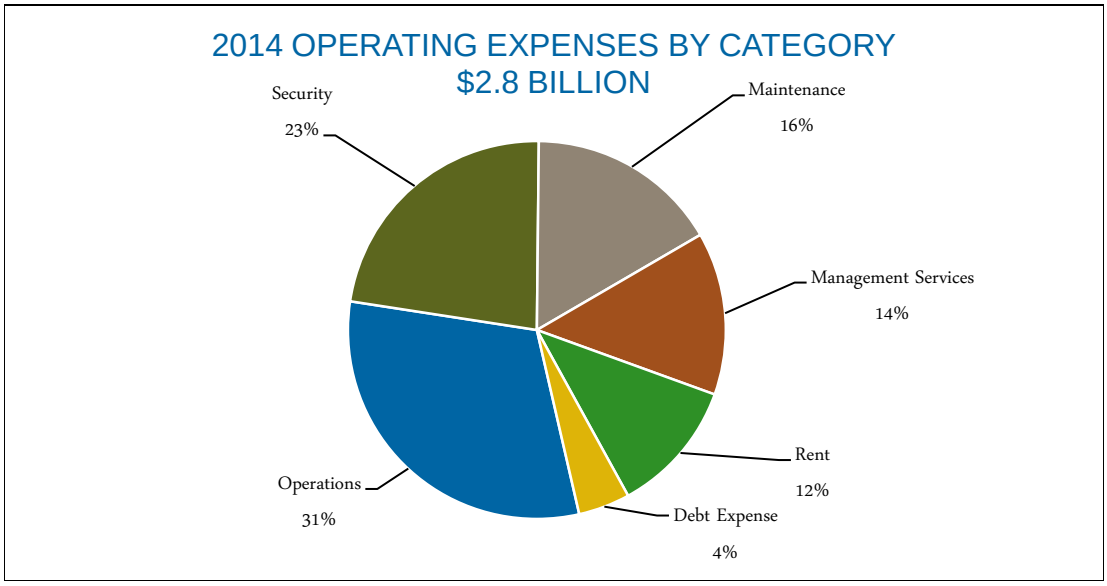
Uses of Funds

The 2014 budget totals $8.2 billion and provides for $2.8 billion to operate the agency's facilities, $4.4 billion in capital expenditures to build and improve upon the region's transportation capacity and invest in projects to advance economic growth in the region, $920 million for debt service on the agency's

outstanding bonds, notes and other obligations, and $113 million for other expenditures, which are deferred and amortized in future periods.

Operating Expenses

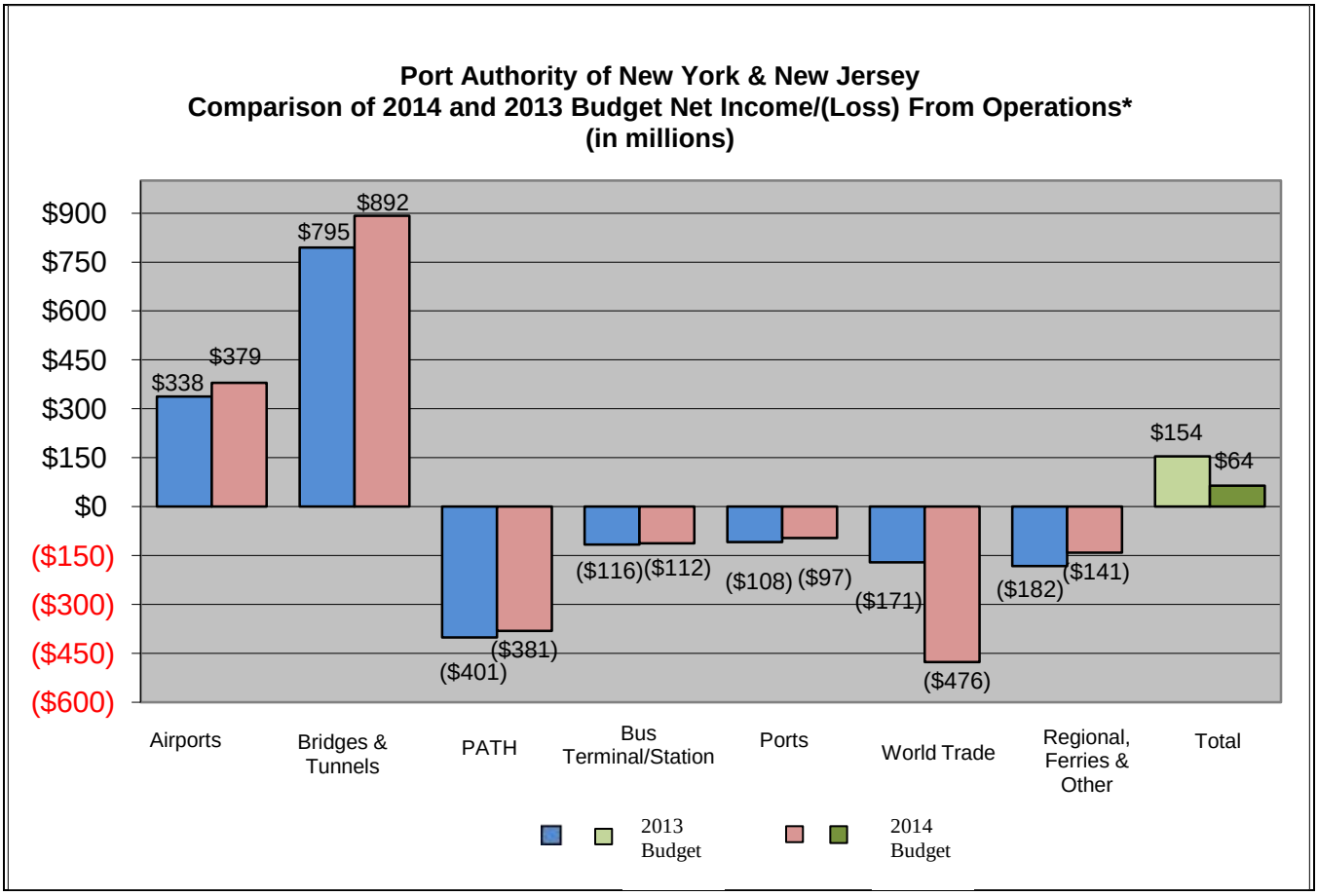
The combination of $2.6 billion of core expenses and the $93 million for new costs as the World Trade Center comes on line, $61 million of enhanced ARFF services and $28 million of centralized Chief Security and Command Structure costs, results in a 2014 Budget operating budget of $2.8 billion. When arrayed along our programmatic expense categories that show the functions on which we spend our dollars, our operating expenses are anticipated to be $865 million for facility operations, $634 million for security, $458 million for maintenance, $388 million in management services, $319 million in rent and $123 million in operating expenses associated with debt expense of special project bonds and operating asset obligations.



Net Income

The facilities that generate net income - such as the airports, tunnels and bridges - along with financial income - help pay for those facilities that have been operating at a loss - primarily the mass transit-oriented operations, such as PATH, regional ferry services, and the bus terminals, as well as port operations. For 2014, World Trade Center is also anticipated to operate at a net loss during this first year of a multi-year phase-in period of operational expenses being ahead of positive returns, and when aggregated as an agency, net income is projected to be lower than last year.

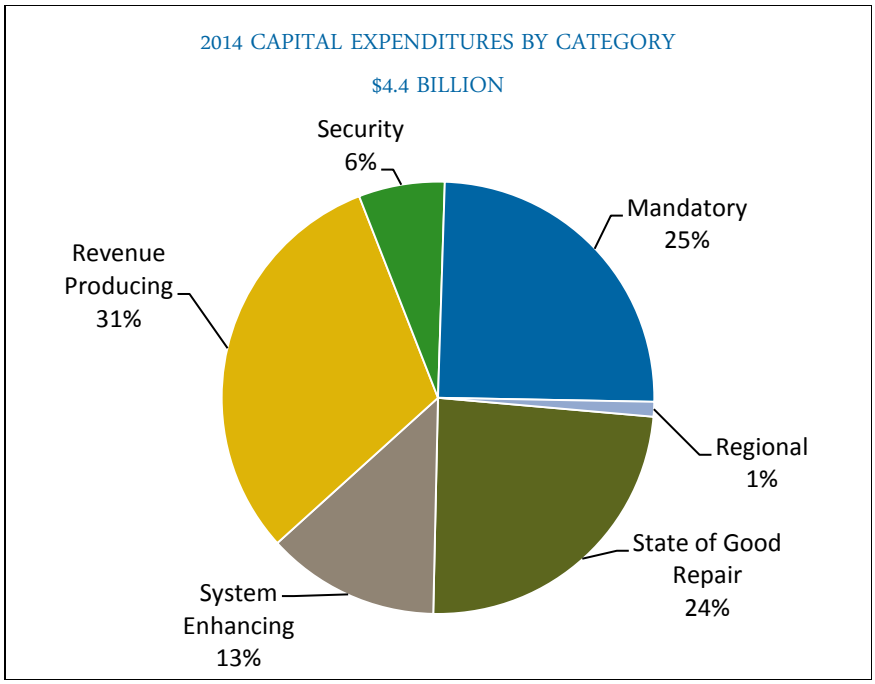
The following graph illustrates this split and compares anticipated 2014 net income to 2013:

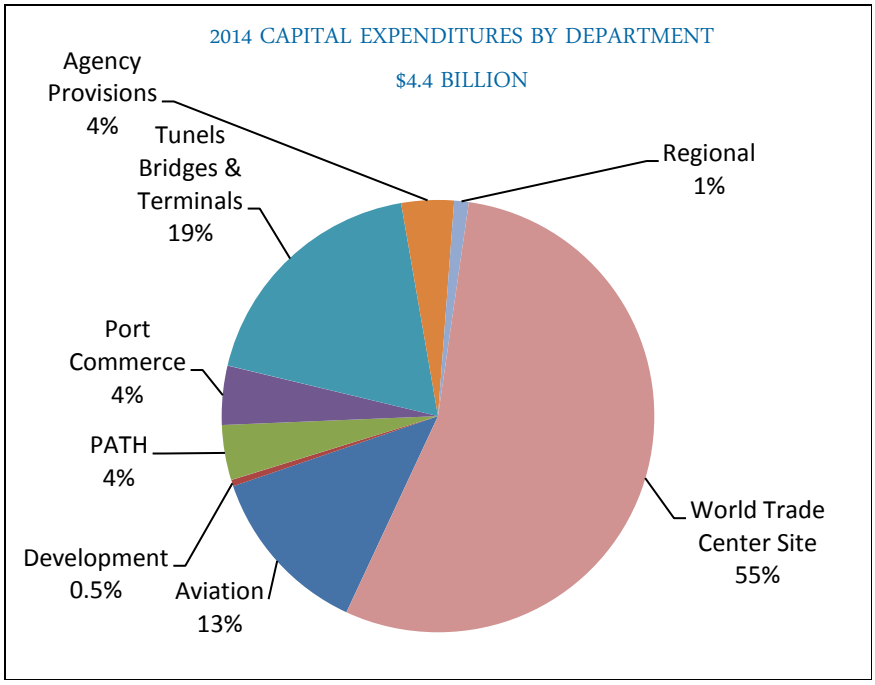


** - excludes non-operating revenues, such as grants, contributions and PFC's.*

Capital Expenditures

In 2014, capital expenditures are planned to be $4.4 billion. Spending for capital projects in the current plan will be $1.4 billion for revenue producing projects, $1 billion for mandated projects, $1.1 billion for state of good repair projects, $282 million for security, $568 million for system enhancing projects and $48 million for regional programs. In addition, the capital budget includes $172 million for certain provisions and contingency to enable projects to be either accelerated or delayed depending upon our projections and forecasts. The charts below show the planned capital expenditures in these categories as well as by the different lines of business.


2014 CAPITAL EXPENDITURES BY CATEGORY
$4.4 BILLION
Security 6%
Mandatory 25%
Revenue Producing 31%
Regional 1%
State of Good Repair 24%
System Enhancing 13%


2014 CAPITAL EXPENDITURES BY DEPARTMENT
$4.4 BILLION
Agency Provisions 4%
Tunels Bridges & Terminals 19%
Regional 1%
Port Commerce 4%
PATH 4%
World Trade Center Site 55%
Development 0.5%
Aviation 13%

2014 Capital Plan Major Projects

The 2014 capital plan reflects a number of critical initiatives at the Port Authority's ports, airports, PATH system, tunnels, bridges and terminals and the World Trade Center. Some of the major projects and spending included are as follows:

Aviation - $559 million capital budget includes:

- $241 million -- Airport Runway and Taxiway Reconstruction
- $125 million -- Airport Terminal Development and Modernization
- $ 46 million -- Security Improvements to Protect Terminal Frontage

Interstate Transportation - $994 million:

Tunnels, Bridges & Terminals - $813 million capital budget includes:

- $246 million -- Lincoln Tunnel Access Infrastructure Enhancements
- $234 million -- Bayonne Bridge Navigational Clearance Program
- $ 52 million -- George Washington Bridge Bus Station Development
- $ 51 million -- Goethals Bridge Modernization
- $ 26 million -- George Washington Bridge Upper Level Structural Steel

Port Authority Trans-Hudson (PATH) - $181 million capital budget includes:

- $ 38 million -- PATH Safety and Security Projects
- $ 31 million -- PATH Station and Modernization Program

Port Commerce - $213 million capital budget includes:

- $ 79 million -- Port Jersey Development
- $ 63 million -- Infrastructure Improvements including Berths and Wharfs
- $ 51 million -- Greenville Yards

World Trade Center Redevelopment - $2.4 billion capital budget includes:

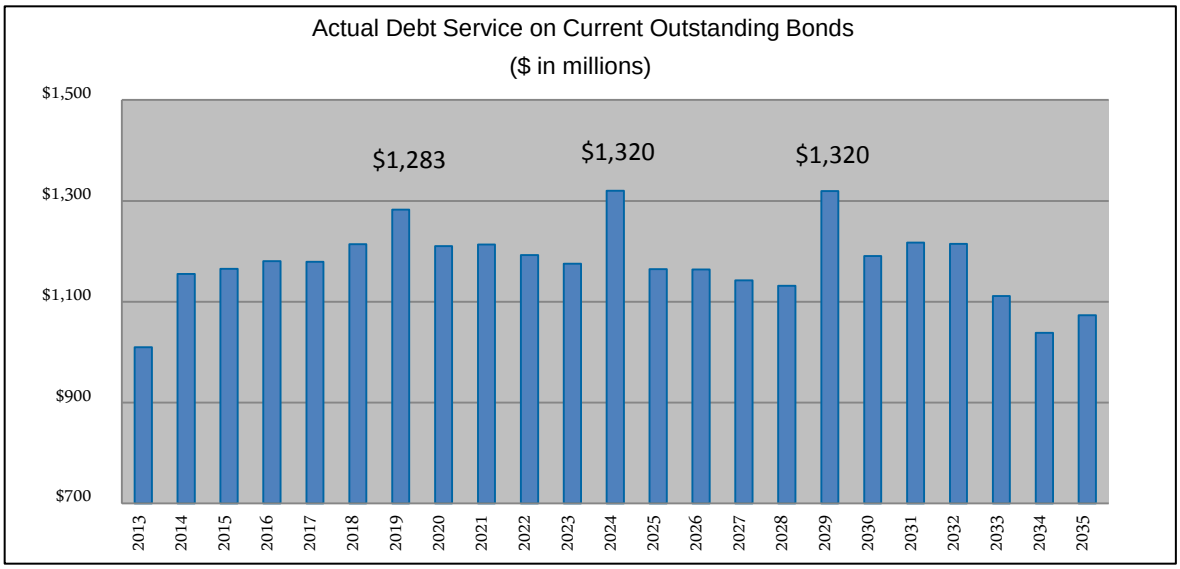
- $709 million -- World Trade Center Site
- $666 million -- One World Trade Center
- $552 million -- Transportation Hub
- $400 million -- Retail Redevelopment

Capital Financing and Debt Management

The Port Authority relies on its strong credit rating and access to the capital markets in order to finance its long-term investments in its transportation and infrastructure network. The Port Authority currently has approximately $19.5 billion in total bonded debt outstanding. In 2013, the Port Authority issued approximately $ 1.9 billion in debt partially to refund approximately $1.3 billion in debt outstanding. Much of the debt has been executed at attractive rates given a historically low interest rate market environment, demonstrating the continued support of investors in the Port Authority. In 2014, debt service costs are expected to increase due to higher levels of borrowing, with approximately $919 million of operating debt service, and $1.3 billion in total debt service when capitalized interest from ongoing construction projects are included.

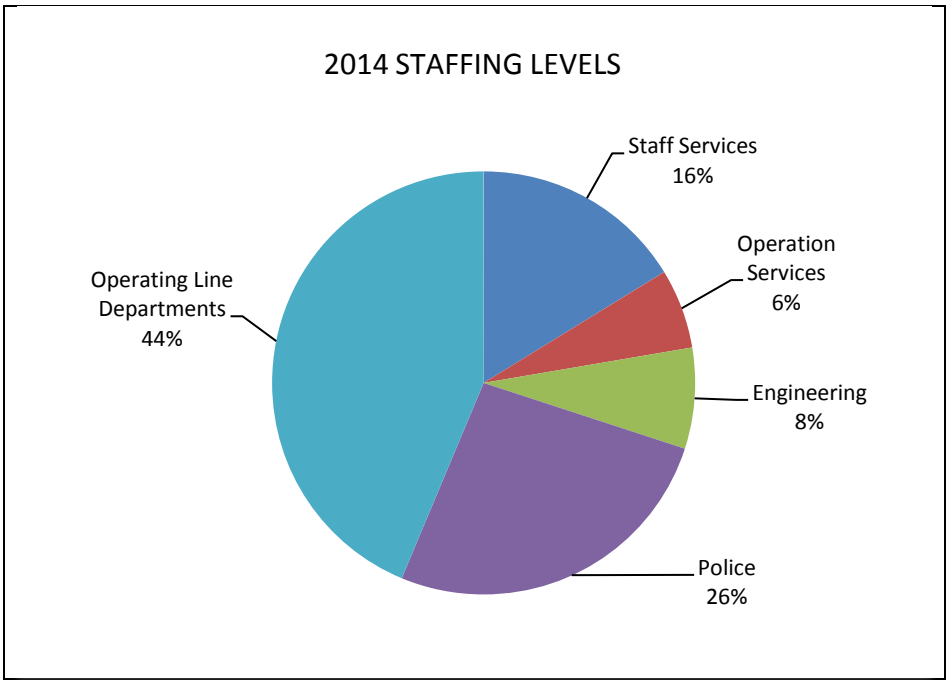
The debt service spikes in 2019, 2024 and 2029 shown in the graph below are the result of issuing taxable consolidated debt during the depths of the economic recession under extremely unfavorable bond market conditions. To mitigate these spikes, the 2013 bond refundings were structured to generate savings on an aggregate basis while reducing debt service in those years.

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



Staffing

Seventy percent of Port Authority staff, in the functional areas of operations, security and maintenance, are represented by unions through the collective bargaining process. The remaining non-represented staff consists of engineering, technical, and management workforce. Port Authority staffing levels for 2014 increases by 201 permanently authorized positions to 6,978. The entire increase is in the area of Public Safety and related to the new AARF coverage required and the associated rescue training. Otherwise, the Port Authority continues to be vigilant in restructuring staff functions, streamlining operations, leveraging technology, and reallocating positions to priority projects.

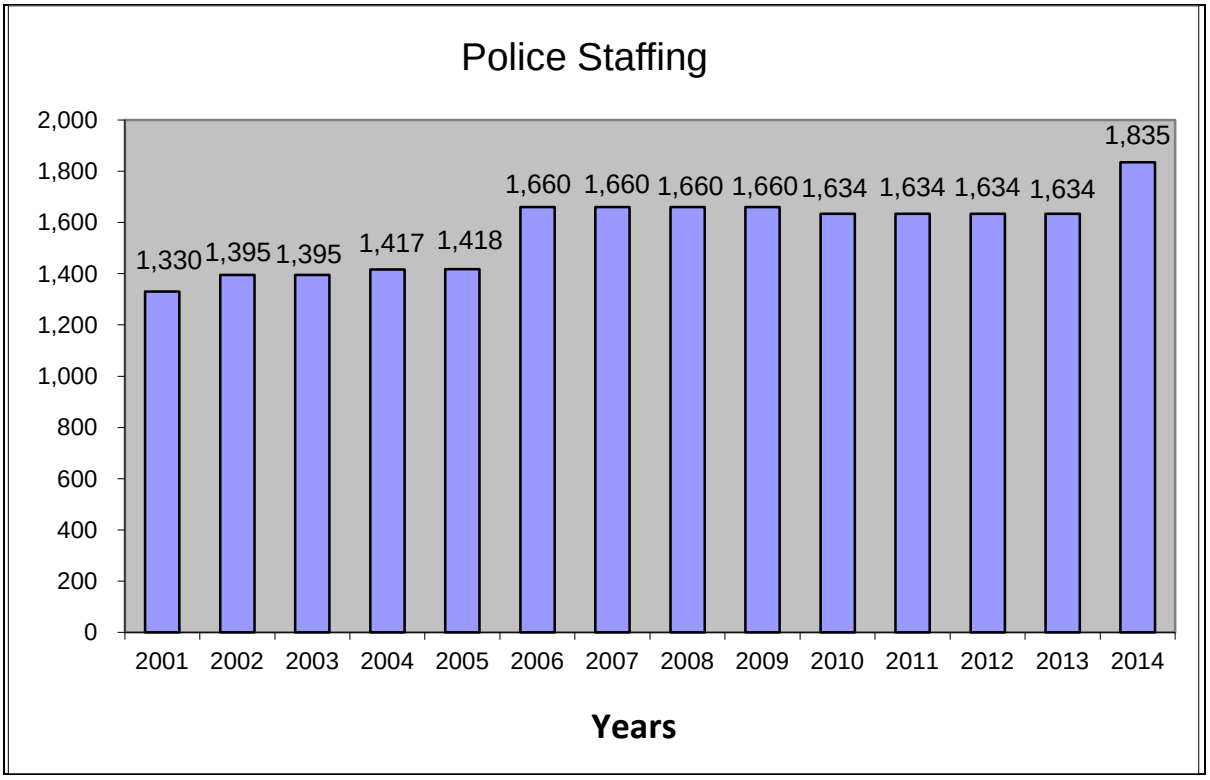


Police Staffing - Safety and Security Continues to be a Top Police Priority

In furtherance of the establishment of a new security department, the Office of the Chief Security Officer (CSO) organizational structure will centralize and enhance existing security and public safety functions, programs, resources and personnel to include the Port Authority Police Department, WTC Security, the Office of Emergency Management, Security Project Management Department, as well as Line Department security management. In addition to the consolidation of existing security functions, the CSO is instituting new security management disciplines, including critical infrastructure protection, security policy and planning, intelligence, quality assurance and inspections, cyber security, and security technology and communications. Under this new structure, the Port Authority's security and safety posture will be further enhanced through consistency and collaboration across the agency's business lines.

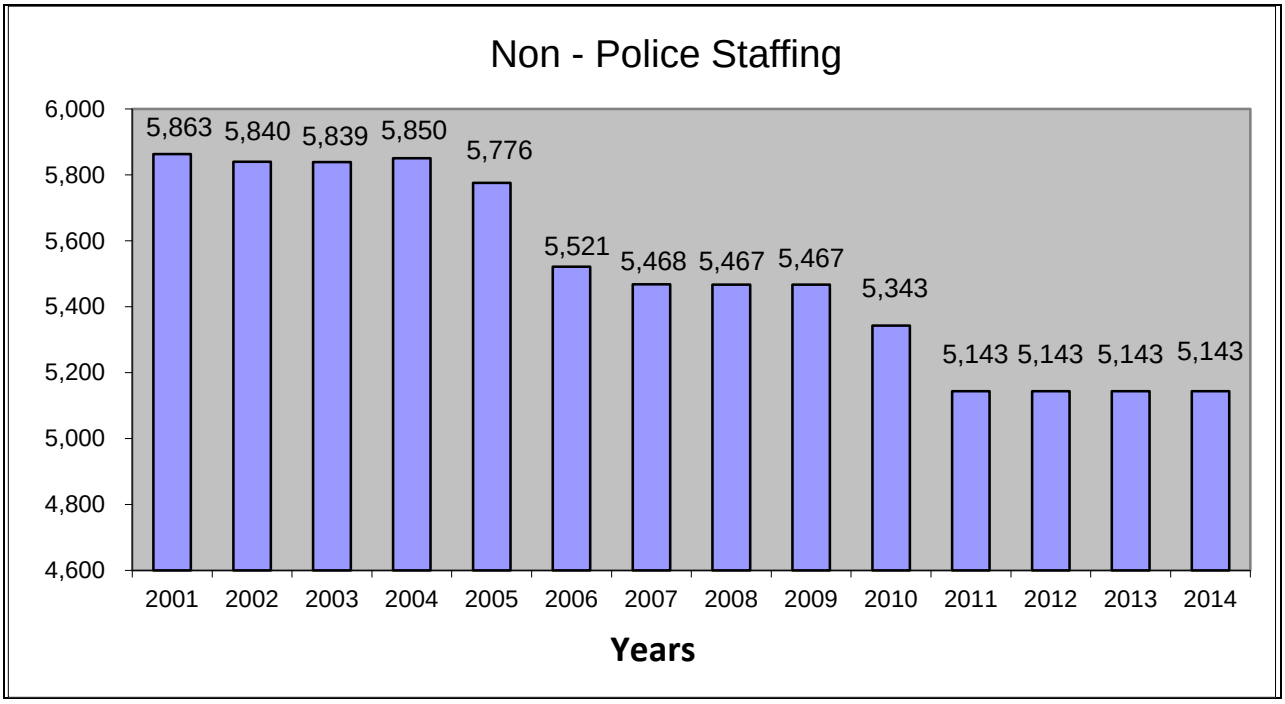
The Federal Aviation Administration (FAA) issued a memorandum to the Port Authority mandating a list of reforms to the Aircraft Rescue and Fire Fighting (ARFF) function at our airports, including the formation of a new unit solely responsible for ARFF. Under our existing model of providing ARFF support at our airports, efficiencies are realized by the Port Authority Police performing dual roles in both police and ARFF functions. We anticipate redeploying approximately 280 officers from patrol to solely staff the ARFF cadre at the airports (excluding Stewart and Atlantic City Airports).

The proposed 2014 Budget includes provision for a new recruit class to replenish the officers in the Public Safety Police Department who will be redeployed to the ARFF cadre as well as adequately provide security coverage at the World Trade Center as it transitions from a construction site to a fully operational campus. As security concerns have risen since 9/11, so has the police force increased. Since then, the agency has maintained a police force of over 1,600 uniformed officers. However, with the reforms related to ARFF as noted above, the number of uniformed officers in 2014 will rise to 1,835, an increase of 201 positions.



Maintaining Non-Police Staffing Levels

Non-police staffing levels for 2014 remains constant at 5,143. Our ability to maintain our non-police staff levels flat is the culmination of a cost containment effort that began in 2004 and has been able to reduce the number of non-police, mostly professional and managerial positions, by 707 positions or by 12% of the non-police workforce. These reductions resulted from process improvements such as streamlining operations, reducing administration through automation and leveraging technology, restructuring staff functions. We are carrying that effort through our current Continuous Improvement program, where we are generating costs savings in targeted areas to provide for the reallocations of resources to priority projects and initiatives. The agency has also reallocated resources to priority projects, such as the PATH modernization program and World Trade Center redevelopment and key-to-key operational needs to help meet new overtime reduction targets. The following chart shows the decline in non-police staffing levels:



Government Finance Officers Association

The 2014 budget process and budget book has been developed, as in previous years, in accordance with standards promulgated for governmental entities by the Government Finance Officers Association's (GFOA) for preparing high quality budgets. The Port Authority has been consistently recognized by the GFOA for its distinguished budget presentations and ongoing commitment to ensuring public transparency and adherence to the highest governmental accountability and standards.

2014
Budget Summary by Line Department

2014
Budget Summary by Line Department

AVIATION

2014 BUDGET SUMMARY BY LINE DEPARTMENT

AVIATION

Mission

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

Facilities

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

Core Functions

Aviation manages five airport facilities within the region that serve as vital gateways to the world. In addition, under a management agreement entered into in 2013, the Port Authority is providing general management services to the South Jersey Transportation Authority (SJTA) in connection with Atlantic City International Airport (ACY). These facilities provide a global connection for passengers and cargo, generating approximately 5% of regional GDP in 2012. As a steward of this regional impact, the Aviation Department strives to realize its vision of being the unsurpassed regional, national and global gateway for passengers and cargo. These efforts result in agency earnings, regional economic activity in the form of jobs, wages and sales, and direct financial investment in local communities in support of agency initiatives. The combined impact of Aviation operations, capital spending, and tourism resulted in 511,000 jobs, $26 billion in wages, and $71.9 billion in sales in 2012.

The Aviation Department's core functions include:

- Developing, managing, and maintaining passenger terminals, runways, and cargo facilities in compliance with FAA regulatory standards
- Negotiating agreements and handling tenant relationships with airlines that rent passenger terminal gates, hangars, and cargo space, as well as retail merchants and concession agreements
- Supervising outsourced contract services for various operational and maintenance activities
- Managing security and coordinating with the Transportation Security Administration ("TSA")

Activity Levels

In 2014, approximately 114.2 million people are projected to use the Port Authority's aviation facilities compared to the revised estimate of 111.3 million in 2013. The anticipated increase in 2014 passenger levels is approximately 2.9 million, or 2.6%, and 2.8 million or 2.5% higher than the projection of 111.4 million passengers stated in the 2013 budget. The U.S. economy is expected to grow at a slightly stronger pace than it did in 2013, and international economic growth, especially in Europe, is anticipated. Domestic passengers are anticipated to increase by 1.2 million, or 1.6%, while international passenger activity is expected to increase by 1.6 million, or 4.3%.

Staffing

Aviation has 1,217 staff, of which 782 (64%) are dedicated to operating, maintaining and managing the airports.

Operations (289)
Operations staff at JFK (110), EWR (108), LGA (63), SWF (5) and TEB (3) operate and manage the aeronautical, landside, security and customer care functions, including compliance with Federal Aviation Administration rules and regulations.

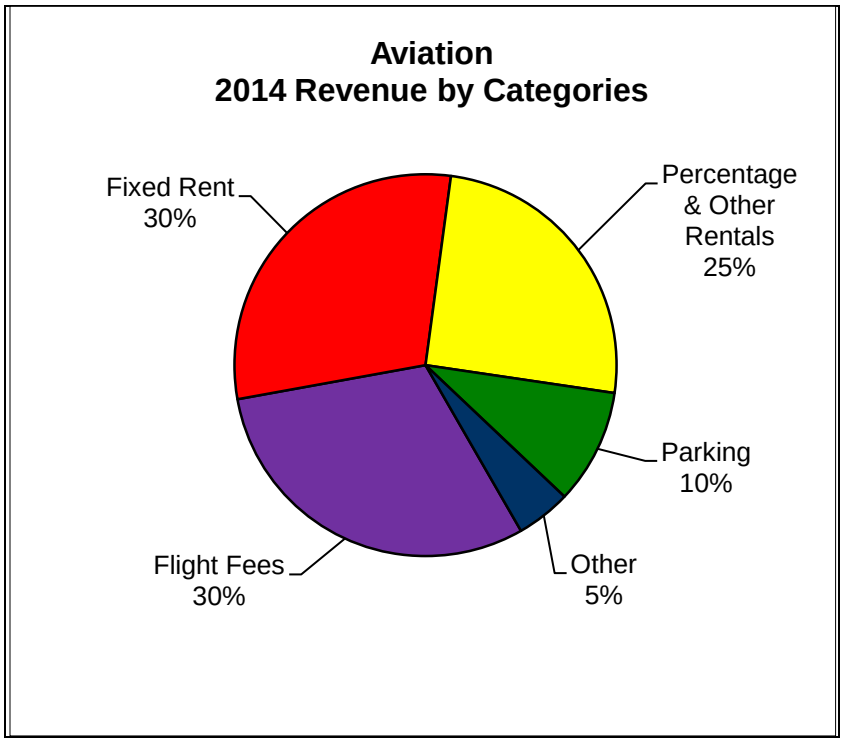
Maintenance (493)
The maintenance staff at JFK (198), EWR (164), LGA (131) provide craft-based maintenance programs to ensure that the structural integrity of the facilities' assets, infrastructure and equipment are operating at a high level of performance, including code and regulatory compliance.

Management Services (151)
The remaining management services staff (151) provide the functions that support the facilities and line business operations, including capital program delivery; asset management; property and revenue management; strategic, business planning and financial functions; airspace modernization; security and environmental management; as well as facility management and departmental oversight.

Security - Airport Rescue and Fire Fighting (ARFF) (284)
Operators of Part 139 Airports must provide Aircraft Rescue and Fire Fighting (ARFF) services during air carrier operations that require a Part 139 certificate.

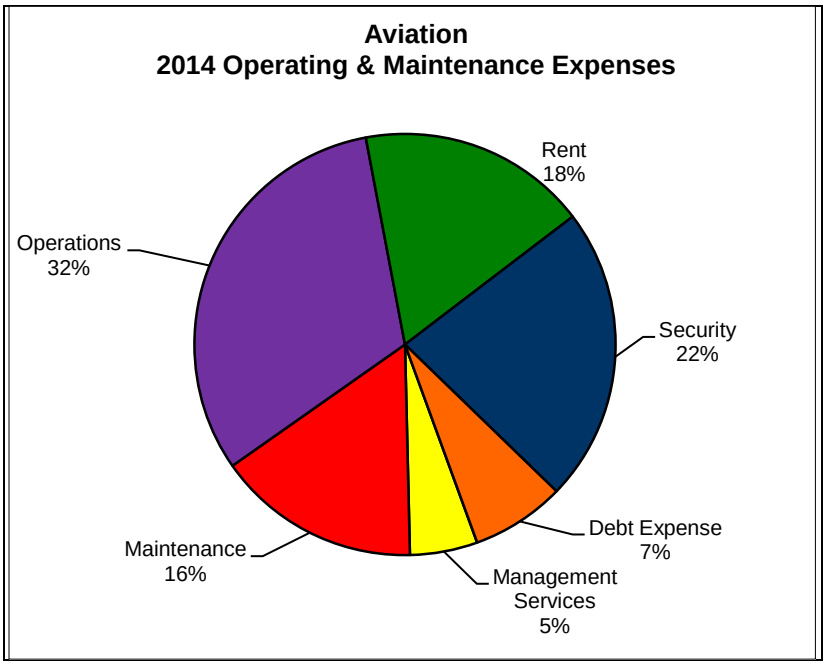
Revenues and Expenses

Aviation's 2014 projected revenues of $2.4 billion are up $79 million from the 2013 budget mainly due to higher ARFF recovery fees. Significant revenue sources include fixed rentals from leases for airline terminals, hangars and cargo facilities, concessions and aircraft services; flight fees from cost recovery agreements with airlines; fees and charges, such as the AirTrain's farebox revenues, utilities and fuel fees; and other airport activities such as parking.



Revenues By Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Fixed Rent	$719,045	$737,867	$695,999	**$725,294**
Percentage & Other Rentals	587,004	596,856	626,444	**609,675**
Flight Fees	633,018	671,605	657,944	**737,701**
Parking	214,196	218,524	226,523	**235,213**
Other	122,755	116,073	118,641	**111,578**
Total	$2,276,018	$2,340,925	$2,325,551	**$2,419,462**

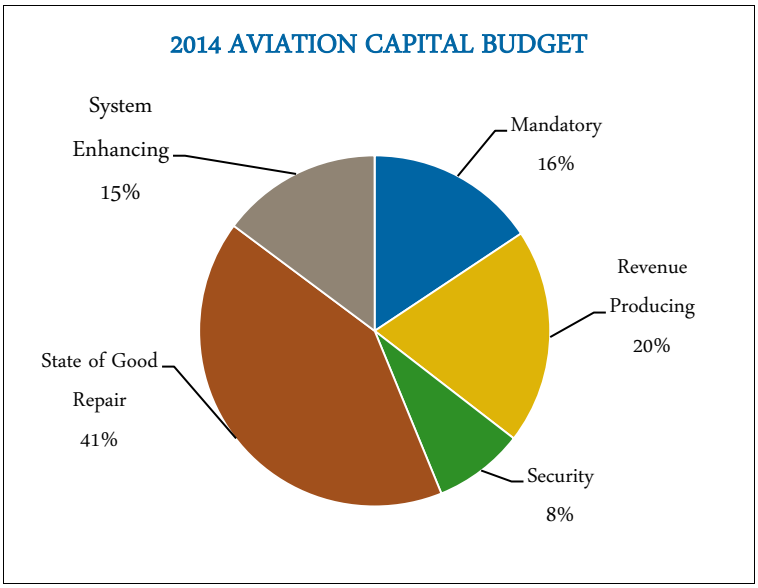
Operating expenses total $1.5 billion. Expenses for the Aviation department in the 2014 budget total $1.4 billion, including payroll, technology services, rent, contract services, and utilities. Allocated and Other expense total $179 million. Aviation has significantly cut costs over the last several years by lowering energy expenditures, consolidating contracts, mothballing/demolishing vacant buildings, using resources more efficiently, and reducing fees paid. However, the savings associated with these activities no longer offset the necessary contractual and inflationary increases, as well as significant anticipated increases in Aircraft Fire Fighting and Rescue expenses.



Operating Expenses by Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Operations	$427,449	$431,499	$431,026	**$433,602**
Security	231,435	237,442	251,896	**308,429**
Maintenance	197,513	218,788	218,087	**212,977**
Management Services	63,314	75,633	69,000	**70,670**
Rent	240,966	240,029	240,421	**240,405**
Debt Management	108,163	103,186	103,587	**98,141**
Sub-total Operating & Maintenance	1,268,838	1,306,577	1,314,017	**1,364,224**
Allocated & Other	141,235	151,676	170,669	**178,916**
Total Operating Expenses	$1,410,073	$1,458,253	$1,484,686	**1,543,140**

2014 Capital Budget Overview

The 2014 Aviation capital budget provides for $559 million in expenditures. A total of $234 million, will be used to maintain the agency's airport assets in a state of good repair. A large part of the capital budget will also be dedicated to enhance overall system capacity and security, $82 million and $46 million, respectively. The 2014 capital priorities focus on addressing current challenges that include aging infrastructure, safety and security, congestion/delays and federal caps on flights per hour imposed by the FAA, and customer expectations.



2014 Capital Budget Highlights

	Project	Description/Purpose	2014 Budget	Operational Impacts
1	JFK Runway 4L-22R Reconstruction	Finalize design, property acquisition, and finalize construction staging to minimize operational impacts	$28 M	Lower pavement maintenance costs, enhanced system capacity, reduced delays, accommodation of larger (Group VI) aircraft.
2	EWR Rehabilitation of Runway 4L-22R	Rehabilitate the runway and construct three (3) multi-entrance taxiways and one crossover taxiway	$28 M	Restores runway to a state-of-good-repair.
3	LGA Redevelopment Planning	Upgrade airside and landside infrastructure (including central electrical substation and CHRP replacement to accommodate projected passenger demand	$12 M	Improved customer service and accommodation of projected passenger growth.
4	LGA East End Substation (EES)	Construct foundation and site utilities for the new EES to be housed in a 3-story structure including 27KV and 5KV switchgears powered by six (6) 27KV Con Edison feeders to provide 24MVA.	$18 M	Replaces obsolete central substation, spreads electrical loads to the east side of the airport, enhances electrical power distribution within the facility.
5	SWF Rehabilitation of Runways 9-27 and 16-34	A full depth rehabilitation of runways 9-27 and 16-34 including shoulders, drains and electrical systems.	$31 M	Restores runways to a state of good repair.

2014
Budget Summary by Line Department

TUNNELS, BRIDGES AND TERMINALS

TUNNELS, BRIDGES& TERMINALS (TB&T)

Mission

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

Facilities

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

Core Functions

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

- Manage the Port Authority Bus Terminal (PABT), the world's busiest bus terminal, which accommodates approximately 250,000 passenger trips and 8,000 bus moments on its nearly 200 loading positions on a typical weekday. Operating the Terminal requires maintaining aging structures, cleaning heavily-used public spaces, providing customer service to the passengers, coordinating the operations of dozens of individual bus carriers while managing general traffic, and administering the agreements with the bus carriers.
- Operate and maintain four long span bridges and two trans-Hudson tunnels that accommodated approximately 232 million car, bus, and truck trips in 2012, serving as a critical links for the movement of people and goods within the region.
- Design and deliver a robust capital program to enhance safety and security across TB&T facilities; rehabilitate assets to extend useful life; and replace assets and systems beyond their useful life; and modernize infrastructure to address safety, mobility, and service quality objectives.

- Provide for continuous toll collection services including providing for round the clock cash collection operations and a complex electronic toll collection system requiring regular monitoring and maintenance.

Activity Levels

TB&T's facilities are expected to handle 116.3 million eastbound vehicles in 2014. Relative to 2013 traffic, this represents a decrease in traffic of 1.0 million vehicles, or 0.8% due to structural changes to the regional economy since the Great Recession, coupled with other factors including changes in attitudes to driving and mode choice, how goods move between New York and New Jersey, increasing toll rates and gas price volatility, closures for Pulaski Skyway construction, and the continued sluggish economy. Auto traffic is projected to decrease by 800,000, or 0.8%, bus traffic to increase by 50,000, or 1.7% and truck traffic is expected to decrease by 0.2 million or 3.0%. Looking ahead, TB&T anticipates moderate growth in long-term traffic volumes.

Staffing

TB&T has a total of 873 staff, of which 785 (90%) are dedicated to facility-based management, operations, and maintenance.

Operations (521)

Facility management has staff at GWB (126), Holland Tunnel (127), Lincoln Tunnel (135), PABT (48), Staten Island Bridges (77) and department wide operations (8) who direct operations and maintenance staff responsible for toll collection, traffic management, incident and emergency response, bus and passenger operations at bus terminals, and preventative maintenance and construction programs that ensure integrity of assets, infrastructure and equipment, as well as code and regulatory compliance.

Maintenance (265)

Maintenance staff at GWB (45), Holland Tunnel (67), Lincoln Tunnel (69), PABT (50) and Staten Island Bridges (34) provide daily maintenance activities at the facilities including preventative maintenance, critical emergency response and capital maintenance support. The routine maintenance includes general maintenance of the structure, including plumbing, electrical requirements, paving condition response, building maintenance, and general condition repairs in the course of our operations. Positions in this category include Structural Mechanics, Electricians, Plumbers, General Maintainers, and Watch Engineers to safeguard our facilities.

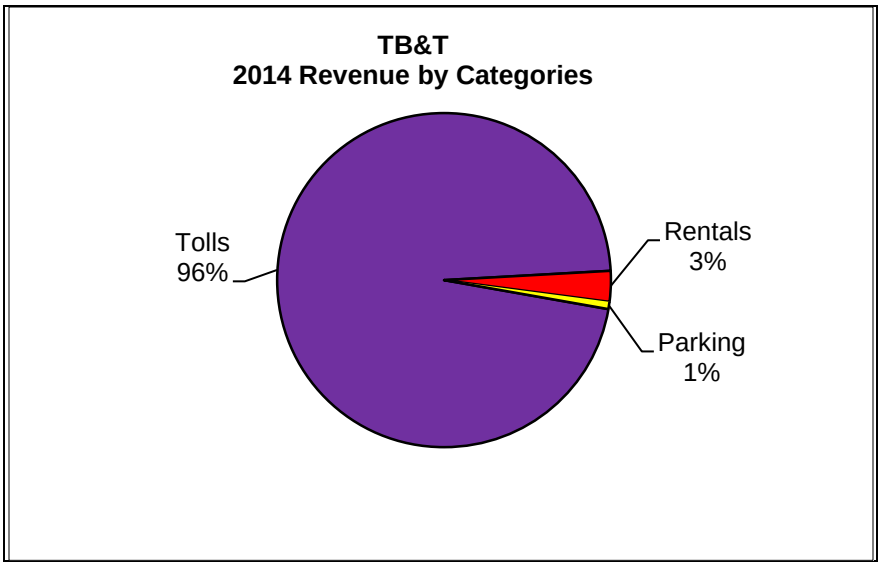
Management (87)

TB&T employs 87 management services staff responsible for managing business programs and facility support functions including capital program delivery; asset management; development programs at facilities and department properties; operations, transportation and business planning; financial services and analysis; revenue program management including the operations and maintenance of the toll

collection system and customer service contracts; a variety of operating and maintenance agreements; and department-wide administrative services.

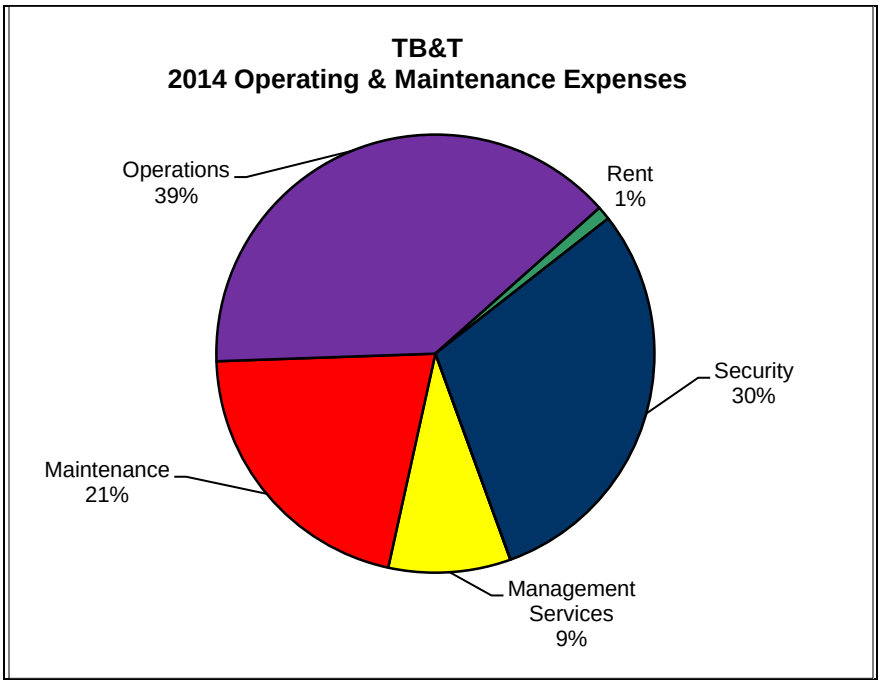
Revenues and Expenses

TB&T forecasts 2014 revenues of $1.5 billion, 96% of which consists of projected toll revenues from the bridge and tunnel crossings, along with rentals from the bus terminals, advertising and parking revenues.



Revenues By Category (In thousands)	**2012 Actual**	**2013 Budget**	**2013 Estimate**	**2014 Budget**
Rentals	$38,571	$40,401	$42,307	**$44,019**
Tolls	1,210,955	1,341,232	1,320,233	**1,430,068**
Parking	8,323	9,651	9,851	**10,353**
Other	275	-	26	**-**
Total	$1,258,125	$1,391,285	$1,372,417	**$1,484,441**

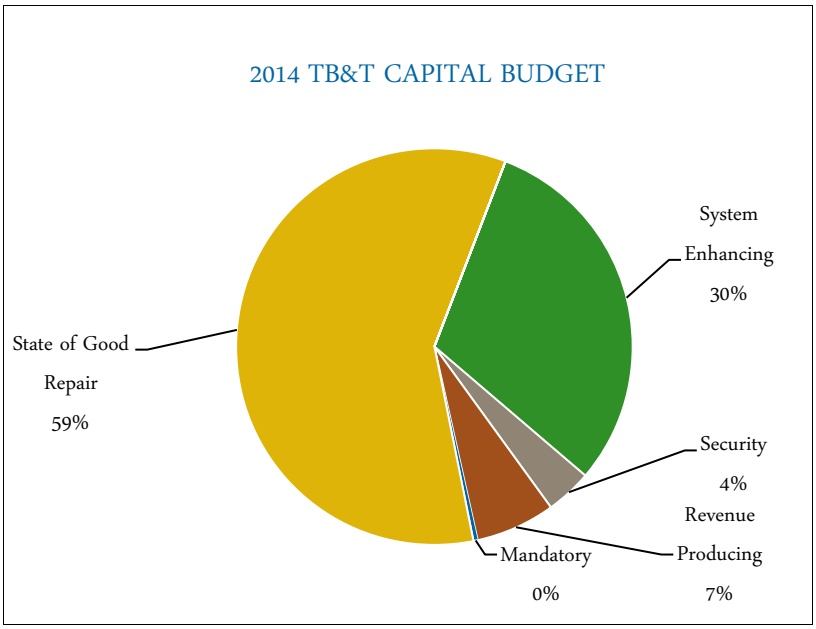
Operating expenses total $491 million. TB&T's total 2014 operating expense is $399.2 million, including $156.9 million toward operations, $120.4 million for security and policing and $84.7 million for maintenance. Allocated and Other expenses total $92 million. The total expenses are allocated as follows:



Operating Expenses by Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Operations	$158,183	$145,252	$155,544	**$157,149**
Security	121,515	117,412	124,939	**120,409**
Maintenance	76,192	86,016	87,068	**84,719**
Management Services	25,488	31,305	29,979	**35,647**
Rent	1,293	1,447	1,275	**1,236**
Sub-total Operating & Maintenance	382,671	381,431	398,805	**399,159**
Allocated & Other	85,591	91,627	94,084	**92,141**
Total Operating Expenses	$468,262	$473,058	$492,889	**$491,300**

2014 Capital Budget Overview

The 2014 TB&T capital program provides for expenditures totaling $813 million, $488 million, which is geared toward rehabilitating and maintaining the facilities in a state of good repair, which also funds portions of the Lincoln Tunnel Access projects such as Pulaski Skyway. The major System Enhancing project is the Bayonne Bridge Navigational Clearance Project with a $234 million budget.



2014 Capital Budget Highlights

	Project	Description	2014 Budget	Operational Impacts
1	Bayonne Bridge Navigational Clearance Project (BBNCP)	The BBNCP raises the existing air draft clearance to 215 feet from the current 151 feet and includes replacement of the existing main span deck, suspender ropes, both the NY and NJ approach structures and access ramps as well as limited necessary strengthening of the Arch structure. The project is also allows for future Mass Transit options.	$234 M	Single lane operation during construction; hard barriers to be completed by January 2014.
2	Lincoln Tunnel Access: Pulaski Skyway Infrastructure	This project consists of the design and construction of improvements to the existing bridge structure and approaches, including replacement of the entire concrete deck of the bridge and ramp structures, repairing/replacing all deteriorated structural steel members and connections, repainting after the existing lead paint is removed, rehabilitating/replacing the substructure and other elements of the bridge such as safety, security, lighting and intelligent transportation systems as needed. The work also includes retrofitting the structure to withstand seismic loads.	$181 M	Scheduled In-bound closure of the Pulaski Skyway to take place on 3/1/14.
3	Lincoln Tunnel Access: Route 7 Wittpenn Bridge Infrastructure	This project consists of the replacement of the Route 7 Wittpenn Bridge over the Hackensack River and the realignment of Fish House Road on the west side of the river. The new bridge will be located north of the existing bridge. The existing Wittpenn Bridge is a vertical lift bridge with 35 feet of clearance in the closed position. The new Wittpenn Bridge will be a vertical lift bridge with a minimum vertical clearance of 70 feet above Mean High Water in the closed position. The replacement of the existing	$60 M	Contract 3A work is scheduled to start construction by 3rd quarter 2014. Contract 4 work is scheduled to start design by 1st quarter 2014.

		bridge has been designed to address the major needs and goals of the project which are: Replacement of the structurally deficient bridge, meet current design criteria and improve traffic operation and safety, improve regional traffic flow, increase vertical clearance over the Hackensack River in the closed position to reduce vehicular and marine traffic conflicts, and reduce maintenance costs and traffic disruptions.		
4	Goethals Bridge Modernization	The program scope of work includes the replacement of the existing Goethals Bridge in its entirety with a new 900-ft cable stayed bridge and approach viaducts. The development, design, construction, financing, and maintenance over a 35-year period will be undertaken by the selected developer. The Authority will retain ownership and responsibility for toll operations. The new roadway will include the following components: Six 12-ft wide lanes (three lanes in each direction), a 12-ft wide outer shoulder in each direction, a 5-ft wide inner shoulder in each direction, a 10-ft wide bikeway/walkway along the northern edge of the westbound roadway, and a corridor to accommodate future mass transit.	$51 M	Complete ROW acquisitions for NJ properties by 1st quarter 2014, and for NY properties by 2nd quarter 2014. Construction (NTP 2) is scheduled to begin in the 1st quarter of 2014.
5	GWB Bus Station Redevelopment	The redevelopment initiative is a bus station modernization and retail development project at the GWBBS valued at approximately $180 million. The public private project includes modernization of bus operations on the upper level of the existing GWBBS, as well as retail development of approximately 120,000 SF that will provide a revenue stream for the Agency.	$51 M	Commence construction early 1st quarter 2014. Schedule dates are soft targets on this project and fully dependent on satisfactory resolution of all design and business issues.
6	GWB Upper Level Structural Steel Rehabilitation	Provide for the rehabilitation of the structural steel of the Upper Level roadway deck and support structure, to maintain structural integrity and state of good repair. The main focus of this project will be replacing six-foot sections of deteriorating deck adjacent to the deck joints with a modified deck system that will extend the useful life of the deck 15 to 20 years.	$26 M	Installation of the 632 structural deck panels and finger joint rehabilitation is scheduled for completion in the 1st quarter 2014.

2014
Budget Summary by Line Department

PORT AUTHORITY TRANS-HUDSON (PATH)

PORT AUTHORITY TRANS-HUDSON (PATH)

Mission

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

Facilities

- PATH Rail Transit System

Stations in New York	Stations in New Jersey
9th Street	Exchange Place
14th Street	Grove Street
23rd Street	Harrison
33rd Street	Hoboken
Christopher Street	Journal Square
World Trade Center	Newark Penn Station
	Newport

- Journal Square Transportation Center

Core Functions

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

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

- Operating and Maintaining a Rail Transit System and Bus Transportation Terminal
- Compliance with federal safety and environmental rules and regulations
- Continue to improve service and address customer demands
- Ensuring Sustainability/Environmental Enhancements

Activity Levels

PATH ridership is expected to be 78.8 million passenger trips in 2014. This represents an decrease of 3.1 million passengers, or 3.8% below the 2013 budget. The projected decrease is due to changes in commuting patterns after Superstorm Sandy combined with scheduled weekend closures for system repairs. Significant ridership growth is projected for the 2016-2020 period because of the build-out of the WTC area in Lower Manhattan and the phasing in of a number of large development projects in the region. The close proximity of PATH's stations to many of these development projects will stimulate considerable ridership demand in the long-term.

Staffing

PATH has a staff of 1,073 permanent employees, of which 1,013 (94%) are dedicated to operating and maintaining a full service rail transit system and bus terminal.

Operations (423)

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

Maintenance (590)

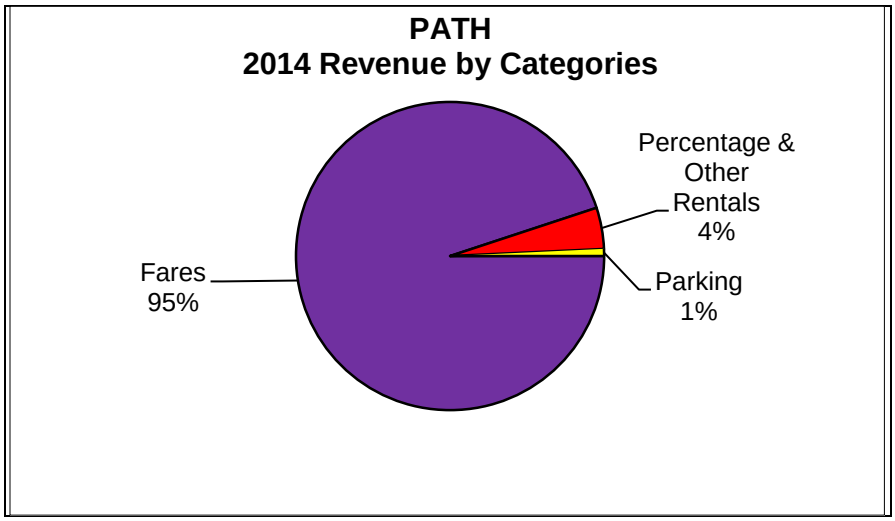
The maintenance staff includes Car Equipment (207), Way and Structures (214) and Power, Signals and communication (169). These Divisions ensure that the railcars are inspected and repaired to provide for a reliable performance; maintain and replace track, station structures and operating equipment; and service the signals, power distribution and communications equipment systems to ensure safe, reliable and efficient train movement.

Management (60)

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

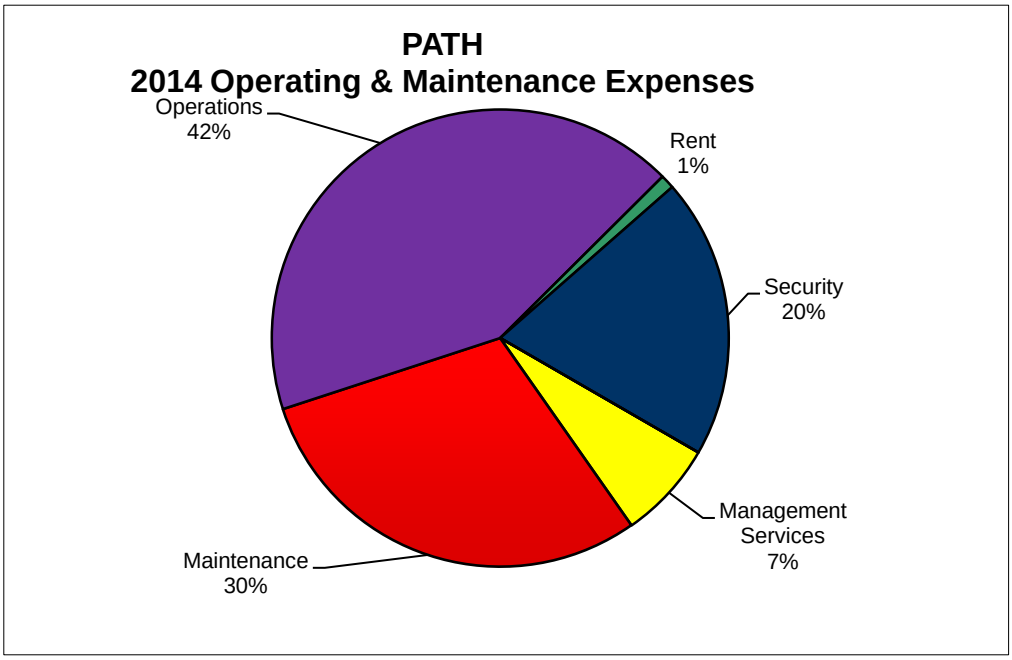
Revenues and Expenses

PATH projects 2014 gross revenues to reach $179 million, which is a $13 million increase over the 2013 budget. This increase in gross revenues is attributable to a projected $12 million increase in fare revenues due primarily to the impact of the 2013 and 2014 scheduled fare increases. Non-fare revenues are expected to increase by approximately $1.0 million mainly in rentals for additional planned advertising revenues.



Revenues By Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Rentals	$6,721	$6,214	$6,858	**$7,181**
Fares	126,028	157,590	142,584	**169,583**
Parking	1,237	949	1,300	**1,326**
Other	667	550	496	**540**
Total	$134,654	$165,303	$151,238	**$178,630**

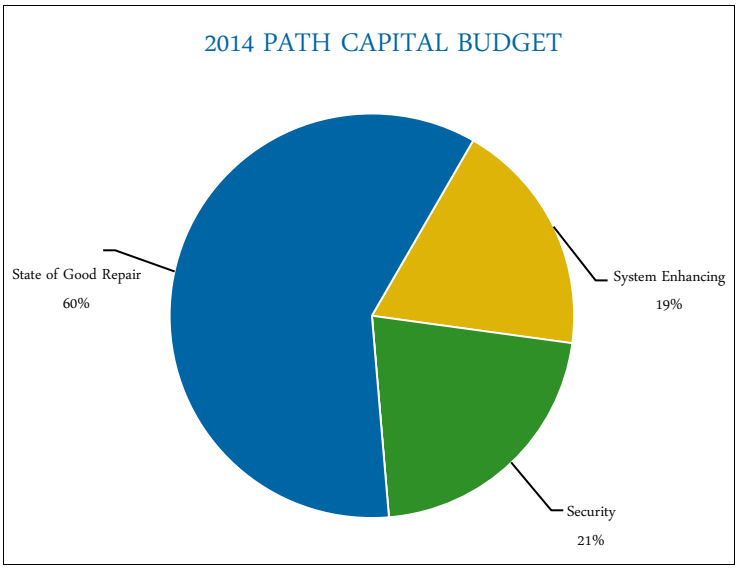
Operating expenses total $330 million. The PATH operating expense budget for 2014 is $259 million, which represents a $10.9 million increase from PATH's 2013 operating budget. A total of $110 million will be devoted to PATH operations, $77 million to maintenance and $52 million to security and policing costs. Allocated and Other expenses total $71.5 million



Operating Expenses by Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Operations	$124,652	$101,428	$120,851	**$110,214**
Security	55,110	56,073	54,795	**51,817**
Maintenance	65,999	73,602	53,845	**76,756**
Management Services	17,333	15,536	16,027	**18,598**
Rent	1,105	984	1,064	**1,143**
Sub-total Operating & Maintenance	264,199	247,623	246,582	**258,528**
Allocated & Other	65,736	69,149	70,026	**71,506**
Total Operating Expenses	$329,935	$316,772	$316,608	**$330,034**

2014 Capital Overview

The 2014 PATH capital budget provides for a total of $181 million in expenditures. A large portion of the expenditures contributes towards post-Sandy recovery and resiliency efforts as well as continuation of the PATH modernization program. The total impact of Superstorm Sandy continues to grow in magnitude as the longer term effects manifest themselves. PATH has completed an assessment of the storm damages and financial implications and developed a comprehensive list of capital projects that need to be completed to restore the system and provide future storm related resiliency. In addition, capital work continues on the PATH Modernization Program including work implementing a new signal system, upgrading PATH stations and ongoing state of good repair work on PATH's aging infrastructure.

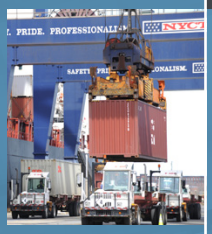


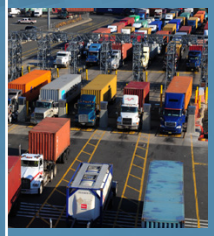
2014 Capital Budget Highlights

	Project	Purpose	2014 Budget	Operational Impacts
1	State of Good Repair Program	Ensure the integrity of the infrastructure by maintaining the functionality of PATH assets.	$40 M	Improved service reliability (e.g., on-time performance). New, upgraded, and well-maintained tracks, communications equipment, and facilities to ensure service reliability and safety. Minimize service disruptions by maintaining railcars, substations and support structures.
2	Safety and Security Projects	Enhance system access control and overall operational safety to protect the PATH infrastructure.	$39 M	Safe and effective operation of entire system.
3	Signal System Replacement Program	Replace outdated current signal system with a modern computerized system and Positive train Control (PTC).	$38 M	Increased capacity to meet growing ridership demand. The signal system will provide the capability to increase the system capacity by approximately 20% by permitting trains to run safely in close proximity to one another.
4	Station Improvements	Enhance safety and quality as well as increase passenger capacity.	$33 M	Improved customer safety and service through increased capacity by extending platforms, allowing for longer trains and increased capacity to meet the anticipated future demands for passenger growth.
5	Substation Upgrades	Improve reliability and maintain substation equipment by upgrading and replacing aging equipment.	$18 M	Enhanced reliability, maintainability, security and quality of service to PATH customers.

2014
Budget Summary by Line Department

PORT COMMERCE





PORT COMMERCE

Mission

Port Commerce activities support the Port Authority's mission to develop and maintain secure, competitive port infrastructure and services for New York and New Jersey, expediting the movement of international cargo and supporting the regional economy in a financially sound manner. Port Commerce also aims to minimize the impact to the environment, conserve natural resources and support sustainable growth, particularly with respect to reducing pollutant air and greenhouse gas emissions.

Facilities

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

Core Functions

The Port Commerce Department operates the Port of New York and New Jersey, the third largest container port facility by volume in the United States. The Port is a major component of the regional economy of the northeast United States, providing more than 280,000 direct and indirect jobs and generating $11.6 billion in personal income, in port-related activities to the states of New York and New Jersey. One of the reasons for this economic activity is because shippers using the port are able to reach 20% of the U.S. population within eight hours of leaving the port footprint, and can reach 30% within 48 hours.

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

More specifically, the department's responsibilities include:

- Operations and maintenance of common areas, market development, security, environmental compliance and asset management at all Port facilities

- The leasing and administration of port property
- The planning, development, management and delivery of all capital programs related to PA port property. This includes provision of project support and technical assistance for marine terminal development in tenant and common areas as well as Port-wide rail facilities and operations
- The development and implementation of environmental policy and initiatives; and
- Promotion of port as premier destination for cargo including Beneficial Cargo Owner (BCO) outreach and liaise with all major ocean carriers

Activity Levels

The 2013 estimate is an anticipated decrease of 0.3 million containers, or 8.3%, from the 2013 Budget which has been updated to reflect activity that was lower than forecast for 2013. In 2014, the agency's port facilities are projected to handle 3.4 million containers. This is an anticipated increase of 130,000 containers, or 4%. Auto Activity is expected to be lower in 2014 by 100,000, or 19.3%, mainly due to the loss of a major auto tenant.

Staffing

Port Commerce has a total of 169 permanent positions, of which 104 are dedicated to operating and maintaining the marine terminals and port system.

Operations (27)

The operations staffs at the NJ Marine Terminals (21) and NY Marine Terminals (6) are dedicated to ensuring that the marine terminals' berths, waterways, roadways, rail facilities, multi-tenant properties, and common utilities are operated in a manner that allows for the safe and efficient movement of international cargo to and from our facilities. The operations staff also ensures compliance with all security regulations and preparedness for multi-hazards.

Maintenance (77)

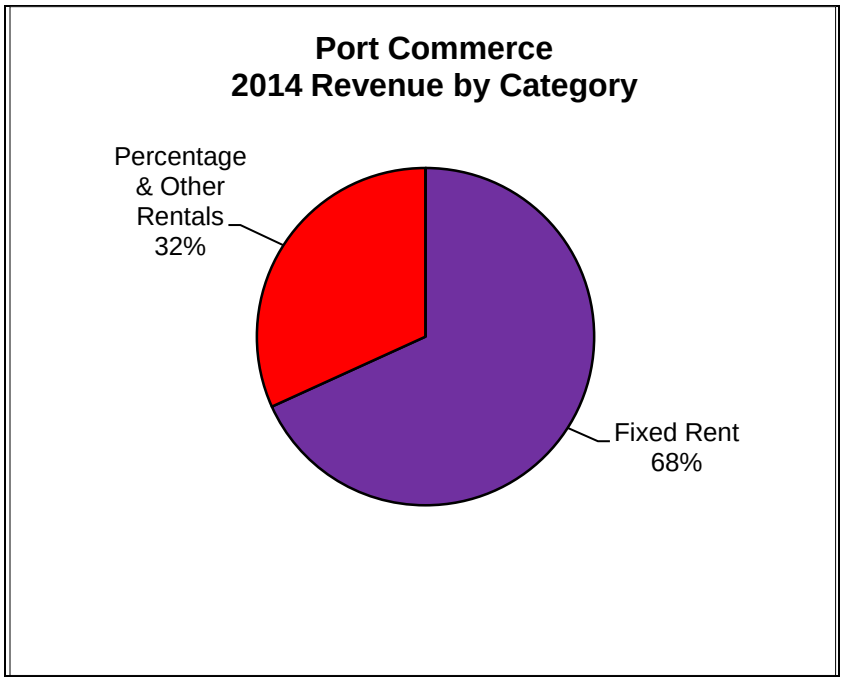
The maintenance staffs at the NJ Marine Terminals (56) and NY Marine Terminals (21) are dedicated to maintaining the marine terminals and port system and ensuring compliance with applicable codes and regulations.

Management (65)

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

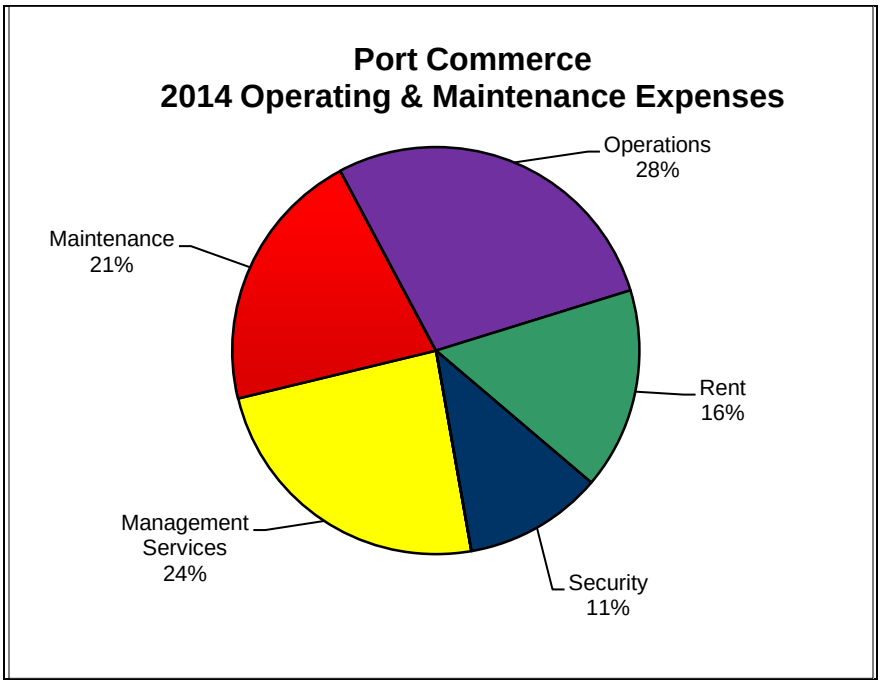
Revenues and Expenses

Port Commerce anticipates $244 million in gross revenues in 2014, which represents a decrease of $2.3 million from the 2013 budget. 68% of these revenues consist primarily of land and building rentals related to containers, autos, warehouse operations and bulk storage. The remaining sources of revenue are from percentage and other rentals derived from container throughput, cost recovery of cargo facility charges (CFCs), as well as dockage and wharfage.



Revenues By Category (In thousands)	**2012 Actual**	**2013 Budget**	**2013 Estimate**	**2014 Budget**
Fixed Rent	$158,314	$167,180	$164,992	**$166,226**
Percentage & Other Rentals	61,736	45,837	66,619	**45,748**
Parking	430	200	456	**0**
Other	29,129	32,829	29,244	**31,804**
Total	$249,609	$246,047	$261,311	**$243,778**

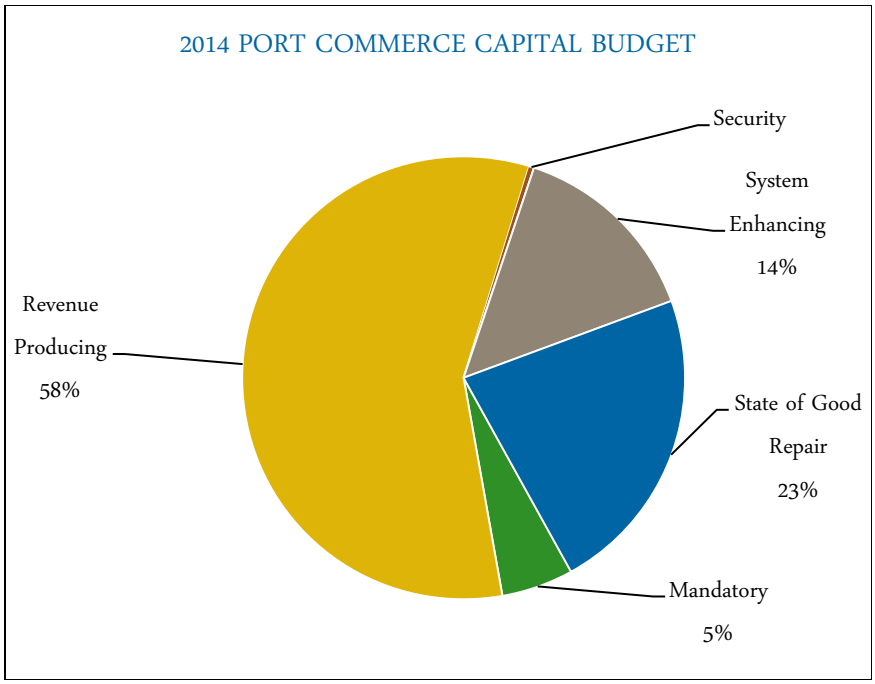
Operating expenses total $174 million. The 2014 Port Commerce operating expense budget is $160.8 million, $44 million will be spent on operations, $34 million on maintenance and $18 million on security. Allocared and Other expenses total $13.6 million. The total will be allocated as follows:



Operating Expenses by Category (In thousands)	**2012 Actual**	**2013 Budget**	**2013 Estimate**	**2014 Budget**
Operations	$73,836	$36,006	$62,793	**$44,256**
Security	22,948	17,058	18,656	**17,931**
Maintenance	26,995	35,917	34,456	**33,615**
Management Services	26,804	40,702	33,016	**38,687**
Rent	25,167	26,314	26,860	**26,334**
Sub-total Operating & Maintenance	175,750	155,997	175,781	**160,823**
Allocated & Other	14,292	12,648	14,638	**13,653**
Total Operating Expenses	$190,042	$168,645	$190,419	**$174,476**

2014 Capital Budget Overview

The Port Commerce 2014 capital plan of $213 million includes the necessary investments that will enable the Port Authority to sustain port growth over the next decade. This investment includes an improved transportation infrastructure that will alleviate truck traffic and port congestion and deepen channels and berths, allowing for more cost-efficient and environmentally conscious transportation of cargo.



2014 Capital Budget Highlights

1	Global Terminal Development	Development of new and existing marine terminal properties. Program will increase capacity for accommodating international marine cargo.	$58 M	Ongoing improvements for Global Terminal facilities will improve overall Port operations and provide for more efficient cargo movement through the port.
2	Greenville Yards Project	Increases capacity for accommodating international marine cargo and reduces congestion and pollution on the Bayonne peninsula.	$51.5 M	Facilitate and improve the movement of goods into and through the Greenville Yard. Development of on-dock rail facilities for Terminals located at Port Jersey.
3	Port Ivory Intermodal Terminal	Development of existing marine terminal properties. Program will increase capacity for accommodating international marine cargo.	$3.3 M	
4	Express Rail/Corbin Street Intermodal Rail Support Project	Continue construction of a comprehensive rail system throughout the Port. Positions the Port to optimally service the mid-west market --- a market that is becoming more vulnerable because of increasing pressure from competing ports such as Norfolk and various Canadian ports.	$10.6 M	Completion of this project will increase rail rail capacity to 250,000 lifts hereby achieving departmental sustainability goals by reducing the carbon footprint associated with the transport of port cargo while providing increased revenues to the PA. When the present intermodal rail program is completed by the end of 2016, an additional 50% in intermodal rail capacity will be added.
5	Berth 3 Wharf Reconstruction	Maintain Port Commerce assets to ensure a state of good repair. Ensures the long-term reliability of Port Commerce and reduces day-to-day maintenance costs.	$9.4 M	Reduces costs associated with priority and emergency repair work in operating and capital major works programs and assures that assets will be returned to a state of good repair.
6	Port Street & Brewster Road Connector Project	Improve and expand capacity of the port marine terminal roadway system. Reduces roadway congestion and pollution and improves roadway safety.	$5 M	Increases system capacity and reduces congestion and accidents. Average peak hour network-wide interaction delays should be reduced and speeds should increase by approximately 7%.

2014
Budget Summary by Line Department

REAL ESTATE AND DEVELOPMENT

REAL ESTATE AND DEVELOPMENT

Mission

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

Facilities

- Bathgate Industrial Park
- Essex County Resource Recovery Facility
- Industrial Park at Elizabeth
- Newark Legal and Communications Center*
- The Teleport
- Waterfront Development
  - Queens West Waterfront Development
  - The South Waterfront at Hoboken

*The 2014 Budget provides for the phased transfer of the Newark Legal and Communications Center's net lease.

Core Functions

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

Real Estate and Development's core functions include:

- Identifying revenue enhancement opportunities, such as identifying additional advertising locations; new or renewed retail and industrial space leasing; executing property transactions that include the sale of air rights and easements, as well as investigating the disposition of facilities that are no longer essential to Port Authority operations, including the monetization of future revenue streams.
- Continuing to support development and redevelopment activities in, and surrounding, Port Authority facilities through property acquisitions (i.e. Bayonne Bridge Navigational Clearance Program/ Goethals Bridge Modernization Project); agreements with private developers and local and state governments (i.e. George Washington Bridge Bus Station Redevelopment and the Hudson-Raritan Estuary Resources Program) ; and the provision of real estate advisory services.

- Reevaluating and analyzing the centralization/office consolidation of Port Authority staff in New York and New Jersey in order to decrease the need for total office space, reduce total occupancy costs, as well as reprogramming the space. We are currently preparing for occupancy of approximately 1,600 PA employees at 4 World Trade Center.
- Continuing the Port Authority's outreach to local communities in New York and New Jersey by providing economic development expertise and tangible resources, such as surplus equipment.

Staffing

Real Estate and Development has a total of 50 staff dedicated to managing the Port Authority's major real estate assets, other components of its commercial real estate portfolio and additional programs aimed at optimizing financial return to the agency and supporting regional economic growth.

Operations (6)

Facility staff operates the Teleport and Bathgate as well as owned buildings (e.g., 2 Montgomery Street in Jersey City, NJ) and leased space that is not the responsibility of each property owner.

Maintenance (20)

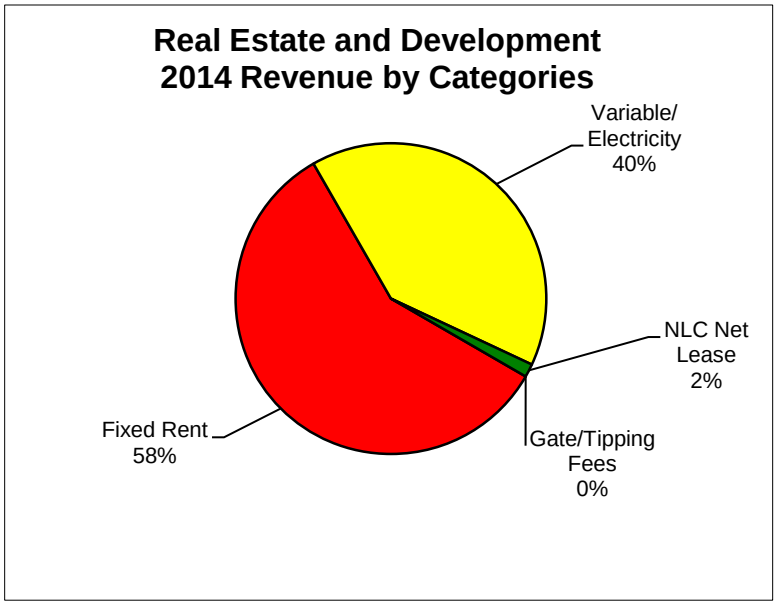
The maintenance staff maintains the properties and also provides supervisory oversight on multiple maintenance contracts.

Management Services (24)

Management support services are provided for these same properties including overseeing of rental payments for leased space, as well as allocating these rental costs to appropriate departments. In addition, Office Space staff are currently working to consolidate Port Authority corporate offices in 2 Montgomery Street, Jersey City and the future Port Authority headquarters at 4 World Trade Center (WTC). During 2014, management support staff will focus on completing the "fit-out" for Port Authority offices in 4 WTC and begin staff relocation to 4 WTC from various Port Authority facilities.

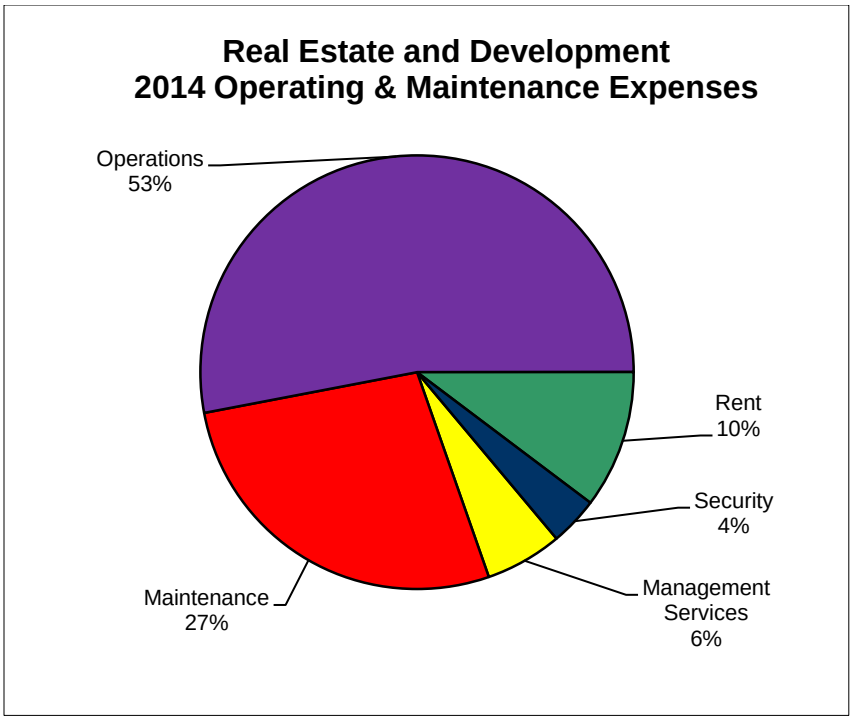
Revenues and Expenses

Projected 2014 revenues for Real Estate and Development's operating facilities are $29.2 million, a decrease of $2.8 million compared to the 2013 budget attributed mainly to restructuring the net lease of the Newark Legal and Communications Center. Fixed rents are expected to generate $17.2 million in revenue and variable electricity is targeting $11.8 million in revenue. The distribution of all revenues is shown in the chart that follows.



Revenues By Category (In thousands)	**2012 Actual**	**2013 Budget**	**2013 Estimate**	**2014 Budget**
Gate/Tipping Fees	$42,202	$0	$0	**$0**
Variable/Electricity	28,056	13,638	9,834	**11,628**
Fixed Rent	15,092	15,650	16,851	**17,157**
NLC Net Lease	2,171	2,740	2,416	**403**
Total	$87,521	$32,028	$29,101	**$29,188**

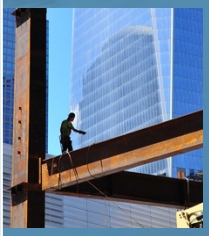
Operating expenses total $18.5 million. Real Estate and Development expense budget for 2014 is $20 million, including $10.9 million in operations and $5.7 million for maintenance. Allocated and Other expenses total $598 thousand.



Operating Expenses by Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Operations	$70,477	$12,516	$9,615	**$10,615**
Security	1,057	992	690	**747**
Maintenance	1,564	2,747	2,865	**3,651**
Management Services	896	878	854	**834**
Rent	5,119	1,681	1,646	**2,107**
Sub-total Operating & Maintenance	79,112	18,814	15,670	**17,954**
Allocated & Other	480	413	484	**598**
Total Operating Expenses	$79,593	$19,227	$16,153	**$18,552**

2014
Budget Summary by Line Department

WORLD TRADE CENTER



WORLD TRADE CENTER

Mission

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

Core Functions

WTC core functions range from completing the design and construction of the various mega projects at the site, including coordination with private development and governmental entities to property management of the campus including security functions, to management of Sitewide operations, negotiation and implementation of joint venture agreements for office and retail developments, and financial functions including capital and operating forecasting and accounts management. The WTC group is structured as a best-in-class development organization encompassing development, construction and operational roles, while maintaining public agency priorities. To fulfill its mission, the WTC departments are staffed with professionals experienced in all aspects of development including construction, operations, property management, leasing, finance and management.

Specific functions include:

- Oversight of Master Plan components controlled by the Agency and by third parties;
- Completion of construction of key site elements, including 3 million square feet of office space in 1 WTC, the observation deck and the antenna; construction of the 365,000-square-foot retail space complex; and core site infrastructure.
- Business Management: implementation of complex agreements and financings between the Port Authority and its business partners and site stakeholders including The Durst Organization (Durst), Silverstein Properties (SPI), Westfield, and the WTC Memorial Foundation; building consensus with external and internal stakeholders and public entities; and planning for eventual development of Tower 5 and other related assets.
- WTC Retail Development: Manage delivery of retail asset to Westfield per the terms of the recently completed business agreements;
- Site-Wide Operations: Physical operation and maintenance management of the entire WTC site including management of contract with Cushman and Wakefield for property management services and oversight of security operations for the entire site and design and development of certain facilities such as the site-wide property management office.

Staffing

World Trade Center employs 117 staff, of which 101, or 86% are dedicated to rebuilding the WTC Site.

Capital (101)

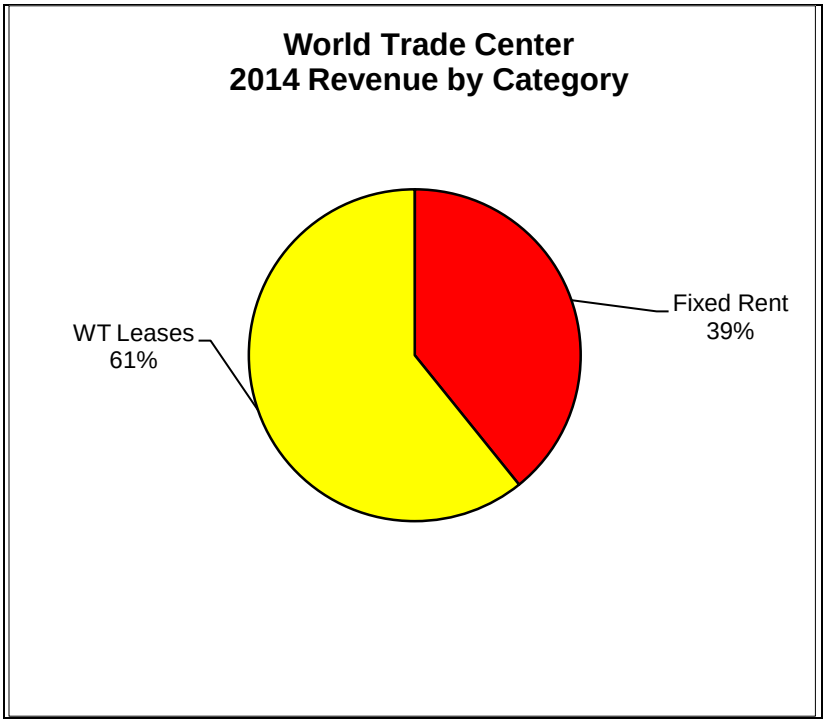
Staff dedicated to rebuilding the WTC Site manage the design guidelines, contract for and construct capital program elements and oversee the numerous construction managers and contractors on the site.

Management Services (16)

A staff of 28 manages all real estate issues and business relationships associated with development of the entire site.

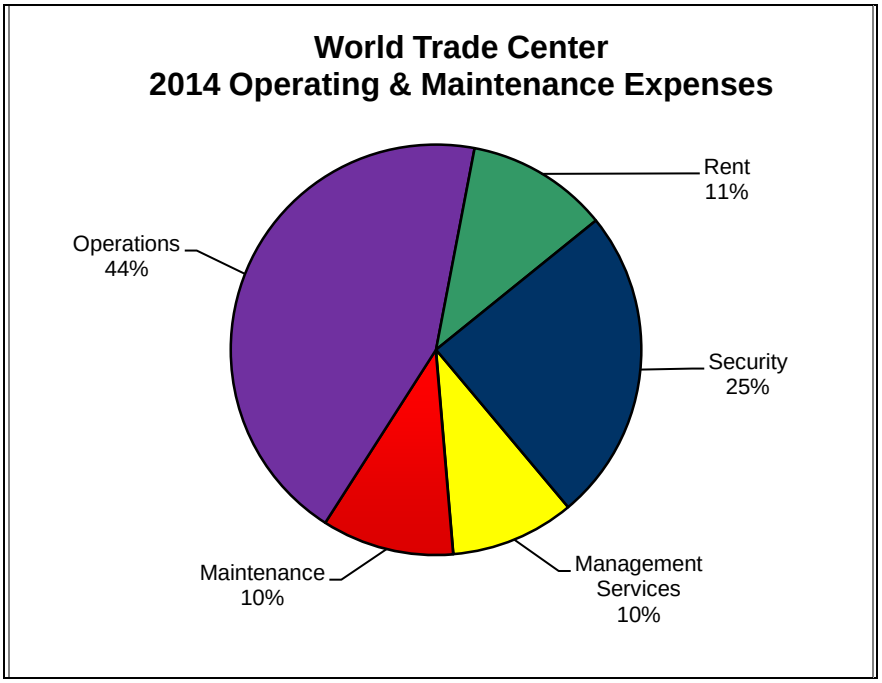
Revenues and Expenses

World Trade Center projected revenues for 2014 are $54.6 million, which primarily consist of World Trade Center leases, intercompany rent and rentals. Revenue estimates are based on terms of existing agreements and amendments to existing agreements agreed to in principle.



Revenues By Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
WTC Leases	$29,210	$29,210	$29,210	**$32,651**
Fixed Rent	10,907	14,284	12,689	**14,562**
Percentage & Other Rentals	9,860	5,190	8,451	**7,397**
Total	$49,977	$48,684	$50,349	**$54,610**

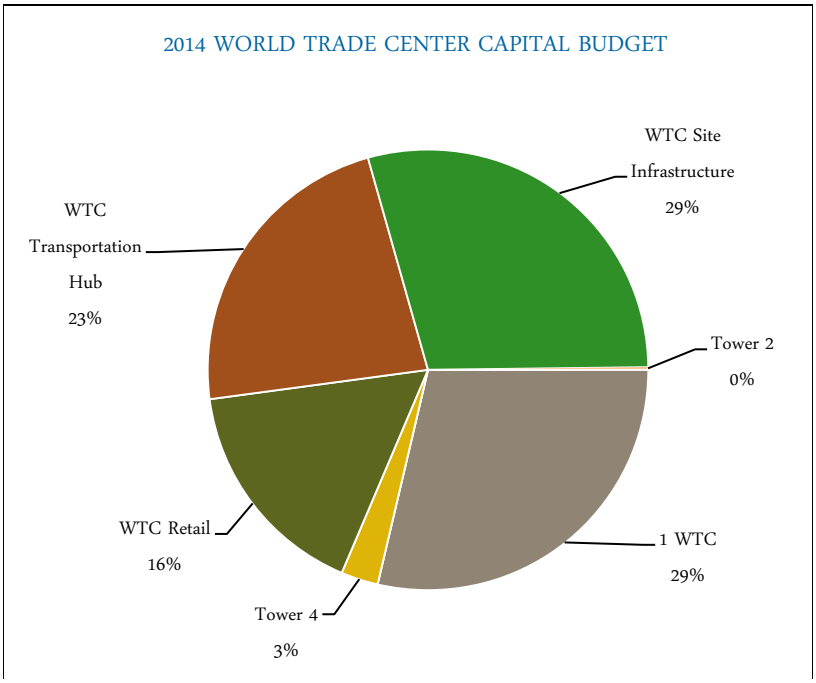
Operating expenses total $$189.7 million. World Trade Center expenses for 2014 total $174 million, which includes management services, maintenance, operations and security expenses during the rebuilding of the WTC site. Allocated and Other expenses total $15.3 million.



Operating Expenses by Category (In thousands)	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Operations	$6,637	$18,313	$12,241	**$76,637**
Security	23,430	26,549	27,459	**43,088**
Maintenance	12,209	14,479	15,591	**18,154**
Management Services	12,086	11,049	18,408	**17,008**
Rent	16,582	15,148	11,576	**19,478**
Sub-total Operating & Maintenance	70,944	85,538	85,276	**174,365**
Allocated & Other	11,073	11,153	13,190	**15,313**
Total Operating Expenses	$82,017	$96,692	$98,465	**$189,678**

2014 Capital Budget Overview

The 2014 World Trade Center capital budget provides for expenditures totaling $2.4 billion to support the WTC rebuilding effort and is broken down as follows:



2014 Capital Budget Highlights

	Project	Description	2014 Budget	Operational Impacts
1	One World Trade Center	Construction of signature office tower containing 3 million square feet of office space on 71 office floors, a grand public lobby, and an observation deck offering unparalleled views of the region	$696 M	1 WTC will add world-class commercial office space to the real estate market, reasserting downtown Manhattan's preeminence as a business center while establishing a new architectural icon for the city.
2	WTC Transportation Hub	Construction of a new 800,000 square foot facility that will provide access to 11 subway lines, PATH, ferries, the World Trade Financial Center, retail, and a range of amenities.	$552 M	The Hub will increase capacity to accommodate over 200,000 daily commuters.
3	WTC Common Site Infrastructure	Underground parking, Chiller Plant, and other site-wide mechanical, electric, plumbing, and utilities; the construction of Greenwich and Fulton Streets; restaging Route 9A, security infrastructure and contingencies; and foundation excavation among other site-wide infrastructure.	$574 M	Investment in the common infrastructure is required to support the massive development with significant interdependence.
4	WTC Retail	Development of approximately 365,000 square feet of world-class retail and restaurant space to be available throughout the complex.	$400 M	Successful retail will support revival of the Lower Manhattan economy and contribute to a healthy, well-rounded growth in the regional economy.
5	WTC Vehicular Safety Center (VSC) and Tour Bus Parking Facility	Construction of a secure screening facility of buses, trucks, and cars entering the WTC site and its facilities.	$206 M	The VSC is a critical component of the site's comprehensive police, security and operational plan.

2014
Budget Schedules

A Reader's Guide

The $8.2 billion 2014 Budget that will be presented to the Port Authority Board on February 19, 2014, proposes a virtually flat increases in core expenses to pay for higher insurance costs and enhanced security guard services at our airports – the eighth consecutive year of flat growth in operating expenses. Beyond the 1.1% increase in core expenses, the 2014 Budget also includes incremental costs associated with transitioning the World Trade Center from a construction site to a symbol of renewal and hope reinvigorating Lower Manhattan; additional resources and restructuring of Port Authority security forces to further fortify efforts that keep the Port Authority's customers, commuters, and employees safe; and provides for infrastructure investment pivotal to the region's stability and growth.

In line with the agency's commitment to transparency and public accountability, the 2014 Budget package provides the following budgetary and financial information:

- A budget summary of sources and uses highlighting core expense growth at well below regional inflation; impacts of new cost areas; and $4.4 billion in planned capital spending at our airports, tunnels, bridges, seaports, and PATH system, the largest one-year capital budget in the agency's history;
- A closer look at the Port Authority's sources of revenues by facility and major revenue category including rentals, tolls and fares, aviation fees, and parking;
- A closer look at the Port Authority's use of funds by facility and program category including operations, security, maintenance, management services, rent, and debt expense;
- A summary of capital investment by facility that includes projects related to permanent repairs and resiliency measures resulting from Superstorm Sandy, the redevelopment of the WTC site, major upgrades and modernization of tunnels, bridges and terminals, redevelopment of critical port facilities, improvements to the PATH rail system to expand capacity and improve service, and initiatives to enhance security;
- A forward look at the agency's five years of forecasted revenues, expenses and capital investment funding as used to develop the Agency's capital plan and monitor internal and external long-term trends; and
- The 2014 capital project listing that is geared to vitalize and expand our facilities and was developed using a comprehensive planning process and risk-based prioritization.

SUMMARY OF 2014 BUDGET

(In Millions)

SOURCES:	2013 Budget	2014 Budget	Variance	% Change
Gross Operating Revenues	$4,225	**$4,411**	$186	4.4%
Consolidated Bond Issuances	2,226	**1,550**	(676)	-30.4%
Other Sources	498	**1,479**	981	197.0%
Grants and Contributions, Insurance and Miscellaneous Revenues	457	**559**	102	22.3%
Passenger Facility Charges	223	**208**	(15)	-6.7%
Total	$7,629	**$8,207**	$578	

Significant Highlights/Challenges:

- ⇨ Gross operating revenues are expected to increase by $186 or 4.4% due to:
  - *Tolls and fares increase of $101 million due to scheduled increases.*
  - *Flight Fees increase of $66 million mainly related to Aircraft Rescue and Fire Fighting costs.*
  - *Parking revenues increase of $18 million due to rate increases.*
- ⇨ Other Sources include proceeds available from previous bonds issuances, and capital contributions in aid of construction from third parties, and financial income.
- ⇨ Grants and contributions, insurance and miscellaneous revenues are expected to be higher mainly for Superstorm Sandy reimbursements from the FTA for WTC and PATH
- ⇨ Passenger Facility Charges are expected to be lower by 6.7% due to the timeline for spending on PFC eligible capital projects.

USES:	2013 Budget	2014 Budget	Variance	% Change
Expenses (Core)	$2,576	**$2,605**	$28	1.1%
New Expenses / Items				
World Trade Center - Transition to Operations		**93**	93	
Dedicated Aircraft Rescue and Firefighting		**61**	61	
(Net impact after cost recoveries - $2M)				
Chief Security Office, Command Structure & Police		**28**	28	
Debt Service	886	**920**	34	3.9%
Deferred & Other Expenses	69	**113**	44	63.8%
Gross Capital Expenditures	4,098	**4,387**	289	7.1%
Total	$7,629	**$8,207**	$578	

Significant Highlights/Challenges:

- ⇨ Core operating expense budget remains relatively flat for the eight consecutive year reflecting a slight increase of 1.1% or $28 million, which is below inflation levels.
  - *Continues to invest in capacity planning for future air and bus travel demands.*
  - *Provides investment in sustainability & conservation initiatives.*
  - *Invests in staff succession and development programs.*

- *Invests in maintenance resources to ensure reliable facility systems*
- *Continues to support small, local, minority & women owned business.*
- *Provides robust customer service support for our facilities.*

➪ Includes $93 million for World Trade Center cost as it transitions to operations this year and includes: Site management, maintenance, janitorial, utilities and security site-wide infrastructure and One WTC.

➪ Provides net increase of $2 million after recovery of $59 million to staff a dedicated Aircraft Rescue and Fire Fighting cadre in support of the Federal Aviation Administration regulations for JFK, LGA EWR and Teterboro Airports.

➪ $652 million in security operating expenses including an increase of $28M to support an enhanced Chief Security Office and command structure, and a new police class.

➪ Increased authorized permanent position levels to 6,978, an increase of 201 positions to support the new Aircraft Rescue and Fire Fighting staffing structure.

➪ The increase in Debt Service is due to higher scheduled interest and principal payments on outstanding debt.

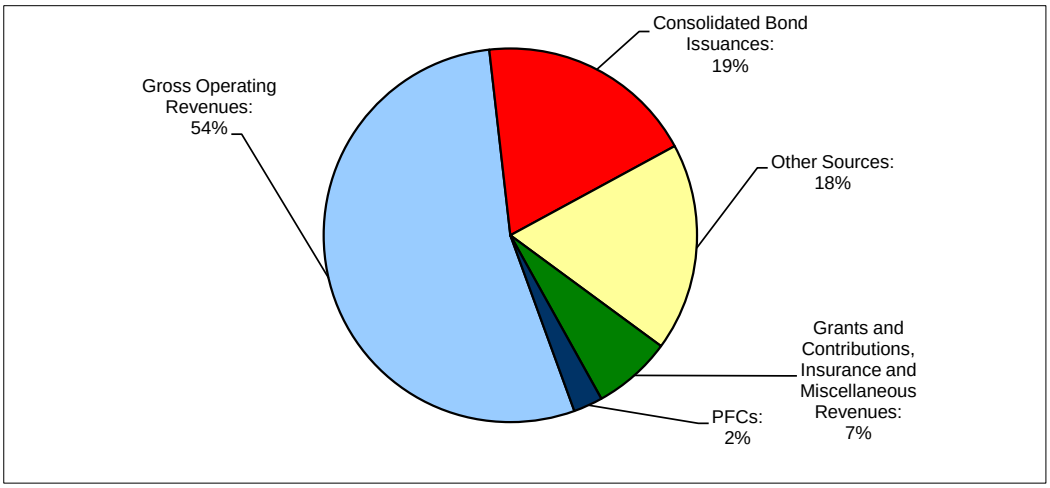
➪ Deferred & Other Expenses provides for technology infrastructure to replace aging systems and improve efficiency through technology, building fit-out costs for 4 WTC, Aircraft Fueling trucks and vehicle replacements vital to operating and building our facilities.

➪ Capital spending for 2014 totals $4.4 billion. Major investments to the Region includes:

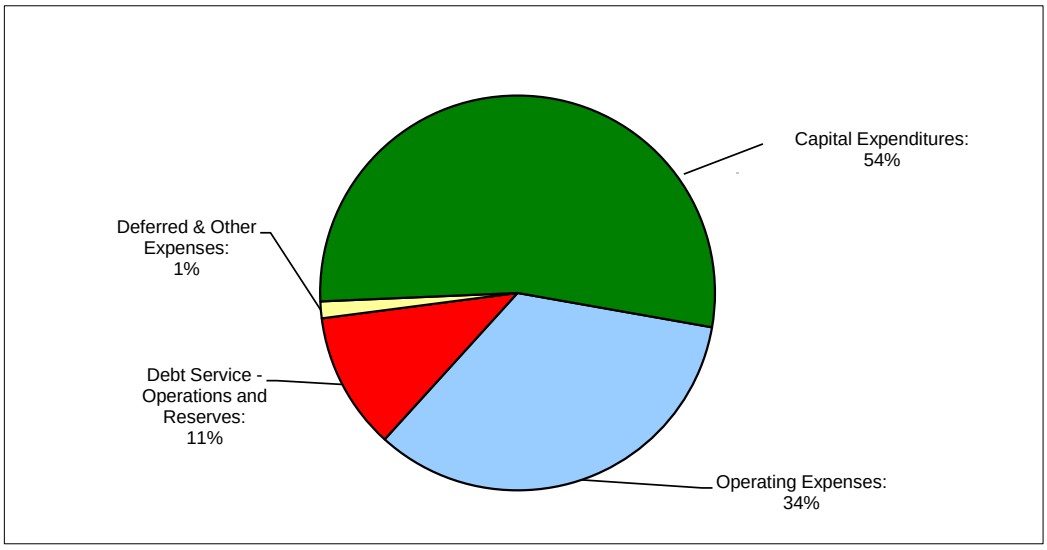
- *Provides $812 million in capital investment for Tunnel Bridges and Terminals contribute to state of good repair, roadway access, major rehabilitation our vital crossings, and the building of new bridge structures.*
- *$180 million investment in PATH's modernization and Sandy recovery programs include the signal replacement, station rehabilitation, and power station upgrade projects.*
- *Aviation's capital budget of $559 million advances infrastructure improvements, including new terminal development and runway/taxiway projects that support reduction in flight delays and increase airfield efficiency and capacity.*
- *$213 million for Port Commerce facilities to increase efficiency through roadway improvements and enhance intermodal systems as well as supports initiatives that promote sustainably.*
- *The WTCC's $2.4 billion capital budget enables the opening of the Vehicle Security Center, activation of site wide infrastructure and opening of One World Trade Center.*
- *Supports Regional Programs by allocating $48 million to improve transportation infrastructure throughout the Port District.*

Summary of Sources and Uses - 2014 Budget

Sources: $8.207 Billion



Uses: $8.207 Billion



THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
(Including its related entities)

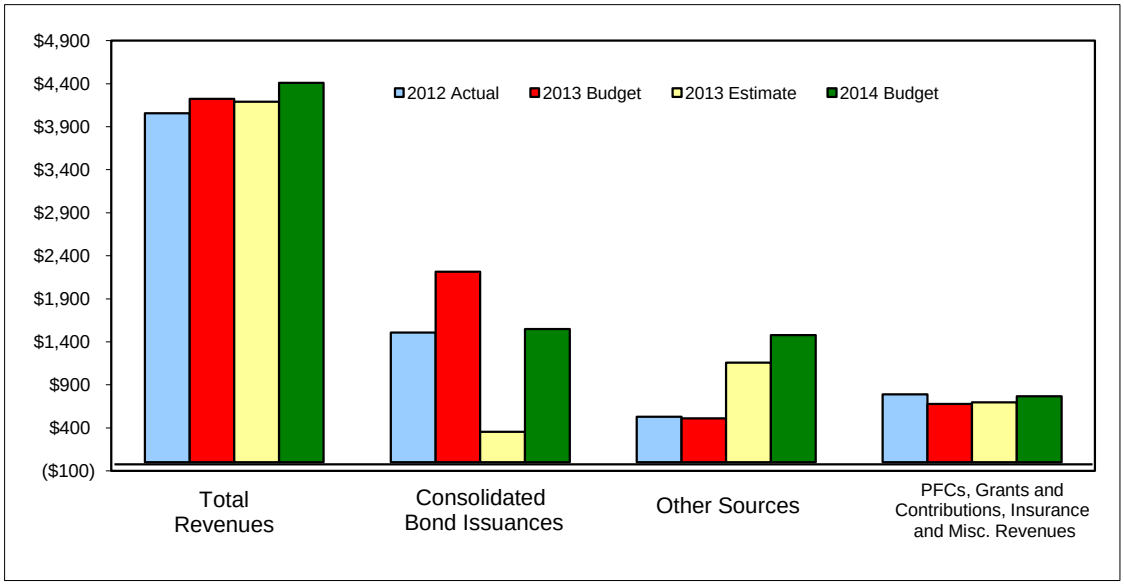
2014 BUDGET (In Thousands)

Item	Personal Services	Materials & Services	Total Expenditures	
Audit	$10,877	$1,886	$12,763	
Aviation	166,802	596,656	763,458	
Aircraft Rescue and Fire Fighting	68,853	6,070	74,923	
Chief Compliance Officer	268	130	398	
Chief, Capital Planning	1,354	208	1,562	
Chief Financial Officer	670	2,876	3,546	
Chief Operating Officer	2,724	5,717	8,441	
Chief of Public & Government Affairs	349	42	391	
Chief, Real Estate & Development	2,162	569	2,731	
Chief Security Officer	3,399	7,611	11,010	
Rescue Training Center	11,275	2,417	13,692	
Capital Security Projects	4,397	3,966	8,363	
WTC Security	934	5,943	6,877	
Comptroller's	11,807	572	12,379	
Engineering	90,643	196,645	287,288	
Capital Construction Contracts	-	784,765	784,765	
Executive Offices	2,430	342	2,772	
Ferry Program	-	2,272	2,272	
Government and Community Affairs	2,858	1,910	4,768	
Human Resources	14,783	6,693	21,476	
Medical Services	2,910	1,929	4,839	
Inspector General	12,989	9,166	22,155	
Labor Relations	1,205	465	1,670	
Law	18,735	26,866	45,601	
Management and Budget	7,244	1,093	8,337	
Marketing	3,864	7,714	11,578	
Media Relations	2,259	217	2,476	
Office of Business Diversity and Civil Rights	2,935	2,438	5,373	
Office of Emergency Management	3,617	7,519	11,136	
Office of Environmental & Energy Programs	2,694	2,155	4,849	
Office of Financial Analysis	1,243	244	1,487	
Office of the Secretary	2,376	2,088	4,464	
Transparency	518	400	918	
Operations Services	67,382	42,388	109,770	(1)
Planning	3,411	1,386	4,797	
Port Commerce	27,893	136,117	164,010	
Procurement	13,142	2,142	15,284	(1)
Project Management Office	2,151	4,671	6,822	
Public Safety	393,360	37,532	430,892	
Rail Transit	204,333	80,630	284,963	
Real Estate & Development	8,097	117,701	125,798	(1)
Technology Services	19,509	49,487	68,996	(1)
Corporate Enterprise Systems	-	23,681	23,681	
Treasury	6,080	24,187	30,267	
Tunnels, Bridges & Terminals	129,615	507,009	636,624	
WTC Construction	24,736	1,646,165	1,670,901	
WTC Redevelopment	5,724	391,304	397,028	
Other:				
Amounts in Connection with Operating Asset Obligations	-	23,837	23,837	
Bi-state Dredging Program	-	4,300	4,300	
Debt Service - Operations	-	920,545	920,545	
Debt Service - Capital	-	325,655	325,655	
Insurance	-	217,981	217,981	
Municipal Rents and Amounts in Lieu of Taxes	-	268,211	268,211	
Port Authority Insurance Captive Entity, LLC	-	4,991	4,991	
Capital Contingency	-	150,000	150,000	
Capital Agency Provisions	-	22,000	22,000	
Regional Programs - Operating	738	7,482	8,220	
Management of Vacancies	(2,809)	-	(2,809)	
Special Project Bonds Debt Service	-	98,141	98,141	
Total Port Authority Budget	$1,362,536	$6,844,719	$8,207,255	

(1) Net after charges to other dapartments

Sources

SOURCES
(In Millions)

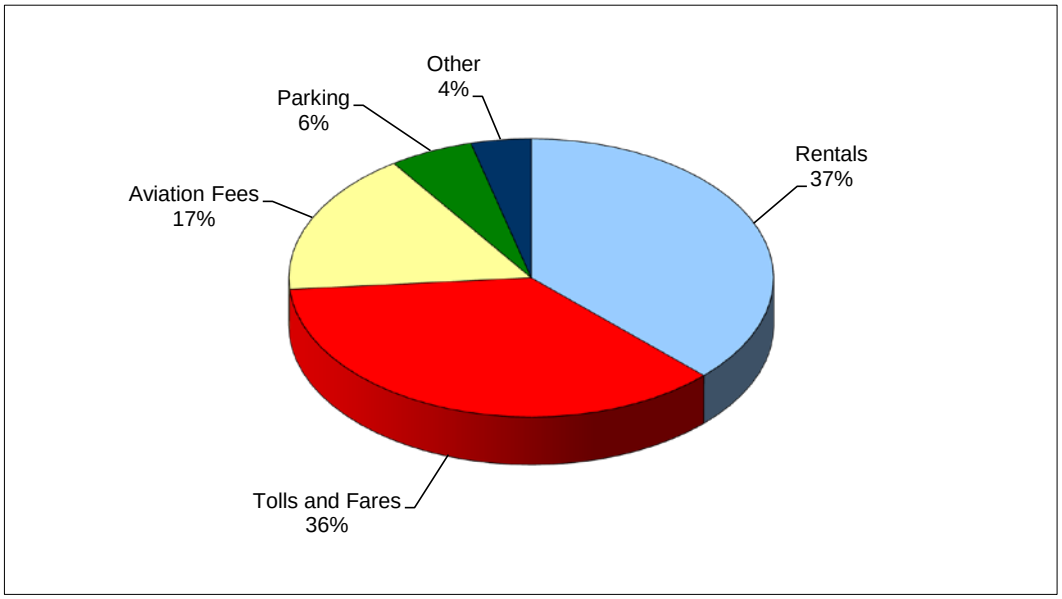


	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Revenues:				
Gross Operating Revenues:				
Rentals	$1,630	$1,643	$1,652	**$1,650**
Tolls and Fares	1,337	1,499	1,463	**1,600**
Aviation Fees	633	672	658	**738**
Parking	224	230	238	**247**
Other	232	181	180	**177**
Total Gross Operating Revenues	4,056	4,225	4,190	**4,411**
Consolidated Bond Issuances	1,506	2,213	355	**1,550**
Other Sources	531	511	1,157	**1,479**
Grants and Contributions, Insurance and Miscellaneous Revenues	681	457	529	**559**
Allocated Passenger Facility Charges	110	223	168	**208**
Total Sources	$6,884	$7,629	$6,399	**$8,207**

GROSS OPERATING REVENUES BY FACILITY
(In Thousands)

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Aviation				
LaGuardia Airport	$334,828	$343,936	$351,634	**$372,260**
John F. Kennedy International Airport	1,115,567	1,131,641	1,125,609	**1,113,833**
Newark Liberty International Airport	780,081	819,462	803,170	**887,806**
Teterboro Airport	37,100	36,967	36,776	**36,964**
Stewart International Airport	8,442	8,919	8,362	**8,599**
Total - Aviation	2,276,018	2,340,925	2,325,551	**2,419,462**
Tunnels, Bridges & Terminals				
Holland Tunnel	157,184	174,897	168,549	**175,784**
Lincoln Tunnel	196,885	224,313	210,604	**228,531**
George Washington Bridge	548,486	646,091	595,445	**649,555**
George Washington Bridge Bus Station	1,600	1,608	1,618	**1,621**
Bayonne Bridge	33,333	34,719	38,061	**41,477**
Goethals Bridge	151,170	133,866	165,661	**180,145**
Outerbridge Crossing	132,143	134,290	150,015	**162,941**
Port Authority Bus Terminal	37,324	41,500	42,466	**44,387**
Total - Tunnels, Bridges & Terminals	1,258,125	1,391,284	1,372,419	**1,484,441**
Rail				
PATH Rapid Transit	130,604	160,989	146,662	**173,755**
Journal Square Transportation Center	4,050	4,314	4,576	**4,875**
Total - Rail	134,654	165,303	151,238	**178,630**
Port Commerce				
Port Newark	78,928	76,439	86,317	**75,508**
Elizabeth - PA Marine Terminal	117,869	122,167	122,939	**121,062**
Brooklyn - PA Marine Terminal	6,450	7,090	4,586	**5,841**
Red Hook Container Terminal	15,690	1,692	11,510	**1,708**
Howland Hook Marine Terminal	13,210	14,857	13,620	**13,947**
Greenville Yard	351	351	354	**361**
New York & New Jersey Rail, LLC	1,784	2,068	2,377	**2,958**
Port Jersey - Port Authority Marine Terminal	15,327	21,383	19,608	**22,393**
Total - Port Commerce	249,609	246,047	261,311	**243,778**
Development				
Essex County Resource Recovery Facility	57,110	-	1	**423**
PA Industrial Park at Elizabeth	1,070	1,627	1,372	**1,479**
Bathgate Industrial Park	4,624	4,588	4,832	**4,919**
Ferry Transportation Services	254	198	257	**209**
Teleport	14,438	16,527	12,688	**14,084**
Newark Legal & Communications Center	2,171	2,740	2,415	**403**
Hoboken Waterfront	7,840	6,008	6,952	**7,038**
Queens West Waterfront	268	537	841	**842**
Total Development	87,775	32,225	29,358	**29,397**
World Trade				
	41,474	43,679	48,217	**51,845**
WTC Site	2,634	5,005	2,132	**2,765**
WTC Retail LLC	5,869	-	-	**-**
Total World Trade	49,977	48,684	50,349	**54,610**
Regional & Other	0	0	208	**500**
Total Gross Operating Revenues	$4,056,158	$4,224,468	$4,190,434	**$4,410,818**

Operating Revenues by Major Category
(In Thousands)



	Total	Aviation	Tunnels, Bridges & Terminals	Rail Transit	Port Commerce	Develop-ment	World Trade
Rentals	$1,649,596	$1,334,969	$44,019	$7,181	$211,974	$29,494	$21,959
Tolls and Fares	1,599,651	-	1,430,068	169,583	-	-	-
Aviation Fees	737,701	737,701	-	-	-	-	-
Parking	246,892	235,213	10,353	1,326	-	-	-
Other	176,978	111,578	-	540	31,805	403	32,651
Total	$4,410,818	$2,419,461	$1,484,440	$178,630	$243,779	$29,897	$54,610

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

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

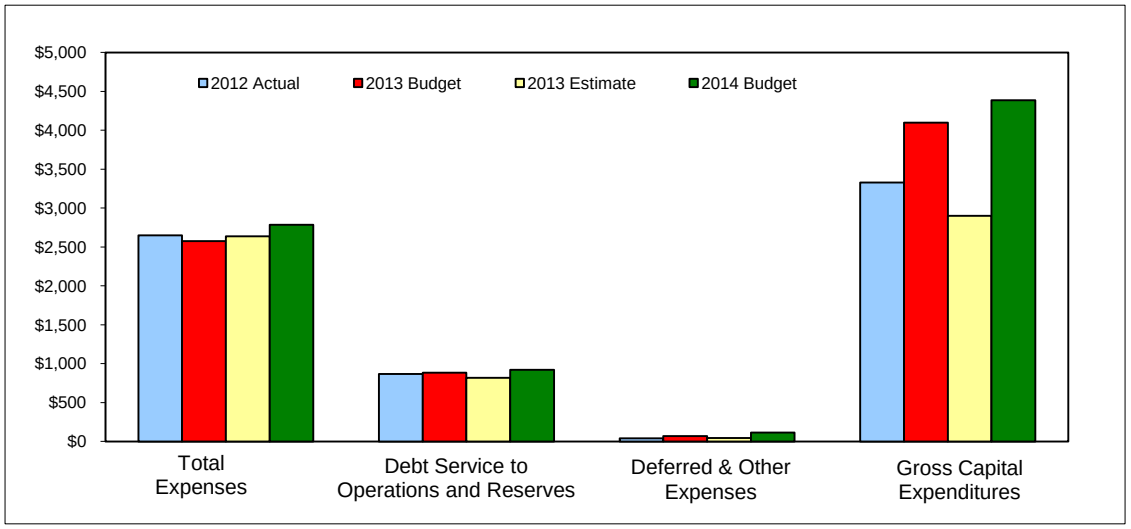
Aviation Fees - These fees are based on cost recovery agreements with airlines and are calculated on the basis of direct and allocated costs of operating and maintaining public aircraft facilities and the weight of aircraft using the runways.

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

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

Uses

USES
(In Millions)

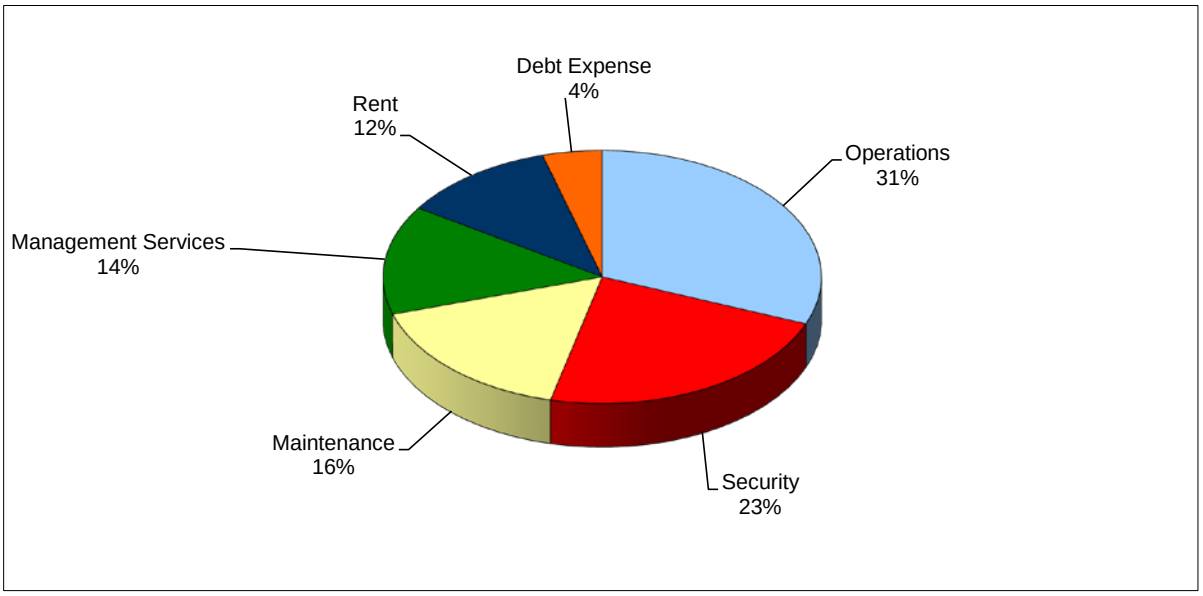


	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Expenses:				
Operating Expenses:				
Operations	$870	$776	$824	**$865**
Security	520	534	562	**634**
Maintenance	487	482	440	**458**
Management Services	322	347	375	**388**
Rent	312	309	306	**319**
Debt Expense (special project bond interest and operating asset financings)	137	130	130	**123**
Total Expenses	2,648	2,576	2,637	**2,787**
Debt Service Charged to Operations & Reserves:				
Interest on Bonds and Other Obligations	627	656	598	**692**
Debt Maturities and Retirements	224	215	204	**226**
Repayment of Asset Financing Obligations	17	15	16	**2**
Total Debt Service	868	886	817	**920**
Deferred & Other Expenses	40	69	45	**113**
Capital Expenditures:				
Line Departments (including PFCs)	951	1,404	1,230	**1,768**
World Trade Center	2,371	2,686	1,669	**2,400**
Regional and Capital Contingency	7	8	1	**48**
Agency Provisions	-	-	-	**172**
Total Gross Capital Expenditures	3,328	4,098	2,899	**4,387**
Total Uses	$6,884	$7,629	$6,399	**$8,207**

EXPENSES BY FACILITY
(In Thousands)

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Aviation				
LaGuardia Airport	$220,571	$235,327	$248,277	**$260,801**
John F. Kennedy International Airport	674,254	682,056	690,001	**698,974**
Newark Liberty International Airport	392,345	414,801	413,529	**439,783**
Teterboro Airport	22,243	18,756	21,779	**27,189**
Stewart International Airport	14,408	19,606	16,868	**20,100**
Downtown Manhattan Heli	4	21	-	**-**
PFC Program	5,035	-	-	**-**
Total - Aviation	1,328,860	$1,370,567	1,390,454	**1,446,847**
Tunnels, Bridges & Terminals				
Holland Tunnel	62,717	66,945	71,138	**71,179**
Lincoln Tunnel	86,141	86,200	88,975	**89,980**
George Washington Bridge	103,567	99,709	112,608	**104,740**
George Washington Bridge Bus Station	7,590	7,276	5,688	**7,844**
Bayonne Bridge	21,811	14,979	22,895	**16,468**
Goethals Bridge	20,581	23,628	23,971	**23,023**
Outerbridge Crossing	21,278	23,725	20,620	**25,042**
Port Authority Bus Terminal	91,783	94,058	90,595	**97,269**
Total - Tunnels, Bridges & Terminals	415,468	416,520	436,490	**435,545**
Rail				
PATH Rapid Transit	271,883	259,702	258,614	**269,811**
Journal Square Transportation Center	13,779	11,287	11,245	**12,050**
Total - Rail	285,662	270,989	269,859	**281,861**
Port Commerce				
Port Newark	79,898	74,947	75,978	**77,955**
Elizabeth - PA Marine Terminal	21,923	29,337	26,689	**27,769**
Brooklyn - PA Marine Terminal	8,902	11,020	11,361	**10,231**
Red Hook Container Terminal	30,773	8,560	25,821	**9,703**
Howland Hook Marine Terminal	12,271	10,683	9,694	**11,958**
Greenville Yard	3	6	6	**5**
New York & New Jersey Rail, LLC	4,049	3,623	4,643	**4,666**
Port Jersey - Port Authority Marine Terminal	23,594	22,491	27,760	**23,799**
Total - Port Commerce	181,413	160,667	181,952	**166,086**
Development				
Essex County Resource Recovery Facility	64,838	50	39	**403**
PA Industrial Park at Elizabeth	106	165	235	**134**
Bathgate Industrial Park	1,549	2,231	2,090	**3,126**
Ferry Transportation Services	252	5,174	3,856	**2,695**
Teleport	12,714	15,723	13,096	**14,557**
Newark Legal & Communications Center	(130)	390	12	**54**
Hoboken Waterfront	224	384	414	**-**
Total Development	79,553	24,117	19,742	**20,969**
World Trade				
World Trade Center	7,104	226	196	**67**
WTC Site	63,029	88,392	90,379	**180,125**
WTC Retail LLC	6,047	2,442	1,414	**1,643**
Total World Trade	76,180	91,060	91,989	**181,835**
Regional & Other Programs	31,149	8,158	3,847	**8,220**
Port Authority Insurance Captive Entity, LLC	4,238	4,463	4,412	**4,991**
Total Operating & Maintenance Expenses	2,402,524	2,346,541	2,398,745	**2,546,354**
Allocated Expenses	193,063	203,900	212,591	**216,733**
Total Operating Expenses	2,595,587	2,550,441	2,611,336	**2,763,087**
Operating Asset Obligations	27,956	26,005	25,933	**23,837**
Total Expenses	$2,623,543	$2,576,446	$2,637,268	**$2,786,923**

Operating Expenses by Major Category
(In Thousands)



	Total	Aviation	Tunnels, Bridges & Terminals	Rail Transit	Port Commerce	Develop-ment	World Trade	Allocated & Other (1)
Operations	$865,311	$433,351	$156,899	$110,214	$44,256	$10,940	$76,637	$32,514
Security	633,605	308,429	120,409	51,817	17,931	747	43,088	91,184
Maintenance	458,155	212,977	84,719	76,756	33,615	5,651	18,154	26,283
Management Services	388,089	70,670	35,647	18,598	38,687	1,186	17,008	206,293
Rent	319,169	240,405	1,236	1,143	26,334	2,125	19,478	28,448
Debt Expense	122,594	98,141	0	0	0	0	0	24,457
Total	$2,786,923	$1,363,973	$398,910	$258,528	$160,823	$20,649	$174,365	$409,179

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

Security - Providing safe and secure transportation services to the region and nation by vigilance over potential threats, investment in infrastructure and new technology, and employment of best practices in security and emergency preparedness operations.

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

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

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

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

Allocated & Other (1) is comprised of police headquarters, staff department and development expenses which are allocated to facilities.

ALLOCATED EXPENSES
(In Thousands)

Department / Office	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Audit	$9,054	$10,472	$9,878	**$9,628**
Chief Administrative Officer	694	-	-	**-**
Chief, Capital Planning	1,630	1,406	2,289	**2,153**
Chief Compliance Officer	-	673	-	**398**
Chief Engineer	2,952	2,910	2,828	**2,617**
Chief Financial Officer	5,480	4,746	4,667	**3,546**
Chief Operating Officer	4,229	3,252	2,579	**4,240**
Chief of Public & Government Affairs	179	555	26	**391**
Comptroller's	9,839	10,652	10,158	**9,955**
Chief, Real Estate & Development	2,627	2,843	2,745	**2,731**
Executive Offices	2,782	2,837	2,881	**2,772**
Government & Community Affairs	3,918	4,461	4,192	**4,768**
Human Resources	18,582	20,344	22,421	**24,641**
Inspector General	8,345	8,278	10,602	**8,537**
Labor Relations	1,473	1,670	1,533	**1,670**
Law	20,173	20,671	19,576	**20,497**
Management and Budget	7,148	7,679	7,026	**7,398**
Marketing	5,696	5,868	5,872	**5,833**
Media Relations	2,117	2,394	2,180	**2,476**
Office of Business Diversity and Civil Rights	3,379	3,972	3,291	**5,373**
Office of Environmental and Energy Programs	4,547	4,269	4,338	**4,849**
Office of Financial Analysis	1,657	1,755	1,474	**1,487**
Office of the Secretary	4,580	5,313	5,245	**5,382**
Office of Strategic Initiatives	803	870	-	**-**
Operation Services	5,338	5,308	5,529	**5,248**
Planning & Regional Development	5,049	5,805	4,853	**4,797**
Procurement	9,005	9,007	8,822	**8,976**
Real Estate	7,992	11,091	7,790	**18,050**
Technology Services	47,825	57,907	54,801	**60,448**
Corporate Enterprise Systems	12,809	14,437	14,392	**20,496**
Treasury	9,929	10,592	17,270	**10,898**
WTC Construction	3,300	3,360	3,360	**3,404**
Other (Revenue, Reclassifications, etc.)	(159)	(567)	(397)	**(3,312)**
Sub-total General Administrative	222,970	244,828	242,220	**260,349**
Allocated Expenses: *				
Less General Administrative allocated to Capital	(34,414)	(47,497)	(35,606)	**(49,206)**
General Administrative Allocated to Operations	188,556	197,331	206,614	**211,143**
Development Expenses Allocated to Operations	4,479	6,569	5,977	**5,590**
Total Allocated Expenses	$193,036	$203,901	$212,591	**$216,733**

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

CAPITAL EXPENDITURES BY FACILITY, *including 5-Year Look Forward*
(In Thousands)

	2012 Actual	2013 Estimate	2014 Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan
Aviation (including PFCs)							
LaGuardia Airport	$57,871	$95,341	**$186,221**	$356,102	$461,355	$388,998	$429,881
John F. Kennedy International Airport	90,808	154,865	**195,905**	249,520	184,575	171,035	125,720
Newark Liberty International Airport	164,221	130,450	**110,021**	152,198	154,245	121,603	242,590
Teterboro Airport	14,752	39,423	**23,481**	7,844	7,578	3,500	12,548
Stewart International Airport	10,284	32,643	**43,699**	46,717	18,776	11,927	8,392
Total - Aviation	337,936	452,722	**559,328**	812,381	826,530	697,063	819,131
Tunnels, Bridges & Terminals							
Holland Tunnel	14,507	15,481	**29,977**	30,693	59,074	41,873	28,762
Lincoln Tunnel	67,063	139,528	**297,814**	352,049	361,821	387,045	275,365
George Washington Bridge	32,018	59,107	**90,339**	97,308	160,717	179,360	176,156
George Washington Bridge Bus Station	4,105	3,838	**51,565**	6,239	5,823	1,409	2,021
Bayonne Bridge	41,840	102,509	**245,348**	330,398	308,366	218,560	72,934
Goethals Bridge	20,611	53,487	**56,279**	46,070	93,511	107,755	179,965
Outerbridge Crossing	1,999	14,557	**12,587**	11,036	15,690	16,838	14,329
Port Authority Bus Terminal	21,114	27,685	**28,662**	24,019	26,740	28,253	16,969
Total - Tunnels, Bridges & Terminals	203,257	416,192	**812,569**	897,811	1,031,742	981,092	766,500
Rail							
PATH Rapid Transit	143,805	171,646	**179,647**	177,666	220,306	566,668	487,303
Journal Square Transportation Center	5,634	6,270	**1,299**	110	-	-	872
Total - Rail	149,439	177,916	**180,946**	177,776	220,306	566,668	488,174
Port Commerce							
Port Newark	66,063	52,743	**57,151**	66,457	51,154	25,332	48,890
Elizabeth - PA Marine Terminal	49,364	9,617	**6,683**	4,402	2,500	3,000	10,392
Brooklyn - PA Marine Terminal	6,678	7,043	**6,326**	2,089	2,175	-	82
Red Hook Container Terminal	1,590	-	**-**	-	-	-	2,026
Howland Hook Marine Terminal	6,645	8,284	**12,443**	11,031	4,500	8,500	29,584
NY and NJ Rail LLC	7,868	3,132	**35,112**	51,339	38,200	23,500	19,500
Port Jersey - Port Authority Marine Terminal	36,303	100,602	**94,996**	55,147	40,774	28,300	15,477
Total - Port Commerce	174,511	181,421	**212,710**	190,465	139,304	88,632	125,951
Development							
Ferry Transportation Services	70	70	**-**	-	-	-	-
Teleport	34	296	**1,165**	-	-	-	-
Bathgate Industrial Park	106	231	**-**	-	-		
Total - Development	210	597	**1,165**	-	-	-	-
World Trade Center							
WTC Transportation Hub	563,835	423,434	**552,129**	272,208	114,399	-	-
WTC Retail LLC	273,300	260,254	**400,000**	393,488	149,916	49,817	22,328
One World Trade Center	587,892	502,253	**666,297**	111,434	75,924	28,298	5,078
WTC Site (including infrastructure, memorial and VSC)	943,488	481,135	**779,772**	744,943	372,434	118,168	43,577
Total - World Trade Center	2,368,515	1,667,076	**2,398,198**	1,522,073	712,673	196,283	70,983
Net Capital Expenditures - Line Departments	3,233,868	2,895,924	**4,164,917**	3,600,507	2,930,555	2,529,738	2,270,739
Regional & Other Programs:							
Regional Infrastructure Renewal Program	-	-	**30,000**	30,000	30,000	30,000	30,000
Other Regional Programs	6,697	3,151	**17,592**	11,996	7,395	3,588	2,000
Total - Regional & Other Programs	6,697	3,151	**47,592**	41,996	37,395	33,588	32,000
Capital Contingency	-	-	**150,000**	50,000	-	-	-
Agency Provisions	-	-	**22,000**	22,000	22,000	22,000	65,514
Total Net Capital Expenditures	3,240,565	2,899,075	**4,384,509**	3,714,503	2,989,950	2,585,326	2,368,253
Add Back - Financial Income	87,577	2,315	**2,482**	2,691	3,109	2,020	3,020
Total Gross Capital Expenditures	$3,328,142	$2,901,390	**4,386,991**	$3,717,194	$2,993,058	$2,587,346	$2,371,273
Capital Funding Sources:							
Capital Paid with Reserves	942,142	2,541,390	**2,836,991**	1,892,194	1,663,058	1,662,346	1,271,273
Capital Paid with Debt	2,386,000	360,000	**1,550,000**	1,825,000	1,330,000	925,000	1,100,000
Total Capital Funding Sources	$3,328,142	$2,901,390	**$4,386,991**	$3,717,194	$2,993,058	2,587,346	$2,371,273

Budget Support Schedules

Revenues, Expenses and Changes in Net Position, *including 5-Year Look Forward*

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

	2012 Actual	2013 Estimate	2014 Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan
Gross Operating Revenues	$4,056,157	$4,190,430	**$4,410,818**	$4,703,514	$4,980,609	$5,190,223	$5,329,272
Expenses:							
Operating & Maintenance Expenses	(2,402,525)	(2,398,744)	**(2,546,353)**	(2,687,817)	(2,769,299)	(2,818,135)	(2,877,705)
Allocated Expenses	(193,063)	(212,591)	**(216,733)**	(254,513)	(246,701)	(208,052)	(205,361)
Total Operating Expenses	(2,595,588)	(2,611,335)	**(2,763,086)**	(2,942,331)	(3,016,000)	(3,026,186)	(3,083,066)
Operating Asset Obligations	(27,956)	(25,933)	**(23,837)**	(21,496)	(19,421)	(18,457)	(16,128)
Net (Expenses) Recoverables related to Sandy	(30,000)	25,000	**-**	-	-	-	
Total Expenses	(2,653,544)	(2,612,267)	**(2,786,922)**	(2,963,827)	(3,035,421)	(3,044,643)	(3,099,194)
Net Operating Revenues	1,402,613	1,578,163	**1,623,896**	1,739,687	1,945,188	2,145,580	2,230,078
Depreciation & Amortization	(866,575)	(842,226)	**(878,510)**	(1,004,322)	(1,075,677)	(1,068,748)	(1,066,888)
Financial Income:							
Interest Income	26,969	24,104	**13,589**	15,693	36,514	79,044	100,598
Net increase/(decrease) in fair value of investments	2,151	-	**-**	-	-	-	
Interest and Other Expenses	(605,455)	(598,630)	**(672,021)**	(739,562)	(852,449)	(918,602)	(1,030,722)
Net Assets before Restricted Grants, Contributions and PFCs	(40,297)	161,411	**86,955**	11,495	53,577	237,274	233,066
Net PFC Program	127,232	125,449	**134,291**	141,786	155,218	165,073	174,626
Net Grants and Contributions in Aid of Construction	1,047,608	528,490	**558,468**	461,412	345,218	390,793	154,583
Increase in Net Position	$1,134,543	$815,350	**$779,713**	$614,693	$554,013	$793,140	$562,275
Net Position, January 1	$11,725,891	$12,860,434	**13,675,784**	$14,455,498	$15,070,191	$15,624,204	$16,417,344
Net Position, December 31	12,860,434	13,675,784	**14,455,498**	15,070,191	15,624,204	16,417,344	16,979,619
Increase in Net Position	$1,134,543	$815,350	**$779,713**	$614,693	$554,013	$793,140	$562,275

Consolidated Statement of Net Position
(In Thousands)

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
ASSETS:				
Cash and Investments	$ 5,930,425	$ 4,539,254	$ 5,447,091	**$ 4,249,411**
Receivables, net	589,035	412,181	497,026	**453,452**
Restricted Receivables	35,476	43,887	34,396	**47,109**
Deferred charges and other noncurrent assets	1,727,376	1,736,250	1,626,158	**1,643,122**
Amounts receivable - Special Project Bonds	1,656,350	1,584,611	1,587,468	**1,513,891**
Amounts receivable - 4 WTC Bonds Projects	1,249,309	1,248,673	1,248,697	**1,513,891**
Unamortized costs for regional programs	549,161	1,091,843	405,260	**378,650**
Facilities, net	25,551,503	27,047,509	27,632,436	**31,207,110**
Total assets	37,288,635	37,704,208	38,478,531	**41,006,636**
LIABILITIES:				
Accounts payable	886,862	1,020,076	1,029,589	**1,419,067**
Accrued interest and other liabilities (including PAICE)	883,927	1,140,616	930,404	**1,215,077**
Accrued pension and other employee benefits	653,131	560,810	631,968	**548,643**
Amounts Payable - Special Project Bonds	1,656,350	1,584,611	1,587,468	**1,513,891**
Amounts Payable - 4 WTC Bonds Projects	1,249,309	1,248,673	1,248,697	**1,225,520**
Bonds and other asset financing obligations	19,098,622	19,069,206	19,374,621	**20,628,941**
Total liabilities	24,428,201	24,623,992	24,802,747	**26,551,139**
NET ASSETS	$12,860,434	$13,080,216	$13,675,784	**$14,455,497**
Net assets are composed of:				
Retained Earnings:				
Invested in capital assets, net of related debt	$ 10,010,966	$ 10,351,812	$ 11,048,057	**$ 11,954,604**
Restricted:				
Restricted Passenger Facility Charges	132,228	25,000	181,358	**207,805**
PA Insurance Captive Entity - PAICE	160,161	156,571	173,921	**160,172**
Minority Interest in Tower 1 Joint Venture, LLC	100,000	100,000	100,000	**100,000**
Unrestricted	2,457,079	2,545,833	2,172,448	**2,032,916**
Total Net assets	$ 12,860,434	$ 13,179,216	$ 13,675,784	**$ 14,455,497**

INFORMATION ON PORT AUTHORITY OPERATIONS BY FACILITY

Prepared in accordance with Generally Accepted Accounting Principles

(In Thousands)

	Gross Operating Revenues	O&M Expenses	Allocated Expenses	Depreciation & Amortization	Net Interest & Other Exp.	Net Income Before Grants Contributions & PFCs	Grants, Contributions, Insurance & PFCs	2014 Budget Net Income/ (Loss)	2013 Estimate Net Income/ (Loss)	2012 Actual Net Income/ (Loss)
Aviation										
LaGuardia Airport	$372,260	$260,801	$24,539	$49,991	$21,684	$15,245	$5,666	**$20,911**	$21,171	$30,935
John F. Kennedy International Airport	1,113,833	698,974	36,406	147,144	67,995	163,314	10,622	**173,936**	169,149	190,383
Newark Liberty International Airport	887,806	439,783	32,273	117,750	56,308	241,692	8,650	**250,342**	182,561	178,653
Teterboro Airport	36,964	27,189	2,562	16,880	7,304	(16,972)	10,115	**(6,857)**	10,375	267
Stewart International Airport	8,599	20,100	512	4,176	2,242	(18,431)	2,013	**(16,419)**	(8,221)	(5,445)
Total - Aviation	2,419,462	1,446,847	96,292	335,942	155,533	384,849	37,066	**421,914**	375,035	394,793
Tunnels, Bridges & Terminals										
Holland Tunnel	175,784	71,179	10,256	16,700	7,470	70,178	316	**70,494**	59,884	58,890
Lincoln Tunnel	228,531	89,980	12,596	39,474	13,522	72,959	379	**73,339**	54,732	48,916
George Washington Bridge	649,555	104,739	12,974	30,879	22,059	478,904	354	**479,258**	407,458	368,503
George Washington Bridge Bus Station	1,621	7,844	1,025	1,872	-	(9,120)	38	**(9,082)**	(6,419)	(8,517)
Bayonne Bridge	41,477	16,468	1,855	5,295	5,670	12,189	63	**12,252**	(40)	(3,301)
Goethals Bridge	180,145	23,023	2,770	18,091	5,238	131,023	70	**131,093**	113,712	104,553
Outerbridge Crossing	162,941	25,042	3,004	4,758	1,899	128,237	82	**128,319**	119,403	96,515
Port Authority Bus Terminal	44,387	97,269	11,275	24,376	13,839	(102,372)	335	**(102,036)**	(100,078)	(105,350)
Total - Tunnels, Bridges & Terminals	1,484,441	435,545	55,755	141,445	69,697	781,998	1,638	**783,637**	648,652	560,209
Rail										
PATH Rapid Transit	173,755	269,811	47,917	154,911	63,721	(362,605)	433,000	**70,395**	2,116	13,366
Journal Square Transportation Center	4,875	12,050	256	6,255	2,627	(16,313)	-	**(16,313)**	(16,080)	(20,617)
Total - Rail	178,630	281,861	48,173	161,166	66,348	(378,918)	433,000	**54,082**	(13,964)	(7,251)
Port Commerce										
Port Newark	75,508	77,956	4,612	28,814	21,102	(56,977)	369	**(56,608)**	(46,209)	(51,300)
Elizabeth - PA Marine Terminal	121,062	27,769	1,471	36,275	30,863	24,684	38	**24,722**	16,880	18,577
Brooklyn - PA Marine Terminal	5,841	10,231	769	772	1,527	(7,457)	25	**(7,432)**	(9,673)	(2,327)
Howland Hook Marine Terminal	13,947	11,958	512	17,001	12,297	(27,822)	-	**(27,822)**	(29,844)	(32,235)
Greenville Yard	361	5	-	-	-	356	-	**356**	348	348
Port Jersey - Port Authority Marine Terminal	22,393	23,799	769	2,313	9,853	(14,341)	44	**(14,297)**	(20,966)	(20,405)
New York & New Jersey Rail, LLC	2,958	4,666	-	409	1,545	(3,662)	25,119	**21,457**	(101)	1,447
Red Hook Container Terminal	1,708	9,703	256	467	-	(8,719)	-	**(8,719)**	(15,100)	(14,281)
Total - Port Commerce	243,779	166,086	8,390	86,053	77,187	(93,937)	25,596	**(68,341)**	(104,666)	(100,177)
Development										
Essex County Resource Recovery Facility	423	403	-	1,405	120	(1,505)	-	**(1,505)**	(1,680)	(9,653)
PA Industrial Park at Elizabeth	1,479	134	6	286	214	840	-	**840**	562	353
Bathgate Industrial Park	4,919	3,126	-	1,268	115	409	-	**409**	1,153	1,268
Ferry Transportation Services	209	2,695	-	5,291	3,587	(11,364)	-	**(11,364)**	(3,265)	(10,214)
Teleport	14,084	14,556	256	1,870	322	(2,920)	-	**(2,920)**	(1,367)	(1,301)
Newark Legal & Communications Center	403	54	-	2,877	531	(3,060)	-	**(3,060)**	(13,692)	(1,748)
Hoboken Waterfront	7,038	-	17	2,841	2,370	1,811	-	**1,811**	557	1,745
Queens West Waterfront	842	-	-	605	1,388	(1,151)	-	**(1,151)**	(1,549)	(1,925)
Total Development	29,397	20,969	279	16,443	8,647	(16,940)	-	**(16,940)**	(19,282)	(21,474)
World Trade Center										
World Trade Center	51,845	71,593	413	6,215	222,216	(248,592)	4,698	**(243,894)**	1,457	31,365
WTC Site	2,765	108,598	7,431	20,523	-	(133,787)	56,471	**(77,317)**	(68,806)	272,220
WTC Retail LLC	0	1,643	-	36,161	46,535	(84,339)	-	**(84,339)**	(18,695)	93,313
World Trade Center	54,610	181,835	7,844	62,899	268,751	(466,719)	61,168	**(405,550)**	(86,044)	396,898
Regional and Other	500	8,220	-	74,562	36,105	(118,387)	-	**(118,387)**	(130,417)	(174,641)
Port Authority Insurance Captive Entity, LLC		4,991			-	(4,991)	-	**(4,991)**	(4,412)	(2,710)
Net Expenses (Recoverables) related to Sandy	-	-	-	-	(0)	0	-	**0**	25,000	(30,000)
Sub-total	4,410,818	2,546,353	216,732	878,510	682,268	86,955	558,468	**645,423**	689,902	1,015,646
PFC Program	-	-	-	94,344	-	(94,344)	228,635	**134,291**	125,449	118,897
Total Port Authority	$4,410,818	$2,546,353	$216,732	$972,854	$682,268	(7,390)	$787,103	**$779,713**	$815,351	$1,134,543

Revenues and Reserves

Prepared pursuant to Port Authority bond resolution

(In Thousands)

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Gross Operating Revenues	$4,056,158	$4,224,468	$4,190,434	**$4,410,818**
Expenses:				
Operating & Maintenance Expenses	2,402,526	2,346,541	2,398,745	**2,546,354**
Allocated Expenses	193,063	203,900	212,591	**216,733**
Total Operating Expenses	2,595,589	2,550,441	2,611,336	**2,763,087**
Operating Asset Obligations	27,956	26,005	25,933	**23,837**
Net expenses related to Hurricane Sandy	30,000		(25,000)	
Total Expenses	2,653,545	2,576,446	2,612,268	**2,786,923**
Net Operating Revenues	1,402,613	1,648,022	1,578,166	**1,623,895**
Financial Income:				
Interest Income	26,970	9,952	24,104	**13,589**
Net increase/(decrease) in fair value of investments	2,151	-	-	**-**
Restricted Net Assets - Port Authority Insurance Captive Entity, LLC	2,710	885	(88)	**491**
Grants and contributions in aid of construction	565,976	420,298	491,830	**553,770**
1 WTC / WTC Retail Insurance Proceeds	17,962	-	-	**-**
Application of 4 WTC Associated Payments	65,293	36,660	36,660	**4,698**
Allocated Passenger Facility Charges	110,015	222,897	167,781	**208,011**
Net Revenues Available for Debt Service and Reserves	2,193,690	2,338,714	2,298,453	**2,404,454**
Debt Service:				
Interest on Bonds and Other Obligations	627,200	655,148	597,629	**691,858**
Debt Maturities and Retirements	224,405	214,786	204,000	**226,205**
Repayment of Asset Financing Obligations	16,514	15,671	15,671	**2,482**
Total Debt Service	868,119	885,605	817,300	**920,545**
Increase in Reserves from Operations & Financial Income	1,325,571	1,453,109	1,481,153	**1,483,909**
Direct Investment in Facilities	(691,079)	(1,688,028)	(979,750)	**(1,942,362)**
Appropriation to / (from) Reserves for Self-Insurance	37,547	-	**-**	**-**
Net Increase / (Decrease) in Reserves for Year	672,039	(234,919)	501,403	**(458,453)**
Reserves, beginning of year	2,705,036	3,512,056	3,377,075	**3,878,478**
Reserves, end of year	$3,377,075	$3,277,137	$3,878,478	**$3,420,025**

ASSETS AND LIABILITIES

(Pursuant to Port Authority Bond Resolutions)

(In Thousands)

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Assets				
Invested In Facilities	$40,818,087	$44,623,593	$43,717,161	**$48,101,672**
Cash and Investments	5,930,424	4,539,254	5,447,091	**4,249,411**
Other Assets	5,258,395	5,040,672	4,994,714	**5,142,403**
Total Assets	52,006,906	54,203,519	54,158,966	**57,493,486**
Liabilities				
Consolidated Bonds and Notes	18,076,497	18,886,502	18,260,318	**19,887,870**
Other Obligations	3,827,948	3,689,237	3,668,061	**3,480,483**
Accounts Payable and Other Liabilities	2,555,384	2,806,550	2,998,357	**3,182,787**
Total Liabilities	24,459,829	25,382,289	24,926,736	**26,551,140**
Net Assets	$27,547,077	$28,821,230	$29,232,230	**$30,942,346**
Net Assets Are Composed Of:				
Facility Infrastructure Investment	$24,131,488	$25,472,519	$25,315,239	**$27,483,807**
Reserves:				
General Reserve Fund	2,026,605	2,096,617	2,040,826	**2,164,305**
Consolidated Bond Reserve Fund	1,350,470	1,180,520	1,837,652	**1,255,720**
Total Reserve Funds	3,377,075	3,277,137	3,878,478	**3,420,025**
Appropriated Reserves for Self-insurance	38,514	71,574	38,514	**38,514**
Net Assets	$27,547,077	$28,821,230	$29,232,231	**$30,942,346**

Outstanding Obligations and Financing

SUMMARY OF DEBT TYPE
(In Thousands)

Type:	2012 Actual	Issued/ Accreted	Repaid/ Refunded	2013 Actuals	Issued/ Accreted	Repaid/ Refunded	2014 Budget
Consolidated Bonds	$18,076,497	$1,850,201	($1,714,635)	$18,212,063	$2,796,857	($1,507,990)	**$19,500,930**
Commercial Paper	384,625	927,515	(964,030)	348,110	175,000	(100,000)	**423,110**
Variable Rate Master Notes	77,900	-	-	77,900	-	-	**77,900**
PA Equipment Notes	49,565	-	(2,640)	46,925	-	(15,425)	**31,500**
Fund Buy-out Obligation	336,453	25,836	(51,212)	311,077	23,699	(51,214)	**283,562**
MOTBY Obligation	78,060	4,269	(30,000)	52,329	925	(5,000)	**48,254**
4 WTC Net Lease Obligation	1,225,520	-	-	1,225,520	-	-	**1,225,520**
Sub-total	$20,228,620	$2,807,821	($2,762,517)	$20,273,924	$2,996,481	($1,679,629)	**$21,590,776**
Special Project Bonds	1,656,350	-	(68,882)	1,587,468	-	(73,577)	**1,513,891**
Total Obligations	**$21,884,970**	**$2,807,821**	**($2,831,399)**	**$21,861,392**	**$2,996,481**	**($1,753,206)**	**$23,104,667**

Staffing

BUDGETED PERMENANT POSITIONS

DEPARTMENT	2012 Actual	2013 Estimate	2014 Budget
CHIEF OF HUMAN CAPITAL			
Human Resources (including Medical Services)	71	75	**75**
Labor Relations	10	6	**6**
CHIEF, CAPITAL PLANNING	2	5	**5**
Project Management Office	8	8	**8**
Office of Business Diversity and Civil Rights	14	14	**14**
Office of Environmental & Energy Programs	12	12	**12**
Planning & Regional Development	20	22	**22**
WTC Redevelopment	17	16	**16**
WTC Construction	110	110	**102**
CHIEF ENGINEER/Engineering	538	538	**538**
CHIEF FINANCIAL OFFICER	3	3	**3**
Comptroller's	98	98	**98**
Management and Budget	38	36	**36**
Operations Standards	6	6	**5**
Office of Financial Analysis	8	7	**7**
Priority Programs	6	4	**4**
Technology Services	104	103	**103**
Treasury	42	42	**42**
CHIEF OPERATING OFFICER	7	7	**9**
Aviation	929	933	**933**
Aircraft Rescue and Fire Fighting	-	-	**284**
Port Commerce	169	169	**169**
Rail Transit	1,070	1,073	**1,073**
Tunnels, Bridges & Terminals	882	873	**873**
Operations Services (including Facility Construction Support)	423	424	**423**
CHIEF, PUBLIC & GOVERNMENT AFFAIRS	2	2	**2**
Government and Community Affairs	13	13	**13**
Media Relations	9	10	**10**
Marketing	25	24	**24**
CHIEF, REAL ESTATE & DEVELOPMENT	11	11	**11**
Real Estate Services	39	39	**39**
EXECUTIVE OFFICES	8	8	**8**
GENERAL COUNSEL			
Law	128	127	**127**
Procurement	91	92	**92**
INSPECTOR GENERAL	50	50	**47**
Audit	74	74	**77**
OFFICE OF THE SECRETARY	19	16	**16**
Transparency Office	-	2	**2**
CHIEF SECURITY OFFICER	-	6	**10**
Rescue Training Center	-	-	**14**
Capital Security Projects	22	21	**21**
Office of Emergency Management	16	17	**17**
Public Safety	1,680	1,679	**1,586**
CHIEF COMPLIANCE OFFICER	-	2	**2**
CHIEF OF ADMINISTRATION	3	-	**-**
TOTAL BUDGETED PERMANENT POSITIONS	6,777	6,777	**6,978**

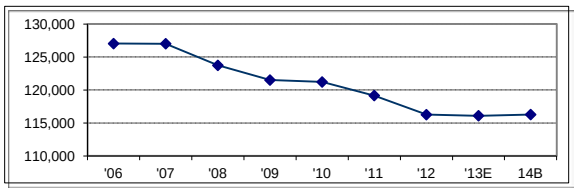
Activity Highlights

ACTIVITY HIGHLIGHTS
2006 - 2012 ACTUAL, 2013 ESTIMATE AND 2014 BUDGET
(in thousands)

Tunnels, Bridges & Terminals
(Eastbound Vehicular Movements)

	Autos	Buses	Trucks	Total
2006 *	115,506	3,140	8,374	127,020
2007	115,349	3,139	8,516	127,004
2008	112,176	3,158	8,391	123,725
2009	110,755	3,119	7,626	121,500
2010	110,482	3,122	7,602	121,206
2011	108,428	3,111	7,611	119,150
2012	105,895	2,957	7,401	116,253
2013 Estimate	105,841	2,907	7,345	116,093
2014 Budget	105,969	3,006	7,295	116,270

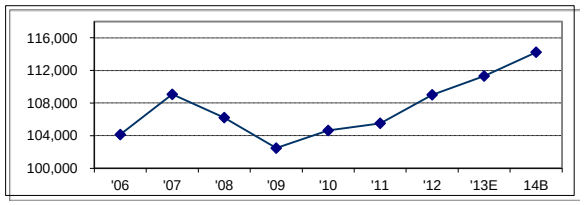
TB&T - All Vehicles



Aviation - Passengers

	International	Domestic	Total
2006	30,969	73,164	104,133
2007	33,523	75,546	109,069
2008	34,635	71,579	106,214
2009	33,514	68,956	102,470
2010	35,377	69,258	104,635
2011	36,465	69,053	105,518
2012	37,687	71,328	109,015
2013 Estimate *	38,531	72,782	111,313
2014 Budget	39,660	74,576	114,236

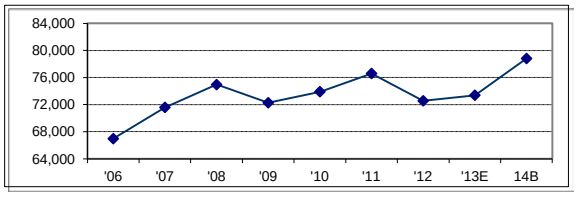
Aviation - Total Passenger Traffic



PATH - Passengers

2006	66,966
2007	71,592
2008	74,954
2009	72,277
2010	73,911
2011 *	76,600
2012	72,563
2013 Estimate **	73,387
2014 Budget	78,814

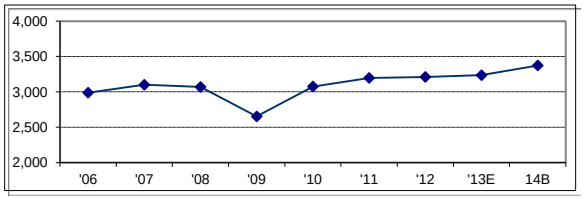
PATH - Passengers



Port Commerce - Containers

2006	2,988
2007	3,100
2008	3,069
2009	2,652
2010	3,076
2011	3,197
2012	3,211
2013 Estimate *	3,235
2014 Budget	3,373

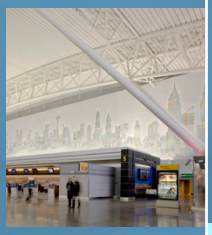
Port Commerce - Containers

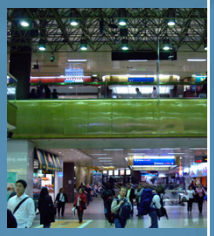


* Represents the highest activity year.

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

2014
Capital Budget





THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2014 CAPITAL SPENDING

		2014 BUDGET
Aviation	$	559,328
Development		1,165
PATH		180,946
Port Commerce		212,710
Regional Capital Programs		47,592
Tunnels, Bridges & Terminals		812,569
World Trade Center		2,398,198
Provisions		172,000
Total	$	4,384,508

Category Designations	
Mandatory	(MAND)
Revenue Producing Projects	(RPP)
Security	(SEC)
State of Good Repair	(SGR)
System Enhacement Projects	(SEP)
State & Regional Projects	(SRP)

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

CMWP	Capital Major Works Program

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2014 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	AVIATION			
	CA02-LaGUARDIA AIRPORT			
	AERONAUTICAL			
CA02-127	REHABILITATION OF RUNWAY DECK PRIORITY STRUCTURAL ELEMENTS - I	SGR	4	888
CA02-128	TRANSFER OF RUNWAY DECK ELECTRICAL CIRCUITS	SGR	4	2,397
CA02-129	REHABILITATION OF RUNWAY DECK STRUCTURAL ELEMENTS - 2	SGR	1	1,079
CA02-368	REALIGNMENT OF WESTSIDE TAXIWAYS Y, CY, AA, BB, F, D AND RVSR	MAND	4	1,161
CA02-401	REHABILITATION OF RUNWAY 13-31 AND ASSOCIATED TAXIWAYS	SGR	1	835
CA02-417	RUNWAY 13 & 22 DECKS SAFETY OVERRUN	MAND	4	31,872
CA02-423	REHABILITATION OF TAXIWAYS WEST OF RUNWAY 4-22	SGR	P	2,845
CA02-445	REHABILITATION OF TAXIWAYS A, M, AND ZA	SGR	4	6,945
CA02-466	REHABILITATION OF TAXIWAY "A" FROM ("L" TO "B") AND TAXIWAY "B" (FROM "G" TO "CY")	SGR	P	507
CA02-470	REPLACEMENT OF RUNWAY 4 & 31 ENGINEERED MATERIALS ARRESTOR SYSTEM	SGR	4	12,047
				60,578
	INFRASTRUCTURE			
CA02-053	SCHOOL SOUNDPROOFING - PHASE 3	MAND	4	5,560
CA02-328	UPGRADE PUMPS IN PUMP HOUSE 4	SGR	4	3,703
CA02-454	FEEDER UPGRADE AND REDISTRIBUTION FOR DELTA 2013 EXPANSION OF DELTA AIRLINES	SEP	4	832
CA02-460	WEST END 5KV DUCTBANK INFRASTRUCTURE UPGRADE	SEP	3	9,313
CA02-461	EAST END SUBSTATION FOUNDATION AND SITE UTILITIES	SGR	3	2,202
CA02-486	LAGUARDIA AIRPORT FLOOD CONTROL AND RESILIENCY IMPROVEMENTS	SEP	1	2,400
				24,010
	LANDSIDE			
CA02-360	REHABILITATION OF EAST END LGA ROAD PAVEMENT	SGR	4	1,773
CA02-388	CMWP - REHABILITATION OF CENTRAL TERMINAL ROAD	SGR	3	421
CA02-429	DEVELOPMENT OF INGRAHAM'S MOUNTAIN	SEP	1	8,135
CA02-451	CMWP - TRAFFIC AND INTERSECTION SAFETY IMPROVEMENTS - PHASE 1	MAND	4	964
				11,292
	SECURITY			
CA02-037	PHYSICAL PROTECTION OF TERMINAL BUILDING GLASS	SEC	P	247
CA02-045	INSTALLATION OF CCTV AT SELECT AOA ACCESS DOORS	SEC	P	419
CA02-114	INSTALLATION OF BOLLARD AT TENANT TERMINALS	SEC	4	972
CA02-117	UPGRADE OF GUARD POST VEHICLE BARRIER CONTROL PANELS	SEC	4	211
CA02-231	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	5,940
CA02-246	AIRPORT CHECKPOINT DIGITAL CCTV SYSTEM ENHANCEMENTS	SEC	3	250
CA02-447	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	1,349
				9,389
	TERMINALS			
CA02-434	CTB WATER DAMAGE REMEDIATION PHASE - 2	SGR	4	1,614
CA02-435	CTB CONCOURSE PLANK REHABILITATION	SGR	4	786
				2,401
	CAPITAL INFRASTRUCTURE PROGRAM			
CA02-442	CTB REDEVELOPMENT PROGRAM - AIR TERMINAL HIGHWAY EAST OF GUARD POST 1	SEP	P	580
CA02-440	CTB REDEVELOPMENT PROGRAM - REPLACEMENT OF UTILITIES EAST OF GUARD POST 1	SGR	P	13,082
CA02-444	CTB REDEVELOPMENT PROGRAM - HANGARS 2 & 4 SITE REUTILIZATION	SEP	P	11,825
CA02-469	CTB REDEVELOPMENT PROGRAM - EAST END SUBSTATION BUILDING, EQUIPMENT AND FEEDERS	SGR	3	15,583
CA02-482	CTB REDEVELOPMENT PROGRAM - FINAL PLANNING & DESIGN	RPP	M	11,092
CA02-443	CTB REDEVELOPMENT PROGRAM - SURFACE AND STRUCTURE PARKING PROGRAM	SEP	P	11,276
CA02-474	CTB REDEVELOPMENT PROGRAM - EAST PARKING GARAGE	SEP	1	13,846
CA02-339	CTB REDEVELOPMENT PROGRAM PLANNING & DESIGN - PHASE 2	RPP	M	1,267
				78,551

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2014 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	CA02-LaGUARDIA AIRPORT			186,221
	CA03-JFK INTERNATIONAL AIRPORT			
	AERONAUTICAL			
CA03-032	REHABILITATION OF TAXIWAYS FA & FB	SGR	4	4,166
CA03-168	REHABILITATION OF RUNWAY 4L-22R	SGR	3	27,798
CA03-243	RUNWAY 13L-31R RUNWAY SAFETY AREA COMPLIANCE	MAND	1	1,915
CA03-529	REHABILITATION OF TAXIWAY Q AND QG	SGR	1	3,192
CA03-576	RELOCATION OF RESTRICTED VEHICLE SERVICE ROAD BRIDGE - J2	SEP	4	2,320
CA03-614	REHABILITATION OF TAXIWAY B (TAXIWAY N TO TAXIWAY TB)	SGR	4	10,314
CA03-616	NORTH BOUNDARY ROAD REALIGNMENT	MAND	3	5,785
CA03-618	RELOCATION OF RESTRICTED VEHICLE SERVICE ROAD BRIDGE - J8	SEP	4	5,488
CA03-621	REPLACEMENT OF 5KV FEEDERS	SGR	3	9,775
CA03-760	ENGINEERED MATERIAL ARRESTOR SYSTEM	MAND	3	9,250
CA03-516	REHABILITATION OF RUNWAY 4R-22L	SGR	P	368
CA03-565	CONSTRUCTION OF CENTRALIZED DE-ICING FACILITY - PHASE 2	RPP	1	350
				80,721
	INFRASTRUCTURE			
CA03-016	EMERGENCY FUEL SHUTOFF SYSTEM	MAND	4	266
CA03-017	REPLACEMENT OF GEOCOMPOSITE LINERS AT BULK FUEL FARM - PHASE 2	MAND	4	1,045
CA03-555	REHABILITATION OF VAN WYCK NORTH & SOUTH SERVICE ROAD	SGR	4	3,422
CA03-574	BUILDING 156 (CONTROL TOWER) ROOFING AND HVAC REPLACEMENT	SGR	1	2,380
CA03-645	CMWP - SWITCH HOUSE #2 CLIMATE CONTROL AND RELATED WORK	SGR	3	853
CA03-646	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SGR	1	1,423
CA03-677	UPGRADE/REHABILITATION FACILITY-WIDE FIRE ALARM SYSTEM	SGR	P	184
				9,574
	LANDSIDE			
CA03-023	PAVEMENT REHABILITATION OF NORTH BOUNDARY EASTERN, & NORTH HANGAR ROAD	SGR	4	3,055
CA03-025	PAVEMENT REHABILITATION OF PAN-AM AND BERGEN ROAD & FEDERAL CIRCLE RAMPS	SGR	3	516
CA03-036	PAVEMENT REHABILITATION OF EAST & WEST HANGAR ROAD	SGR	4	1,655
CA03-234	PAVEMENT REHABILITATION OF CARGO PLAZA ROAD & CENTER CARGO ROAD	SGR	4	1,107
CA03-542	PAVEMENT REHABILITATION OF LOOP & NORTH SERVICE ROAD	SGR	4	491
CA03-554	REHABILITATION OF 148TH STREET AND JFK EXPRESSWAY RAMPS	SGR	4	1,416
CA03-594	REHABILITATION OF PAVEMENT CARGO SERVICE ROAD	SGR	4	2,641
				10,880
	SECURITY			
CA03-061	CCTV EQUIPMENT IN TERMINAL BAGGAGE AREAS	SEC	1	490
CA03-141	INSTALLATION OF BOLLARD AT TENANT TERMINALS	SEC	4	8,784
CA03-145	UPGRADE OF GUARD POST ANTI-RAM VEHICLE BARRIER CONTROL PANELS	SEC	4	211
CA03-389	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	8,818
CA03-391	AIRPORT CHECKPOINT DIGITAL CCTV SYSTEM IMPROVEMENTS	SEC	4	1,666
CA03-507	UNMANNED GATES	SEC	4	1,625
CA03-639	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	1,742
				23,337
	TERMINALS			
CA03-075	TWA FLIGHT CENTER INTERIOR RENOVATION	RPP	4	138
CA03-591	REDEVELOPMENT OF TERMINAL 4	RPP	4	71,055
CA03-TB1	INSTALLATION OF WELCOME CENTERS AT TERMINAL 4 AND 5	SEP	P	200
				71,393

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	CA03-JFK INTERNATIONAL AIRPORT			195,905
	CA04-NEWARK LIBERTY INTERNATIONAL AIRPORT			
	AERONAUTICAL			
CA04-516	INSTALLATION OF RUNWAY 11 ENGINEERED MATERIALS ARRESTOR SYSTEM FOR RSA IMPROVEMENTS	MAND	4	2,789
CA04-569	END AROUND TAXIWAYS FOR RUNWAY 4L-22R	SEP	P	515
CA04-455	REHABILITATION OF RUNWAY 4L-22R	SGR	3	28,401
CA04-507	REHABILITATION OF TAXIWAY P DELAY REDUCTION AND OTHER IMPROVEMENTS	SGR	4	2,257
CA04-512	RELOCATE BREWSTER ROAD & SITEWORK PREPARATION FOR ENGINEERED MATERIALS ARRESTOR SYSTEM	MAND	4	3,709
				37,671
	INFRASTRUCTURE			
CA04-041	SCHOOL SOUNDPROOFING - PHASE 3	MAND	4	1,776
CA04-057	CMWP - AIRTRAIN GUIDEWAY COLUMN PROTECTION	SEP	3	214
CA04-468	CENTRAL TERMINAL AREA 27KV ELECTRICAL DISTRIBUTION LOOP CLOSURE	SEP	3	4,990
CA04-498	REPLACEMENT OF HIGH TEMPERATURE HOT WATER GENERATORS AT CHRP	SGR	4	3,630
CA04-528	REPLACEMENT OF CHRP NORTH ELECTRICAL SUBSTATION AND CHILLER UPGRADES	SGR	1	547
CA04-539	4TH ELECTRICAL SUBSTATION AT TERMINAL B	SEP	1	500
CA04-547	CMWP - REHABILITATION OF FUEL PIT VAULT HATCHES AT C1 RAMP	MAND	P	629
CA04-579	INFRASTRUCTURE RENEWAL - ELECTRICAL DISTRIBUTION	SGR	1	4,500
CA04-583	INFRASTRUCTURE RENEWAL - FUEL DISTRIBUTION - PHASE 1	SGR	3	3,685
CA04-584	TERMINAL B INFRASTRUCTURE AND UTILITY REPLACEMENT & UPGRADE VIA WORK ORDER	SGR	4	1,346
CA04-596	BUILDING 157 INFRASTRUCTURE IMPROVEMENT	SEP	3	700
CA04-629	REMAIN OVERNIGHT PARKING	RPP	P	12,500
CA04-635	CMWP - INSTALLATION OF BUILDING 190 PARKING LOT ACCESS AND UNDERGROUND UTILITY	SEP	3	619
				35,636
	LANDSIDE			
CA04-513	AIRTRAIN BASE GUIDEWAY MID-LIFE OVERHAUL	SGR	4	976
CA04-514	AIRTRAIN BASE VEHICLE SUBSYSTEM LIFECYCLE OVERHAUL	SGR	4	4,922
CA04-538	REHABILITATION OF TERMINAL C DEPARTURE AND 1&9 EXIT SOUTH AREA ROADWAY	SGR	4	4,174
CA04-555	END-OF-LIFE REPLACEMENT OF AIRTRAIN HVAC	SGR	4	1,332
CA04-559	REPLACEMENT OF BRIDGE N20	SGR	P	170
CA04-589	REHABILITATION OF EXPANSION JOINTS AND STRUCTURAL ELEMENTS OF FACILITY BRIDGES	SGR	1	280
				11,855
	SECURITY			
CA04-045	PHYSICAL PROTECTION OF TERMINAL BUILDING GLASS	SEC	P	95
CA04-049	CCTV EQUIPMENT IN TERMINAL BAGGAGE AREAS	SEC	P	822
CA04-054	INSTALLATION OF CCTV AT SELECT AOA ACCESS DOORS	SEC	P	420
CA04-316	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	4,482
CA04-319	AIRPORT CHECKPOINT DIGITAL CCTV SYSTEM ENHANCEMENTS	SEC	4	611
CA04-482	INSTALLATION OF BOLLARD AT TENANT TERMINALS	SEC	4	1,309
CA04-598	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	1,706
				9,445
	TERMINALS			
CA04-473	TERMINAL B REHABILITATION ELECTRICAL & MECHANICAL SYSTEM - PHASE 2	SGR	4	887
CA04-593	TERMINAL B DEVELOPMENT OF OPERATIONAL IMPROVEMENTS FOR SOUTH END OF TERMINAL	RPP	P	600
CA04-TBD	REHABILITATION OF FUELING STATION	SEP	P	1,000
				2,487
	CA04-NEWARK LIBERTY INTERNATIONAL AIRPORT			97,094
	CA44-NEWARK LIBERTY INTERNATIONAL AIRPORT REDEVELOPMENT			
	TERMINALS			

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
CA44-017	LOWER LEVEL EXPANSION OF VERTICAL CIRCULATION AT TERMINAL B4	RPP	4	2,132
CA44-018	MID & UPPER LEVELS INTERNATIONAL DEPARTURES	RPP	4	1,440
CA44-026	MID-LEVEL INTERNATIONAL MEETER/GREETER	RPP	4	2,606
				6,177
	TERMINAL A REDEVELOPMENT PROGRAM			
CA44-030	OVERALL SITE AND INFRASTRUCTURE PLANNING(1.0)-TERMINAL A REDEV PROGRM -PHASE II PLANNING	RPP	1	250
CA44-031	AIRSIDE PLANNING (2.0) - TERMINAL A REDEVELOPMENT PROGRAM - PHASE II PLANNING	RPP	1	250
CA44-032	TERMINAL A REDEVELOPMENT PROGRAM OVERALL PLANNING - TERMINAL PLANNING	RPP	1	4,000
CA44-033	LANDSIDE PLANNING (4.0) - TERMINAL A REDEVELOPMENT PROGRAM - PHASE II PLANNING	RPP	1	1,500
CA44-039	TERMINAL A REDEVELOPMENT - LANDSIDE CONSTRUCTION	RPP	P	250
CA44-041	TERMINAL A REDEVELOPMENT - AIRTRAIN CONSTRUCTION	RPP	P	500
				6,750
	CA44-NEWARK LIBERTY INTERNATIONAL AIRPORT REDEVELOPMENT			12,927
	CA05-TETERBORO AIRPORT			
	AERONAUTICAL			
CA05-084	IMPROVE RUNWAY 6-24 RUNWAY SAFEWAY AREA	MAND	4	11,357
CA05-130	REPLACEMENT OF TAXIWAY B WITH NEW TAXIWAY V	SEP	1	244
CA05-149	CMWP - REPLACEMENT OF DEICING FLUID STORAGE TANKS	SEP	3	1,000
CA05-112	RUNWAY 1 RUNWAY SAFEWAY AREA -1000 FT OVERRUN AND PATROL ROAD	MAND	4	3,627
CA05-122	CMWP - INSTALLATION OF INTERIOR WILDLIFE FENCE	SEP	3	1,293
				17,521
	INFRASTRUCTURE			
CA05-023	SCHOOL SOUNDPROOFING	MAND	4	1,332
CA05-141	STORMWATER DRAINAGE SYSTEM IMPROVEMENTS	SEP	1	212
				1,544
	LANDSIDE			
CA05-142	ARFF BUILDING REPLACEMENT	SEP	P	1,600
				1,600
	SECURITY			
CA05-049	PERIMETER INTRUSION DETECTION SYSTEM	SEC	4	2,816
				2,816
	CA05-TETERBORO AIRPORT			23,481
	CA06-STEWART AIRPORT			
	AERONAUTICAL			
CA06-045	REPLACEMENT OF AIRFIELD SIGNS	SGR	3	520
CA06-046	CMWP - POSITIVE AIR PRESSURE FOR PASSENGER LOADING BRIDGES	MAND	4	652
CA06-066	REHABILITATION OF RUNWAYS 9-27 AND 16-34	SGR	4	30,781
CA06-070	MILL AND OVERLAY OF TAXIWAY M	SGR	3	2,068
CA06-017	REHABILITATION OF TAXIWAY B	SGR	3	2,189
CA06-100	RUNWAY INCURSION MITIGATION - PHASE 1B	MAND	4	2,260
CA06-115	IMPROVEMENTS TO AOA PERIMETER FENCE	SEC	1	355
				38,826
	INFRASTRUCTURE			
CA06-079	BACKFLOW PREVENT DEVICES	MAND	P	895
				895
	SECURITY			
CA06-050	DESIGN AND CONSTRUCTION OF THE MID-HUDSON REGIONAL CRIME LABORATORY	SEP	4	2,421

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
CA06-119	IMPROVEMENTS TO GUARD POST	SEC	P	933
				3,354
	TERMINALS			
CA06-007	TERMINAL EXPANSION FEDERAL INSPECTION FACILITY AND WELCOME CENTER	SEP	3	625
				625
	CA06-STEWART AIRPORT			43,699
	AVIATION TOTAL			559,328
	DEVELOPMENT			
	CW03-TELEPORT			
	INFRASTRUCTURE			
CW03-020	ELECTRICAL SYSTEM UPGRADE	SGR	3	1,165
				1,165
	CW03-TELEPORT			1,165
	DEVELOPMENT TOTAL			1,165
	PATH			
	CR02-PATH			
	CARS			
CR02-345	PURCHASE NEW RAILCARS (PA-5)	SGR	4	4,243
CR02-406	SYSTEM UPGRADES FOR PA-5 FLEET	SGR	4	3,064
				7,306
	INFRASTRUCTURE			
CR02-259	CONTINUOUS WELDING FOR THE RAIL PROGRAM	SGR	4	1,700
CR02-290	PATH EXTENSION TO NEWARK LIBERTY INTERNATIONAL AIRPORT	SEP	P	7,000
CR02-328	TUNNEL TRACK AND DRAINAGE PROGRAM	SGR	4	2,066
CR02-336	REPLACEMENT AND UPGRADE OF THE CHRISTOPHER ST SUBSTATION	SGR	4	10,520
CR02-378	REPLACEMENT OF SUBSTATION #8 - KEARNY NJ	SGR	2	525
CR02-384	NEWARK COMPRESSOR	SEP	3	255
CR02-418	CMWP - REPLACE 15KV AND 27KV CABLES BETWEEN JUNCTION AND SUBSTATION #2 AND #15	SGR	4	340
CR02-419	FIRE ALARM SYSTEMS REHABILITATION	SGR	1	713
CR02-421	TUNNEL ELECTRICAL LIGHTING SYSTEM	SGR	P	231
CR02-434	EMERGENCY DIESEL GENERATORS FOR HARRISON CAR MTC FACILITY & CONSOLIDATED SHOP	SEP	P	139
CR02-462	REPLACEMENT OF SUBSTATION #7	SGR	3	1,751
CR02-463	REPLACEMENT OF SUBSTATION #9	SGR	1	908
CR02-486	CMWP - RAIL ROAD AVE AND CAISSON 1 VENTILATION BUILDING ROOF REPLACEMENT	SGR	4	359
CR02-497	SUBSTATION #9 - PROPERTY ACQUISITION	SGR	1	1,002
CR02-505	CMWP - FACADE AND ROOF CHRISTOPHER ST SUBSTATION 1	SGR	1	257
CR02-508	CMWP - REPLACEMENT OF ROOF FOR SUBSTATION 5 (BACKUS)	SGR	4	721
CR02-509	REPLACEMENT OF ROOF FOR SUBSTATION 15 (CAISSON)	SGR	3	447
CR02-513	CMWP - REPLACEMENT OF ROOF - SUBSTATION 2A	SGR	3	107
CR02-514	CMWP - REPLACEMENT OF THE ROOF AT EXCHANGE PLACE SUB #4	SGR	3	370
CR02-517	CONSOLIDATED MTC SHOP - EXHAUST AND VENTILATION SYSTEM MODIFICATIONS	SGR	3	241
CR02-522	REPLACEMENT OF ADA ELEVATOR - HOBOKEN	SGR	1	503
CR02-527	REPLACEMENT OF IN-GROUND LIFTS HARRISON CAR MTC FACILITY	SGR	1	931
CR02-529	REPLACEMENT OF TRACKSIDE CIRCUIT BREAKERS	SGR	1	595
CR02-552	CMWP - TUNNEL MAIN JUNCTION BOX REHABILITATION	SGR	4	117
CR02-557	REPLACEMENT OF 650V DC 2,000KCMIL CABLES IN ALL TUNNELS EXCEPT E AND F	SGR	4	77

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
CR02-569	SUBSTATION #8 - PROPERTY ACQUISITION	SGR	2	879
CR02-572	REPLACEMENT OF SWITCHING STATION #10 - NEWARK, NJ	SGR	4	1,199
CR02-574	30TH ST MEZZANINE REHABILITATION	SGR	P	756
CR02-582	HACKENSACK RIVER BRIDGE EMERGENCY GENERATOR FUEL TANK	SGR	1	1,253
CR02-583	TUNNELS - LATENT DAMAGE	SGR	1	5,375
CR02-584	EQUIPMENT PURCHASE RESILIENCY	SGR	1	2,084
CR02-585	EQUIPMENT PURCHASE RECOVERY WORK	SGR	1	2,548
CR02-518	REPLACEMENT OF SWITCHING STATION NO. 6	SGR	4	1,272
CR02-576	REPLACEMENT OF ROOF - MACMILLAN BLOEDEL (MMB) BUILDING	SGR	P	340
CR02-TBD1	SUBS 7, 8, 9 AND 14 MID-TERM REPAIRS	SGR	1	425
				48,007
	SECURITY			
CR02-573	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	957
				957
	SIGNALS/COMMUNICATIONS			
CR02-150	INSTALLATION OF SIGNAL REPLACEMENT PROGRAM	SGR	4	37,923
				37,923
	STATIONS			
CR02-407	CAPACITY ENHANCEMENTS AND STATION MODIFICATIONS OF GROVE ST STATION	SEP	1	2,929
CR02-458	REPLACEMENT & UPGRADE OF HARRISON STATION	SEP	4	21,254
CR02-496	HARRISON STATION - PROPERTY ACQUISITION, REMEDIATION & DEMOLITION	SEP	4	6,831
CR02-TBD2	HOBOKEN STATION STAIRS FLOOD DOORS	SGR	1	425
CR02-TBD3	HOBOKEN UNDER PLATFORM FANS	SGR	1	425
				31,864
	TRACKS			
CR02-212	TIE RENEWAL PROGRAM	SGR	4	2,078
CR02-258	TURNOUT REPLACEMENT - PHASE 3	SGR	4	2,669
CR02-261	CONTACT RAIL PROGRAM	SGR	4	1,082
CR02-358	RESTRAINING RAIL PROGRAM	SGR	4	933
CR02-477	HARRISON YARD SPECIAL TRACK WORK	SGR	4	1,381
CR02-516	REPLACEMENT OF MITER RAILS HACKENSACK RIVER BRIDGE	SGR	4	7,110
CR02-560	INSTALLATION OF SUB DRAINS AND RAISE TRACK AT GRAPE CROSSOVER AREA	SEP	P	366
				15,619
	CR02-PATH			141,676
	CR08-PATH SAFETY			
	INFRASTRUCTURE			
CR08-022	TUNNEL EMERGENCY VENTILATION FAN BLADE RENOVATION	SGR	4	655
				655
	SECURITY			
CR08-066	EXCHANGE PLACE LANDSIDE SECURITY	SEC	4	437
CR08-068	JOURNAL SQUARE TRANSPORATION CENTER PHYSICAL PROTECTION	SEC	3	1,956
CR08-078	CONSTRUCTION OF FLOODGATE AT TUNNEL A,B,E,& F	SEC	3	11,267
CR08-079	TUNNEL MITIGATION	SEC	P	12,700
CR08-081	EXCHANGE PLACE WATERSIDE PROTECTION	SEC	3	1,018
CR08-091	CCTV & ACCESS CONTROL UPGRADES AT 33RD,HOB,PAV, & NWK STATION	SEC	4	4,588
CR08-096	INSTALLATION NEW LENEL ACCESS CONTROL &CCTV AT SUBSTATIONS AND ROOMS	SEC	1	1,156
CR08-101	CCTV AND ACCESS CONTROL AT 9TH, 14TH, 23RD STATION	SEC	3	3,234
CR08-103	INSTALLATION OF TRAIN UNDERCARRIAGE SCREENING DEVICES	SEC	P	332
				36,688

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	SIGNALS/COMMUNICATIONS			
CR08-100	UPGRADE OF UNIFIED COMMUNICATIONS NETWORK - SONET	SGR	4	628
				628
	CR08-PATH SAFETY			37,971
	CR21-JOURNAL SQUARE TRANSPORTATION CENTER			
	INFRASTRUCTURE			
CR21-032	BUS TERMINAL ESCALATOR REPLACEMENT	SGR	4	1,299
				1,299
	CR21-JOURNAL SQUARE TRANSPORTATION CENTER			1,299
	RAIL TOTAL			180,946
	PORT COMMERCE			
	CP05-PORT NEWARK			
	DREDGING			
CP05-120	CONSOLIDATE PROJECT TO 50 FT-NEW JERSEY, PORT JERSEY, AMBEROSE	MAND	4	65
				65
	INFRASTRUCTURE			
CP05-173	BERTH 14 WHARF RECONSTRUCTION	SGR	4	13,355
CP05-193	UPGRADE WATER LINES AT NJMT	SGR	M	3,873
CP05-220	BERTHS 30, 32 AND 34 FENDER SYSTEM UPGRADE	SEP	3	3,886
CP05-224	PRIORITY MARINE REPAIRS AT BERTHS 16 TO 24	SGR	4	787
CP05-233	BERTH 3 WHARF RECONSTRUCTION	SGR	4	9,409
CP05-238	SANITARY LIFT STATIONS AT NJMT	SGR	3	2,937
CP05-246	BERTH 19 REHABILITATION	SGR	1	1,000
CP05-249	TRAFFIC SIGNALS AT NJMT	SGR	3	3,385
CP05-251	UPGRADE OF ELECTRICAL SYSTEMS IN BUILDING 260	SGR	1	907
				39,538
	INTERMODAL			
CP05-148	EXPRESS RAIL/CORBIN INTERMODAL RAIL SUPPORT - TRACK WORK - PHASE 2A	RPP	4	10,671
				10,671
	ROADWAYS			
CP05-156	PORT STREET & BREWSTER ROAD CONNECTOR	SEP	4	5,034
CP05-187	PORT STREET CAPACITY AND CORBIN STREET RAMPS IMPROVEMENT	SEP	3	1,121
				6,156
	SECURITY			
CP05-124	PORT SECURITY PROGRAM-NJMT-BADGE, ID SYSTEM	SEC	3	251
CP05-255	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	469
				720
	CP05-PORT NEWARK			57,151
	CP08-ELIZABETH PA MARINE TERMINALS			
	DREDGING			
CP08-111	UTILITIES RELOCATION KVK/NB 50' CHANNEL	MAND	4	888
				888

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	INFRASTRUCTURE			
CP08-142	CMWP - RE-ROOFING OF MODULAR WAREHOUSE BUILDING 1170	SGR	4	234
				234
	ROADWAYS			
CP08-096	MCLESTER STREET ROADWAY WIDENING	SEP	4	5,061
CP08-127	NORTH AVE CORRIDOR IMPROVEMENTS (NACI)	SEP	1	500
				5,561
	CP08-ELIZABETH PA MARINE TERMINALS			6,683
	CP09-BROOKLYN MARINE TERMINALS			
	INFRASTRUCTURE			
CP09-108	PIERS CRUISE TERMINAL SHORE POWER	SEP	4	6,272
				6,272
	SECURITY			
CP09-085	PORT SECURITY PROGRAM NYMT-BADGE, ID SYSTEM	SEC	3	55
				55
	CP09-BROOKLYN MARINE TERMINALS			6,326
	CP11-HOWLAND HOOK			
	DEVELOPMENT			
CP11-056	ROADWAY ACCESS IMPROVEMENTS - EAST BOUND RAMP	SEP	P	1,500
				1,500
	DREDGING			
CP11-020	ARTHUR KILL CHANNEL DEEPENING 40/41'+2'	MAND	4	6,661
CP11-044	UTILITIES RELOCATION ARTHUR KILL 50' CHANNEL	MAND	4	888
				7,550
	INTERMODAL			
CP11-055	PORT IVORY INTERMODAL TERMINAL (TRACKS 6-7) - PHASE 1B	RPP	4	3,393
				3,393
	CP11-HOWLAND HOOK			12,443
	CP16-PORT JERSEY-PORT AUTHORITY MARINE TERMINAL			
	DEVELOPMENT			
CP16-027	GLOBAL TERMINAL DEVELOPMENT	RPP	4	58,003
				58,003
	INTERMODAL			
CP16-035	EXPRESS RAIL - INTERMODAL CONTAINER TRANSFER FACILITY AT GREENVILLE YARD	RPP	M	16,400
				16,400
	INFRASTRUCTURE			
CP16-053	INSTALLATION OF BACKFLOW PREVENTION DEVICES AT PORT JERSEY SOUTH	MAND	3	2,654
CP16-059	REPLACE HEATING SYSTEM IN BUILDING 180 IN PORT JERSEY SOUTH	SGR	4	1,600
CP16-066	UPGRADE OF PROTECTIVE DEVICES & DISTRIBUTION EQUIPMENT - EAST SUBSTATION	SGR	3	2,633
CP16-067	PORT JERSEY SHORELINE PROTECTION	SGR	4	7,425
				14,311
	ROADWAYS			
CP16-038	ACCESS IMPROVEMENTS PORT JERSEY	RPP	3	6,282
				6,282

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2014 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	CP16-PORT JERSEY-PORT AUTHORITY MARINE TERMINAL			94,996
	CP17-GREENVILLE YARD/NYNJ RAIL LLC			
	REGIONAL FREIGHT			
CP17-005	INTERMODAL INFRASTRUCTURE AT GREENVILLE YARD	RPP	P	4,500
CP17-016	INSTALLATION OF SUPPORT TRACKS	RPP	3	6,000
CP17-018	RECONFIGURE OFFSITE TRACKS - A-YARD AND TROPICANA	RPP	3	2,250
CP17-019	CONSTRUCTION OF NEW BARGE	RPP	3	5,000
CP17-027	RECONSTRUCTION OF TRANSFER BRIDGE#10	RPP	3	10,000
CP17-029	PURCHASE OF 3 NEW ULTRA-LOW EMISSIONS LOCOMOTIVES	SEP	P	3,200
CP17-033	FENDER SYSTEM MODIFICATIONS AT 65TH STREET TERMINAL (CROSS HARBOR)	SEP	3	3,646
CP17-034	REHABILITATION OF MOORING CELLS AT NY/NJ RAILROAD	SGR	P	516
				35,112
	CP17-GREENVILLE YARDS / NYNJ RAIL LLC			35,112
	PORT COMMERCE TOTAL			212,710
	REGIONAL CAPITAL PROGRAMS			
	REGIONAL			
CF81-002	NY TRANSPORTATION, ECONOMIC DEVELOPMENT & INFRASTRUCTURE RENEWAL PROGRAM	SRP	1	3,500
CF84-008	NJ HUDSON RARITAN ESTUARY PROGRAM	SRP	1	2,892
CF85-007	NY HUDSON RARITAN ESTUARY PROGRAM	SRP	1	1,300
CF93-001	NY REGIONAL INFRASTRUCTURE RENEWAL PROGRAM	SRP	1	15,000
CF94-001	NJ REGIONAL INFRASTRUCTURE RENEWAL PROGRAM	SRP	1	15,000
CF99-001	REGIONAL TRANSPORTATION AND ECONOMIC DEVELOPMENT PROJECTS	SRP	1	3,375
CF99-003	REGIONAL DEVELOPMENT FACILITY	SRP	1	2,579
CF99-017	ENVIRONMENT LAND ACQUISITION PROGRAM - NY	SRP	1	2,000
CF99-022	NEW JERSEY PROJECT DEVELOPMENT FUNDS	SRP	1	1,946
				47,592
	REGIONAL CAPITAL PROGRAMS			47,592
	REGIONAL CAPITAL PROGRAMS TOTAL			47,592
	TUNNELS BRIDGES & TERMINALS			
	CB02-HOLLAND TUNNEL			
	INFRASTRUCTURE			
CB02-040	REHABILITATION OF TUNNEL VENTILATION SYSTEM MECHANICAL/ELECTRICAL	SGR	4	17,877
CB02-123	REPLACEMENT OF PIERS 9/204	SGR	3	5,256
CB02-162	REPLACEMENT FLOOR DRAINS/PIPING OF 4 VENTILATION BUILDINGS	SGR	3	1,183
CB02-195	REHABILITATION SUPPLY BLOWER PORTS	SGR	3	902
CB02-202	TOLL COLLECTION SYSTEM REPLACEMENT	SGR	4	778
CB02-213	REHABILITATION OF OFFSET DUCTS AND MITIGATION OF WATER INFILTRATION TUNNELS	SGR	P	90
				26,087
	SECURITY			
CB02-184	ACCESS CONTROL SYSTEM ENHANCEMENT	SEC	3	687
CB02-200	WATERSIDE BUFFER ZONE PROTECTION	SEC	1	1,348
CB02-205	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	654
CB02-208	IN-BUILDING RF COVERAGE ENHANCEMENTS	SEC	3	1,200

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
				3,890
	CB02-HOLLAND TUNNEL			29,977
	CB03-LINCOLN TUNNEL			
	BRIDGE			
CB03-211	STRUCTURAL REHABILITATION AND REPAVING OF HELIX	SGR	4	21,633
CB03-213	REPLACEMENT OF HELIX - PLANNING	SGR	1	1,209
				22,842
	INFRASTRUCTURE			
CB03-093	REPAINTING OF TUNNEL VENTILATION FANS	SGR	4	1,777
CB03-167	EXPLOSION PROOF EQUIPMENT AT MID-RIVER PUMP ROOMS	SGR	4	2,182
CB03-230	REHABILITATION OF DRUM RINGS AND REPAIRS TO UNDERSIDE OF ROADWAYS	SGR	4	857
CB03-231	REPLACEMENT OF VENTILATION LOUVERS IN NY VENTILATION BUILDINGS	SGR	4	1,830
CB03-245	DECK REPLACEMENT OF THE NY EXPRESSWAY BTWN W31ST AND W33RD STREETS	SGR	3	10,739
CB03-258	REPLACEMENT OF NEW JERSEY FEEDERS-SOUTH TUBE	SGR	4	296
CB03-262	REPLACEMENT OF TOLL COLLECTION SYSTEM	SGR	4	1,209
				18,890
	ROADWAYS			
CB03-153	REPLACE DYER PLAZA AND DYER AVENUE ROADWAY SLABS	SGR	3	528
CB03-244	REPAVING OF CENTER TUNNEL	SGR	3	1,241
CB03-280	REPLACE CURB PLATES IN THE NORTH AND SOUTH TUBES	SGR	3	825
				2,594
	SECURITY			
CB03-234	NEW YORK BUS RAMP COMPLEX/PROTECTION	SEC	P	1,201
CB03-252	ACCESS CONTROL SYSTEM ENHANCEMENT	SEC	3	3,180
CB03-261	WATERSIDE BUFFER ZONE PROTECTION	SEC	1	1,324
CB03-263	TUNNELS BRIDGES & TERMINALS INTEROPERABILITY RADIO COMMUNICATIONS	SEC	P	1,193
CB03-266	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	665
				7,563
	LINCOLN TUNNEL ACCESS INFRASTRUCTURE IMPROVEMENTS			
CB03-267	IMPROVEMENTS TO PULASKI SKYWAY	SGR	4	181,001
CB03-268	REPLACEMENT OF ROUTE 7 WITTPENN BRIDGE	SGR	4	60,255
CB03-269	EXTENSION OF ROUTE 1 & 9T (NEW ROAD)	SEP	4	4,669
				245,925
	CB03-LINCOLN TUNNEL			297,814
	CB04-GEORGE WASHINGTON BRIDGE			
	BRIDGE			
CB04-302	REHABILITATION OF HUDSON RAMPS PAVEMENTS	SGR	3	3,099
CB04-132	REHABILITATION OF STRUCTURAL STEEL, LEAD PAINT REMOVAL & RECOATING UNDERSIDE	SGR	2	2,100
CB04-261	REHABILITATION OF UPPER LEVEL SPAN OVER NJ ANCHORAGE AND HUDSON TERRACE	SGR	3	1,373
CB04-270	REHABILITATION OF MAIN SPAN UPPER LEVEL STRUCTURAL STEEL	SGR	4	25,988
CB04-272	REHABILITATION OF NY/NJ ANCHOR MAIN CABLE STRANDS	SGR	3	6,673
CB04-285	REHABILITATION OF THE PALISADES INTERSTATE PARKWAY HELIX	SGR	3	5,542
CB04-287	PRIORITY STEEL AND CONCRETE REHABILITATION	SGR	4	696
CB04-300	PAVEMENT REPLACEMENT OF LOWER LEVEL EAST BOUND MAIN SPAN, LLEB APPROACH & RAMPS	SGR	P	62
CB04-317	REHABILITATION OF CENTER AVE BRIDGE AND LEMOINE AVE BRIDGE	SGR	1	2,033
CB04-319	REHABILITATION OF SUSPENDER ROPE REPLACEMENT & MAIN CABLE	SGR	1	5,012
CB04-333	FACILITY STEEL AND CONCRETE REHABILITATION	SGR	4	2,889
CB04-336	REHABILITATION OF TME OVERPASSES - PHASE 1	SGR	P	246

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
CB04-375	MAIN CABLE PROTECTION	SEC	P	575
				56,288
	INFRASTRUCTURE			
CB04-228	REHABILITATION OF MAIN SPAN FIRE STANDPIPE SYSTEM	SGR	4	5,492
CB04-252	NJ ANCHORAGE IMPROVEMENTS	SGR	3	1,790
CB04-262	REPLACEMENT OF IMPACT ATTENUATORS GUIDE RAILS & BARRIERS	SGR	4	3,119
CB04-288	TME REHABILITATION OF MEDIAN BARRIERS AND TRAFFIC SAFETY IMPROVEMENTS	SGR	3	605
CB04-306	CMWP - REPLACEMENT OF PASSENGER ELEVATOR AT GWB NJAB	MAND	4	430
CB04-312	UPGRADE/REPLACE ITS SIGNS AND FIELD DEVICES	SGR	M	5,550
CB04-323	REPLACEMENT OF NJ BUILDINGS & MIS STRUCTURES	SGR	4	619
CB04-343	REHABILITATION OF NJ ANCHORAGE SUMP PUMP ROOM	SGR	1	295
CB04-361	REHABILITATION OF FACILITY WIDE PRIORITY	SGR	1	433
				18,332
	ROADWAYS			
CB04-258	FORT LEE STREET IMPROVEMENTS	SGR	4	1,972
CB04-260	TOLL COLLECTION SYSTEM REPLACEMENT	SGR	4	2,682
CB04-276	REHABILITATION OF 178TH &179TH STREET RAMPS, BUS RAMPS, AND BUS TURNAROUND	SGR	3	2,808
CB04-316	REPLACEMENT OF DRAINAGE SYSTEMS TROUGHS AT UPPER LEVEL NY RAMP TO EXPRESSWAY ROADWAYS	SGR	4	529
CB04-351	ACCESS RAMP BARRIER UPGRADES	SEC	P	807
CB04-362	GWB REPAVE EASTBOUND UPPER LEVEL	SGR	3	500
				9,298
	SECURITY			
CB04-318	ACCESS CONTROL SYSTEM ENHANCEMENT	SEC	3	5,690
CB04-357	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	732
				6,421
	CB04-GEORGE WASHINGTON BRIDGE			90,339
	CB06-BAYONNE BRIDGE			
	BRIDGE			
CB06-087	NAVIGATIONAL CLEARANCE PROGRAM	SEP	4	233,827
				233,827
	INFRASTRUCTURE			
CB06-113	TOLL COLLECTION SYSTEM REPLACEMENT	SGR	4	11,224
				11,224
	SECURITY			
CB06-100	CCTV CAMERA SYSTEM REPLACEMENT	SEC	4	296
				296
	CB06-BAYONNE BRIDGE			245,348
	CB07-GOETHALS BRIDGE			
	BRIDGE			
CB07-103	GOETHALS BRIDGE MODERNIZATION	SGR	3	50,617
CB07-139	STRUCTURAL STEEL REPAIR	SGR	4	751
CB07-145	INTERCHANGE RAMPS PROJECT	SEP	1	2,153
				53,521
	INFRASTRUCTURE			
CB07-149	REPLACEMENT OF TOLL COLLECTION SYSTEM	SGR	4	778
				778

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2014 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	SECURITY			
CB07-134	REPLACEMENT OF CCTV CAMERA SYSTEM	SEC	4	1,463
CB07-152	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	517
				1,980
	CB07-GOETHALS BRIDGE			56,279
	CB08-OUTERBRIDGE CROSSING			
	BRIDGE			
CB08-099	REPAIR OF STRUCTURAL STEEL	SGR	4	2,132
CB08-115	CROSS BRACING	SEC	P	865
				2,997
	INFRASTRUCTURE			
CB08-083	TOLL CANOPY - REPLACEMENTS OF HVAC UNITS AND ROOF	SGR	4	1,712
CB08-110	REPLACEMENT OF TOLL COLLECTION SYSTEM	SGR	4	648
				2,360
	ROADWAYS			
CB08-107	REHABILITATION OF PAVEMENT	SGR	4	5,468
				5,468
	SECURITY			
CB08-097	REPLACEMENT OF CCTV CAMERA SYSTEM	SEC	4	1,062
CB08-109	MAIN SPAN PIER PROTECTION	SEC	1	700
				1,762
	CB08-OUTERBRIDGE CROSSING			12,587
	CB48-GEORGE WASHINGTON BRIDGE BUS STATION			
	INFRASTRUCTURE			
CB48-056	GWBBS REDEVELOPMENT	RPP	3	51,228
				51,228
	SECURITY			
CB48-061	INSTALLATION OF BOLLARDS	SEC	P	337
				337
	CB48-GEORGE WASHINGTON BRIDGE BUS STATION			51,565
	CT06-PORT AUTHORITY BUS TERMINAL			
	INFRASTRUCTURE			
CT06-120	REPLACEMENT OF BUILDING AUTOMATED MONITORING & CONTROL SYSTEM	SGR	4	6,712
CT06-199	REPLACEMENT OF FIRE PUMPS	SGR	4	2,029
CT06-200	REPLACEMENT OF FIRE ALARM SYSTEM	MAND	3	2,356
CT06-202	REPLACEMENT OF PRIMARY ELECTRIC SERVICE	SGR	4	4,410
CT06-230	REPLACEMENT OF SOUTH WING HVAC UNITS AND ASSOCIATED ELECTRICAL DISTRIBUTION SYSTEM	SGR	4	7,595
CT06-247	CMWP - REHABILITATION OF THE STEAM DISTRIBUTION SYSTEM	SGR	4	133
CT06-259	PABT NORTH WING SUBURBAN BUS LEVEL WEARING COURSE REPLACEMENT	SGR	3	184
				23,419
	SECURITY			
CT06-239	INTERNAL STRUCTURAL ENHACEMENTS	SEC	P	1,067
CT06-241	UPGRADE OF CCTV SURVEILLANCE EQUIPMENT	SEC	P	1,602
CT06-246	ENHANCEMENT OF ACCESS CONTROL SYSTEM	SEC	3	1,700
CT06-266	800MHZ SIMULCAST TRUNKED RADIO SYSTEM UPGRADE	SEC	3	874
				5,243

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2014 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

PROJECT ID	TITLE	CATEGORY	STAGE	2014 BUDGET
	CT06-PORT AUTHORITY BUS TERMINAL			28,662
	TUNNELS, BRIDGES & TERMINALS TOTAL			812,569
	WORLD TRADE CENTER			
R12	WTC TRANSPORTATION HUB	MAND	4	552,129
W11	WTC INFRASTRUCTURE	MAND/SEC	4	708,561
W30	WTC RETAIL REDEVELOPMENT	RPP	4	400,000
W31	ONE WORLD TRADE CENTER	RPP	4	666,297
W32	TOWER 2	MAND	4	5,000
W34	DESIGN, CONSTRUCT AND BUILD OUT PA CORP OFFICES (4 WTC)	MAND	3	66,211
	WORLD TRADE CENTER TOTAL			2,398,198
	PROVISIONS			
PA-PROV	CAPITAL MAJOR WORK PROVISIONS	SGR	1	20,000
TSD-PROV	TECHNOLOGY REQUIREMENT PROVISION	SGR	1	2,000
				22,000
	CAPITAL CONTINGENCY			150,000
				150,000
	PROVISIONS TOTAL			172,000
	AGENCY TOTAL			4,384,508

Appendices

PORT AUTHORITY OF NEW YORK-NEW JERSEY FACILITIES

Legend:

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

International Business Development
Representatives in Hong Kong, London, Shanghai and Tokyo

PORT DISTRICT

Population 18.3 Million (2013)

Labor Force 9.1 Million (2013)

Source: Moody's

ORIGINS

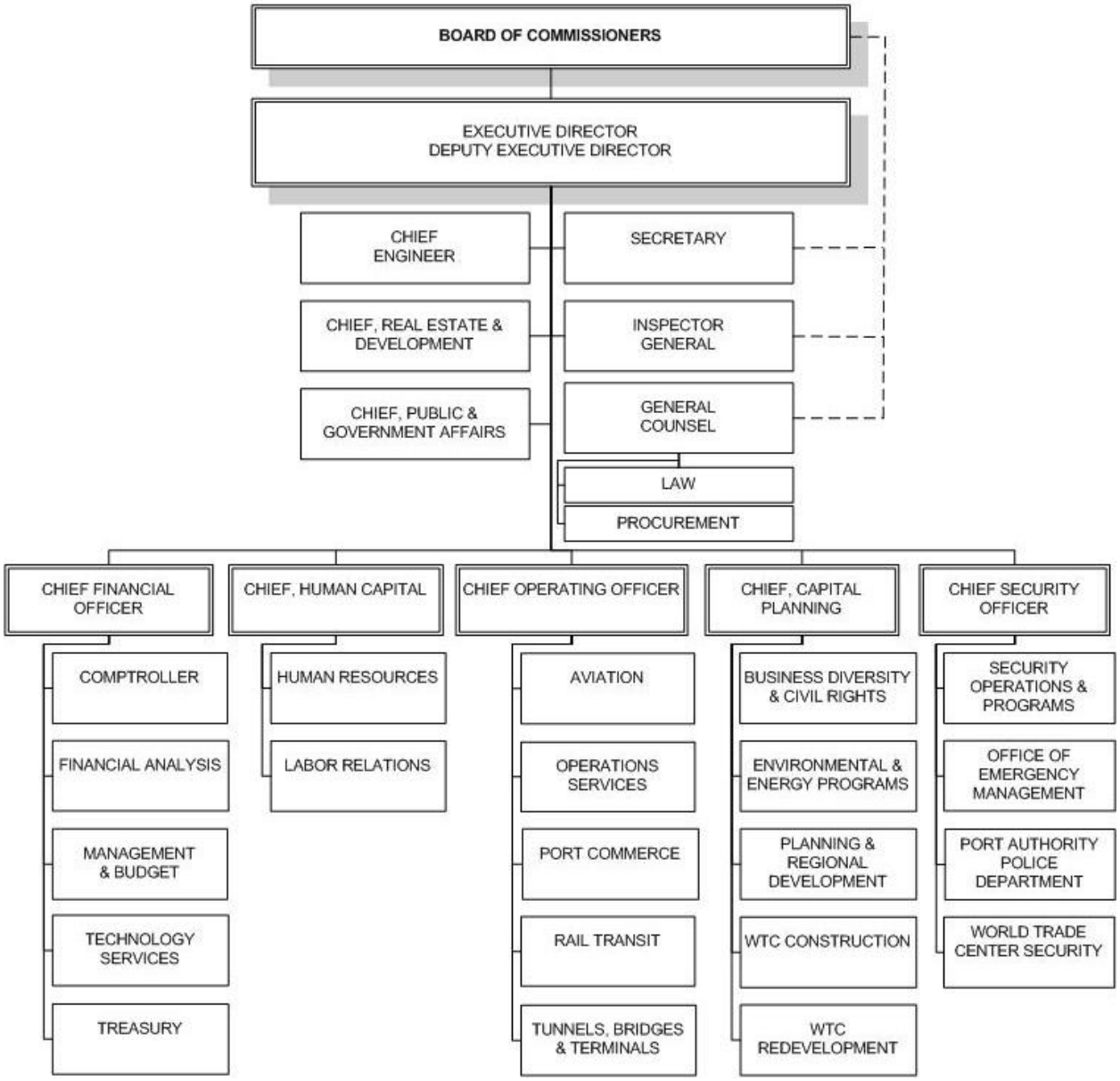
History

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

Governance

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

Organization Chart



Key Organization Functions

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

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

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

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

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

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

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

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

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

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

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

APPENDIX B: ECONOMIC OUTLOOK

REGIONAL ECONOMIC BACKDROP

The Port Authority bolsters the regional economic livelihood through infrastructure that support and strengthen commerce and economic development. Its assets include the major New York /New Jersey airports, marine terminals and ports, the PATH rail transit system, the six bridges and tunnels connecting New York and New Jersey, as well as bus terminals, and the World Trade Center (WTC) site in Manhattan.

The Port Authority is a linchpin in the regional economy, annually moving millions of people, and millions of tons of cargo on its network of aviation, rail, surface transportation, and seaport facilities. Port Authority airports handled 10% of the US aviation passenger traffic and 16.4% of US air cargo volume. Port Authority assets on the average now support more than 500,000 regional jobs, $23 billion in annual wages and $80 billion in regional economic activity.

The Great Recession of 2008/2009, coupled with the emerging evidence of structural changes in national and regional economic activity and shifts in business and consumer behavior patterns, have had an impact on traditional agency activity and revenues streams.

Given the scope of the Port Authority's operation and the magnitude of its impact on the regional economy, the agency continuously monitors the regional, national, and international economic trends as it moves through the annual process of developing its budget.

National Trends

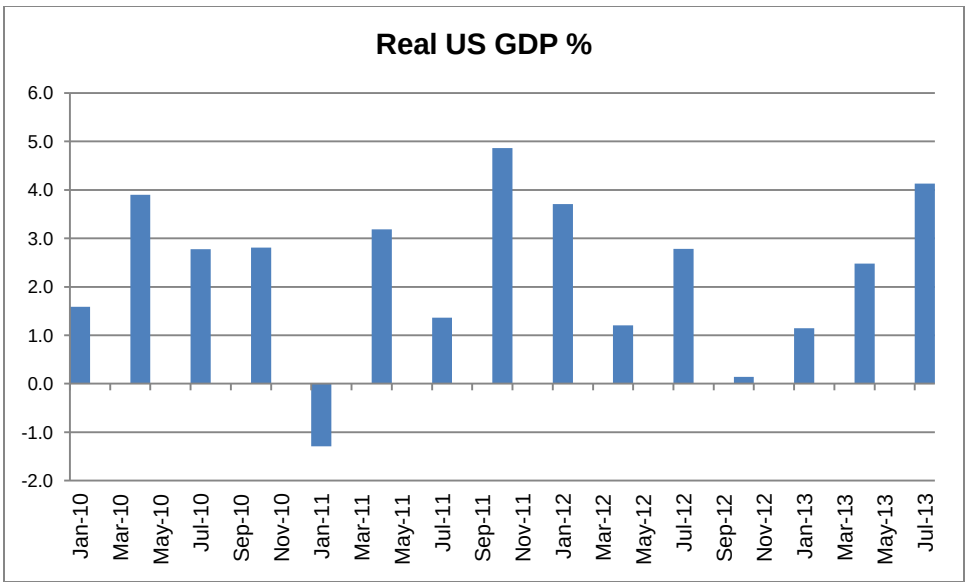
Since the official end of the Great Recession in 2009, the national economy has been slowly healing and positioning itself for stronger growth in the near term. In particular, the last 12 months have seen GDP growth averaging 2.0 percent with most recent quarterly economic growth at 4.1 percent. Yet, the story of economic recovery is beset by challenges brought on by the problems in the Eurozone, disagreements over USA domestic fiscal policy, and weaker growth in emerging market economies such as India and China. In addition, structural concerns such as a lack of income growth and rising income inequality further cloud the picture of sustained future recovery of the national economy.

A main contributor to economic growth has been the US consumer sector, supported by a more buoyant housing market. Despite many setbacks, US households have continued to spend in line with their aggregate income gains, and their strengthening financial position due to deleveraging and strong stock market gains. Some pent-up demand in the form of growing demand for vehicles – the average age of the US car fleet is now roughly a year older than prior to the Great Recession- and resurging growth in household formation which had all but stopped five years ago have contributed to the upswing in growth.

Housing, and in particular the recovery of real estate prices across the country, may be the sector that is largely responsible for the uptick in consumer spending. The 20-year City Case-Shiller Index has increased nearly 20% since its trough in early 2012. Home mortgage rates continue to be close to all time lows despite a recent increase in Treasury rates. Building activity has improved, but there remain imbalances even in housing as gains in some regional markets may again signal the emergence of a "price bubble". Nearly 50% of all real estate transactions are in cash, up from average historic rates that are closer to 25%. Nevertheless, many households are no longer under water on their loans with market value of their asset now exceeding the value of their outstanding mortgage; these households as a result have some flexibility to refinance, sell, or relocate to seek out new employment opportunities in other parts of the country.

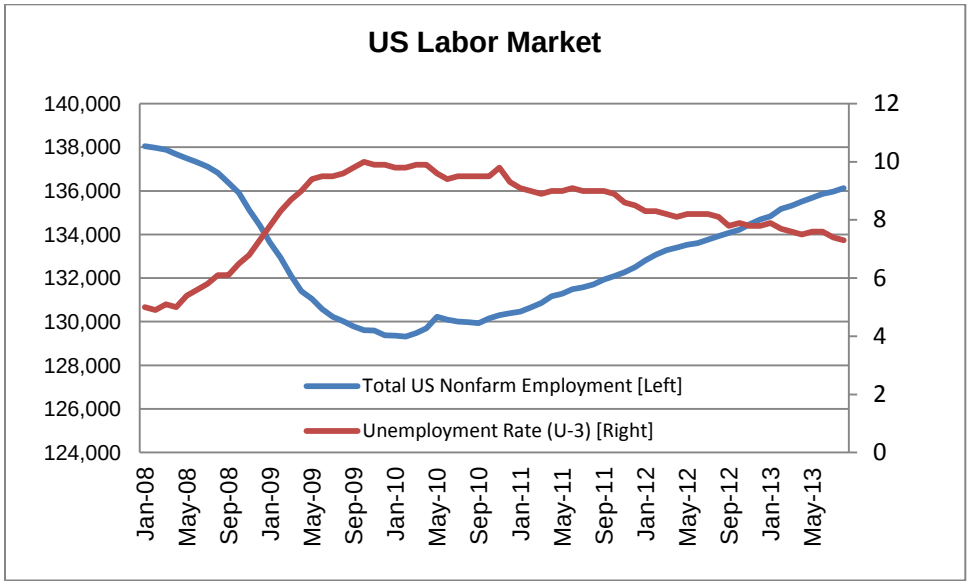
On the downside, the budget cuts in the form of sequestration and the October 2013 government shutdown have reduced economic growth throughout the last year. While the shutdown likely cost the economy billions of dollars in lost productivity and output, tight fiscal policy may also restrain GDP growth next year and beyond. Moreover, with the current government fiscal deal providing a bit more spending relief, there may actually be a positive impact on aggregate spending in 2014.

Conditions in the Eurozone appear to have stabilized and even Greece is showing some signs of recovery. An exit by any one country from the Eurozone now seems unlikely. The broader global slowdown negatively affected emerging market economies but these same economies now seem positioned to resume more healthy growth in the near future.



Employment levels in the domestic labor market have nearly returned to where they were prior to the financial crisis. The unemployment rate has fallen below 7% and monthly net employment gains measure 190,000 on average for 2013. While unemployment rates across the board have come down, problems

of high and long-term unemployment among workers persist. In addition, other groups of workers such as older individuals who have been laid off for longer stretches of time and even young workers relatively new to the work force seem to be having a hard time finding work even in a recovering economy.

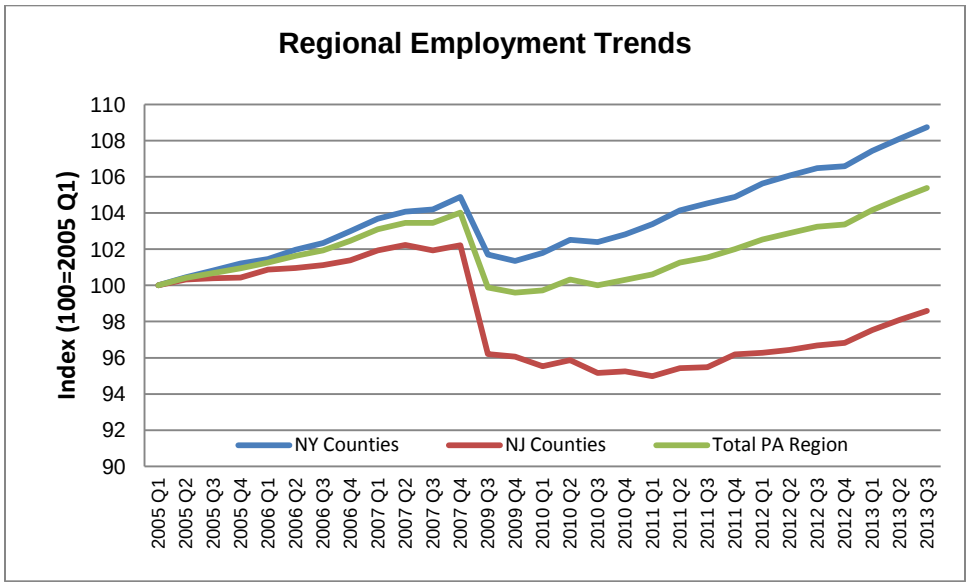


On another front, the positive correlation between economic growth and national driving trends, as measured by vehicle-miles-travelled (VMT), appears noticeably to have been weakening since sometime around 2007. In fact, while GDP has recovered quite strongly in recent years, national VMT has remained flat. The reasons for the decoupling of surface travel from economic output and employment metrics are complex and require further research. Recent changes in demographics, driver behavior and changes in logistics patterns affecting both heavy and light trucks all bear some responsibility for this trend. The change in this relationship reflects the structural changes we have been experiencing, and it is of great importance to the Port Authority because of the importance of vehicular traffic across its bridges and tunnels to agency revenues, which reflects the structural changes in the regional economy .

Regional Trends

The Port Authority economic region draws its strength from the vast, densely populated local consumer base and its attractiveness for tourists and visitors from all over the world. These features allow the New York-New Jersey area to remain a premier metropolitan region and gateway in the United States. The regional economic recovery has been slightly ahead of the national economy in terms of the gains in output and employment post-recession. In the 18-county Port District, output growth for 2013 likely exceeded 3 percent, which is significantly higher than for the nation. Consumer spending has been strong in New York City and surrounding counties in part a result of record tourism activity in the Greater New York area.

Total employment levels now exceed the pre-crisis levels, a recovery especially driven by the strong employment growth in the five counties making up New York City. The city has seen record employment growth in 2012 and experienced similar trends in 2013. The New Jersey counties, making up the other half of the Port District and initially lagging behind national and New York recovery indicators, now exhibit gains in employment and a general improvement of economic conditions. The regional unemployment rate has been consistently higher than its national counterpart though. On the one hand, this is due to the slower employment recovery in NJ counties, on the other hand this is the result of a higher labor force participation rate in New Jersey.



Despite the overall positive trends, employment gains appeared to be tempered by the fact that the recovery has occurred in economic sectors that are quite different from the ones that lost most of the jobs during and after the Great Recession. The finance, insurance, brokerage and banking sectors, which have been major contributors to regional income at a rate disproportionately high compared to their share of employment, have been very severely affected, and have continued to show lackluster growth. Sectors such as leisure and hospitality, tourism, healthcare, and professional business services, i.e. not the traditional office based sectors of the regional economy, have shown very strong gains across the board. Healthcare for instance did not experience any declines in employment even during the 2008/2009 crisis.

These shifts in industry composition in the region could affect traffic volumes at Port Authority bridges and tunnels. Sectors such as finance, insurance and banking have typically been a large portion of the local bridge and tunnel-commuting base. However, growth in these sectors has slowed, while it has been picking up in other sectors such as leisure and hospitality, tourism and professional business services, which have a lower incidence of automobile commuting.

APPENDIX C:
BUDGET PROCESS AND FINANCIAL POLICIES

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

A Unified Planning Process

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

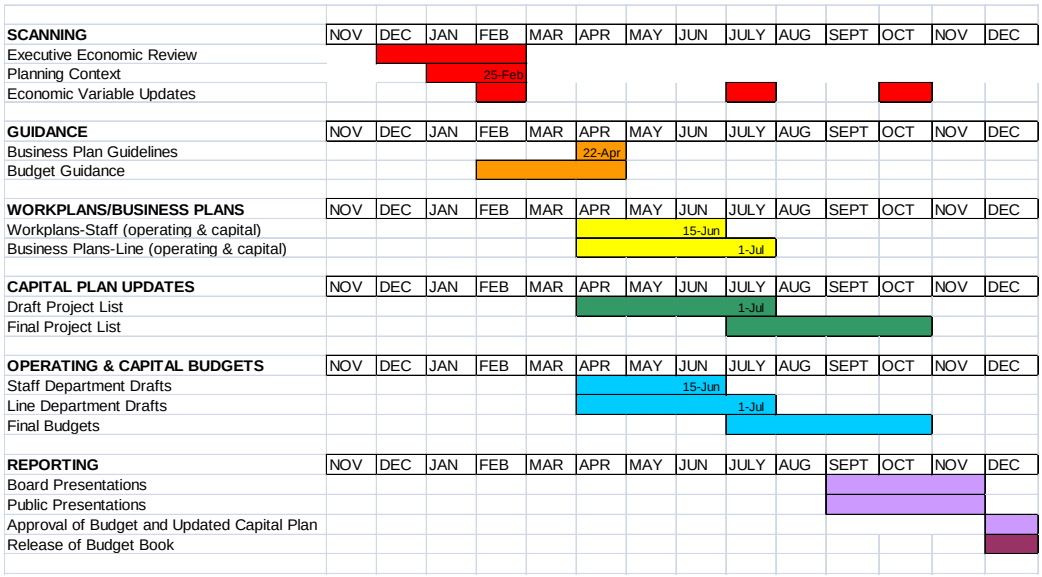
Developing the Budget

Typically, the budget process begins with the scanning process. This involves an effort on the part of Executive Director and senior staff to understand the economic outlook and the environment in which the agency will be operating in the coming years. This information is then used to re-assess agency priorities and develop short-term strategies in line with agency-wide goals. The Executive Director's office then issues planning and budget guidance that includes agency wide priorities, the regional planning context, and budget targets for each department. This guidance informs the development of department business and work plans, the capital program, and the budget for the coming year. (This process is sometimes more formal and includes an Executive Director's planning session for senior staff and agency-wide budget planning guidance by the Executive Director or sometimes less formal through the issuance of economic bulletins and scheduling of economic outlook webinars by Planning Department as well as dissemination of budget guidelines directly by Management and Budget Department.)

Line Departments, the five departments that reflect the Port Authority's major lines of business (Port Commerce, Aviation, PATH, and Tunnels, Bridges, and Terminals, and Development), are asked to submit business plans that identify department wide strategies and initiatives, both operating and capital, that reflect over-arching agency goals and take into account the planning context and priorities identified by the Executive Director. Similarly, staff departments, which support the agency's major lines of business, submit work plans that identify the ways in which

these departments will help line businesses achieve agency-wide goals given the pre-established regional planning context. The Planning Department and the Management and Budget Department, in consultation with the Executive Management Team, provide feedback on departmental business/work plans as they are finalized.

In conjunction with incorporating agency feedback into finalized business/work plans, departments develop updated capital project lists and budget proposals. Once these have been submitted, the Management and Budget Department assesses the financial impact of the submissions and works with the executive offices and the departments to finalize a budget and capital plan that meets agency and department goals within the financial constraints of the agency. Following repeated review and analysis throughout the department, a final budget proposal is presented to the Board of Commissioners for approval. Once approved, the budget is presented to the public. In general, this is a 12-month process and follows the calendar shown below. When circumstances warrant, the process may be extended.



Basis of Budgeting

Revenues and expenses are budgeted in an enterprise fund using the accrual basis of accounting (excluding interdepartmental rents). The budgeted Revenues and Reserves schedule is prepared pursuant to Port Authority bond resolutions and differs in some respects from accounting principles generally accepted in the United States, with the primary difference being the inclusion of principal and interest payments on outstanding Port Authority debt in lieu of depreciation and amortization related to capital investment. This is intended to demonstrate to the bondholders that the agency is generating sufficient cash flows to meet current and future debt service. For presentation purposes, budgeted net income is also calculated on a basis consistent with generally accepted accounting principles. The Management and Budget

Department prepares periodic financial reports, designed to inform all levels of executive management and individual directors, that measure and discuss actual and projected performance against budget and the capital plan. Financial reports are also presented to the Board of Commissioners that concisely describe the operating and capital results and financial position of the agency as a whole, highlight exceptions or significant changes impacting the agency's financial condition, and to suggest areas where management action may be necessary.

Financial Policies

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

Within the context of programmatic agency-wide objectives, the Port Authority has established various financial measures designed to ensure that the agency is able to sustain its projects, plan for the future, and fund debt service. The Port Authority maintains two Reserve Funds, the General Reserve Fund and Consolidated Bond Reserve Fund, which were established in accordance with applicable laws and statutes. The agency has set specific targets for the Times to Debt Service Earned ratio, monies contained in the General Reserve Fund and the Operating Ratio.

The General Reserve Fund is pledged in support of Consolidated Bonds and Notes. Statutes which required the Port Authority to create the General Reserve Fund established the principle of pooling revenues from all facilities and require that the Port Authority apply surplus revenues from all of its existing facilities to maintain the General Reserve Fund in an amount at least equal to 10% of the par value of outstanding bonds legal for investment.

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

Other asset obligations (versatile structure obligations, commercial paper obligations, variable rate master notes, and Interest Rate Exchange Contracts (swaps) executed after 2005), and the interest thereon, are not secured by or payable from the General Reserve Fund. Principal of, and

interest on, other asset obligations are payable solely from the proceeds of obligations issued for such purposes or from net revenues paid into the Consolidated Bond Reserve Fund and, in the event such proceeds or net revenues are insufficient therefore, from other moneys of the Port Authority legally available for such payments. Operating asset obligations (equipment notes, Interest Rate Exchange Contracts (swaps) executed prior to 2005, and the Fund buy-out obligation) are paid in the same manner and from the same sources as operating expenses. Special Project Bonds are not secured by or payable from the General Reserve Fund or the Consolidated Bond Reserve Fund.

The Port Authority has a long-standing policy of maintaining total reserve funds in an amount equal to at least the next two years' bonded debt service on outstanding debt secured by a pledge of the General Reserve Fund. The moneys in the reserve funds may be accumulated or applied only to purposes set forth in legislation and the agreements with the holders of the Port Authority's obligations pertaining thereto.

Debt Management Policies

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

- Variable Rate Master Notes - Cannot be issued if the resulting aggregate principal amount at any one time outstanding is in excess of $400 million.

- Commercial Paper - Cannot be issued if the resulting aggregate principal amount at any one time outstanding is in excess of $500 million ($300 million for Series A and $200 million for Series B).

- Port Authority Equipment Notes - Proceeds are to be used in connection with the purchase of certain equipment by the Port Authority, to refund certain obligations issued by the Port Authority in connection with the purchase of equipment and for incidental purposes, including certain cost of such note obligations. These notes cannot be issued if the resulting aggregate principal amount at any one time outstanding is in excess of $250 million.

- Special Project Bonds - Issued only for the purpose of providing funds for a single project for a lessee or for the purpose of refunding all or any part of a prior series of Special Project Bond obligations. These bonds shall not be issued in an amount that is greater

than the amount determined by the Port Authority to be necessary to accomplish the purpose for which such Series of Special Project Bonds is issued.

Appendix D:
Strategic Performance

MISSION:

To identify and meet the critical transportation infrastructure needs of the bistate region's businesses, residents, and visitors: providing the highest quality, most efficient transportation and port commerce facilities and services that move people and goods within the region, providing access to the rest of the nation and to the world, while strengthening the economic competitiveness of the New York-New Jersey Metropolitan Region.

GOALS	PROJECTS	2013 MAJOR OUTCOMES	2014 PROJECT MILESTONES	2014 BUDGET	PROJECT DELIVERABLES
Building the Region and Investing in the Future	World Trade Center Redevelopment	Completed steel and spire for 1 WTC making it the tallest building in North America Completed the Memorial Pavilion and Museum shell to enable the start of final fit out and installation of artifacts Began erection of the iconic "bird in flight" steel for the Transportation Hub above grade Oculus Structure Opened the Hub West Connector over two years ahead of schedule	Open One World Trade Center Open the 9-11 Memorial Museum to the public Open portions of the Hub Oculus a year early to enable commuters to move through the eastern portion of the site Open Platform A to the public Open VSC for use Open Four World Trade Center	$2 B	One World Trade Center; WTC Memorial & Museum; Lower Manhattan Transportation Hub which will become the third largest transportation hub in New York, Vehicle Security Center, Liberty Park Common infrastructure; And completed streets and integrated Campus Security Plan
	LGA Central Terminal Building and Infrastructure Redevelopment	· Meetings stemming from innovative procurement method of Collaborative Dialogue, a method which facilitated the agency in evaluating proposals -Parking lot consultant recommended methods of mitigating shortage of parking spaces -Pile driving and duct bank construction on East end Substation	-Valet parking lot to decrease congestion -Completion of pile driving and duct bank work at East End Substation. -Progress on contract for buildings, equipment and feeders for the East End Substation	$98 M	· State-of-the-art facility for domestic air travel.
	Goethals Bridge Replacement	· Project Authorization from Board for Design, Build, Finance, Maintain (DBFM) project -Awarded DBFM contract · Coordinated with Federal Highway Administration · Right-of-way (ROW) land acquisitions	· Complete ROW parcel acquisition for NJ and NY properties - Notice to Proceed for full construction in 2Q-2014.	$52 M	· A new, 900-foot bridge including six 12-foot wide lanes and outer and inner shoulders
	Bayonne Bridge Navigational Clearance Program	• Project Authorization and Construction Award April 2013 • USCG Bridge Permit May 2013 • Start of Construction June 2013 • Completed pier foundation load test drilled shafts (NY and NJ) • Toll Plaza Modifications complete • Established single-lane bridge operation, and began east side bridge demolition • Steel arch lead paint abatement and repainting	• Complete NB roadway bridge demo; and construct new piers • Erect 22 of 26 NB concrete spans • Erect NY and NJ Arch towers and new arch portals • Complete new electrical rooms and M & E buildings (NY / NJ) • Erect new steel hangers, floor beams, and steel framing for new elevated roadway at 215' elevation	$242 M	Removal of the 151-foot navigational clearance utilizing innovation construction staging that will maintain vehicular traffic during construction. Reconstruction and rehabilitation of the existing Bayonne Bridge including provision of 12-foot travel lanes, shoulders, median safety divider, acceleration and deceleration lanes, a widened 15-foot walkway, and provision for future transit corridor.
	EWR Terminal A Replacement	· Revised planning to focus on reducing square footage and to meet gate needs in head house area -Assessed impacts on design from revised FEMA maps and developed documentation for Department of Environmental Protection for concurrence on final design elevation	-Planning designs -Landside post-planning efforts	$7 M	· State-of-the-art facility for domestic air travel.
Moving Travelers and Commuters	PATH New Car Purchase Program	·16% of the new PA-5 railcars were damaged from Superstorm Sandy. All were repaired and are back in service except for a few still undergoing final testing.	- Previously identified car modifications by Kawasaki - Monitor Kawasaki's performance on cars still under warranty, while PATH assumes such duties for cars coming off warranty	$7 M	-Remaining cars damaged by Superstorm Sandy to be put back into service -More cars coming off warranty, with implementation of PATH staff assuming warranty responsibilities
	PATH Signal System Replacement Program	-Major damage incurred from Superstorm Sandy impacted progress, but both repairs and progress on the new system proceeded throughout the year	- Proceed with installation of new signal bungalows - Complete delivery of ATC signal equipment for installation at Hoban Control Center - Continue testing of ATC system on Test Track	$52 M	-Make sufficient progress to comply with FRA requirement for PTC by 2015 -Increase capacity by 20% when fully deployed by providing for shorter headways
Connecting Cargo to Customers	Harbor Deepening Program (HDP)	Awarded Contracts to Deepen Arthur Kill area 3, Shoal Removal area S-SR-1 and 2.	- Proceed with completion of Deepening AK3, S-SR1 and 2. - Resume NYCDEP Water Siphon's excavation in Feb 2014 and associated deepening of Anchorage channel to be completed 1st Quarter 2015.	$9 M	· Improved navigational safety. · Increased capacity to accommodate future cargo vessels.
	Port Commerce Infrastructure Program	- Reconstruction of Berth 6 completed following structural failure - Awarded contract for Berth 14 reconstruction - Commenced construction on Berth 3 reconstruction project - Rail layout schematics completed for all PCD facilities	- Continue all berth reconstruction projects - Continue replacement of water lines at NJMT - Upgrade sanitary lift stations - Repair/replace traffic signals - Upgrade electrical systems at PCD admin bldg - Complete shoreline protection projects - Complete development of wharf asset management system	$48 M	· Reduced maintenance costs. · Expanded capacity. · Code compliance

GOALS	PROJECTS	2013 MAJOR OUTCOMES	2014 PROJECT MILESTONES	2014 BUDGET	PROJECT DELIVERABLES
	Intermodal Rail Program	· Progress continued on construction for entire system	· Proceed with construction with goal of completion of project by the end of 2016.	$30 M	· Comprehensive rail system with on-dock intermodal facilities for all marine terminals.
Advancing Security & Sustainability Throughout the Region	PATH Safety and Security Projects	·PATH Train Control Center and 800MHz system installation complete. ·Power washing in south wall of Tunnel E for post-Sandy latent salt damage was completed and continues to progress for north wall - Steel plate installation on the south wall of Tunnel E is complete	· Proceed with installation of steel plates and of portals in Tunnels E and F -Environmental pilot for removal of portions of duct bank at five locations in Tunnels A and B	$28 M	· Enhanced tunnel security · Increased operational safety
	Port Commerce Security Program	- Completed CCTV Phase III - (additional cameras in PN/PE and integration of NY facilities into NJ Operations Control Center) - Completed Phase II of Blue Force Tracking (provided 88 law enforcement and emergency response vessels in the harbor with encrypted transponders for secure identification and communication with "friendly" vessels) - Regional Training - provide a standardized 24-hour training program to approximately 400 FSOs in the Port, 100 VSO's and Behavior Pattern Recognition training to approximately 1,000 FSO's and front line security guards, including personnel from Aviation and PATH - Re-wrote Hurricane/Heavy Weather Plan and Emergency Operations Plans based on lessons learned from Superstorm Sandy	- Complete CCTV Phase IV at Port Jersey Marine Terminals - Develop Breach of Rules Program - Stage IV design for TWIC readers upon release of USCG regulations	$3 M	· Enhanced safety and security of port operations.
	Security Bollard Installation at Airport Tenant Terminals	· Progress continued on construction for the entire system. As of 12/31/14, construction was ongoing at 9 out of 10 tenant terminals.	·Complete bollards projects at 6 tenant terminals (2 at LGA, 2 at JFK, and 2 at EWR)	$17.4 M	· Increased facility security at all Port Authority airports.
	Motorcoach Security Initiative	· Worked with motor the Coach Carries, TSA, Port Authority Public Safety, Port Authority OEM, NJ Office of Homeland Security and Preparedness to develop and conduct a survey of security best practices for the carriers that use the LT and PABT - Worked closely with the Transportation Security Administration's (TSA) Office of Security Policy to incorporate many of the security best practices developed by the working group.	· Receive roll-out of TSA industry best security practices report based on TB&T research · Continue site visits with motorcoach carriers to assess compliance with best practices - Incorporate use of best security practices into new bus carrier agreements, when possible.	$0M* *requires staff time to implement	· 100% adoption of best security practices as recommended by TSA for motorcoach carriers using TB&T Terminals.

Operational Performance*

PORT AUTHORITY FACILITIES	PERFORMANCE MEASURE	OPERATING OBJECTIVE	2013 RESULTS	2014 TARGET
Airports	Flight Delay Reduction	Improvement of year-to-year delay statistics for all airports.	For the 12 months ending November 2013, 7.7% of operations were delayed, a slight increase over the prior 12 months' figure of 7.1%.	Decrease in flight delays over the same period in the previous year.
	Customer Satisfaction	Meet or exceed industry benchmark in annual customer satisfaction survey for all terminals at all Port Authority airports.	86% of arriving passengers and 56% of departing passengers were highly satisfied in 2013, which exceeds or meets the industry benchmark of 55%, but which represented a slight drop from 2012 results.	Increase proportion of highly satisfied customers by 2 percentage points.
	FAA Part 139 Compliance	Meet Part 139 mandates.	All serious findings identified during most recent annual inspections were corrected within 7 days; all other findings corrected by FAA due date.	All reported discrepancies are corrected in a timely manner.
Tunnels, Bridges and Bus Terminals	Incident Response Time	Improve safety and travel time reliability by ensuring incidents are responded to and cleared in a timely and effective manner.	The average incident response time at all TB&T facilities improved seven seconds from 13:55 in 2012 to 13:48 in 2013.	Decrease in response time over the same time in the previous year.
	Scheduled Preventive Maintenance Hours Completed	Minimize the number of failures of equipment and infrastructure by conducting schedule inspections – including general upkeep of the facilities.	67% of scheduled preventive maintenance were completed in 2013.	80% completion of scheduled preventive maintenance.
	Reduction in Targeted Crimes at Port Authority Bus Terminal	Minimize number of targeted crimes (robbery, assault, larceny, luggage theft, pickpocket) reported at the Port Authority Bus Terminal	A significant increase by 53.5% in targeted crimes at the Port Authority Bus Terminal through December 2013 (221) compared to same period in 2012 (144), which is attributable to the indirect impact of Hurricane Sandy on the PABT.	5% reduction in the number of targeted crimes at the Port Authority Bus Terminal.
PATH	On-Time Performance	Maintain high percentage of PATH trains operating on-time (within 3 minutes of scheduled departure/arrival time).	97.88% on-time performance during 24-hour periods .	98.01% on-time performance during 24-hour periods.
			97.06% on-time performance during peak periods .	96.61 % on-time performance during peak periods.
	Service Reliability	Maintain high mean distance between failure (number of miles, on average, A PATH car travels before breakdown or failure occurs that results in an annulment or delay)	97,198 miles between failure	120,000 miles between failure
Ports	Increased Intermodal efficiency	Increase percent of cargo moved by rail and reduce truck trips to 20% by 2020 (ExpressRail actuals + estimated 1.5% of total cargo moved via off-dock rail)	14.7% of port cargo moved by rail	16% of % of port cargo moved by rail
	Clean Air Strategy	Reduce amount of air pollution emitted from Port Authority port facilities.	Achieved 4% annual reduction in Criteria Air Pollutants and a 1.75% reduction in GHGs based on most recent survey results	Complete Shore Power Project for Brooklyn Cruise Terminal; 100% compliance with Truck Phase Out Program; Award $1 million in incentives for Clean Ship calls

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

APPENDIX E: GLOSSARY

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

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

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

- Mandatory (MAND) – Projects required by law, governmental rule or regulation, or by a rule or policy of the Board of Commissioners.

- Regional Projects (SRP) – Projects undertaken by the Port Authority which advance the objectives of the Port Authority but unlike other Port Authority projects -- which are typically confined to a specific Port Authority operated facilities – are not operated by the Port Authority. They are generally initiated at the request of one of the two states.

- Revenue Producing Projects (RPP) – Projects which provide system enhancements, improved customer service levels, and/or regional benefits and which yield a positive financial return to the Port Authority on its invested capital.

- Security (SEC) – Projects that are necessary to meet the Agency's Security Plan. The Office of Emergency Management has reviewed the scope of the projects for consistency with Agency security goals.

- State of Good Repair (SGR) – Projects that are necessary to maintain the continued functioning of a Port Authority assets consistent with the Agency's business objectives, especially those necessary to maintain critical structural integrity and operational capability of facilities.

- System Enhancing Projects (SEP) – Projects that provide system enhancements, improved customer service levels, and/or regional benefits but do not yield a positive financial return to the Port Authority.

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

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

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

Consolidated Bond Reserve Fund – A special fund created by Section 7 of the Consolidated Bond Resolution. The balance remaining of all net revenues of the Port Authority's existing facilities after deducting payments for debt service upon all Consolidated Bonds and Notes and the amount necessary to maintain the General Reserve Fund at its statutorily required amount, is to be paid into the Consolidated Bond Reserve Fund, which is pledged as additional security for all outstanding Consolidated Bonds and Notes. Consolidated Bonds and Notes have a first lien upon the net revenues (as defined in the Consolidated Bond Resolution) of all existing facilities of the Port Authority and any additional facility financed by Consolidated Bonds.

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

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

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

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

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

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

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

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

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

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

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

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

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

- Debt Expense – Interest costs for special project bonds and operating assets.

- Maintenance – Labor and materials to protect the agency's capital investments and keep properties, facility structures and equipment operating at a high level of performance, including complying with applicable codes and regulations, thereby preventing injury to life and damage to property.

- Management Services – Support operations for all lines of business -- Aviation, PATH, Port Commerce, Tunnels, Bridges & Terminals, and World Trade Center.

- Operations – Staff and materials required to manage transportation facilities and provide support services to the traveling public throughout the Port Authority's regional transportation network, which includes airports, vehicular tunnels, bridges and terminals, rail transit system and port shipping facilities.

- Rent – Payments made periodically to governmental agencies and landlords in return for the use of land, a building, an office, or other property.

- Security – Providing safe and secure transportation services to the region and nation by vigilance over potential threats, investment in infrastructure and new technology, and employment of best practices in security and emergency preparedness operations. Adapting programs in response to changing conditions and meeting or exceeding government and industry standards while adding value to the business.

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

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

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

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

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

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

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

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

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

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

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