# 2011 Budget

December 7, 2010

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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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget Presentation Award*

PRESENTED TO

**Port Authority of New York & New Jersey**

For the Fiscal Year Beginning

**January 1, 2010**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Port Authority of New York & New Jersey, New York for its annual budget for the fiscal year beginning January 1, 2010. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

# Message from the Chairman and Executive Director

Dear Governors:

We respectfully present the 2011 Budget of The Port Authority of New York and New Jersey. The pages that follow describe a $7.2 billion budget that keeps our operating expenses flat for the third consecutive year, drives our priority capital programs forward and maintains our facilities in a state of good repair.

Like all public agencies, the Port Authority's financial capacity has been impacted by the economic downturn. As a result of increased unemployment and reduced consumer spending, activity levels at all Port Authority facilities began to drop dramatically in 2008 and further erode in 2009. Despite modest gains in 2010, activity levels still remain lower than projections made in January 2008 when the current 10-year capital plan was formulated. To put this in perspective, in 2008, the Port Authority projected that 132 million vehicles would use the bi-state crossings by 2011. Now, the agency does not expect to reach that level until 2020.

In response to the economic downturn, the Port Authority has taken aggressive action to control operating expenses to ensure the agency meets its highest capital priorities but also lives within its means. To that end, the Port Authority's 2011 budget calls for a third consecutive year of zero growth in operating expenses and reduces headcount by 200 positions, bringing staffing levels to the lowest in 40 years, among other austerity measures.

As a result of the agency's ongoing financial discipline, prioritization of certain capital projects and the deferral of others, the 2011 Budget calls for no toll and fare increase. It should be noted that the Port Authority does not receive any tax revenue from either state.

The Port Authority's continued discipline on the operating side of the budget has allowed for $3.9 billion in capital spending in 2011 – enough to continue the agency's robust safety and security programs, to keep its priority projects moving forward, and to maintain the agency's facilities in a state of good repair.

We believe our 2011 Budget meets the region's significant infrastructure challenges while holding the line on operating expenses. We must continue to live within our means in the years ahead.

We look forward to working with you and the public as the Port Authority implements its 2011 Budget.

Sincerely,

Anthony R. Coscia
Chairman

Christopher O. Ward
Executive Director

# NEGATIVE IMPACT OF THE ECONOMIC DOWNTURN

In order to give the Port Authority's 2011 Budget greater context, this section details the significant challenges confronting the Port Authority and how the agency is responding. Detailed below are the main factors that have contributed to the agency's current financial challenge, as well as a description of the actions the Port Authority has taken to ensure that the agency continues to live within its means.

Like all public agencies, the Port Authority has been negatively impacted by the sharp economic decline that began in 2008. The effect on the Port Authority's financial condition has been significant: (1) declining revenue due to falling activity levels at our bridges and tunnels, airports, PATH rail, and port terminals; (2) increasing debt service due to the collapse of the variable rate debt market and the real estate finance market; (3) lower financial income due to the historic drop in the U.S. Federal Funds rate, which drives the agency's financial return given our investments in U.S. Treasury obligations. These impacts are explained in detail below:

**Declining Revenue**

Activity levels in all Port Authority businesses – aviation passenger volume, container movements, vehicle crossings and PATH ridership – began to drop in 2008 and further erode in 2009. For the year 2010, modest increases in activity levels have been experienced thus far. Despite these modest gains, activity levels remain significantly lower than projections made in January 2008 when the current 2007-2016 capital plan capacity was formulated. To put this in perspective, the Port Authority originally projected that 132 million vehicles would use our crossings in 2011 and based our 10 year capital capacity on that projection.

Now, the Port Authority does not expect to reach 132 million vehicles until 2020. As seen below, budgeted projections for our other line departments are similarly down from 2008 projections.

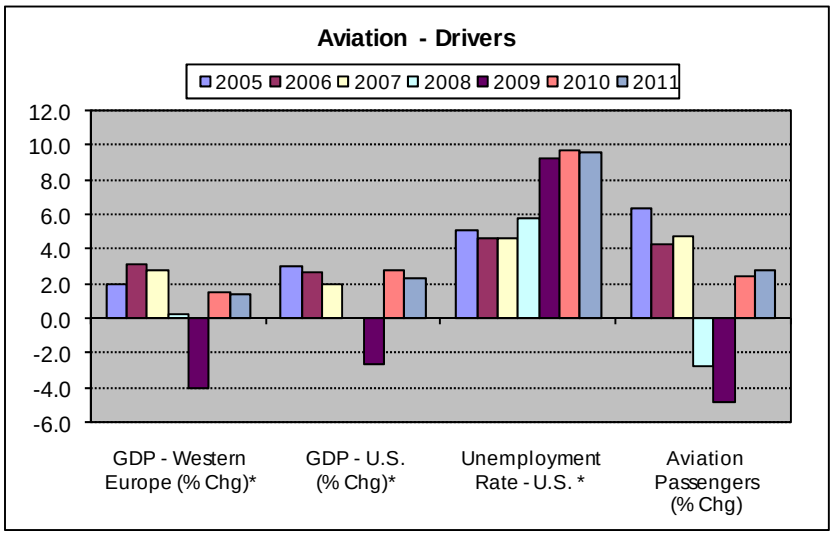
| Recession Benchmarks (amount in thousands) | | | | |
|---|---|---|---|---|
| | **2011 Forecast Activity** | **2008's 2011 Forecast** | **% Change** | **Year Returns to 2008's 2011 Forecast** |
| **T&B Vehicles** | 122,416 | 132,353 | -7.5% | **2020** |
| **PATH Passengers** | 73,298 | 83,317 | -12.0% | **2015** |
| **Aviation Passengers** | 107,180 | 117,997 | -9.2% | **2015** |
| **Port Containers** | 3,017 | 3,406 | -11.4% | **2014** |

Overall, these declines have been driven by an interrelated set of global, national and regional economic forces – leading to an historic recession, second in magnitude only to the 1930s Great Depression. The financial crisis hit the New York metropolitan area especially hard as layoffs and reduced compensation created negative impacts for the regional economy. As a consequence of the decline in business activity, the regional unemployment rate has more than doubled since 2007, reaching 9.2% as of July 2010.

These economic forces translate directly into declining Port Authority revenue. When consumer spending is down and unemployment is up, there are fewer goods being shipped and trucked, fewer people commuting to jobs that no longer exist and fewer people flying to destinations that are no longer affordable. Thus, toll and fare revenue is down, as is revenue derived from flight fees, airport parking and concessions, and container and other Port-related fees, among other facility revenue sources. As a result, projected net revenue from our core business activities over the current ten-year capital plan period has declined by approximately $1.8 billion. The following charts show the key economic drivers that have led to declining activity levels and compare the projected activity levels that supported the Port Authority's original ten-year $29.5 billion capital capacity in December 2008 versus last year's ten-year $24.5 billion capital capacity based on actual results and revised projections.

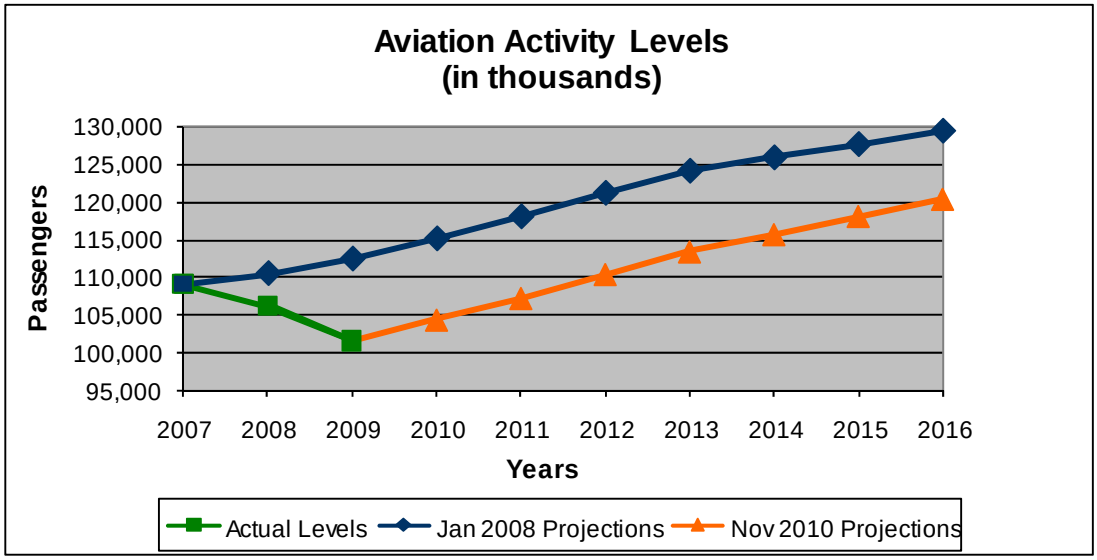
Aviation

The decline in US and Global GDP combined with a near doubling of the unemployment rate had a significant impact on the Port Authority's aviation business. The number of aviation passengers declined in two subsequent years, 2008 and 2009, and this year passenger numbers are expected to grow at under 2.5 percent.




* Global Insight, September 2010

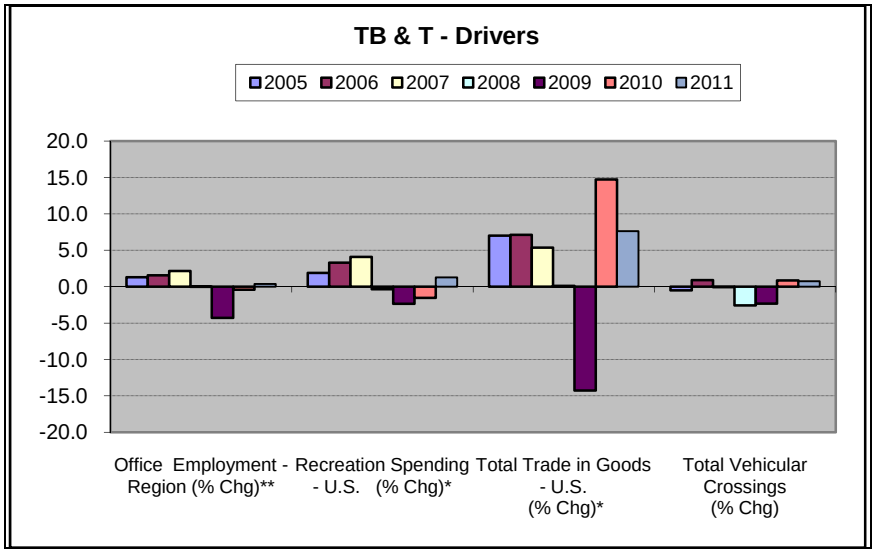
The following chart demonstrates the significant gap between the activity level projected in 2008 and what the Port Authority is actually experiencing. Although a slight improvement was seen in 2010, passenger growth is not projected to regain its original 2008 forecasted level until 2012.




| Aviation Activity Levels (amount in thousands) | | | |
|---|---|---|---|
| **Year** | **Jan 2008** | **Nov 2010** | **Variance** |
| 2008 | 110,453 | 106,214 | (4,239) |
| 2009 | 112,392 | 101,481 | (10,911) |
| 2010 | 115,072 | 104,302 | (10,770) |
| 2011 | 117,997 | 107,180 | (10,817) |
| 2012 | 121,134 | 110,364 | (10,770) |
| 2013 | 124,068 | 113,367 | (10,701) |
| 2014 | 125,853 | 115,668 | (10,185) |
| 2015 | 127,619 | 118,080 | (9,539) |
| 2016 | 129,398 | 120,368 | (9,030) |

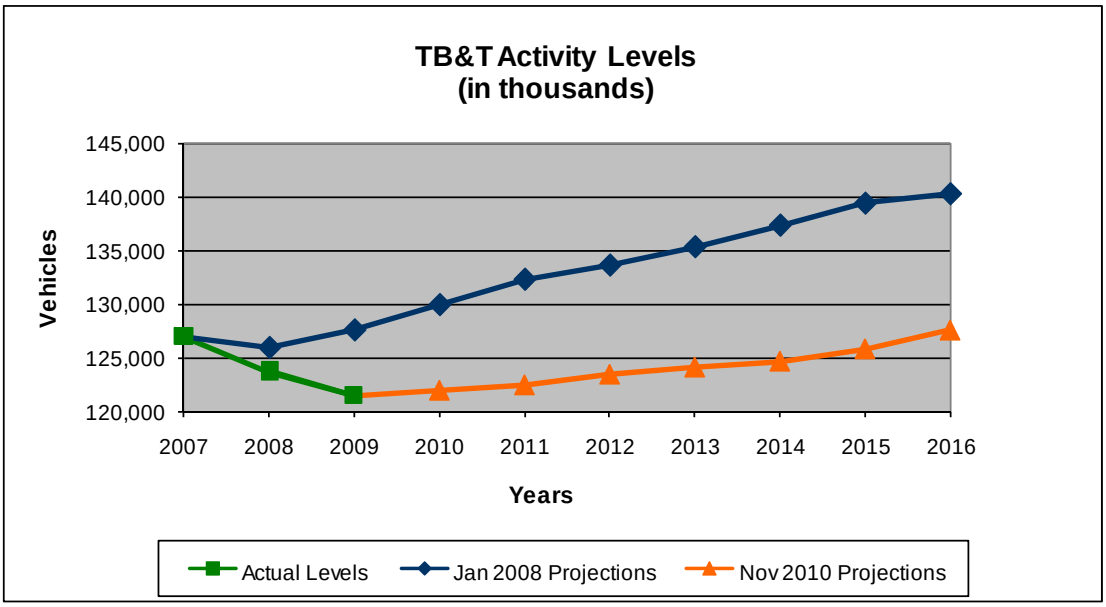
Tunnels, Bridges and Terminals

The decline in regional employment, particularly employment in Manhattan, lower consumer spending, and the drop in international trade combined to drive down vehicular crossings over the Port Authority controlled bridges and tunnels. Total vehicular crossings fell by 2.6% in 2008, with autos and trucks declining by 2.8% and 1.5%, respectively. In 2009, total crossings fell by 1.8%, split between 1.3% by autos and 9.1% by trucks. For 2010, traffic at all of our crossings is now projected to improve slightly, but it is expected that a complete recovery to its original 2008 forecasted levels will take at least five years.




* Global Insight, September 2010
** Economy.com, August 2010

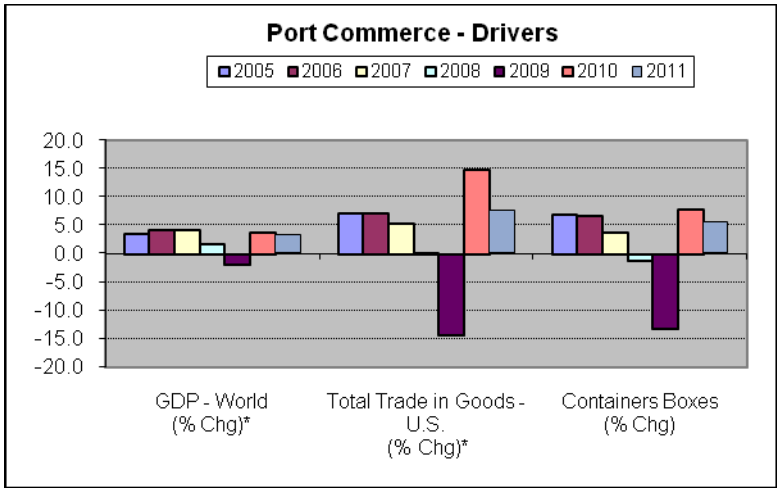
The chart below illustrates the significant gap between activity level forecasts made in January 2008 and what the Port Authority is actually experiencing. Currently, the Port Authority is forecasting slow growth in 2011 and 2012, with a revenue base that is significantly lower than previously forecasted. This creates additional pressure on the Port Authority's ability to finance capital projects over the long term.



| TB&T Activity Levels (amount in thousands) | | | |
|---|---|---|---|
| **Year** | **Jan 2008** | **Nov 2010** | **Variance** |
| 2008 | 126,009 | 123,725 | (2,284) |
| 2009 | 127,648 | 121,500 | (6,148) |
| 2010 | 129,998 | 121,911 | (8,087) |
| 2011 | 132,353 | 122,416 | (9,937) |
| 2012 | 133,665 | 123,416 | (10,249) |
| 2013 | 135,375 | 124,086 | (11,289) |
| 2014 | 137,380 | 124,638 | (12,742) |
| 2015 | 139,425 | 125,790 | (13,635) |
| 2016 | 140,296 | 127,549 | (12,747) |

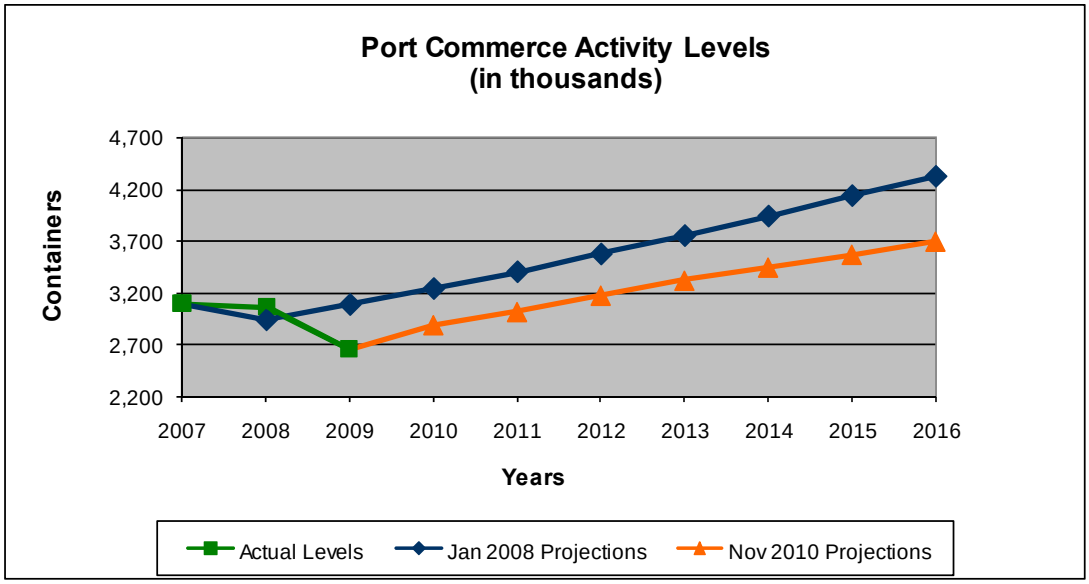
Port Commerce

In 2009, global trade took a major hit as a result of the recession. Consumer markets were no longer the engine of the world economy as credit facilities froze and deleveraging took hold across the globe. Idle shipping capacity and increasing inventory levels further provided downward pressure and as a result, container traffic at the Port Authority facilities declined by double-digits.




* Global Insight, September 2010

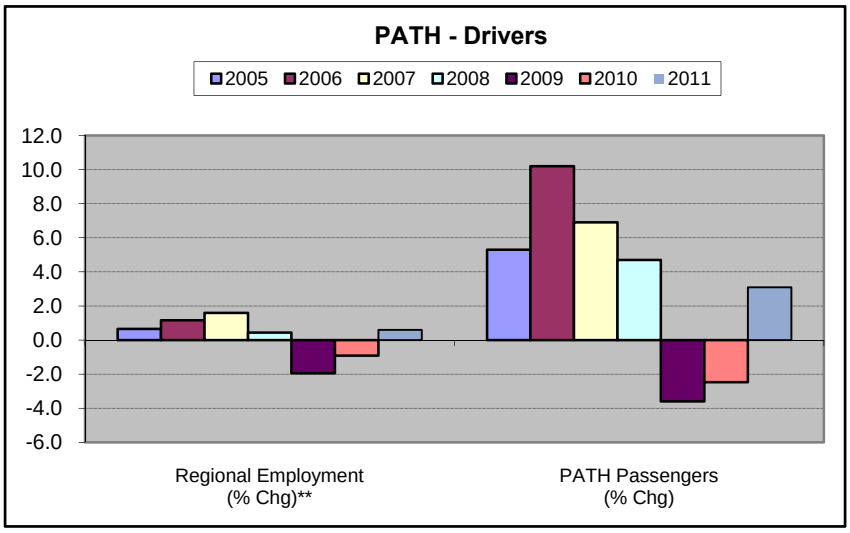
The following graph illustrates the change in the forecast from 2009 to 2010. Projected container volumes are well below the Port Commerce Department's original forecasts and are expected to reach its initial 2008 forecasted levels in 2011.




| Port Commerce Activity Levels (amount in thousands) | | | |
|---|---|---|---|
| **Year** | **Jan 2008** | **Nov 2010** | **Variance** |
| 2008 | 2,942 | 3,069 | 127 |
| 2009 | 3,090 | 2,652 | (438) |
| 2010 | 3,244 | 2,891 | (353) |
| 2011 | 3,406 | 3,017 | (389) |
| 2012 | 3,577 | 3,174 | (403) |
| 2013 | 3,755 | 3,317 | (438) |
| 2014 | 3,943 | 3,444 | (499) |
| 2015 | 4,140 | 3,566 | (574) |
| 2016 | 4,326 | 3,693 | (633) |

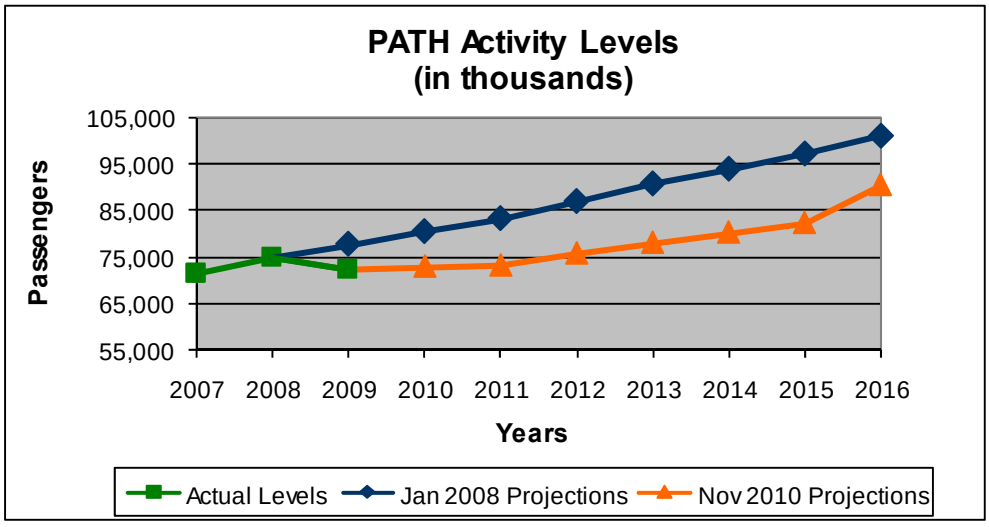
PATH Rail Transit

Regional employment is a major driver of passenger volumes on the PATH system. PATH bucked the trend in 2008, rising 4.7% to 75 million, partly reflecting the switch to transit caused by the rise in gas prices in the first half of the year. However, the recent decline in regional jobs has taken its toll on ridership, with ridership falling by 3.6% and 2.5% percent in 2009 and 2010 from 2008 levels, respectively. With continued sluggishness in the region's employment recovery, we expect the recovery of PATH ridership also to be slow in 2011.




** Economy.com, August 2010

PATH passenger forecasts remain well below projections made in January 2008.




| PATH Activity Levels (amount in thousands) | | | |
|---|---|---|---|
| **Year** | **Jan 2008** | **Nov 2010** | **Variance** |
| 2008 | 75,102 | 74,954 | (148) |
| 2009 | 77,777 | 72,281 | (5,496) |
| 2010 | 80,499 | 73,072 | (7,427) |
| 2011 | 83,317 | 73,298 | (10,019) |
| 2012 | 86,987 | 75,861 | (11,126) |
| 2013 | 90,785 | 78,152 | (12,633) |
| 2014 | 93,963 | 80,348 | (13,615) |
| 2015 | 97,252 | 82,381 | (14,871) |
| 2016 | 101,077 | 90,482 | (10,595) |

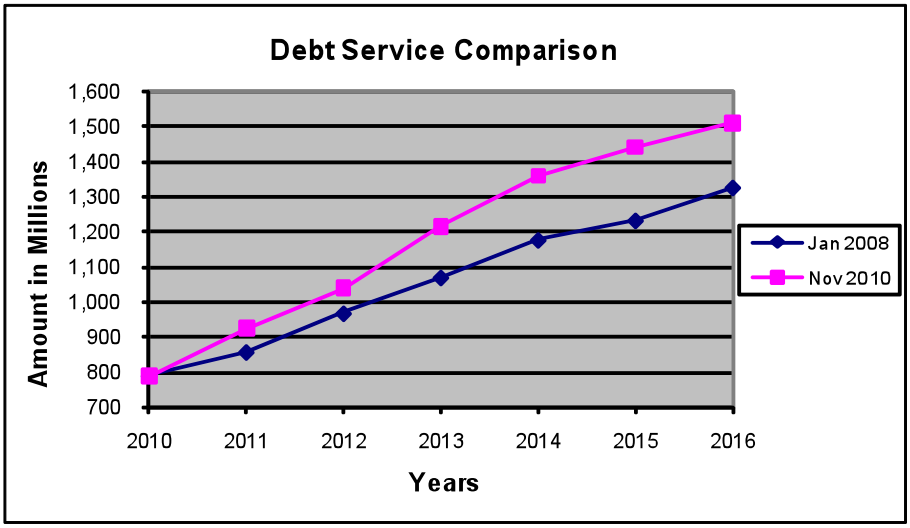
**Increasing Impact of Debt Service Expense**

The economic downturn has not only caused activity levels at our facilities to drop, leading to a decline in the revenue generated from that activity, but it has also resulted in increased debt service expense. This in turn has constrained the Port Authority's ability to finance its long-term capital program, since the agency relies heavily on debt as one of the major sources of its capital investments.

Debt service expense increased primarily because of two factors related to the economic downturn: the collapse of both the variable rate debt market and the speculative real estate market. When the Port Authority's $29.5 billion capital plan was adopted in January 2008, it was anticipated that $4 billion of that amount would be funded through variable rate debt, rather than fixed rate debt. Historically, variable rate debt carried lower borrowing costs as compared to traditional long-term fixed rate obligations, which the Port Authority issues for the majority of its capital financing. However, as a result of the deterioration of the variable rate debt market, the Port Authority has had to replace its expected use of variable rate obligations with fixed rate bonds. This modification was essential in light of the current financial markets, but it came at a cost of nearly 2.5% higher in annual interest rates for approximately $4 billion of planned borrowing.

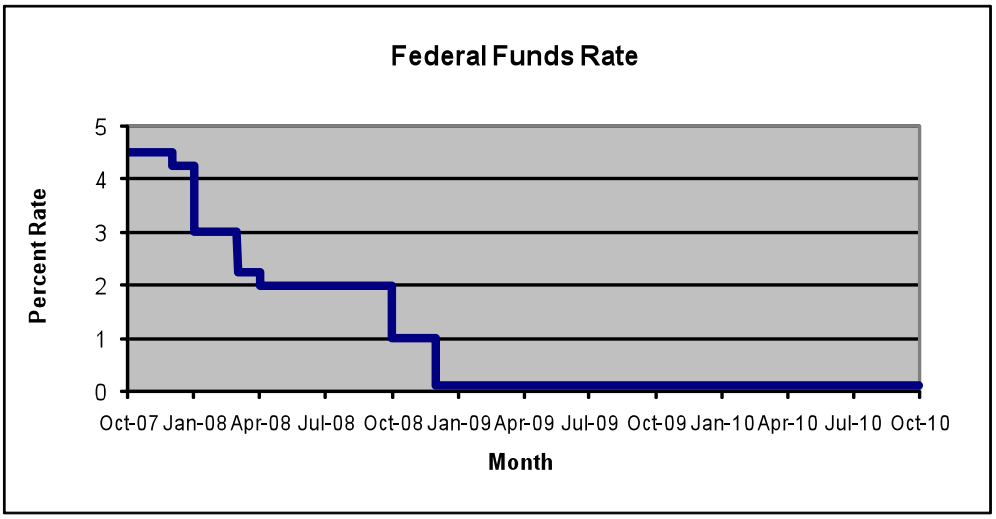
In addition, the Port Authority's original $29.5 billion plan assumed over $2.5 billion of funding from Special Project Bond proceeds issued and secured by the anticipated lease revenues to be generated by 1 WTC LLC on a tax-exempt basis. However, like the variable rate debt market, the bond market for financing speculative office space has also evaporated. For the Port Authority, this means that this form of borrowing has had to be replaced with higher-interest rate taxable debt.

The effect of the above changes, coupled with the previously disclosed construction cost increases at the World Trade Center site that also required the use of higher rate taxable debt, increased debt service costs by approximately $1 billion through the forecast period through 2016.



**Lower Financial Income from the Port Authority's Investment Portfolio**

Finally, in addition to decreasing revenues from lower activity levels at Port Authority facilities and increasing debt service expense from the collapse of the variable rate debt and speculative real estate finance markets, the Port Authority's capital capacity has been constrained by reduced financial income from its investment portfolio, which, in accordance with certain statutes, primarily consists of United States Treasury notes and bills. Historically, Treasuries have been a prudent investment and, relative to the rest of the securities market, continues to be a prudent investment. Unfortunately, because of the economic crisis, the U.S. Federal Funds Rate has been lowered to record-low levels. To put this in perspective, since September 2007, the U.S. Federal Funds Rate has dropped from nearly 4.75% to a historic low of between 0% and 0.25%. This low-interest environment, which is continuing through 2010, is far below what was anticipated when we issued our updated Capital Plan in 2008, and has resulted in approximately $500 million of lower projected financial income over the ten-year period.



# PA RESPONSE TO THE ECONOMIC DOWNTURN

From the outset of the economic downturn, the Port Authority has taken aggressive action to live within the agency's means, both by controlling operating expenses and prioritizing capital spending. This section outlines these ongoing efforts.

**Zero-Growth Operating Budget and Headcount Reduction**

For five consecutive years, the Port Authority has maintained near zero percent growth in the agency's annual operating budget.

2011: 0.0%
2010: 0.0%
2009: 0.0%
2008: 0.9%
2007: 1.1%

To achieve zero percent growth in prior years, the Port Authority has substantially reduced headcount to the lowest levels in 40 years, lowered consultant spending by 32%, cut overtime by 20% and closed Port Authority-funded operations such as the Ramada Hotel at JFK Airport.

This year, the agency will go even further, implementing the third consecutive zero-growth operating budget and reducing permanent positions by 200 to the lowest level in 40 years. Since 2004, the agency has reduced headcount by 12%. In addition, the agency is cutting budgets for external professional service contracts reducing consultant spending by another 17%, reducing utility costs by 4%, cutting various miscellaneous expenses such as the agency's helicopter fleet, and phasing out the employee E-ZPass benefit. As a result of these efforts, since 2008, the Port Authority has cut a total of $409 million in spending growth.

**Deferral of Capital Projects**

In addition to the fiscal discipline on the operating side of the budget, the Port Authority has had to make difficult choices to live within its means on the capital side of the budget. As the agency's capital capacity has shrunk from $29.5 billion to $24.5 billion, so must its capital expenditures. In order to ensure that the Port Authority meets its most critical spending obligations in State of Good Repair projects, the agency has had to defer certain discretionary spending items, even though these items remain critical to the region's growth.

Projects like the Bus Garage for the Port Authority Bus Terminal that will act as a traffic reliever to the Lincoln Tunnel and adjacent Manhattan streets must be deferred beyond the 2007-2016 capital plan period. Funding for the replacement of the LaGuardia Central Terminal Building and Newark Liberty International Airport's Terminal A has been restricted to planning dollars, allowing these projects to

advance as funding becomes available. Similarly, funding for Stewart Airport's modernization, while still committed over the long-term, has been slowed. In addition, rather than replace the obsolete Lincoln Tunnel Helix and the George Washington Bridge Suspender Ropes, the Port Authority will maintain a state of good repair until funding becomes available.

**Alternative Ways of Financing Capital Projects**

The Port Authority cannot defer every major discretionary project if it is going to continue to provide a level of transportation infrastructure that sustains the region's economic growth and a high quality of life. For years, the agency has been at the forefront of innovative ways to finance infrastructure that could not be built otherwise. Projects like AirTrain, JFK's International Terminal – Terminal 4, and Essex County Resource Recovery facility have all been financed in non-traditional ways, which is to say that they have been financed using some other mechanism besides the Port Authority's consolidated bond instrument.

Our new plan to replace the Goethals Bridge is another prime example of how the Port Authority may rely on innovative financing to build the next generation of the region's critical infrastructure, despite the financial constraints described above. Constructed in 1928, the Goethals Bridge facilitates over $33 billion in goods movement every year, and is projected to move 13.4 million eastbound vehicles in 2011. Given its age and functionally obsolete design, the Goethals is long overdue for replacement. Yet replacing the bridge is estimated to cost $1.6 billion, a cost that is unaffordable at this time. That is why the Port Authority has undertaken an extensive analysis to develop an alternative financing mechanism for the cost of construction and maintenance of the bridge – one that will give the agency the ability to replace the bridge without ceding control of the toll structure or safety and operating standards. In 2010, the Port Authority began the procurement process for a private entity to design, build finance and maintain a new Goethals Bridge and hopes to make an award by the beginning of 2012.

**Ongoing Prioritization and Austerity Required**

Despite the aggressive actions that the Port Authority has already taken to ensure its budget reflects the new economic and fiscal realities, if we are to continue to live within our means, we must make sure our operating budget is as lean as possible, make adjustments where necessary and continue to prioritize capital spending in recognition of a rapidly shifting economic landscape.

# 2011 Budget Summary

# 2011 BUDGET SUMMARY

**2011 Operating Budget Highlights**

The impact of the worst economic downturn since the Great Depression has continued to negatively impact the Port Authority. Yet, the Port Authority's overall fiscal condition remains sound due in large part to numerous cost-cutting measures. That fiscal discipline continues in the agency's 2011 Budget. Major highlights of the Port Authority's 2011 operating budget include:

- Zero growth in operating expenses for the third consecutive year. The agency's operating expense growth has been well below inflation for several consecutive years:
    - 2011: 0%
    - 2010: 0%
    - 2009: 0%
    - 2008: 0.9%
    - 2007: 1.1%
- Reduction in authorized position levels by 200 to a total of 6,777 compared to 6,977 in 2010 - the lowest level in 40 years resulting in savings of $25 million. Since 2004, the agency has reduced headcount by 12%.
- The elimination of Port Authority Helicopters with cost savings of $5 million per year.
- Continued reduction in consultant provisions of $14 million in addition to the $15 million decrease included in the 2010 Budget.
- Investing $462 million in security operating costs while continuing the implementation of innovative patrol tactics and the improved deployment of public safety resources.
- Providing $227 million in municipal rent payments and payments of amounts in lieu of taxes to cities, counties and municipalities under various property agreements.
- Committing $25 million toward on-going activities for the Clean Air Program at our port facilities, and to reducing greenhouse gas emissions, promoting environmental protection, and conserving energy.

**2011 Capital Budget Highlights**

The 2011 capital budget totals $3.9 billion and includes:

- $1.9 billion - World Trade Center Redevelopment
- $138 million - New PATH rail car purchases
- $109 million - PATH Signal Replacement Program
- $81 million - Port Jersey-Port Authority Marine Terminal Redevelopment
- $70 million - Dredging Program at Port Authority Ports
- $46 million - Planning for Terminal A and continued Redevelopment of Terminal B at Newark Liberty International Airport
- $38 million - Central Terminal Building Redevelopment at LaGuardia Airport and Delta Terminal Redevelopment at John F. Kennedy International Airport
- $31 million - Continuing the advancement of the JFK flight delay reduction program
- $16 million - Planning efforts at the Bayonne Bridge and Goethals Bridge Modernization Program
- $16 million - Stewart International Airport modernization
- $15 million - Holland Tunnel rehabilitation of ventilation system
- $14 million - AirTrain mid-life rehabilitation at Newark Liberty International Airport
- $13 million - GWB Upper Level Deck Rehabilitation
- $9 million - Completing a permanent ferry terminal in Hoboken, NJ.

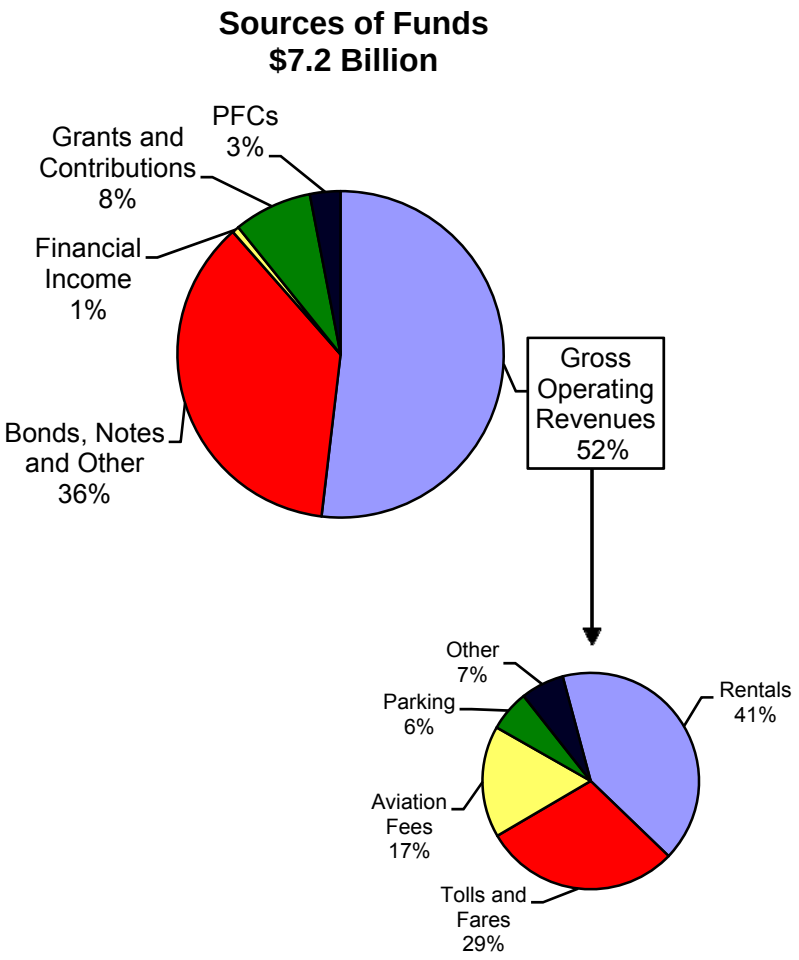
The capital budget also includes $344 million for essential security projects to protect the agency's facilities infrastructure and install state-of-the-art surveillance and detection equipment such as:

- $52 million - PATH Water Management System, Tunnel Improvements and Erosion Protection
- $23 million - Facility wide access control projects
- $15 million - Perimeter intrusion detection system at airports

Combined with the $462 million in security operating costs, in 2011, the Port Authority will spend a total of $806 million on security-related expenditures, bringing the agency's total investment in security to nearly $6 billion since the terrorist attacks on September 11, 2001.

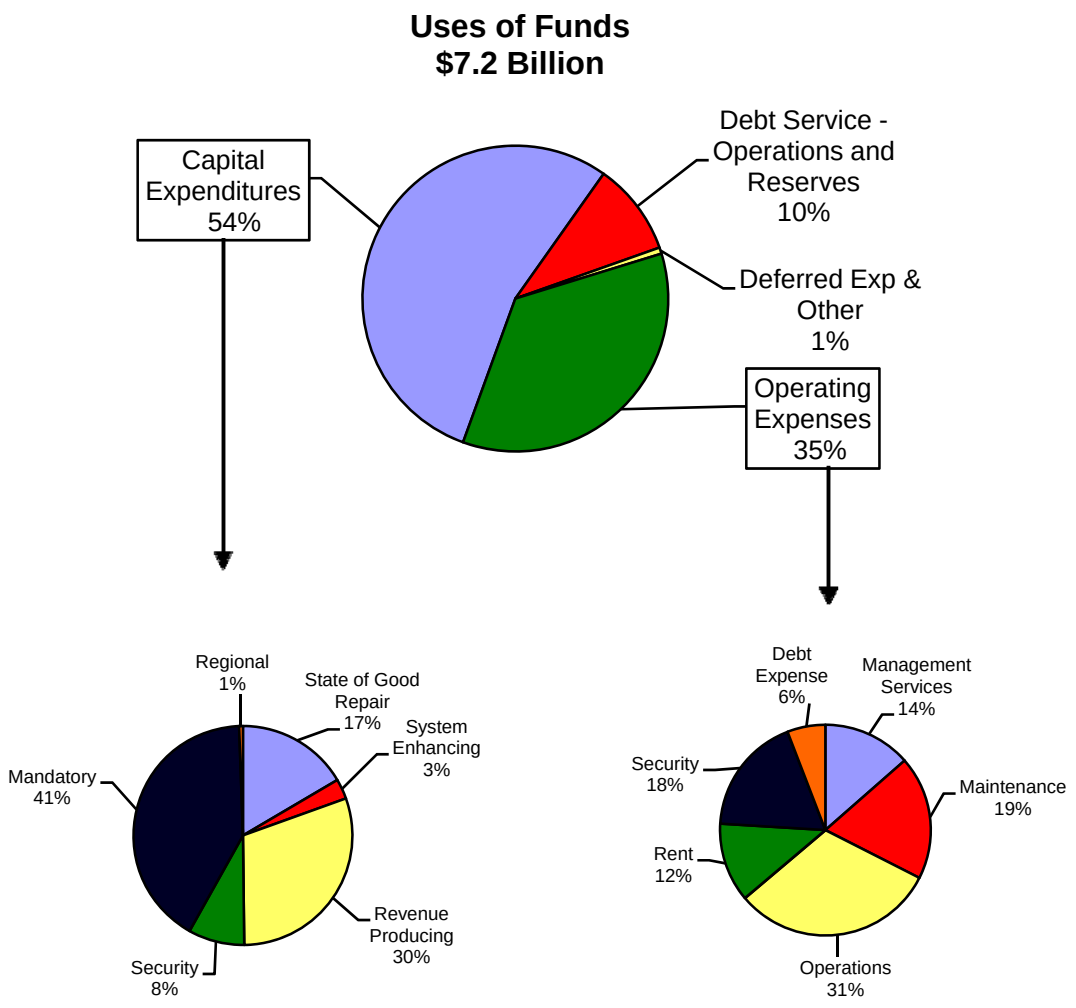
**Sources of Funds**

The Port Authority is a self-sustaining agency that relies upon its own creditworthiness to access the capital markets to raise the necessary funds for the acquisition, operations and investment of its facilities. 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 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.



**Uses of Funds**

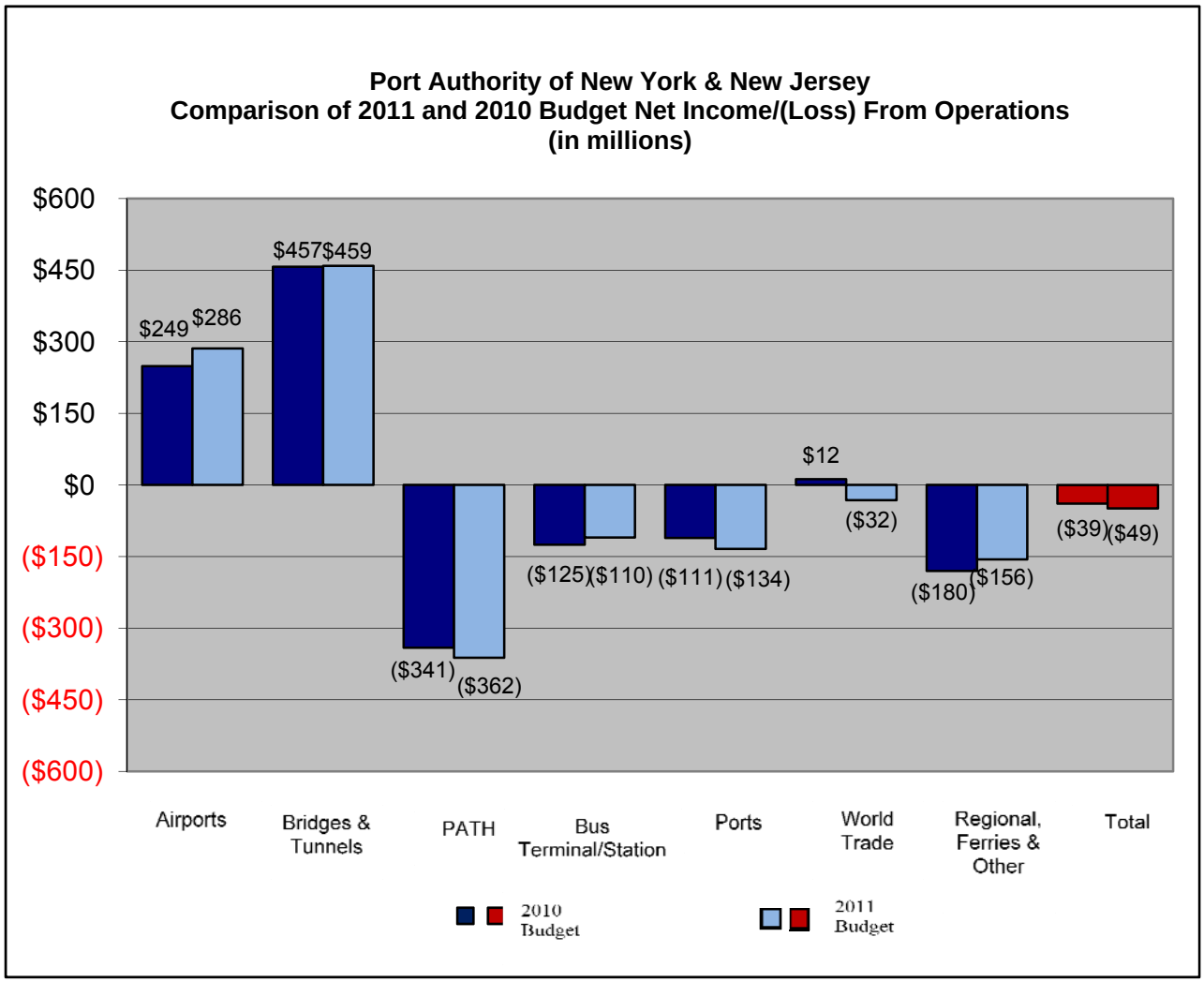
The 2011 Budget totals $7.2 billion and provides for $2.5 billion in expenses to operate the agency's facilities, $3.9 billion in capital expenditures to build and improve upon the region's transportation capacity and rebuild the World Trade Center site, $701 million for debt service on the agency's outstanding bonds, notes and other obligations, and $47 million for other expenditures, which are deferred and amortized in future periods.



**Net Income**

A slight increase in activity levels at Port Authority facilities will generate 2011 revenues in the amount of $3.7 billion, representing a $30 million increase over the 2010 budget. However, due to increased depreciation expense and lower financial income, the agency is anticipating a net loss of $49 million in 2011. The facilities that generate net income - such as the airports, tunnels, and bridges - along with financial income help pay for those facilities that operate at a loss - primarily the mass transit-oriented operations, such as PATH, regional ferry services, and the bus terminals, as well as port terminals.

The graph below illustrates this split and compares 2011 net income to 2010.

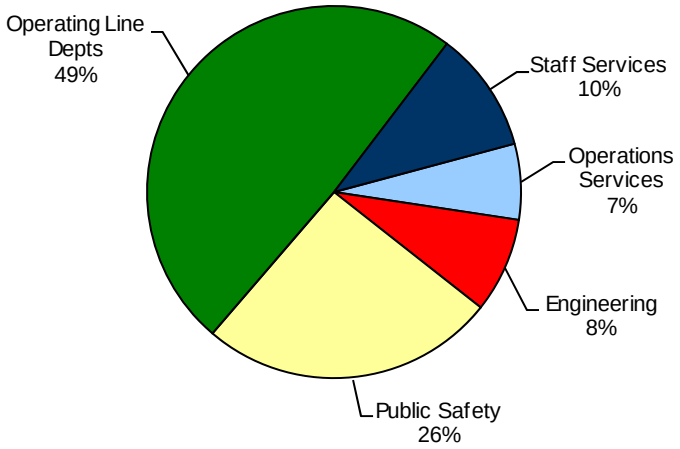


## Staffing

Staffing levels for 2011 decrease by 200 to a total of 6,777 – the lowest level in 40 years – as the Port Authority continues to restructure staff functions, streamline operations, leverage technology, and reallocate positions to priority projects.

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.

**2011 Staffing Levels**




The table on the next page shows staffing by major function:

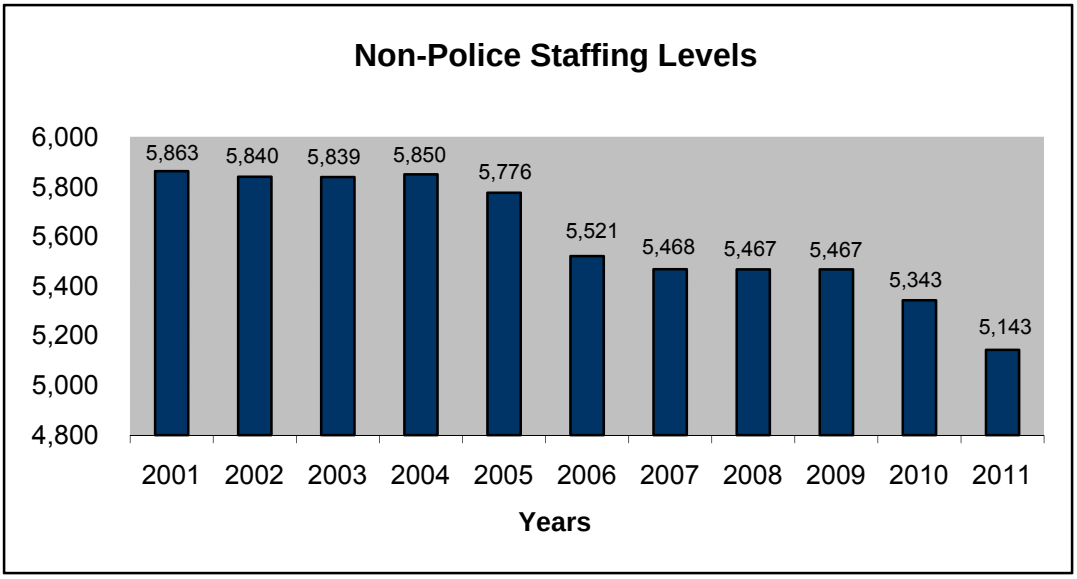
## BUDGETED POSITIONS FOR 2011

| DEPARTMENT BY FUNCTION | NUMBER |
|---|---|
| **OPERATING LINE DEPARTMENTS** | |
| **Aviation** | 963 |
| **Real Estate & WTC Redevelopment** | 80 |
| **Port Commerce** | 174 |
| **Rail Transit** | 1,081 |
| **Tunnels, Bridges & Terminals** | 912 |
| **WTC Construction** | 114 |
| **PUBLIC SAFETY** | |
| **Public Safety** | 1,725 |
| **Office of Emergency Management** | 17 |
| **ENGINEERING** | |
| **Engineering** | 557 |
| **GENERAL SERVICES** | |
| **Operations Services (including Facility Construction Support)** | 448 |
| **STAFF SERVICES** | |
| **Audit** | 77 |
| **Capital Security Projects** | 25 |
| **Chief Administrative Officer** | 4 |
| **Chief Capital Planning** | 6 |
| **Chief Financial Officer** | 4 |
| **Chief Operating Officer** | 9 |
| **Chief Public & Government Affairs** | 2 |
| **Chief Real Estate & Development** | 2 |
| **Comptroller's** | 103 |
| **Executive Offices** | 9 |
| **General Counsel/Law** | 132 |
| **Government and Community Affairs** | 11 |
| **Human Resources (including Medical Services)** | 66 |
| **Inspector General** | 30 |
| **Labor Relations** | 11 |
| **Management and Budget** | 37 |
| **Marketing** | 27 |
| **Media Relations** | 10 |
| **Office of Business and Job Opportunity** | 13 |
| **Environmental and Energy Programs** | 12 |
| **Financial Analysis** | 7 |
| **Office of the Secretary** | 17 |
| **Office of Strategic Initiatives** | 4 |
| **Operations Standards** | 6 |
| **Planning and Regional Development** | 22 |
| **Priority Programs** | 6 |
| **Procurement** | 94 |
| **Project Management Office** | 9 |
| **Technology Services** | 105 |
| **Treasury** | 46 |
| **Position Reductions Pending Retirements and Efficiencies** | (200) |
| **TOTAL POSITIONS** | 6,777 |

**Reducing Staffing Levels**

The Port Authority has been able to reduce the number of non-police, mostly professional and managerial positions by 707 positions or by 12% since 2004, when the agency commenced an aggressive belt-tightening effort to reduce expenses through cost management. These reductions resulted from process improvements such as streamlining operations, reducing administration through automation and leveraging technology, restructuring staff functions. The agency has also reallocated resources to priority projects, such as World Trade Center redevelopment and the PATH modernization program, as well as key operational and security needs. In addition, reducing staffing levels has allowed the agency to contain operating expense growth to well below the rate of inflation.

The following chart shows the decline in non-police staffing levels:



# 2011 Budget Summary by Line Department

# 2011 BUDGET SUMMARY BY LINE DEPARTMENT

## AVIATION

### Mission

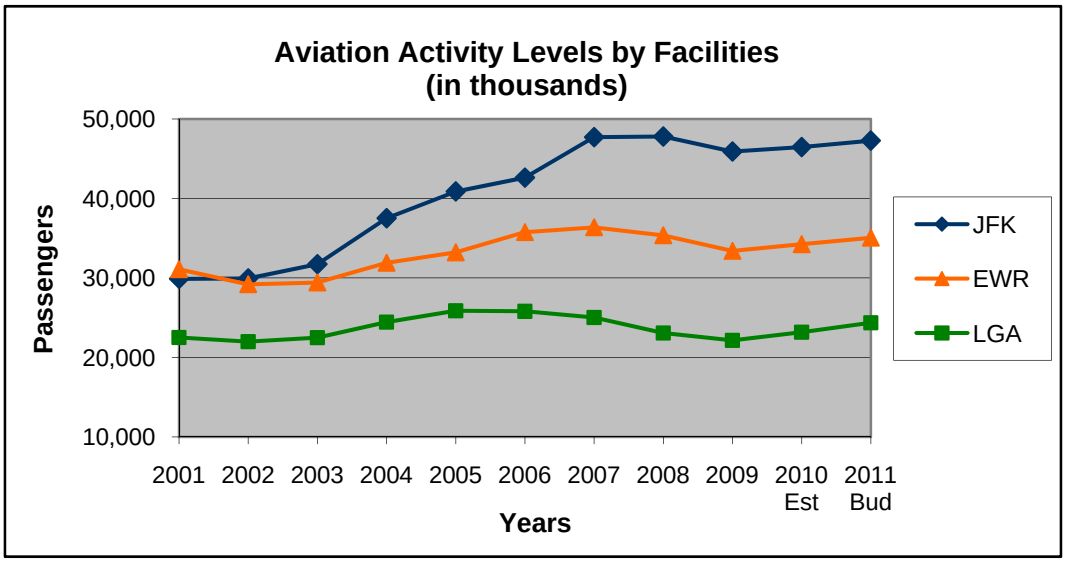
Aviation's mission aligns with the Port Authority's at large, recognizing and accepting its charge to achieve regional prosperity through a unified system of airport facilities that has unsurpassed capacity and quality and that moves people and goods through its five airports as efficiently as possible, 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)

### Activity Levels

In 2011, approximately 107.2 million people are expected to use the Port Authority's aviation facilities compared to the revised estimate of 104.3 million people in 2010. The anticipated increase in 2011 passenger levels is approximately 3 million, or 2.8%, exceeding the projection of 106 million passengers stated in the 2010 Budget, but is 9.2% lower than the projections used to develop the Port Authority's $29.5 billion 2007 – 2016 Capital Plan. This recent growth is largely attributable to the recovery in the global and U.S. economies, and the release of pent-up demand in the international sector. However, passenger growth in the coming years is expected to be slower than that projected prior to the economic downturn.



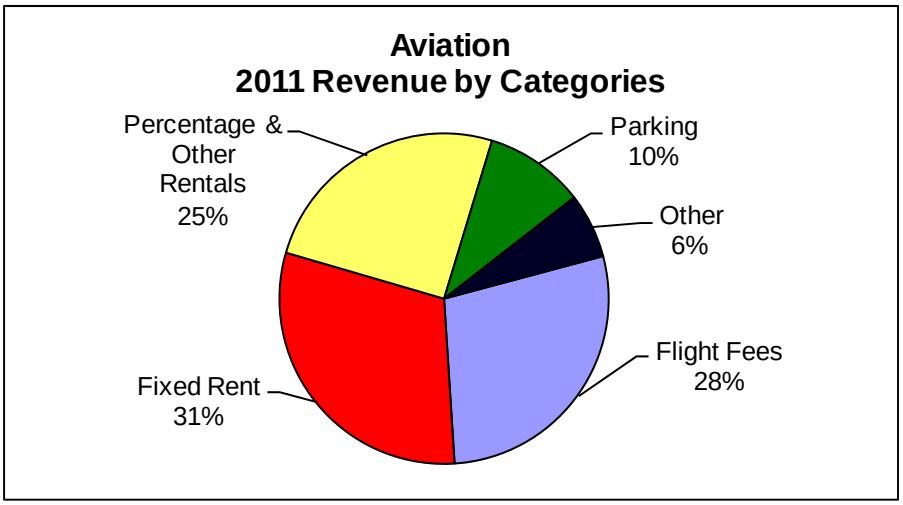
## Staffing

Aviation has 963 staff, of which 810 are dedicated to operating and maintaining the airports. The operations staff operates and manages the aeronautical, landside, security and customer care functions, including compliance with Federal Aviation Administration rules and regulations. The maintenance staff provides 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. The remaining management services staff 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.

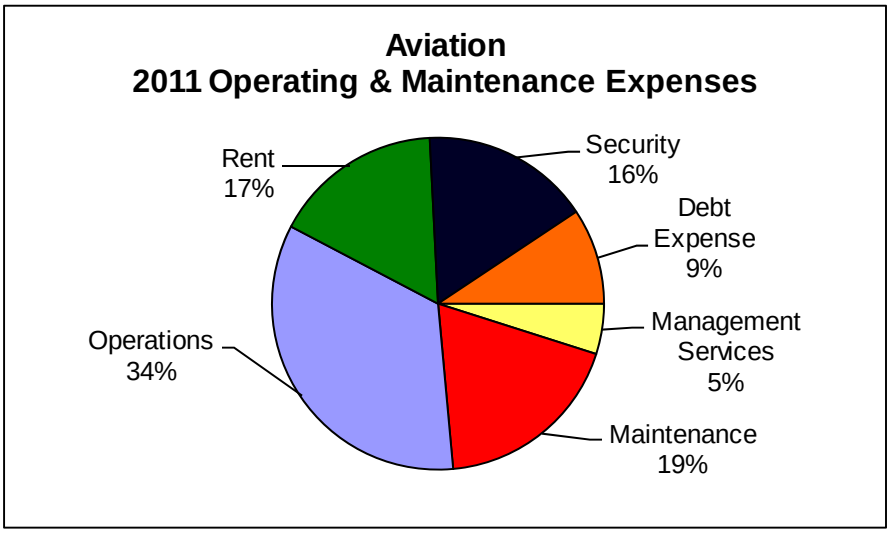
| Aviation Staffing Summary | | |
|---|---|---|
| Operations | John F. Kennedy International Airport | 116 |
| | LaGuardia Airport | 64 |
| | Newark Liberty International Airport | 115 |
| | Stewart International Airport | 5 |
| | Teterboro Airport | 3 |
| | **Operations SUBTOTAL** | **303** |
| Maintenance | John F. Kennedy International Airport | 206 |
| | LaGuardia Airport | 134 |
| | Newark Liberty International Airport | 167 |
| | **Maintenance SUBTOTAL** | **507** |
| Director's Office | | 15 |
| Property Development & Financial Management | | 39 |
| Project Management | | 37 |
| Customer/Marketing Services & Public Affairs | | 33 |
| Security & Technical Services | | 15 |
| Aviation Planning | | 14 |
| | **TOTAL** | **963** |

## Revenues and Expenses

Aviation's 2011 projected revenues of $2.2 billion are up $131 million from the 2010 budget. 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.



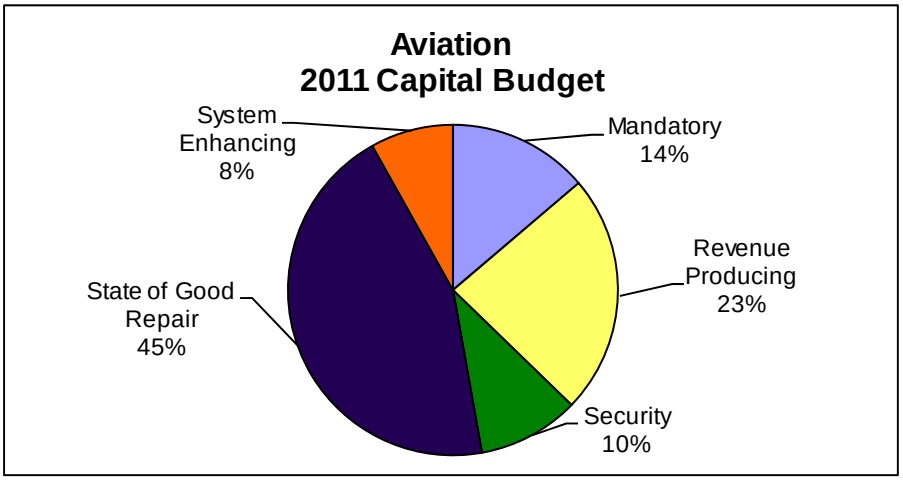

Projected 2011 expenses for the Aviation Department total $1.4 billion, including payroll, technology services, rent, contract services, and utilities. Through a significant cost-cutting effort, Aviation is controlling expenses through lowering energy expenditures, consolidating contracts, mothballing/demolishing vacant buildings, using resources more efficiently, and reducing fees paid. Savings associated with these activities are expected to offset the necessary contractual and inflationary increases.



## 2011 Capital Budget Overview

The 2011 Aviation capital budget provides for $432 million in expenditures, 45% of which will be used to help maintain the agency's airports in a state of good repair. A large part of the budget will also be used to enhance overall system capacity and security.

The 2011 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.




## 2011 Capital Budget Highlights

| | Project | Description/Purpose | 2011 Budget | Operational Impacts |
|---|---|---|---|---|
| 1 | EWR Modernization of Terminal B | Complete mid- and upper-level expansion to meet expected growth in air passenger traffic and increase terminal capacity. | $37 M | Potential for increased activity-based revenue in the amount of approximately $5 M annually. |
| 2 | JFK Delay Reduction Program | Complete Bay Runway replacement, including high-speed taxiways and taxiway pads to reduce flight delays. | $31 M | Reduced pavement maintenance costs. |
| 3 | JFK Delta 2/3 and IAT Redevelopment | Project management and support to assist Delta with upgrading and expanding terminal facilities so that they better conform to their current business model. | $26 M | Increased operational efficiencies aiding airline growth at JFK. |
| 4 | TEB Runway 1-19 Rehabilitation | Pavement rehabilitation and lighting upgrades to extend the useful life and maintain a state-of-good-repair. | $18 M | 50% reduction in rehabilitation costs by not allowing pavement to further deteriorate; execution of approved pavement management plan required for AIP grant funding. |
| 5 | EWR AirTrain Overhaul | Mid-life overhaul of major system components, including control and communication system and guideway to maintain safe operations and service levels. | $14 M | Operations and maintenance cost avoidance of approximately $2 M annually; completion of contractual obligation to Bombardier. |
| 6 | LGA CTB Modernization Planning | Upgrade airside and landside infrastructure to accommodate projected passenger demand. | $13 M | Improved customer service and accommodation of projected passenger growth. |
| 7 | Bollards (all airports) | Major capital security initiative to install bollards (barriers) on tenant-controlled areas to protect terminal frontages. | $10 M | Increased facility security. |
| 8 | EWR Terminal A Redevelopment Planning | Provide planning dollars for the redevelopment of Terminal A at the airport. | $9 M | Accommodation of projected passenger growth. |

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

## Mission

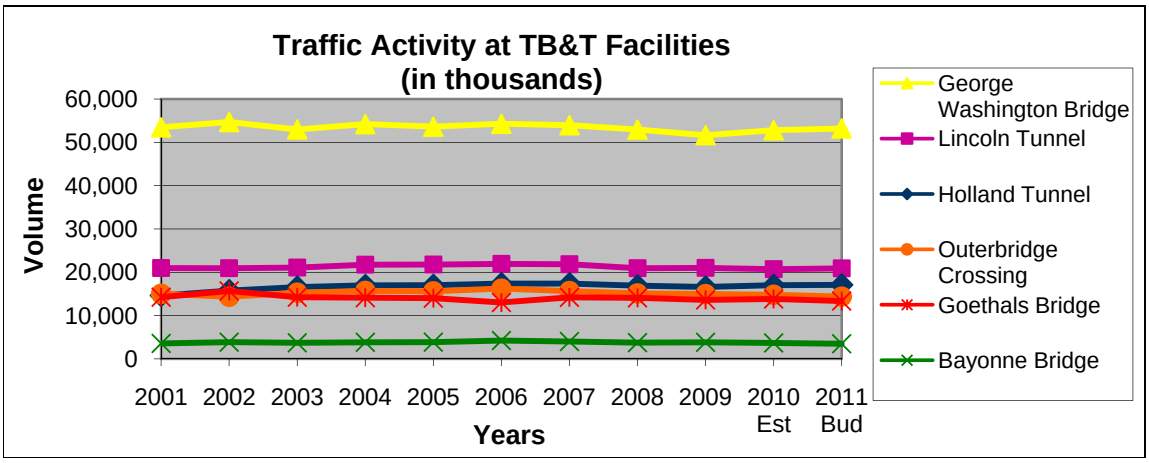
The heart of the TB&T mission is aligned with the Port Authority's goals by connecting the road networks of New York and New Jersey with tunnels, bridges and bus terminals that permit people and goods to move safely, efficiently and conveniently by operating facilities that are safe, secure, reliable, 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 innovative 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)

## Activity Levels

After record levels of traffic in recent years, it is expected that TB&T's facilities will handle 122 million eastbound cars, buses, and trucks in 2011. This reflects a 7.5% decrease from the projections used to develop the Port Authority's $29.5 billion 2007 – 2016 Capital Plan and a less than 1% increase from 2010 traffic levels. Truck traffic for 2011 is projected to increase by 2% while auto traffic will remain relatively stable. Looking ahead, TB&T continues to anticipate long-term growth in its business.



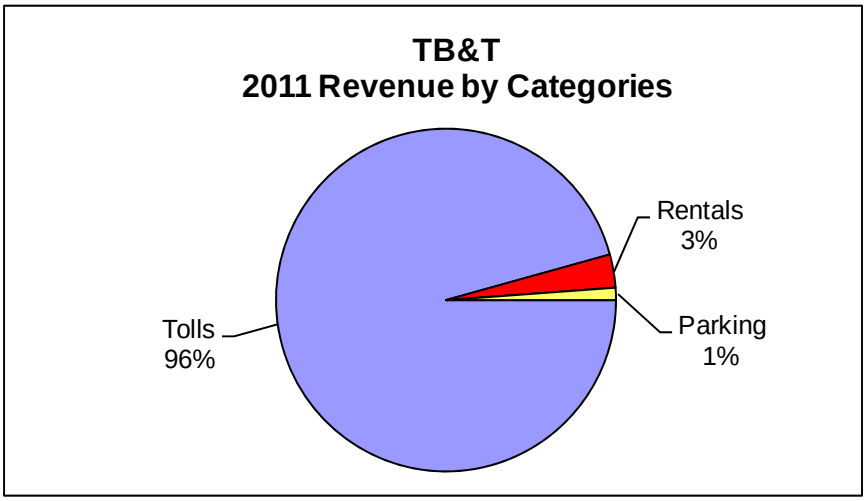
## Staffing

TB&T has a total of 912 staff, of whom 824 are dedicated to facility-based management, operations, and maintenance. Facility management directs operations and maintenance staff who are 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. TB&T employs 88 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.

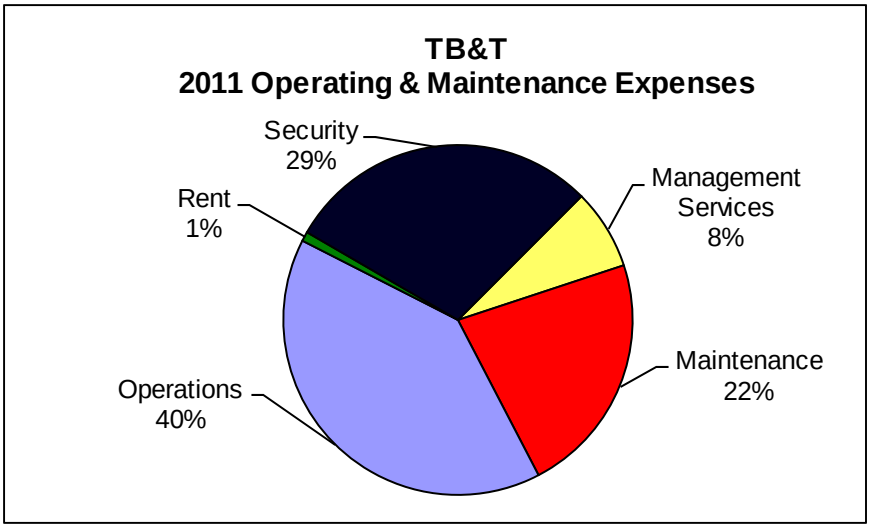
| **TB&T Staffing Summary** | | |
|---|---|---|
| Operations | George Washington Bridge | 136 |
| | Holland Tunnel | 129 |
| | Lincoln Tunnel | 141 |
| | Port Authority Bus Terminal | 48 |
| | Staten Island Bridges | 87 |
| | Department-wide Facility Operations | 16 |
| | **Operations SUBTOTAL** | **557** |
| Maintenance | George Washington Bridge | 45 |
| | Holland Tunnel | 67 |
| | Lincoln Tunnel | 67 |
| | Port Authority Bus Terminal | 53 |
| | Staten Island Bridges | 35 |
| | **Maintenance SUBTOTAL** | **267** |
| Director's Office | | 9 |
| Regional E-ZPass Programs | | 13 |
| Business, Finance and Administration | | 8 |
| Project Management | | 31 |
| Technical Services | | 18 |
| Transportation Planning and Development | | 9 |
| | **TOTAL** | **912** |

## Revenues and Expenses

TB&T forecasts 2011 revenues of $1 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.

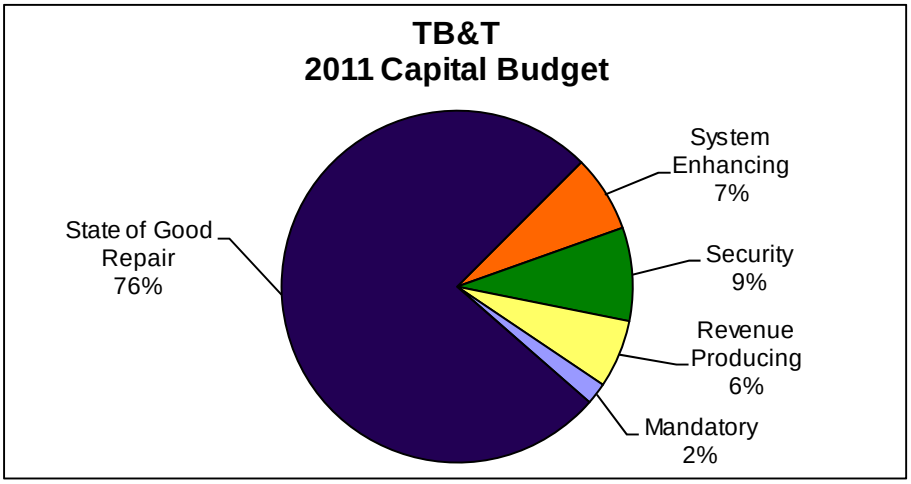



TB&T's total 2011 operating budget is $470 million, allocated as follows:




## 2011 Capital Budget Overview

The 2011 TB&T capital budget provides for expenditures totaling $177 million, 76% of which is geared toward rehabilitating and maintaining the facilities in a state of good repair.




## 2011 Capital Budget Highlights

| | Project | Description | 2011 Budget | Operational Impacts |
|---|---|---|---|---|
| 1 | Lincoln Tunnel Helix and Bus Ramp Rehabilitation | Replace approximately 44,000 square feet of bus ramp concrete panels and complete the helix design to ensure the structural integrity and useful life of the existing facility. | $17 M | Minimization of costly emergency repairs and unscheduled lane closures and enhanced safety of the helix roadway and bus ramps to the Port Authority Bus Terminal. |
| 2 | Holland Tunnel Electrical/Mechanical Rehabilitation of Ventilation Systems | Provide for an upgraded and modernized tunnel ventilation system including ventilation fan blowers and motors in all four vent buildings, a new automatic control system, and new low- and high-voltage switch gear. | $15 M | The project will rehabilitate an existing ventilation system that is currently outdated and far beyond its useful life. Replacement of the system's fans & motors will prevent the PA from having to shut down the tunnel to all vehicles to address a non-functioning system. |
| 3 | GWB Upper Level Deck Rehabilitation | Rehabilitation of the structural steel of the GWB's Upper Level roadway deck and support structure to maintain structural integrity, ensure state of good repair, and extend useful life. | $14 M | This project will extend the useful life of the deck another 15-20 years and reduce maintenance costs. |
| 4 | Goethals Bridge Modernization Planning | Planning dollars for the replacement of the existing bridge with a new six-lane bridge to address state of good repair and the functional and physical obsolesce of the current structure, while ensuring a safe efficient regional transportation network capable of accommodating projected travel demand growth in the region. | $12 M | Accommodation of projected year 2034 demand of an additional 35 percent of vehicles, while improving traffic flow, creating environmental and economic benefits and enabling the agency to experience added safety as well as maintenance savings associated with a modern facility. Continued use of existing bridge would necessitate replacing the deck in approximately seven years at an estimated project cost range of $600M to $700M. |
| 5 | GWB Bus Station Redevelopment | Modernize bus operations on the upper level of the existing GWB Bus Station, as well as develop approximately 120,000 square feet of retail space resulting in a new revenue stream for the agency. | $10 M | Provide a modernized intermodal transportation facility and services that promote reliable travel and seamless connectivity among modes, and more attractive transit alternatives for users of the GWB. |
| 6 | Toll Collection System Replacement | Provide a new toll collection system to replace the current system, which is beyond its useful life. Deploy a system that has the capability for All-Electronic Tolling, which will enable the Port Authority to eliminate cash payments in the toll lanes, enhancing system capacity and traffic flow at the interstate crossings. | $9 M | Replacement of the aging toll collection system and equipment will serve to protect the nearly $1B in toll revenue and help to recoup the estimated $15M in annual revenue loss as a result of the antiquated system. |
| 7 | Bayonne Bridge Modernization Planning | Advance alternatives to alleviate the existing air-draft navigational clearance limitation of the Bayonne Bridge to allow larger container ships to serve Port Newark/Elizabeth. | $4 M | Alleviation of the air-draft restriction will support regional economic growth and continued port competitiveness. Additionally, alternatives under consideration will provide for an upgrade to modern bridge safety and design standards. |

# 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, contributing to regional mobility and economic development and serving as stewards of the regional environment by providing efficient mass transit service and effectively managing energy resources.

## Facilities

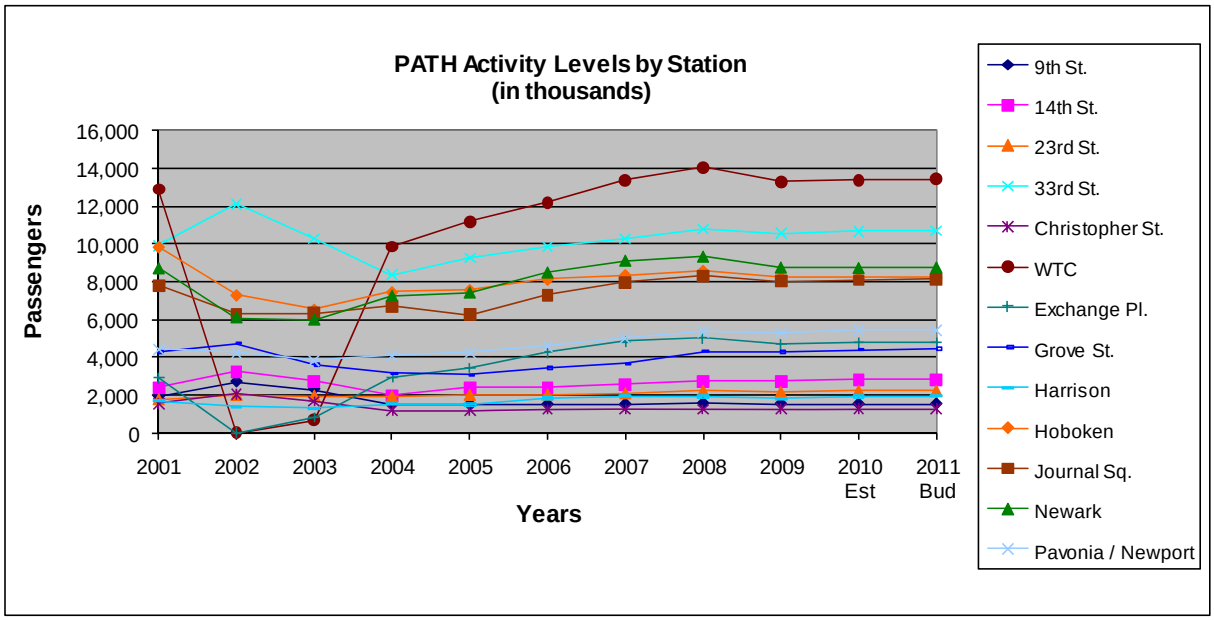
- PATH Rail Transit System

| **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

## Activity Levels

PATH ridership is expected to remain relatively stable in 2011 with approximately 73 million passenger trips, which is on par with 2010's ridership levels.



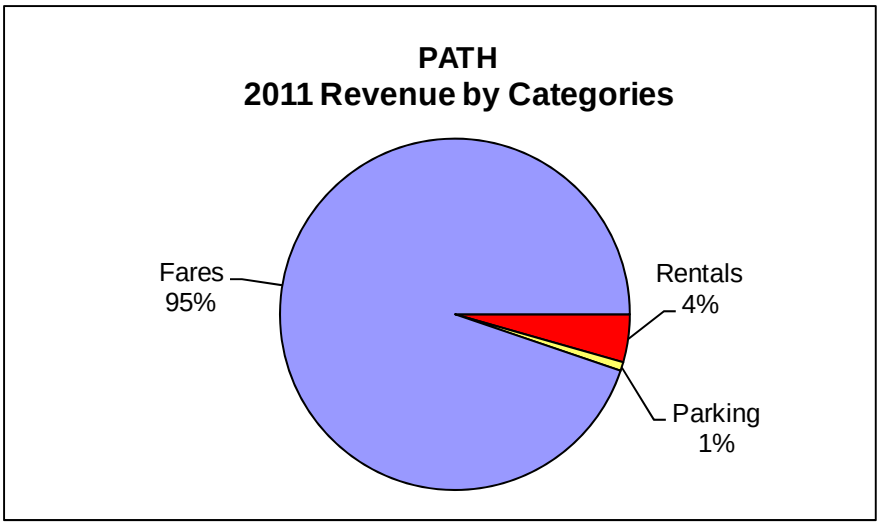
## Staffing

PATH has a staff of 1,081 permanent employees, of which 1,023 are dedicated to operating and maintaining a full service rail transit system and bus terminal. 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. The maintenance staff ensures that the railcars are inspected, repaired and perform at a high level; maintains and replaces tracks, station structures and operating equipment; and services the signals and power distribution systems to ensure safe and efficient train movement. 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.

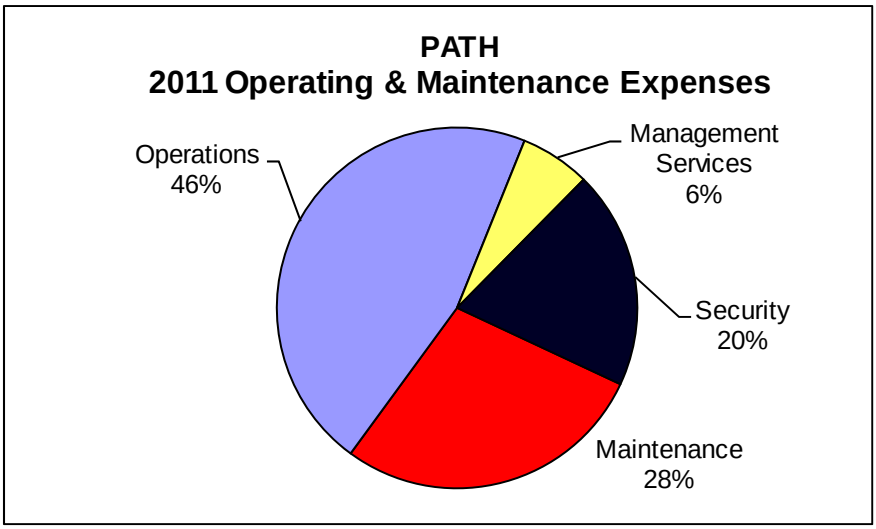
| PATH Staffing Summary | | |
|---|---|---|
| Transportation (Operations) | | **425** |
| | Car Equipment | 215 |
| | Way and Structures | 214 |
| | Power, Signals, and Communications | 169 |
| | **Maintenance SUBTOTAL** | **598** |
| Capital Project Management | | 26 |
| Operations Support and Security | | 11 |
| Director's Office | | 9 |
| System Safety and Environmental Management | | 5 |
| Business Process and Analysis | | 4 |
| Financial Services | | 3 |
| | **PATH TOTAL** | **1,081** |

## Revenues and Expenses

PATH projects 2011 gross revenues to reach $109 million, which is a $5 million increase over the 2010 Budget. This increase in gross revenues is attributable to a projected $5 million increase in fare revenues, as non-fare revenues are expected to remain relatively flat.

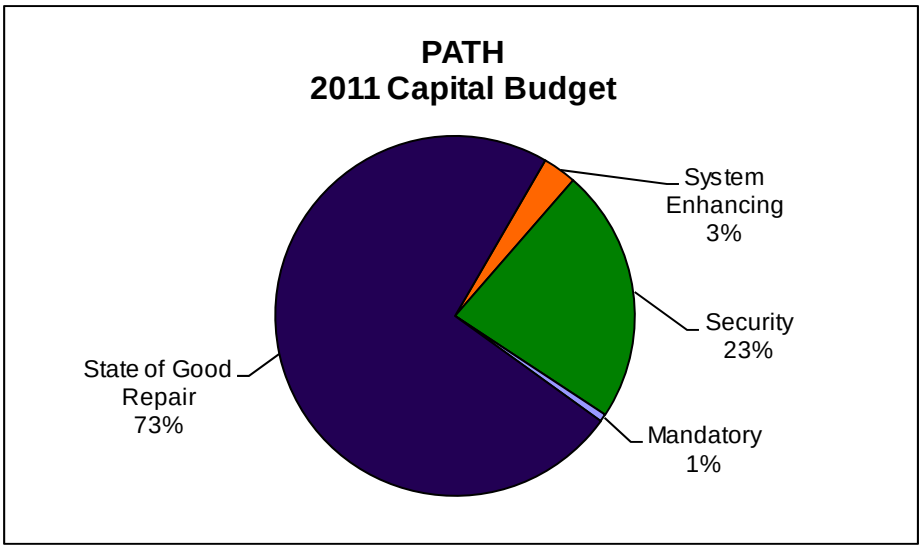



The PATH operating budget for 2011 is $282 million, which represents a 1.4% decrease from PATH's 2010 operating budget.




## 2011 Capital Budget Overview

The 2011 PATH capital budget provides for a total of $400 million in expenditures. A large part of the expenditures will be used towards the PATH modernization program, which includes replacing rail cars with a new, 340 car fleet, signal system, and upgrading PATH stations. The 2011 Capital Plan also includes projects designed to maintain PATH's aging assets, including track, substations, and communications equipment.




## 2011 Capital Budget Highlights

| | Project | Purpose | 2011 Budget | Operational Impacts |
|---|---|---|---|---|
| 1 | Safety and Security Projects | Enhance system access control and overall operational safety to protect the PATH infrastructure. | $100 M | Safe and effective operation of entire system. |
| 2 | New Car Purchase Program | Replace the aging railcar fleet with 340 new rail cars. | $138 M | Improved service reliability, such as mean distance between failures and on-time performance as well as customer service. |
| 3 | Signal System Replacement Program | Replace outdated current signal system with a modern computerized system. | $109 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 safely run closer together. |
| 4 | State of Good Repair Program | Ensure the integrity of the infrastructure by maintaining the functionality of PATH assets. | $27 M | Improved service reliability (e.g., on-time performance). |
| 5 | Substation Upgrades | Improve reliability and maintain substation equipment by upgrading and replacing certain components of the high-tension feeder sources. | $9 M | Accommodation of increased electrical service needs. The existing traction power substation provides output voltage of 650VDC to support existing fleet. The new, upgraded substations will provide output voltage of 650VDC to support existing cars and will also accommodate future operating voltage of 750VDC when PATH transitions to its new PA5 cars.<br><br>To address PATH's future operational requirements (PA5 car fleet, operation of 10-car trains, operation at 3 minutes headways for Newark trains and 4 minutes for Journal Square 33rd Street trains), Substation #7 capacity will be upgraded from 4MW to 6MW. |

# PORT COMMERCE

## Mission

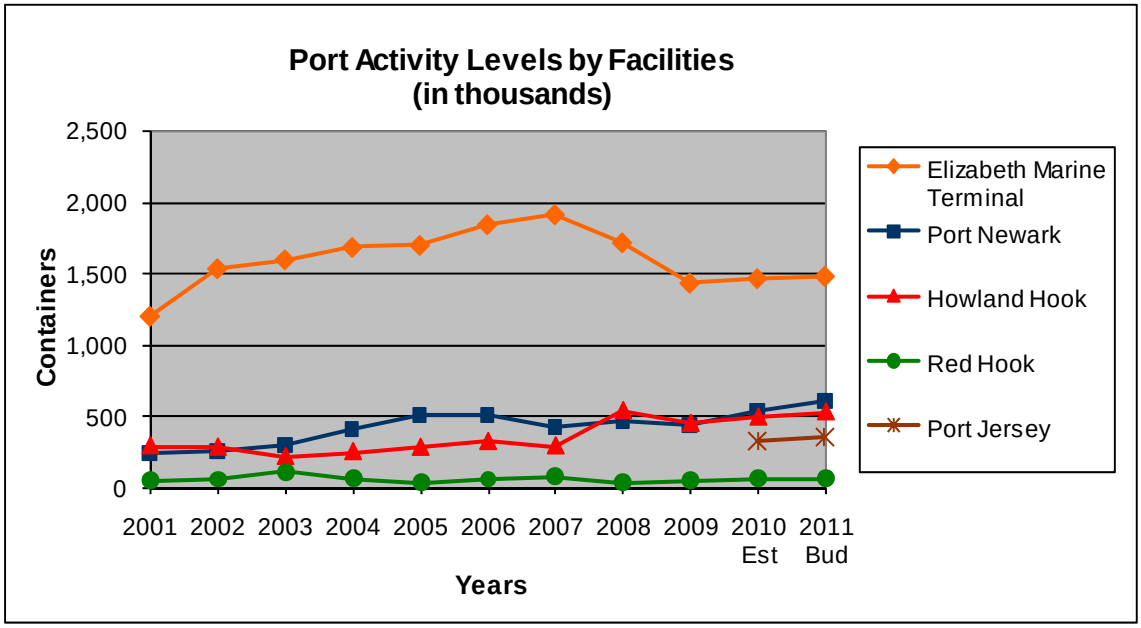
Port Commerce activities support the Port Authority's mission to develop and maintain secure, competitive port infrastructure and services for New York and New Jersey, expediting the movement of international cargo and supporting the regional economy in a financially sound manner. Port Commerce also 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
- Military Ocean Terminal At Bayonne (MOTBY)

## Activity Levels

In 2011, the agency's port facilities expect to handle approximately 3 million containers, an increase of 4.3% from 2010 container activity. While cargo volumes are expected to be less than originally projected prior to the economic slowdown, a 3-4% annual growth rate is anticipated in the years ahead as the economy recovers.



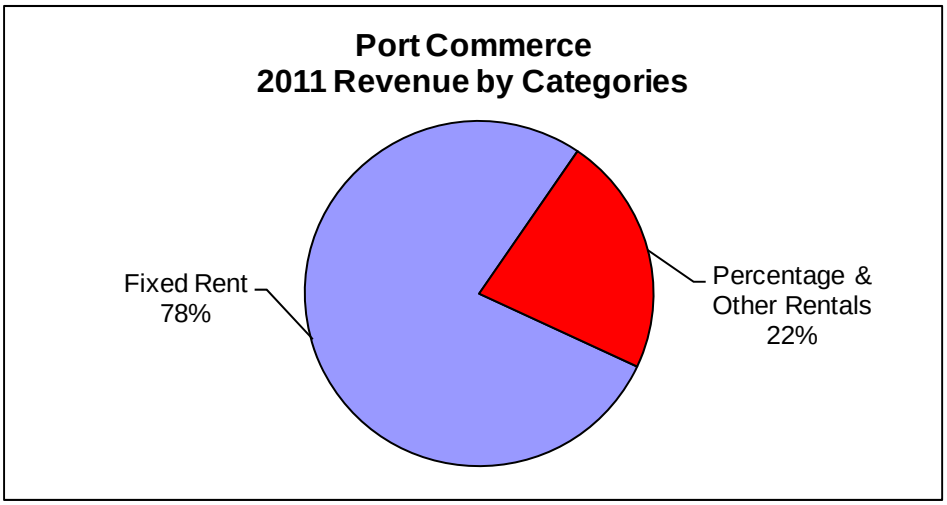
## Staffing

Port Commerce has a total of 174 permanent positions, of which 106 are dedicated to operating and maintaining the marine terminals and port system. The operations and maintenance staff ensure that the marine terminals' berths, waterways, roadways, rail facilities, multi-tenant properties, and common utilities are in compliance with applicable codes and regulations and are operated and maintained in a manner that allows for the safe and efficient movement of international cargo to and from our facilities. The remaining management staff provide the functions that 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 programs; environmental programs management; as well as facility management and overall departmental oversight.

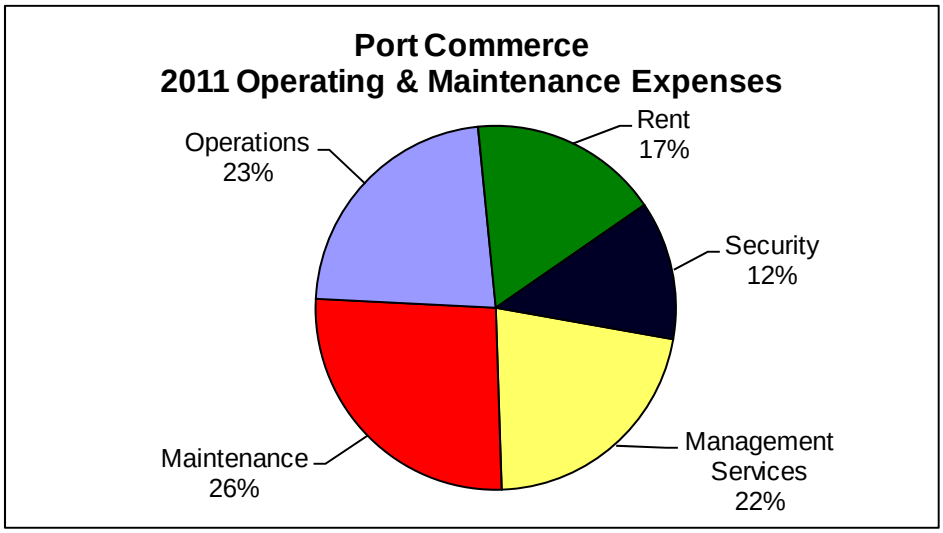
| Port Commerce Staffing Summary | | |
|---|---|---|
| Operations | New Jersey Marine Terminals | 24 |
| | New York Marine Terminals | 7 |
| | **Operations SUBTOTAL** | **31** |
| Maintenance | New Jersey Marine Terminals | 54 |
| | New York Marine Terminals | 21 |
| | **Maintenance SUBTOTAL** | **75** |
| Director's Office | | 18 |
| Port Planning & Development | | 14 |
| Strategic Analysis & Industry Relations | | 12 |
| Leasing & Property Development | | 9 |
| Environmental & Waterways | | 6 |
| Project Management | | 6 |
| Financial Services | | 3 |
| | **TOTAL** | **174** |

## Revenues and Expenses

Port Commerce anticipates $209 million in gross revenues in 2011, which represents a decrease of $4 million from the 2010 budget. Seventy-eight percent 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 that are derived from container throughput, intermodal rail and dockage and wharfage.

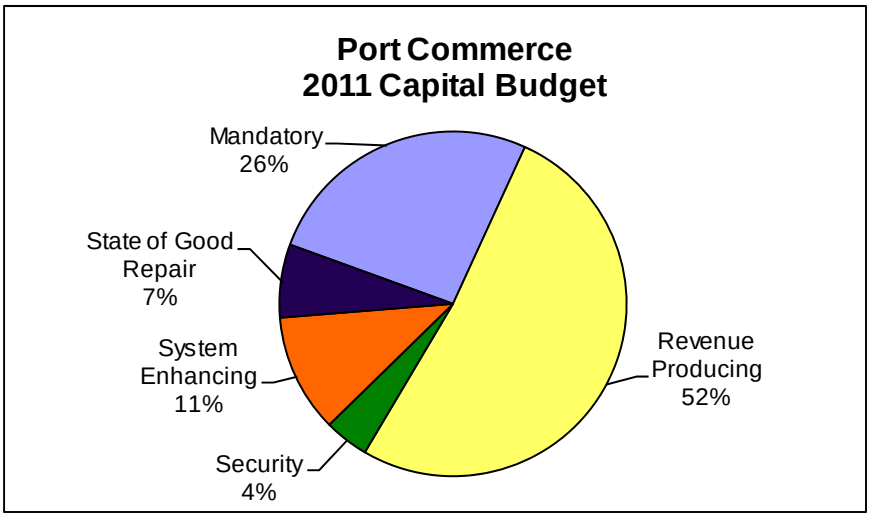



The 2011 Port Commerce operating budget is $159 million, allocated as follows:




## 2011 Capital Budget Overview

The Port Commerce 2011 capital plan of $283 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.




## 2011 Capital Budget Highlights

| | Project | Description / Outcomes | 2011 Budget | Operational Impacts |
|---|---|---|---|---|
| 1 | Development Program | Acquisition and development of new and existing marine terminal properties. Capacity for accommodating international marine cargo will be increased. | $81 M | Increased capacity will eventually lead to increased revenues. |
| 2 | Harbor Deepening Program | Continue deepening NY/NJ Harbor's main channels to 50 feet. Navigational safety and waterside access for wider vessels will be improved and the movement of international cargo will be expedited. | $70 M | Increased capacity for larger vessels and incremental cost savings to ocean carriers by their utilization of larger vessels will make the Port more competitive from a cost and efficiency perspective. When completed in 2012-2014, vessels will have the ability to enter into the harbor at 50 ft mean low water. Presently almost 45% of the vessels entering the harbor must enter the Port at high water. |
| 3 | Infrastructure Program | Maintain Port Commerce assets to ensure a state of good repair. The long-term reliability of Port Commerce assets will be ensured and day-to-day maintenance costs will be reduced. | $50 M | Reductions in operating and capital major works programs costs associated with priority repair work. |
| 4 | Cross Harbor Program | Develop a barge to rail facility. Roadway congestion and pollution will be reduced and an important rail freight corridor will be reinvigorated. | $45 M | It is anticipated that these improvements will allow for an increase of 40% in both rail car volumes and associated revenues by December 2011. |
| 5 | Roadway Improvement Program | Improve and expand capacity of the port marine terminal roadway system. Roadway congestion and pollution will be reduced and roadway safety will be improved. | $26 M | Increased capacity and reduced congestion and accidents. Average peak hour network-wide interaction delays should be reduced by 20% and speeds along select corridors should increase by approximately 7%. |
| 6 | Intermodal Rail Program | Continue construction of a comprehensive rail system throughout the Port. The Port will be optimally positioned to service the mid-west market --- a market that is becoming more vulnerable as a result of increasing pressure from competing ports such as Norfolk and various Canadian ports. | $24 M | Increased rail capacity will facilitate the movement of goods by rail thereby reducing the carbon footprint associated with the transport of port cargo and provide 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. |
| 7 | Security Program | Finalize design for Security ID System, and complete TWIC Pilot Program and Closed Circuit TV implementation. Compliance with Federal regulations will be ensured and overall port security will be improved. | $13 M | Enhanced facility security. |

# REAL ESTATE and DEVELOPMENT

## Mission

To identify and advance strategic business initiatives that enhance the Port Authority's financial capacity; stimulate private investment in agency facilities and host communities; support and drive sustainable regional economic growth; facilitate expansion of an efficient, high quality regional transportation system; and enhance the productivity of the Port Authority staff.

## Facilities

- Bathgate Industrial Park
- Essex County Resource Recovery Facility
- Ferry Transportation
- Industrial Park at Elizabeth
- The Legal Center
- The Teleport
- Waterfront Development
- Queens West Waterfront Development
- The South Waterfront at Hoboken

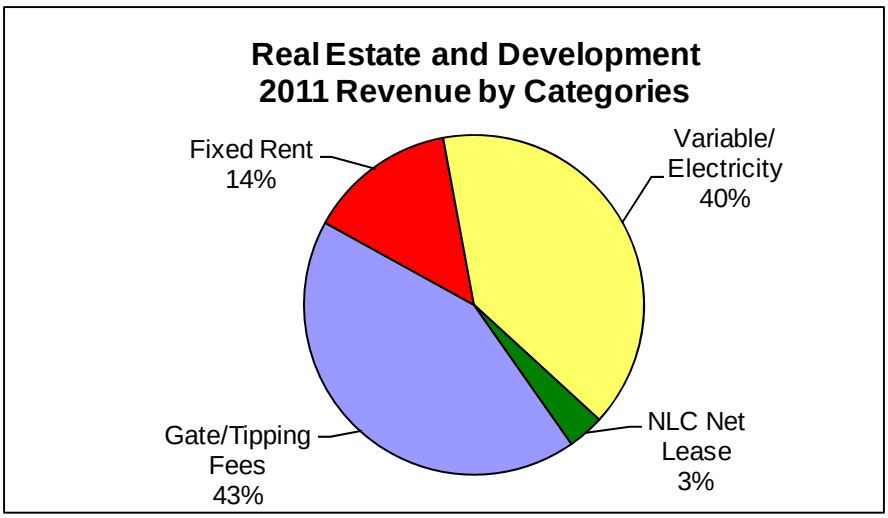
## Staffing

Real Estate and Development has a total of 66 staff, not including the 14 staff members that manage all real estate issues and business relationships associated with the development of the World Trade Center site. Real Estate and Development's staff are dedicated to managing the Port Authority's major real estate developments, other components of its commercial real estate portfolio and additional programs aimed at optimizing financial return to the agency and supporting regional economic growth. Real Estate and Development's staff identify and advance new revenue opportunities; negotiate cost-effective property acquisitions and sales, land swaps, development agreements and leases; manage the waterfront development program; operate, maintain and manage Port Authority commercial and industrial properties and office and operations space leased by the agency and provide the functions that manage and support these activities.

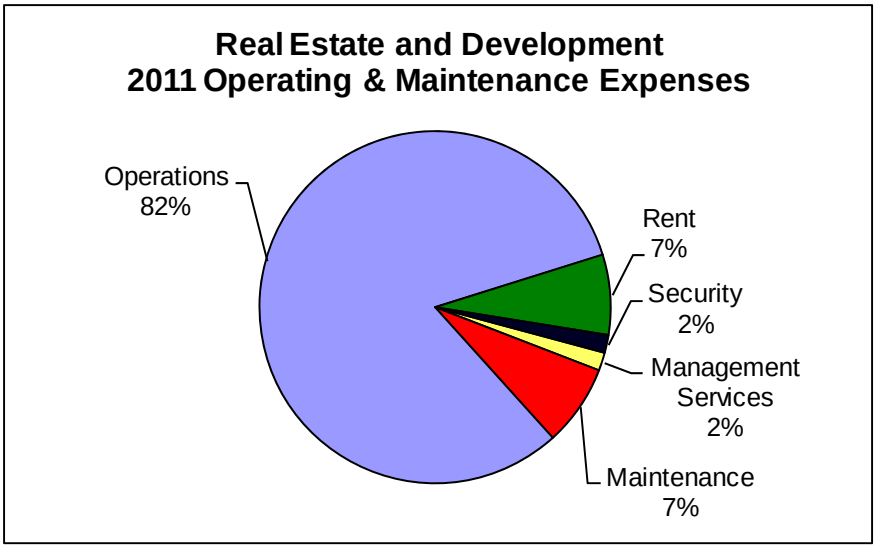
| **Real Estate and Development's Staffing Summary** | | |
|---|---|---|
| Real Estate Services | Asset Management | 19 |
| | Real Estate | 11 |
| | Planning and Project Development | 6 |
| | Facility Operations | 6 |
| | **Real Estate Services SUBTOTAL** | **42** |
| Development | | 24 |
| | **TOTAL** | **66** |

## Revenues and Expenses

Projected 2011 revenues for Real Estate and Development's operating facilities are $103 million, an increase of $10 million over the 2010 budget. Revenue largely consists of gate/tipping fees and the sale of electricity from the Essex County Resource Recovery Facility and rents generated by terms of existing agreements.

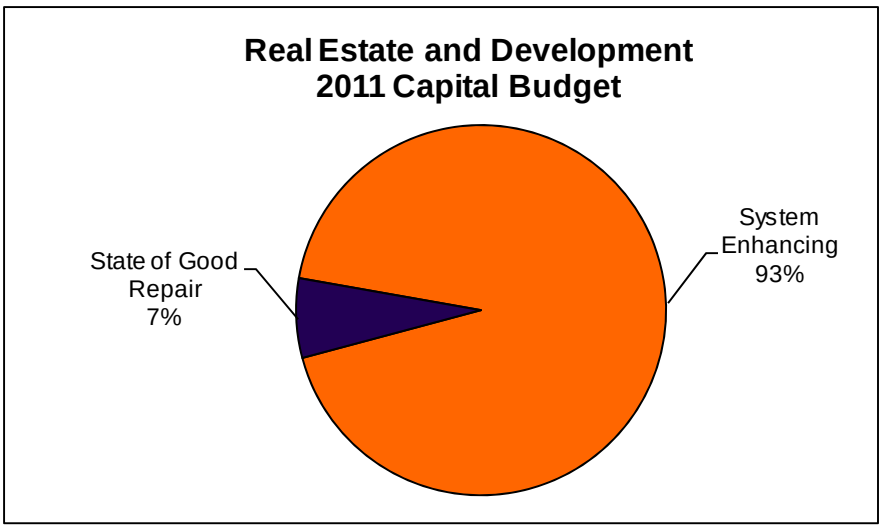



Real Estate and Development's operating budget for 2011 is $87 million.



## 2011 Capital Budget Overview

Real Estate and Development's 2011 capital budget totals $9.5 million, not including capital expenditures for the agency's Regional Transportation Initiative, an initiative to advance critical transportation projects throughout the region. Approximately 93% of the budget will be used to enhance overall system capacity through the development of a permanent ferry terminal in Hoboken, New Jersey.




## 2011 Capital Budget Highlights

| Project | Purpose | 2011 Budget | Operational Impacts |
|---|---|---|---|
| ` Ferry Transportation | Advance PA share to rehabilitate and return ferry service to the Hoboken Ferry Terminal. | $9 M | Improve regional ferry service. |

# WORLD TRADE CENTER

## Mission

To redevelop and operate the World Trade Center site by directly managing projects controlled by the Port Authority, overseeing elements controlled by third parties, and constructing key site elements thereby creating a safe, secure, environmentally sustainable, financially successful and physically integrated complex that anchors the revitalization of Lower Manhattan, supports regional prosperity and enhances the Port Authority's financial capacity while honoring those lost on 9/11.

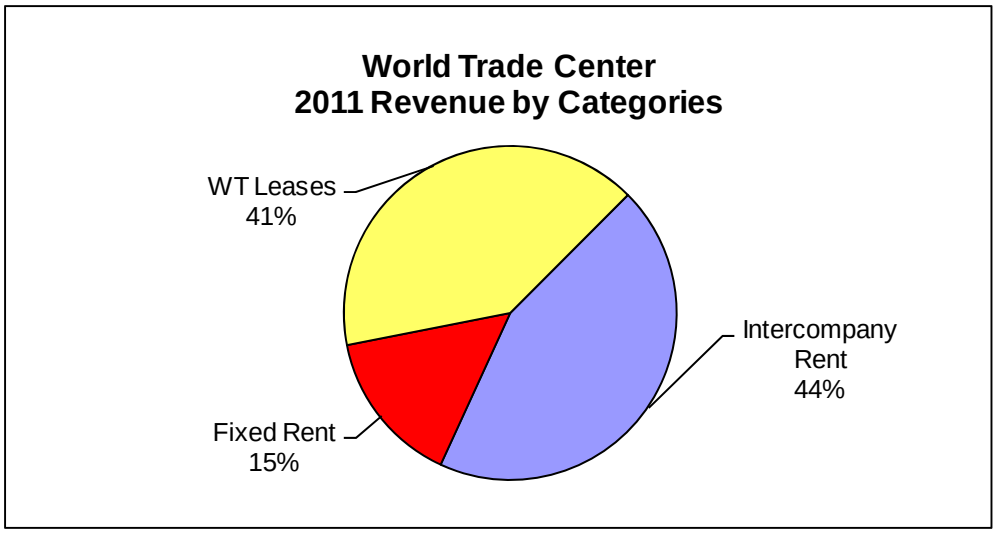
## Staffing

World Trade Center activities employ a total of 128 staff, of which 114 are dedicated to rebuilding the WTC Site by managing the design guidelines, contracting for and constructing capital program elements and overseeing the different construction managers and contractors on the site**.** A staff of 14 manages all real estate issues and business relationships associated with development of the entire site.

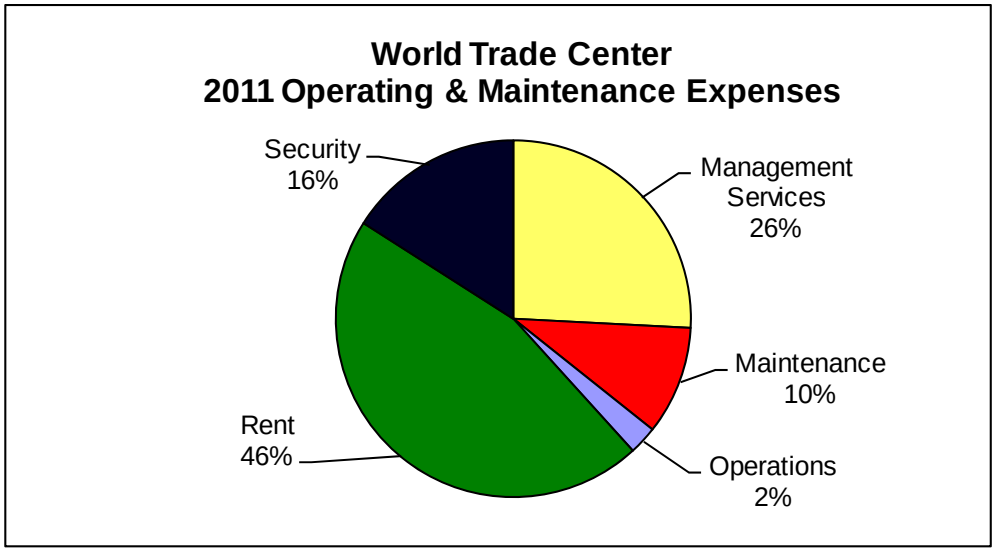
| World Trade Center Staffing Summary | |
|---|---|
| WTC Construction | 114 |
| WTC Redevelopment | 14 |
| **TOTAL** | **128** |

## Revenues and Expenses

World Trade Center projected revenues for 2011 are $72 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.

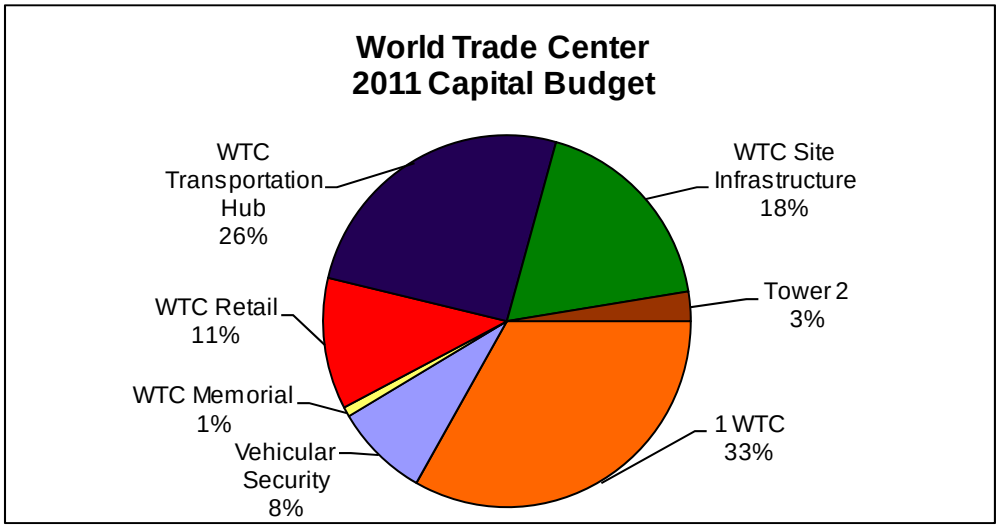


World Trade Center expenses for 2011 total $101 million, which includes intercompany rent, as well as management services, maintenance, operations and security expenses during the rebuilding of the WTC site.




## 2011 Capital Budget Overview

The 2011 World Trade Center capital budget provides for expenditures totaling $1.9 billion to support the WTC rebuilding effort and is broken down as follows:



## 2011 Capital Budget Highlights

| | Project | Description | 2011 Budget | Operational Impacts |
|---|---|---|---|---|
| 1 | One World Trade Center | Construction of signature office tower containing 2.6M SQF of commercial office space, 2-level observation deck, rooftop restaurant and retail. | $644 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 SQF facility that will provide access to 13 subway lines, PATH, ferries, the World Trade Financial Center, retail, and a range of amenities. | $496 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. | $352 M | Investment in the common infrastructure is required to support the massive development with significant interdependence. |
| 4 | WTC Retail | Development of approximately 500,000 SF square feet of world-class retail and restaurant space to be available throughout the complex. | $223 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. | $161 M | The VSC is a critical component of the site's comprehensive police, security and operational plan. |
| 6 | National 9/11 Memorial & Museum | A national memorial and museum to honor the people who lost their lives on 9/11/2001 and the WTC bombing of 2/26/1993. | $17 M | Provide visitors with a place for contemplation, reflection and remembrance, together with a Museum to teach future generations of the events of both September 11, 2001, and February 26, 1993. |

# 2011 Budget Schedules

## SUMMARY OF 2011 BUDGET
**(In Millions)**

| SOURCES: | 2011 Budget | 2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Gross Operating Revenues** | **$3,669** | $3,639 | $30 | 0.8% |
| **New Special Project Bonds** | **47** | - | 47 | n/a |
| **Bonds, Notes and Other** | **2,626** | 1,859 | 767 | 41.3% |
| **Financial Income** | **50** | 65 | (15) | -23.4% |
| **Grants and Contributions, Insurance Recoveries and Miscellaneous Revenues** | **556** | 567 | (11) | -2.0% |
| **Allocated Passenger Facility Charges** | **217** | 213 | 4 | 1.9% |
| **Total Sources** | **$7,165** | $6,343 | $822 | 13.0% |

**Significant Highlights/Challenges:**

- Gross operating revenues are expected to increase moderately, rising by 0.8% and includes increases in fixed and percentage rentals, federal inspection, flight fees and vehicular parking at our airports along with increased activity based revenue at JFK. These increases were mostly offset by lower revenues attributable to the World Trade Center New Development Plan.
- The 2011 Budget includes additional revenues associated with the issuance of new Special Project Bonds for the Redevelopment project of Terminal 4 at John F. Kennedy International Airport.
- Bonds, Notes and Other are expected to increase by 41% due to higher bonds issued to accommodate our capital spending plan.
- Financial income is expected to be lower by 23% mainly due to lower interest rates on investments.
- Grants and contributions, insurance and miscellaneous revenues are expected to be lower by 2% mainly resulting from lower balances of insurance dollars available for 1WTC/WTC Retail.

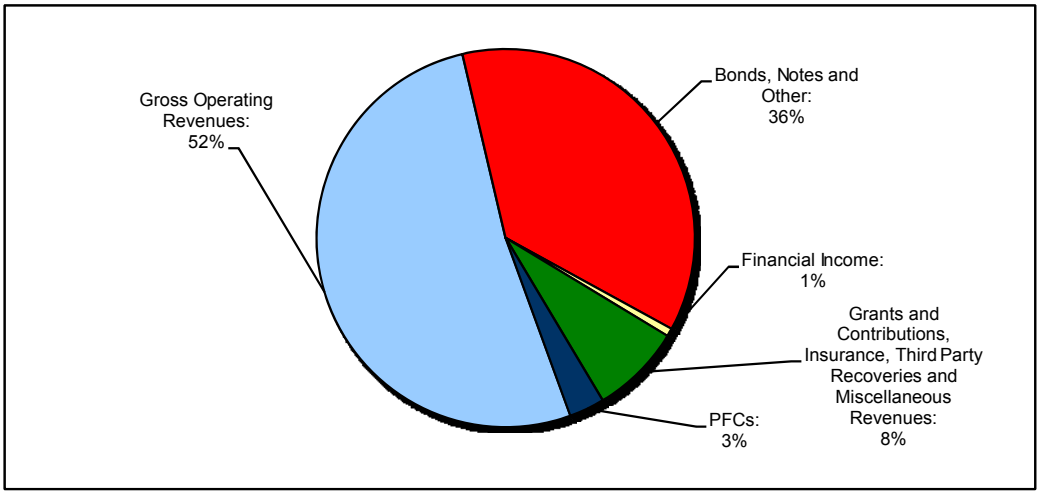
| USES: | 2011 Budget | 2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Expenses** | **$2,483** | $2,483 | ($0) | 0.0% |
| **New Special Project Bonds** | **47** | - | 47 | n/a |
| **Debt Service** | **701** | 689 | 12 | 1.7% |
| **Deferred & Other Expenses** | **47** | 44 | 3 | 6.8% |
| **Gross Capital Expenditures** | **3,887** | 3,127 | 760 | 24.3% |
| **Total Uses** | **$7,165** | $6,343 | $822 | 13.0% |

**Significant Highlights/Challenges:**

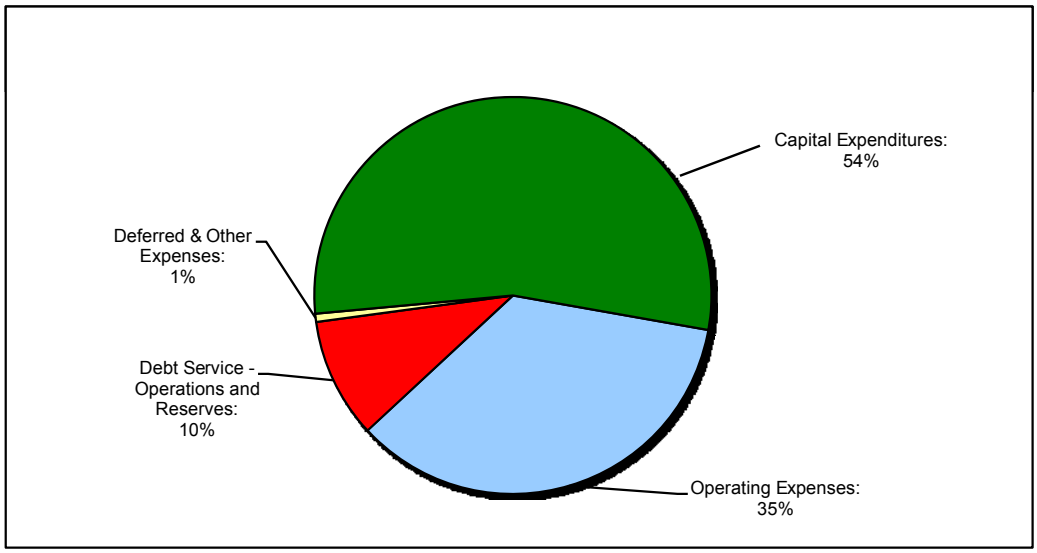
- Operating expense budget reflects the continuation of our aggressive cost containment efforts. Through these efforts, the agency's operating spending budget has been flat for several years with increases of 0% in 2011, 2010 and 2009, 0.9% in 2008 and 1.1% in 2007. We have achieved zero growth in this budget even while taking on new responsibilities for property redevelopment programs which include: MOTBY, JFK hanger demolition and the retail development rights at the Port Authority Bus Terminal.
- The 2011 Budget includes additional expenses associated with the issuance of new Special Project Bonds for the Redevelopment project of Terminal 4 at John F. Kennedy International Airport.
- Authorized position levels in the 2011 Budget have decreased by 200 positions to a total of 6,777. This staffing level is the lowest level exceeding 40 years and was achieved by position reductions related to the retirement incentive program and through efficiencies.
- Continued reduction in consultant provisions of $14 million, reflecting the agency's focus on prioritizing development studies and enhanced utilization of existing technology resources and other internal resources. This reduction is in addition to the $15 million decrease included in the 2010 Budget.
- This budget includes the elimination of Port Authority owned helicopters, with cost savings of $5 million per year.
- Committing $806 million in security expenditures to provide safe and secure facilities, which include hardening our facilities infrastructure and installing state-of-the-art surveillance and detection equipment.
- Agency provides $25 million toward its on-going commitment to reducing greenhouse gas emissions, environmental protection and energy conservation including Port's Clean Air Program (Truck Replacement and Ocean Going Vessel Fuel Incentive Programs).
- Capital spending for 2011 totals $3.9 billion for: major capital investment in the World Trade Center site ($1.9B); Capital Infrastructure Fund ($595M); modernizing the PATH system with new railcars and signal system ($247M); Port Jersey-Port Authority Marine Terminal Redevelopment ($81M); continuing the Dredging Program at Port Authority Ports ($70M); planning for Terminal A and continued development of Terminal B at Newark Liberty International Airport ($46M); CTB terminal development at LaGuardia Airport and Delta at John F. Kennedy International Airport ($38M); continuing the advancement of the JFK Flight Delay Reduction program ($31M); Stewart International Airport modernization ($16M); Planning efforts at the Bayonne Bridge and Goethals Bridge Modernization Program ($16M); Holland Tunnel rehabilitation of ventilation system ($15M); AirTrain mid-life rehabilitation program at Newark Liberty International Airport ($14M); and completing a permanent ferry terminal in Hoboken, NJ ($9M).

## Summary of Sources and Uses - 2011 Budget

### Sources: $7.165 Billion




### Uses: $7.165 Billion



# THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

**(Including its wholly owned entities)**

## 2011 BUDGET

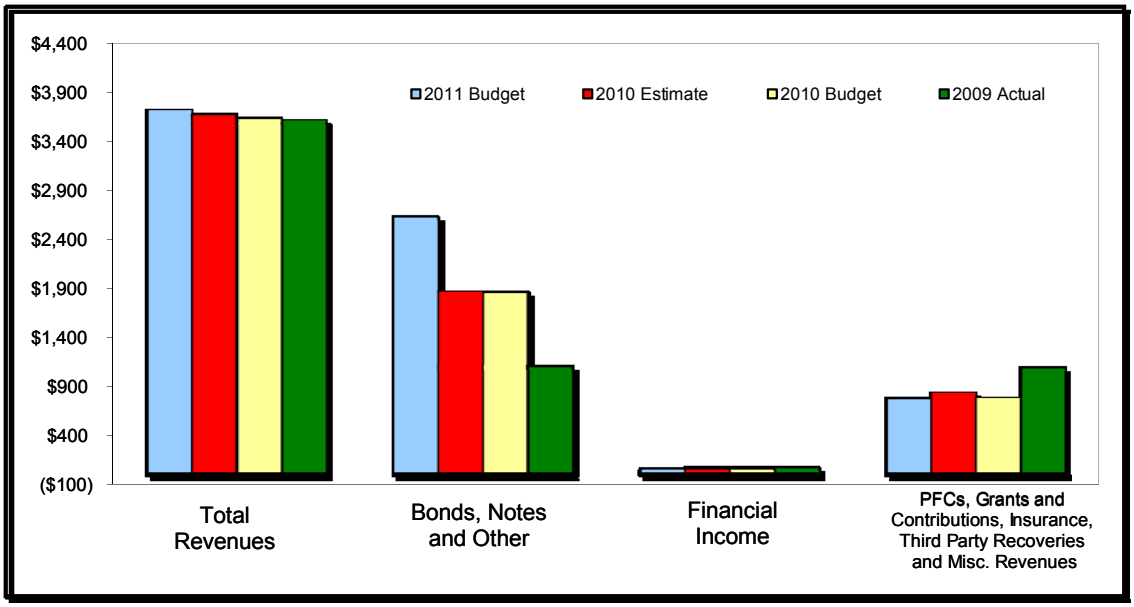
**(In Thousands)**

| Item | Total Expenditures | Personal Services | Materials & Services |
|---|---|---|---|
| Audit | $13,722 | $11,713 | $2,009 |
| Aviation | 682,843 | 163,751 | 519,092 |
| Chief Administrative Officer | 1,215 | 985 | 230 |
| Chief, Capital Planning | 2,125 | 1,475 | 650 |
| Chief Financial Officer | 4,105 | 1,049 | 3,056 |
| Chief Operating Officer | 4,991 | 1,935 | 3,056 |
| Capital Security Projects | 12,643 | 5,385 | 7,258 |
| Project Management Office | 5,083 | 2,142 | 2,941 |
| Chief of Public & Government Affairs | 524 | 477 | 47 |
| Chief, Real Estate & Development | 3,280 | 2,341 | 939 |
| Comptroller's | 14,717 | 14,200 | 517 |
| Engineering | 302,198 | 103,485 | 198,713 |
| Capital Construction Contracts | 496,280 | - | 496,280 |
| Executive Offices | 3,081 | 2,755 | 326 |
| Ferry Program | 11,624 | - | 11,624 |
| Government & Community Affairs | 4,555 | 2,630 | 1,925 |
| Human Resources | 17,674 | 11,119 | 6,555 |
| Medical Services | 3,670 | 2,532 | 1,138 |
| Inspector General | 18,164 | 6,476 | 11,688 |
| Labor Relations | 2,387 | 1,850 | 537 |
| Law | 44,297 | 22,197 | 22,100 |
| Management and Budget | 7,785 | 6,594 | 1,191 |
| Marketing | 12,113 | 4,435 | 7,678 |
| Media Relations | 2,033 | 1,448 | 585 |
| Office of Business and Job Opportunity | 3,715 | 2,505 | 1,210 |
| Office of Emergency Management | 7,883 | 3,453 | 4,430 |
| Office of Environmental & Energy Programs | 5,065 | 2,538 | 2,527 |
| Office of Financial Analysis | 1,590 | 1,374 | 216 |
| Office of the Secretary | 4,617 | 2,884 | 1,733 |
| Office of Strategic Initiatives | 1,700 | 1,284 | 416 |
| Operations Services | 71,209 | 69,195 | 2,014 (1) |
| Operations Standards | 1,606 | 1,254 | 352 |
| Planning | 5,287 | 4,186 | 1,101 |
| Port Commerce | 240,876 | 29,537 | 211,339 |
| Procurement | 17,442 | 14,294 | 3,148 (1) |
| Public Safety | 393,302 | 361,261 | 32,041 |
| Rail Transit | 436,895 | 175,951 | 260,944 |
| Real Estate & WTC Redevelopment | 356,451 | 15,935 | 340,516 (1) |
| Technology Services | 67,068 | 18,886 | 48,182 (1) |
| Corporate Enterprise Systems | 18,219 | - | 18,219 |
| Treasury | 30,789 | 6,742 | 24,047 |
| Tunnels, Bridges & Terminals | 227,049 | 132,127 | 94,922 |
| WTC Construction | 1,525,153 | 27,625 | 1,497,528 |
| Other: | | | |
| Amounts in Connection with Operating Asset Obligations | 31,029 | - | 31,029 |
| Bi-state Dredging Program | 4,300 | - | 4,300 |
| Capital Infrastructure Fund | 594,519 | - | 594,519 |
| Debt Service - Operations | 701,432 | - | 701,432 |
| Debt Service - Capital | 215,538 | - | 215,538 |
| Insurance | 175,169 | - | 175,169 |
| Municipal Rents and Amounts in Lieu of Taxes | 227,437 | - | 227,437 |
| Port Authority Insurance Captive Entity, LLC | 530 | - | 530 |
| Regional Programs - Operating | 22,063 | - | 22,063 |
| Regional Programs - Capital | 20,159 | - | 20,159 |
| Special Project Bonds Debt Service | 115,953 | - | 115,953 |
| Position Reductions | (29,789) | (29,789) | - |
| Total Port Authority Budget | $7,165,365 | $1,212,216 | $5,953,149 |

(1) Net after charges to other departments.

# Sources

## SOURCES
**(In Millions)**

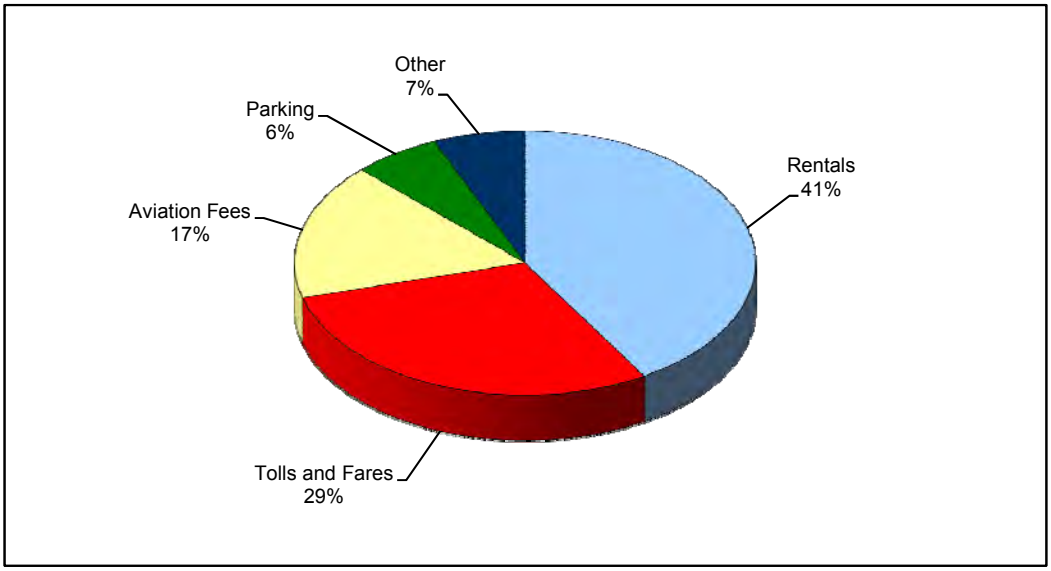



| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Revenues:** | | | | |
| **Gross Operating Revenues:** | | | | |
| **Rentals** | **$1,537** | $1,497 | $1,473 | $1,452 |
| **Tolls and Fares** | **1,091** | 1,079 | 1,073 | 1,068 |
| **Aviation Fees** | **620** | 612 | 601 | 592 |
| **Parking** | **228** | 220 | 219 | 218 |
| **Other** | **240** | 265 | 273 | 285 |
| **Total Gross Operating Revenues** | **3,716** | 3,673 | 3,639 | 3,615 |
| **Bonds, Notes and Other** | **2,626** | 1,861 | 1,859 | 1,099 |
| **Financial Income:** | | | | |
| **Interest Income** | **50** | 64 | 65 | 66 |
| **Net inc/(dec) in fair value of investments** | **-** | (100) | - | 79 |
| **Grants and Contributions, Insurance, and Miscellaneous Revenues** | **556** | 620 | 567 | 880 |
| **Allocated Passenger Facility Charges** | **217** | 210 | 213 | 205 |
| **Total Sources** | **$7,165** | $6,328 | $6,343 | $5,944 |

## GROSS OPERATING REVENUES BY FACILITY
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Aviation** | | | | |
| LaGuardia Airport | **$321,664** | $315,813 | $318,818 | $302,901 |
| John F. Kennedy International Airport | **1,064,754** | 991,358 | 968,757 | 972,394 |
| Newark Liberty International Airport | **764,772** | 751,298 | 732,278 | 729,120 |
| Teterboro Airport | **31,436** | 30,830 | 31,490 | 31,897 |
| Stewart International Airport | **7,788** | 7,681 | 7,951 | 7,346 |
| Port Authority Heliport | **-** | - | - | (139) |
| Total - Aviation | **2,190,414** | 2,096,980 | 2,059,294 | 2,043,519 |
| **Tunnels, Bridges & Terminals** | | | | |
| Holland Tunnel | **127,211** | 125,489 | 120,073 | 120,297 |
| Lincoln Tunnel | **156,659** | 154,003 | 158,824 | 154,593 |
| George Washington Bridge | **459,995** | 452,555 | 446,231 | 444,412 |
| George Washington Bridge Bus Station | **824** | 810 | 836 | 1,124 |
| Bayonne Bridge | **28,191** | 28,110 | 30,101 | 27,423 |
| Goethals Bridge | **115,695** | 114,661 | 115,938 | 120,121 |
| Outerbridge Crossing | **108,763** | 108,100 | 111,008 | 108,388 |
| Port Authority Bus Terminal | **35,582** | 33,159 | 34,877 | 32,954 |
| Total - Tunnels, Bridges & Terminals | **1,032,920** | 1,016,887 | 1,017,888 | 1,009,312 |
| **Rail** | | | | |
| PATH Rapid Transit | **105,802** | 105,147 | 100,885 | 103,652 |
| Journal Square Transportation Center | **3,043** | 2,872 | 3,020 | 2,648 |
| Total - Rail | **108,845** | 108,019 | 103,905 | 106,299 |
| **Port Commerce** | | | | |
| Port Newark | **76,770** | 81,529 | 85,022 | 81,766 |
| Elizabeth - PA Marine Terminal | **95,095** | 103,246 | 96,731 | 96,058 |
| Brooklyn - PA Marine Terminal | **7,082** | 6,143 | 5,790 | 4,390 |
| Red Hook Container Terminal | **2,779** | 2,677 | 2,866 | 2,420 |
| Howland Hook Marine Terminal | **14,292** | 16,296 | 13,953 | 12,907 |
| Greenville Yard | **356** | 346 | 346 | 335 |
| New York & New Jersey Rail, LLC | **1,312** | 1,000 | 1,377 | 826 |
| Port Jersey-PA Marine Terminal | **11,610** | 8,876 | 7,180 | 7,159 |
| Total - Port Commerce | **209,296** | 220,113 | 213,265 | 205,861 |
| **Development** | | | | |
| Essex County Resource Recovery Facility | **67,379** | 65,665 | 62,563 | 68,354 |
| PA Industrial Park at Elizabeth | **1,068** | 1,000 | 1,005 | 979 |
| Bathgate Industrial Park | **4,664** | 4,505 | 4,802 | 4,655 |
| Ferry Transportation Services | **277** | 270 | 160 | 123 |
| Teleport | **14,636** | 14,313 | 14,466 | 14,364 |
| Newark Legal & Communications Center | **3,575** | 3,575 | 3,493 | 3,575 |
| Hoboken Waterfront | **5,981** | 6,089 | 5,726 | 5,920 |
| Queens West Waterfront | **5,442** | 430 | 420 | 756 |
| Total Development | **103,022** | 95,847 | 92,635 | 98,727 |
| **World Trade** | | | | |
| World Trade Center | **71,872** | 132,719 | 152,222 | 150,943 |
| WTC Site | **105** | 1,941 | 105 | 418 |
| WTC Retail LLC | **-** | 2 | - | - |
| Total World Trade | **71,977** | 134,662 | 152,327 | 151,361 |
| **Total Gross Operating Revenues** | **$3,716,474** | $3,672,508 | $3,639,314 | $3,615,080 |

## Operating Revenues by Major Category
**(In Thousands)**




| | Total | Aviation | Tunnels, Bridges & Terminals | Rail Transit | Port Commerce | Develop-ment | World Trade |
|---|---|---|---|---|---|---|---|
| **Rentals** | $1,537,157 | $1,226,149 | $32,431 | $4,538 | $207,785 | $55,415 | $10,839 |
| **Tolls and Fares** | 1,091,753 | - | 988,573 | 103,180 | - | - | - |
| **Aviation Fees** | 619,933 | 619,933 | - | - | - | - | - |
| **Parking** | 228,061 | 215,268 | 11,916 | 877 | - | - | - |
| **Other** | 239,570 | 129,064 | - | 250 | 1,511 | 47,607 | 61,138 |
| **Total** | $3,716,474 | $2,190,414 | $1,032,920 | $108,845 | $209,296 | $103,022 | $71,977 |

**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.

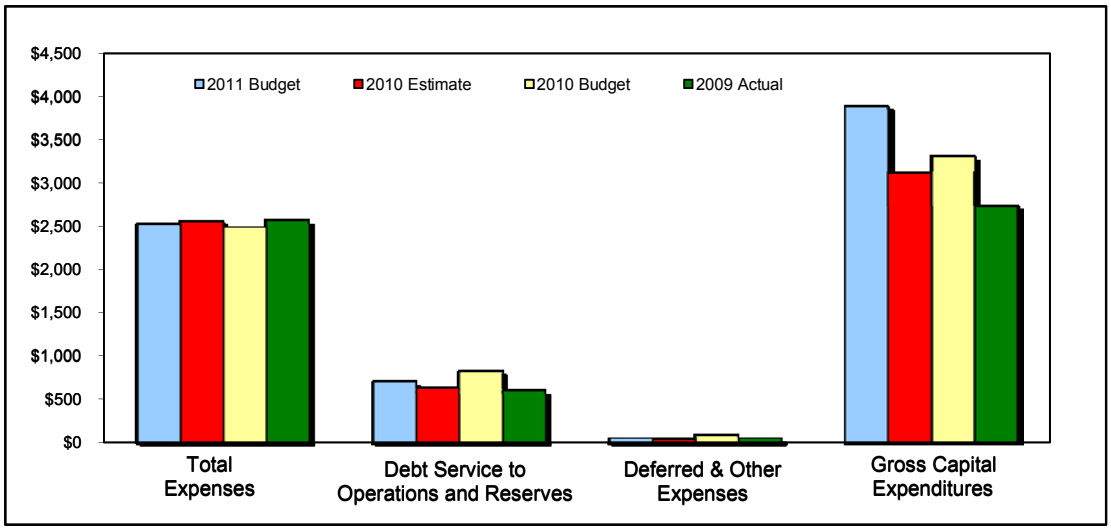
**Aviation Fees** - These fees are based on cost recovery agreements with airlines and are calculated on the basis of direct and allocated costs of operating and maintaining public aircraft facilities and the weight of aircraft using the runways.

**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, gate and tipping fees at the Essex County Resource Recovery Facility and facility rentals related to Special Project Bonds.

# Uses

## USES
**(In Millions)**

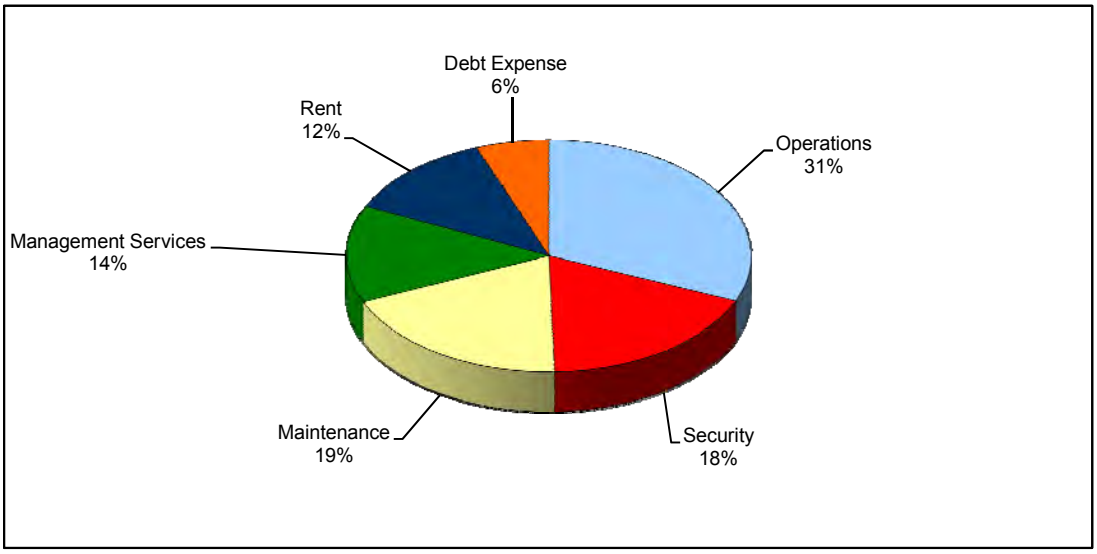



| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Expenses:** | | | | |
| **Operating Expenses:** | | | | |
| **Operations** | **$793** | $869 | $810 | $804 |
| **Security** | **460** | 444 | 442 | 441 |
| **Maintenance** | **480** | 446 | 440 | 450 |
| **Management Services** | **342** | 335 | 354 | 412 |
| **Rent** | **307** | 335 | 335 | 342 |
| **Debt Expense (special project bond interest and operating asset financings)** | **148** | 128 | 103 | 120 |
| **Total Expenses** | **2,530** | 2,557 | 2,483 | 2,568 |
| **Debt Service Charged to Operations & Reserves:** | | | | |
| **Interest on Bonds and Other Obligations** | **520** | 444 | 516 | 436 |
| **Debt Maturities and Retirements** | **178** | 178 | 173 | 147 |
| **Repayment of Asset Financing Obligations** | **3** | 1 | - | 14 |
| **Total Debt Service** | **701** | 623 | 689 | 597 |
| **Deferred & Other Expenses** | **47** | 36 | 44 | 45 |
| **Capital Expenditures:** | | | | |
| **Line Departments (including PFCs)** | **1,326** | 1,289 | 1,266 | 1,374 |
| **WTC Site** | **1,946** | 1,561 | 1,597 | 1,322 |
| **Capital Infrastructure Fund** | **595** | - | - | - |
| **Access to the Region's Core (ARC Tunnel)** | **-** | 223 | 504 | 11 |
| **Regional and Other** | **20** | 39 | 50 | 26 |
| **Provision for Efficiency and Phasing** | **-** | - | (290) | - |
| **Total Gross Capital Expenditures** | **3,887** | 3,112 | 3,127 | 2,734 |
| **Total Uses** | **$7,165** | $6,328 | $6,343 | $5,944 |

## EXPENSES BY FACILITY
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Aviation** | | | | |
| LaGuardia Airport | **$214,008** | $211,079 | $212,098 | $205,815 |
| John F. Kennedy International Airport | **662,572** | 599,943 | 586,911 | 608,206 |
| Newark Liberty International Airport | **383,198** | 385,309 | 380,250 | 375,838 |
| Teterboro Airport | **19,212** | 16,656 | 18,395 | 16,853 |
| Stewart International Airport | **18,245** | 17,887 | 16,976 | 16,248 |
| Port Authority Heliport | **-** | 62 | 62 | 269 |
| Total - Aviation | **1,297,235** | 1,230,936 | 1,214,692 | 1,223,229 |
| **Tunnels, Bridges & Terminals** | | | | |
| Holland Tunnel | **67,840** | 61,520 | 65,419 | 59,359 |
| Lincoln Tunnel | **84,861** | 81,505 | 81,461 | 77,503 |
| George Washington Bridge | **97,037** | 94,595 | 91,300 | 98,562 |
| George Washington Bridge Bus Station | **8,016** | 8,063 | 7,542 | 6,575 |
| Bayonne Bridge | **17,811** | 20,871 | 16,947 | 22,937 |
| Goethals Bridge | **25,535** | 23,645 | 24,421 | 19,757 |
| Outerbridge Crossing | **23,854** | 22,816 | 22,580 | 18,950 |
| Port Authority Bus Terminal | **89,928** | 86,334 | 86,538 | 80,928 |
| Total - Tunnels, Bridges & Terminals | **414,882** | 399,349 | 396,208 | 384,571 |
| **Rail** | | | | |
| PATH Rapid Transit | **231,354** | 238,695 | 234,614 | 232,770 |
| Journal Square Transportation Center | **11,176** | 9,558 | 10,993 | 8,828 |
| Total - Rail | **242,530** | 248,253 | 245,607 | 241,598 |
| **Port Commerce** | | | | |
| Port Newark | **74,674** | 68,384 | 84,782 | 62,200 |
| Elizabeth - PA Marine Terminal | **29,988** | 24,311 | 32,168 | 22,578 |
| Brooklyn - PA Marine Terminal | **12,371** | 9,252 | 11,772 | 9,839 |
| Red Hook Container Terminal | **2,300** | 2,277 | 2,779 | 3,250 |
| Howland Hook Marine Terminal | **11,252** | 11,816 | 12,224 | 8,624 |
| Greenville Yard | **4** | 4 | 4 | 2 |
| New York & New Jersey Rail, LLC | **2,754** | 2,588 | 2,432 | 4,004 |
| Port Jersey-PA Marine Terminal | **17,217** | 12,560 | 13,350 | 9,833 |
| Total - Port Commerce | **150,560** | 131,192 | 159,511 | 120,329 |
| **Development** | | | | |
| Essex County Resource Recovery Facility | **64,720** | 64,058 | 63,641 | 66,337 |
| PA Industrial Park at Elizabeth | **112** | 109 | 108 | 101 |
| Bathgate Industrial Park | **2,090** | 2,088 | 2,104 | 1,795 |
| Ferry Transportation Services | **4,480** | 1,895 | 3,648 | 1,002 |
| Teleport | **13,803** | 13,517 | 13,476 | 13,480 |
| Newark Legal & Communications Center | **1,321** | 1,244 | 2,252 | 2,966 |
| Hoboken Waterfront | **51** | 69 | 39 | 182 |
| Total Development | **86,577** | 82,980 | 85,268 | 85,863 |
| **World Trade** | | | | |
| World Trade Center | **8,750** | 13,611 | 9,160 | 14,086 |
| WTC Site | **71,968** | 144,647 | 113,487 | 185,998 |
| WTC Retail LLC | **16,519** | 14,695 | 15,208 | 14,365 |
| Total World Trade | **97,237** | 172,953 | 137,855 | 214,449 |
| **Regional & Other Programs** | **22,063** | 45,432 | 21,250 | 18,326 |
| **Port Authority Insurance Captive Entity, LLC** | **530** | 510 | 510 | 4,592 |
| **Total Operating & Maintenance Expenses** | **2,311,614** | 2,311,605 | 2,260,901 | 2,292,955 |
| **Allocated Expenses** | **187,494** | 196,036 | 187,616 | 202,089 |
| **Total Operating Expenses** | **2,499,108** | 2,507,641 | 2,448,517 | 2,495,044 |
| **Operating Asset Obligations** | **31,029** | 48,009 | 33,731 | 55,058 |
| **Net Expenses (Recoverables) related to 9-11-01** | **-** | (53,825) | 750 | (202,978) |
| **Total Expenses** | **$2,530,137** | $2,501,825 | $2,482,998 | $2,347,124 |

## Operating Expenses by Major Category
**(In Thousands)**




| | Total | Aviation | Tunnels, Bridges & Terminals | Rail Transit | Port Commerce | Develop-ment | World Trade | Allocated & Other (1) |
|---|---|---|---|---|---|---|---|---|
| Operations | $793,377 | $423,823 | $154,114 | $103,879 | $33,104 | $70,723 | $2,426 | $5,308 |
| Security | 459,691 | 204,314 | 112,398 | 44,108 | 18,097 | 1,406 | 15,016 | 64,352 |
| Maintenance | 479,905 | 231,374 | 86,250 | 63,429 | 38,473 | 6,450 | 9,236 | 44,693 |
| Management Services | 342,377 | 60,901 | 28,587 | 14,177 | 31,738 | 1,448 | 24,237 | 181,290 |
| Rent | 307,163 | 204,917 | 3,169 | 805 | 24,811 | 6,359 | 42,985 | 24,117 |
| Debt Expense | 147,625 | 115,953 | 0 | 0 | 0 | 0 | 0 | 31,672 |
| Total | $2,530,137 | $1,241,281 | $384,518 | $226,397 | $146,223 | $86,385 | $93,899 | $351,432 |

**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 acquisition.

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

## GENERAL ADMINISTRATIVE EXPENSES *
**(In Thousands)**

| Department / Office | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Audit** | **$10,382** | $10,935 | $9,937 | $10,432 |
| **Chief Administrative Officer** | **1,215** | 1,072 | 1,068 | 1,483 |
| **Chief, Capital Planning** | **2,003** | 2,051 | 2,015 | 2,224 |
| **Chief Engineer** | **3,615** | 3,511 | 3,364 | 3,323 |
| **Chief Financial Officer** | **3,863** | 3,257 | 3,003 | 3,018 |
| **Chief Operating Officer** | **3,564** | 3,278 | 2,869 | 4,358 |
| **Chief of Public & Government Affairs** | **524** | 498 | 489 | 405 |
| **Comptroller's** | **11,826** | 11,037 | 10,514 | 9,839 |
| **Chief, Real Estate & Development** | **2,720** | 2,958 | 1,891 | 1,921 |
| **Executive Offices** | **3,081** | 2,847 | 2,826 | 3,074 |
| **Government & Community Affairs** | **4,555** | 3,750 | 4,097 | 4,151 |
| **Human Resources** | **18,875** | 18,191 | 17,521 | 18,959 |
| **Inspector General** | **7,767** | 7,616 | 7,512 | 7,092 |
| **Labor Relations** | **1,818** | 1,698 | 1,739 | 1,517 |
| **Law** | **23,633** | 21,895 | 21,488 | 25,542 |
| **Management and Budget** | **7,785** | 7,864 | 7,797 | 7,619 |
| **Marketing** | **5,980** | 6,053 | 6,478 | 6,879 |
| **Media Relations** | **2,033** | 1,824 | 1,924 | 1,395 |
| **Office of Business & Job Opportunity** | **3,716** | 3,663 | 3,736 | 3,713 |
| **Office of Environmental and Energy Programs** | **3,631** | 3,923 | 3,800 | 3,600 |
| **Office of Financial Analysis** | **1,590** | 1,692 | 1,521 | 2,002 |
| **Office of the Secretary** | **4,617** | 4,410 | 4,401 | 4,054 |
| **Office of Strategic Initiatives** | **1,700** | 1,625 | 1,600 | 1,893 |
| **Operation Services** | **6,143** | 5,503 | 5,739 | 5,459 |
| **Planning** | **5,287** | 5,166 | 5,300 | 4,498 |
| **Procurement** | **11,417** | 11,313 | 11,135 | 11,554 |
| **Real Estate & WTC Redevelopment** | **6,197** | 7,052 | 7,033 | 6,160 |
| **Treasury** | **11,313** | 10,733 | 10,622 | 17,318 |
| **WTC Construction** | **2,333** | 2,247 | 2,260 | 1,860 |
| **Other (Revenue, Reclassifications, etc.)** | **(14,419)** | (530) | (636) | 307 |
| **Sub-total** | **158,765** | 167,132 | 163,043 | 175,648 |
| **Technology Services** | **57,728** | 53,444 | 50,413 | 47,227 |
| **Corporate Enterprise Systems** | **12,859** | 17,004 | 15,261 | 15,723 |
| **Sub-total** | **70,587** | 70,448 | 65,674 | 62,950 |
| **Grand Total** | **$229,352** | $237,580 | $228,717 | $238,598 |
| **Overhead Allocation:** | | | | |
| **Allocation to Operations** | **$180,500** | $188,164 | $179,543 | $195,635 |
| **Allocation to Capital** | **48,852** | 49,416 | 49,174 | 42,963 |
| **Total Allocation** | **$229,352** | $237,580 | $228,717 | $238,598 |

*** Does not include capital expenditures, development expenses and charges to operating facilities.**

## DEVELOPMENT EXPENSES
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Programs and Studies:** | | | | |
| Study and Development Projects | **$1,179** | $909 | $1,179 | $173 |
| Overseas Operations | **1,020** | 952 | 1,000 | 984 |
| Pandemic Flu Preparedness Program | **-** | 1,000 | 1,000 | 142 |
| Other Programs & Studies | **495** | 711 | 595 | 125 |
| Sub-total | **2,694** | 3,571 | 3,773 | 1,424 |
| **Bi-state Dredging Program** | **4,300** | 4,300 | 4,300 | 5,030 |
| **Total Development Expenses** | **$6,994** | $7,872 | $8,073 | $6,454 |

## CAPITAL EXPENDITURES BY FACILITY
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Aviation** (including PFCs) | | | | |
| LaGuardia Airport | **$87,211** | $79,228 | $103,807 | $148,346 |
| John F. Kennedy International Airport | **151,407** | 281,606 | 268,641 | 305,674 |
| Newark Liberty International Airport | **135,403** | 107,769 | 106,789 | 155,954 |
| Teterboro Airport | **43,576** | 32,744 | 24,986 | 28,233 |
| Stewart International Airport | **14,662** | 18,742 | 15,866 | 19,885 |
| Total - Aviation | **432,259** | 520,089 | 520,089 | 658,092 |
| **Tunnels, Bridges & Terminals** | | | | |
| Holland Tunnel | **24,378** | 23,396 | 30,794 | 21,518 |
| Lincoln Tunnel | **38,633** | 28,560 | 26,938 | 18,753 |
| George Washington Bridge | **49,371** | 43,584 | 47,964 | 55,614 |
| George Washington Bridge Bus Station | **9,848** | 3,608 | 3,322 | 935 |
| Bayonne Bridge | **7,011** | 6,688 | 9,519 | 15,826 |
| Goethals Bridge | **18,344** | 17,429 | 14,478 | 15,553 |
| Outerbridge Crossing | **1,085** | 579 | 650 | 969 |
| Port Authority Bus Terminal | **27,984** | 36,749 | 26,931 | 45,884 |
| Total - Tunnels, Bridges & Terminals | **176,654** | 160,593 | 160,596 | 175,052 |
| **Rail** | | | | |
| PATH Rapid Transit | **389,928** | 303,215 | 347,920 | 319,278 |
| Journal Square Transportation Center | **9,726** | 7,744 | 9,022 | 7,041 |
| Total - Rail | **399,654** | 310,959 | 356,942 | 326,318 |
| **Port Commerce** | | | | |
| Port Newark | **66,672** | 58,680 | 50,518 | 84,941 |
| Elizabeth - PA Marine Terminal | **42,958** | 50,222 | 44,875 | 44,766 |
| Brooklyn - PA Marine Terminal | **13,400** | 5,027 | 8,335 | 3,858 |
| Red Hook Container Terminal | **181** | 263 | 400 | (21) |
| Howland Hook Marine Terminal | **33,704** | 32,427 | 31,839 | 36,888 |
| NY and NJ Rail LLC | **46,918** | 48,112 | 57,001 | 1,736 |
| Port Jersey-PA Marine Terminal | **79,294** | 62,779 | 6,830 | 1,543 |
| Total - Port Commerce | **283,127** | 257,510 | 199,798 | 173,712 |
| **Development** | | | | |
| Hoboken Waterfront Development | **-** | - | - | 3,908 |
| Queens West Waterfront Development | **-** | 3,434 | 4,200 | 17,998 |
| Ferry Transportation Services | **8,796** | 16,765 | 17,085 | 7,397 |
| Teleport | **655** | 269 | 5,764 | 1,334 |
| NY Regional Transportation Programs | **22,875** | - | - | - |
| Total - Development | **32,326** | 20,468 | 27,049 | 30,637 |
| **World Trade Center** | | | | |
| WTC Transportation Hub | **496,229** | 451,517 | 349,731 | 414,152 |
| WTC Retail LLC | **223,247** | 150,784 | 232,208 | 84,488 |
| One World Trade Center | **644,431** | 492,147 | 453,300 | 314,319 |
| WTC Site (including infrastructure, memorial and VSC) | **579,785** | 464,549 | 561,174 | 509,497 |
| Total - World Trade Center | **1,943,692** | 1,558,997 | 1,596,413 | 1,322,456 |
| **Net Capital Expenditures - Line Departments** | **3,267,712** | 2,828,616 | 2,860,887 | 2,686,266 |
| **Capital Infrastructure Fund** | **594,519** | - | - | - |
| **Access to the Region's Core (ARC Tunnel)** | **-** | 222,746 | 503,991 | 11,375 |
| **Regional & Other Programs:** | | | | |
| Regional Development Facility | **12,639** | 7,231 | 25,222 | 500 |
| Other Regional Programs | **5,232** | 16,706 | 14,000 | 9,488 |
| New York Economic Development Program | **2,288** | 5,800 | 6,000 | 4,200 |
| Regional Transportation Initiatives | **-** | 9,337 | 4,700 | 12,011 |
| Total - Regional & Other Programs | **20,159** | 39,074 | 49,922 | 26,199 |
| **Provision for Efficiency and Phasing** | **-** | - | (290,274) | - |
| **Total Net Capital Expenditures** | **3,882,390** | 3,090,436 | 3,124,526 | 2,723,841 |
| Add Back - Financial Income | **4,656** | 21,585 | 2,022 | 10,334 |
| **Total Gross Capital Expenditures** | **$3,887,046** | $3,112,021 | $3,126,548 | $2,734,175 |

# Changes in Net Assets
# Consolidated Statement of Net Assets
# Information on P. A. Operations by Facility
# Revenues and Reserves
# Assets & Liabilities

## Revenues, Expenses and Changes in Net Assets
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Gross Operating Revenues** | **$3,716,474** | $3,672,506 | $3,639,314 | $3,615,080 |
| **Expenses:** | | | | |
| **Operating & Maintenance Expenses** | **(2,311,614)** | (2,311,605) | (2,260,901) | (2,299,418) |
| **Allocated Expenses** | **(187,494)** | (196,036) | (187,616) | (202,089) |
| **Total Operating Expenses** | **(2,499,108)** | (2,507,641) | (2,448,517) | (2,501,507) |
| **Operating Asset Obligations** | **(31,029)** | (48,009) | (33,731) | (55,058) |
| **Net (Expenses) Recoverables related to 9-11-01** | **-** | 53,825 | (750) | 202,978 |
| **Total Expenses** | **(2,530,137)** | (2,501,825) | (2,482,998) | (2,353,587) |
| **Net Operating Revenues** | **1,186,337** | 1,170,681 | 1,156,316 | 1,261,492 |
| **Depreciation & Amortization** | **(796,460)** | (764,259) | (763,792) | (714,540) |
| **Financial Income:** | | | | |
| **Interest Income** | **45,166** | 60,097 | 63,284 | 62,396 |
| **Net increase/(decrease) in fair value of investments** | **-** | (100,250) | - | 78,740 |
| **Interest and Other Expenses** | **(483,920)** | (331,699) | (494,552) | (414,284) |
| **Net Assets before Restricted Grants, Contributions and PFCs** | (48,877) | 34,570 | (38,744) | 273,805 |
| **Net PFC Program** | **138,621** | 133,191 | 140,608 | 129,329 |
| **Net Grants and Contributions in Aid of Construction** | **522,163** | 495,940 | 479,331 | 392,472 |
| **1 WTC / WTC Retail Insurance Proceeds** | **-** | 55,650 | 57,135 | 50,812 |
| **Increase in Net Assets** | **$611,907** | $719,351 | $638,329 | $846,418 |
| **Net Assets, January 1** | **$11,397,133** | $10,677,782 | $10,648,571 | $9,831,364 |
| **Net Assets, December 31** | **12,009,040** | 11,397,133 | 11,286,900 | 10,677,782 |
| **Increase in Net Assets** | $611,907 | $719,351 | $638,329 | $846,418 |

## Consolidated Statement of Net Assets
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **ASSETS:** | | | | |
| Cash and Investments | $ 3,496,129 | $ 4,208,265 | $ 4,378,932 | $ 4,584,825 |
| Receivables, net | 560,130 | 668,892 | 645,182 | 730,884 |
| Restricted Receivables | 31,949 | 31,949 | 35,324 | 31,949 |
| Deferred charges and other noncurrent assets | 1,453,658 | 1,457,686 | 1,341,003 | 1,665,900 |
| Amounts receivable - Special Project Bonds | 1,768,054 | 1,825,569 | 995,766 | 1,054,294 |
| Unamortized costs for regional programs | 671,965 | 704,444 | 757,252 | 741,265 |
| Facilities, net | 22,817,608 | 19,749,793 | 21,509,330 | 18,398,356 |
| Total assets | **30,799,493** | 28,646,598 | 29,662,789 | 27,207,473 |
| **LIABILITIES:** | | | | |
| Accounts payable | 926,928 | 818,900 | 854,795 | 744,737 |
| Accrued interest and other liabilities (including PAICE) | 514,912 | 514,007 | 816,733 | 604,791 |
| Accrued pension and other employee benefits | 597,274 | 680,106 | 692,489 | 730,025 |
| Amounts Payable - Special Project Bonds | 1,768,054 | 1,825,569 | 995,766 | 1,054,294 |
| Bonds and other asset financing obligations | 14,983,285 | 13,410,883 | 15,016,106 | 13,395,844 |
| Total liabilities | **18,790,453** | 17,249,465 | 18,375,889 | 16,529,691 |
| **NET ASSETS** | **$12,009,040** | $11,397,133 | $11,286,900 | $10,677,782 |
| **Net assets are composed of:** | | | | |
| Invested in capital assets, net of related debt | $ 9,746,978 | $ 9,046,312 | $ 8,813,641 | $ 8,415,993 |
| Restricted: | | | | |
| 1 WTC/WTC Retail insurance proceeds | - | - | 50,000 | 90,249 |
| Restricted Passenger Facility Charges | (25,000) | (25,000) | (25,000) | (17,513) |
| PA Insurance Captive Entity - PAICE | 124,303 | 114,303 | 144,088 | 103,963 |
| Unrestricted | 2,112,759 | 2,211,518 | 2,254,171 | 2,050,064 |
| **Net assets** | **$12,009,040** | $11,397,133 | $11,286,900 | $10,677,782 |

## INFORMATION ON PORT AUTHORITY OPERATIONS BY FACILITY

**(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 | 2011 Budget Net Income/ (Loss) | 2010 Estimate Net Income/ (Loss) | 2009 Actual Net Income/ (Loss) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Aviation** | | | | | | | | | | |
| **LaGuardia Airport** | $321,664 | $214,008 | $18,857 | $43,991 | $22,974 | $21,834 | $15,774 | **$37,608** | $51,739 | $44,242 |
| **John F. Kennedy International Airport** | 1,064,754 | 662,685 | 32,842 | 163,249 | 99,662 | 106,316 | 24,479 | **130,795** | 172,591 | 169,353 |
| **Newark Liberty International Airport** | 764,772 | 383,198 | 27,713 | 118,772 | 60,077 | 175,012 | 9,202 | **184,214** | 167,424 | 176,675 |
| **Teterboro Airport** | 31,436 | 19,212 | 1,383 | 9,918 | 4,716 | (3,793) | 15,783 | **11,990** | 10,109 | 7,004 |
| **Stewart International Airport** | 7,788 | 18,245 | 459 | 1,145 | 1,744 | (13,805) | 1,952 | **(11,853)** | (5,027) | (4,992) |
| **Total - Aviation** | 2,190,414 | 1,297,235 | 81,254 | 337,075 | 189,173 | 285,676 | 67,190 | **352,867** | 396,774 | 391,812 |
| **Tunnels, Bridges & Terminals** | | | | | | | | | | |
| **Holland Tunnel** | 127,211 | 67,840 | 10,065 | 17,526 | 9,094 | 22,686 | 490 | **23,176** | 28,299 | 25,672 |
| **Lincoln Tunnel** | 156,659 | 84,861 | 11,872 | 33,352 | 13,807 | 12,767 | 570 | **13,337** | 13,187 | 24,825 |
| **George Washington Bridge** | 459,995 | 97,037 | 12,878 | 34,130 | 26,558 | 289,392 | 525 | **289,917** | 285,529 | 273,264 |
| **George Washington Bridge Bus Station** | 824 | 8,016 | 917 | 1,912 | - | (10,021) | 45 | **(9,976)** | (10,396) | (8,426) |
| **Bayonne Bridge** | 28,191 | 17,811 | 2,301 | 6,648 | 7,063 | (5,632) | 107 | **(5,525)** | (8,383) | (10,766) |
| **Goethals Bridge** | 115,695 | 25,535 | 3,499 | 8,630 | 5,624 | 72,407 | 142 | **72,549** | 74,376 | 83,661 |
| **Outerbridge Crossing** | 108,763 | 23,854 | 2,991 | 11,256 | 3,440 | 67,222 | 125 | **67,347** | 68,012 | 72,603 |
| **Port Authority Bus Terminal** | 35,582 | 89,928 | 10,550 | 20,776 | 14,541 | (100,213) | 507 | **(99,706)** | (80,150) | (86,131) |
| **Total - Tunnels, Bridges & Terminals** | 1,032,920 | 414,882 | 55,073 | 134,230 | 80,127 | 348,608 | 2,511 | **351,119** | 370,472 | 374,703 |
| **Rail** | | | | | | | | | | |
| **PATH Rapid Transit** | 105,802 | 231,354 | 38,991 | 124,473 | 56,244 | (345,260) | 403,237 | **57,977** | (17,480) | (52,686) |
| **Journal Square Transportation Center** | 3,043 | 11,176 | 229 | 5,326 | 2,909 | (16,597) | - | **(16,597)** | (14,764) | (14,972) |
| **Total - Rail** | 108,845 | 242,530 | 39,220 | 129,799 | 59,153 | (361,857) | 403,237 | **41,380** | (32,245) | (67,658) |
| **Port Commerce** | | | | | | | | | | |
| **Port Newark** | 76,770 | 74,674 | 4,816 | 28,680 | 21,665 | (53,065) | 8,663 | **(44,402)** | (28,366) | (14,817) |
| **Elizabeth - PA Marine Terminal** | 95,095 | 29,988 | 1,537 | 49,824 | 41,768 | (28,022) | 3,669 | **(24,353)** | 3,043 | 8,552 |
| **Brooklyn - PA Marine Terminal** | 7,082 | 12,371 | 688 | 660 | 2,072 | (8,709) | 2,947 | **(5,762)** | (5,689) | (6,947) |
| **Red Hook Container Terminal** | 2,779 | 2,300 | 229 | 78 | - | 172 | - | **172** | 131 | (1,031) |
| **Howland Hook Marine Terminal** | 14,292 | 11,252 | 459 | 16,123 | 15,105 | (28,647) | - | **(28,647)** | (24,149) | (21,722) |
| **Greenville Yard** | 356 | 4 | - | - | - | 352 | - | **352** | 342 | 317 |
| **New York & New Jersey Rail, LLC** | 1,312 | 2,754 | - | 783 | 348 | (2,573) | 30,150 | **27,577** | 26,207 | (3,534) |
| **Port Jersey-PA Marine Terminal** | 11,610 | 17,217 | 229 | 2,195 | 5,192 | (13,223) | - | **(13,223)** | (10,667) | (6,255) |
| **Total - Port Commerce** | 209,296 | 150,560 | 7,958 | 98,343 | 86,150 | (133,715) | 45,429 | **(88,286)** | (39,148) | (45,436) |
| **Development** | | | | | | | | | | |
| **Essex County Resource Recovery Facility** | 67,379 | 64,720 | 7 | 1,410 | (594) | 1,836 | - | **1,836** | 1,222 | 1,427 |
| **PA Industrial Park at Elizabeth** | 1,068 | 112 | 7 | 286 | 251 | 412 | - | **412** | 380 | 380 |
| **Bathgate Industrial Park** | 4,664 | 2,090 | 7 | 1,445 | 290 | 832 | - | **832** | 651 | 911 |
| **Ferry Transportation Services** | 277 | 4,480 | - | 4,042 | 2,425 | (10,670) | - | **(10,670)** | (9,468) | (6,804) |
| **Teleport** | 14,636 | 13,803 | 229 | 1,967 | 517 | (1,880) | - | **(1,880)** | (1,920) | (1,897) |
| **Newark Legal & Communications Center** | 3,575 | 1,321 | - | 3,010 | 915 | (1,671) | - | **(1,671)** | (1,556) | (3,536) |
| **Hoboken Waterfront** | 5,981 | 48 | 21 | 2,825 | 2,734 | 353 | - | **353** | 1,134 | 697 |
| **Queens West Waterfront** | 5,442 | 3 | 49 | 605 | 1,473 | 3,312 | - | **3,312** | (660) | 25,105 |
| **Total Development** | 103,022 | 86,577 | 320 | 15,590 | 8,011 | (7,476) | - | **(7,476)** | (10,217) | 16,283 |
| **World Trade Center** | | | | | | | | | | |
| **World Trade Center** | 71,872 | 8,750 | 229 | 527 | 617 | 61,749 | - | **61,749** | 169,972 | 85,047 |
| **WTC Site** | 105 | 71,968 | 3,440 | 2,877 | (2,000) | (76,180) | 196 | **(75,984)** | (151,238) | (91,786) |
| **WTC Retail LLC** | - | 16,519 | - | 1,443 | (355) | (17,607) | - | **(17,607)** | (1,454) | 7,598 |
| **World Trade Center** | 71,977 | 97,237 | 3,669 | 4,848 | (1,738) | (32,039) | 196 | **(31,842)** | 17,280 | 859 |
| **Regional and Other** | - | 22,063 | - | 76,575 | 52,907 | (151,545) | 3,600 | **(147,945)** | (171,870) | (148,276) |
| **Port Authority Insurance Captive Entity, LLC** | - | 530 | | | (4,000) | 3,470 | - | **3,470** | 1,290 | (3,178) |
| **Net Expenses (Recoverables) related to 9-11-01** | - | - | - | - | - | - | - | **-** | 53,825 | 202,978 |
| **Sub-total** | 3,716,474 | 2,311,614 | 187,494 | 796,460 | 469,783 | (48,878) | 522,163 | **473,286** | 586,161 | 722,087 |
| **PFC Program** | - | - | - | 77,977 | - | (77,977) | 216,598 | **138,621** | 133,191 | 124,330 |
| **Total Port Authority** | $3,716,474 | $2,311,614 | $187,494 | $874,437 | $469,783 | ($126,855) | $738,761 | **$611,907** | $719,351 | $846,418 |

## Revenues and Reserves
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Gross Operating Revenues** | **$3,716,474** | $3,672,506 | $3,639,314 | $3,615,080 |
| **Expenses:** | | | | |
| **Operating & Maintenance Expenses** | **2,311,614** | 2,311,605 | 2,260,901 | 2,299,418 |
| **Allocated Expenses** | **187,494** | 196,036 | 187,616 | 202,089 |
| **Total Operating Expenses** | **2,499,108** | 2,507,641 | 2,448,517 | 2,501,507 |
| **Operating Asset Obligations** | **31,029** | 48,009 | 33,731 | 55,058 |
| **Net Expenses (Recoverables) related to 9-11-01** | **-** | (53,825) | 750 | (202,978) |
| **Total Expenses** | **2,530,137** | 2,501,825 | 2,482,998 | 2,353,587 |
| **Net Operating Revenues** | **1,186,337** | 1,170,681 | 1,156,316 | 1,261,492 |
| **Financial Income:** | | | | |
| **Interest Income** | **45,166** | 60,097 | 63,284 | 62,396 |
| **Net increase/(decrease) in fair value of investments** | **-** | (100,250) | - | 78,740 |
| **Restricted Net Assets - Port Authority Insurance Captive Entity, LLC** | **(3,970)** | (3,990) | (3,490) | 3,177 |
| **Grants and contributions in aid of construction** | **522,163** | 495,940 | 479,331 | 392,471 |
| **1 WTC / WTC Retail Insurance Proceeds** | **32,990** | 68,109 | 87,340 | 266,676 |
| **Allocated Passenger Facility Charges** | **216,598** | 210,259 | 213,000 | 205,164 |
| **Net Revenues Available for Debt Service and Reserves** | **1,999,284** | 1,900,846 | 1,995,781 | 2,270,116 |
| **Debt Service:** | | | | |
| **Interest on Bonds and Other Obligations** | **520,122** | 444,191 | 510,579 | 436,321 |
| **Debt Maturities and Retirements** | **178,610** | 178,095 | 178,095 | 147,370 |
| **Repayment of Asset Financing Obligations** | **2,700** | 700 | - | 13,525 |
| **Total Debt Service** | **701,432** | 622,986 | 688,674 | 597,216 |
| **Increase in Reserves from Operations & Financial Income** | **1,297,852** | 1,277,860 | 1,307,108 | 1,672,900 |
| **Direct Investment in Facilities** | **(1,590,000)** | (1,500,000) | (1,179,000) | (1,522,096) |
| **Appropriation to / (from) Reserves for Self-Insurance** | **-** | - | - | 6,463 |
| **Net Increase / (Decrease) in Reserves for Year** | **(292,148)** | (222,140) | 128,108 | 157,267 |
| **Reserves, beginning of year** | **2,327,857** | 2,549,996 | 2,596,704 | 2,392,729 |
| **Reserves, end of year** | **$2,035,708** | $2,327,857 | $2,724,812 | $2,549,996 |

# ASSETS AND LIABILITIES

**(Pursuant to Port Authority Bond Resolutions)**
**(In Thousands)**

| | 2011 Budget | 2010 Estimate | 2010 Budget | 2009 Actual |
|---|---|---|---|---|
| **Assets** | | | | |
| **Invested In Facilities** | **$38,210,857** | $34,328,467 | $34,251,542 | $31,238,032 |
| **Cash and Investments** | **3,496,129** | 4,208,265 | 4,378,932 | 4,584,825 |
| **Other Assets** | **3,841,289** | 4,025,082 | 3,491,102 | 3,500,358 |
| **Total Assets** | **45,548,274** | 42,561,814 | 42,121,576 | 39,323,215 |
| **Liabilities** | | | | |
| **Consolidated Bonds and Notes** | **15,249,850** | 13,341,610 | 13,823,156 | 12,284,449 |
| **Other Obligations** | **2,684,977** | 3,003,709 | 2,199,775 | 2,224,245 |
| **Accounts Payable and Other Liabilities** | **2,056,313** | 2,135,822 | 1,987,846 | 2,189,803 |
| **Total Liabilities** | **19,991,140** | 18,481,141 | 18,010,777 | 16,698,497 |
| **Net Assets** | **$25,557,134** | $24,080,673 | $24,110,799 | $22,624,718 |
| **Net Assets Are Composed Of:** | | | | |
| **Facility Infrastructure Investment** | **$23,447,388** | $21,678,778 | $21,303,362 | $20,000,683 |
| **Reserves:** | | | | |
| **General Reserve Fund** | **1,757,426** | 1,597,127 | 1,564,857 | 1,412,221 |
| **Consolidated Bond Reserve Fund** | **278,282** | 730,730 | 1,159,955 | 1,137,775 |
| **Total Reserve Funds** | **2,035,708** | 2,327,857 | 2,724,812 | 2,549,996 |
| **Appropriated Reserves for Self-insurance** | **74,038** | 74,038 | 82,625 | 74,038 |
| **Net Assets** | **$25,557,134** | $24,080,673 | $24,110,799 | $22,624,718 |

# Outstanding Obligations and Financing

## SUMMARY OF DEBT TYPE
**(In Thousands)**

| Type: | 2011 Budget | Issued/ Accreted | Repaid/ Refunded | 2010 Estimate | Issued/ Accreted | Repaid/ Refunded | 2009 Actual |
|---|---|---|---|---|---|---|---|
| **Consolidated Bonds** | $15,249,850 | $2,454,245 | ($546,005) | $13,341,610 | 1,366,840 | ($309,679) | $12,284,449 |
| **Commercial Paper** | 383,146 | 37,136 | (100,000) | 446,010 | 225,000 | (100,000) | 321,010 |
| **Variable Rate Master Notes** | 77,900 | - | - | 77,900 | - | (13,090) | 90,990 |
| **Versatile Structure Obligations** | - | - | (175,200) | 175,200 | - | (75,700) | 250,900 |
| **PA Equipment Notes** | 93,200 | 25,000 | (30,485) | 98,685 | - | (11,800) | 110,485 |
| **Fund Buy-out Obligation** | 360,571 | 29,733 | (43,211) | 374,049 | 30,780 | (43,211) | 386,480 |
| **Sub-total** | 16,164,667 | 2,546,114 | (894,901) | 14,513,454 | 1,622,620 | (553,480) | 13,444,314 |
| **Special Project Bonds** | 1,770,160 | - | (61,705) | 1,831,865 | 825,000 | (57,515) | 1,064,380 |
| **Total Obligations** | **$17,934,827** | **$2,546,114** | **($956,606)** | **$16,345,319** | **$2,447,620** | **($610,995)** | **$14,508,694** |

## DEBT OBLIGATIONS AND LIMITATIONS*

**(In Thousands)**

| | 2011 Budget | | | 2010 Estimate | | 2009 Actual | |
|---|---|---|---|---|---|---|---|
| | Amount Outstanding | Available Debt** | Potential Remainder*** | Amount Outstanding | Available Debt** | Amount Outstanding | Available Debt** |
| **Consolidated Bonds & Notes** (1) | $15,249,850 | $22,116,984 | $6,867,134 | $13,341,610 | $20,669,148 | $12,284,449 | $21,741,395 |
| **Versatile Structure Obligations** (2) | - | 6,973,000 | 6,973,000 | 175,200 | 6,488,000 | 250,900 | 6,845,000 |
| **Variable Rate Master Notes** (2) | 77,900 | 400,000 | 322,100 | 77,900 | 400,000 | 90,990 | 400,000 |
| **Commercial Paper** (2) | 383,146 | 500,000 | 116,854 | 446,010 | 500,000 | 321,010 | 500,000 |
| **Bonds, Notes and other Obligations** | 15,710,896 | 29,989,984 | 14,279,088 | 14,040,720 | 28,057,148 | 12,947,349 | 29,486,395 |
| **Port Authority Equipment Notes** (2) | 93,200 | 250,000 | 156,800 | 98,685 | 250,000 | 110,485 | 250,000 |
| **Fund Buy-Out Obligation** (3) | 360,571 | n/a | n/a | 374,049 | n/a | 386,480 | n/a |
| **Total Port Authority Obligations** | 16,164,667 | 30,239,984 | 14,435,888 | 14,513,454 | 28,307,148 | 13,444,314 | 29,736,395 |
| **Special Project Bonds** (2) | 1,770,160 | n/a | n/a | 1,831,865 | n/a | 1,064,380 | n/a |
| **Total** | $17,934,827 | $30,239,984 | $14,435,888 | $16,345,319 | $28,307,148 | $14,508,694 | $29,736,395 |

* This schedule reflects available debt and outstanding obligations, subject to limitations, contemplated by the Port Authority for the years shown.

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

*** Subject to the issuance tests and limitations contained in the various resolutions and policies established by the Port Authority.

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

(2) **Versatile Structure Obligations, Variable Rate Master Notes, Commercial Paper, Port Authority Equipment Notes and Special Project Bonds:** Amount reflects cap or capacity established pursuant to the applicable resolution for each of such obligations.

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

# Staffing

## BUDGETED POSITIONS

| DEPARTMENT | 2011 Budget | 2010 Estimate | 2009 Actual |
|---|---|---|---|
| **CHIEF ADMINISTRATIVE OFFICER** | 4 | 4 | 4 |
| **Human Resources (including Medical Services)** | 66 | 66 | 66 |
| **Labor Relations** | 11 | 11 | 11 |
| **Operations Services** | 448 | 448 | 449 |
| **Operations Standards** | 6 | 6 | 7 |
| **Procurement** | 94 | 94 | 94 |
| **CHIEF, CAPITAL PLANNING** | 6 | 6 | 7 |
| **Office of Business and Job Opportunity** | 13 | 13 | 13 |
| **Office of Environmental & Energy Programs** | 12 | 12 | 12 |
| **Office of Strategic Initiatives** | 4 | 4 | 4 |
| **Planning** | 22 | 22 | 19 |
| **WTC Construction** | 114 | 114 | 116 |
| **CHIEF ENGINEER/Engineering** | 557 | 557 | 557 |
| **CHIEF FINANCIAL OFFICER** | 4 | 4 | 4 |
| **Comptroller's** | 103 | 103 | 103 |
| **Management and Budget** | 37 | 37 | 40 |
| **Office of Financial Analysis** | 7 | 7 | 7 |
| **Priority Programs** | 6 | 6 | 8 |
| **Technology Services** | 105 | 105 | 105 |
| **Treasury** | 46 | 46 | 46 |
| **CHIEF OPERATING OFFICER** | 9 | 9 | 8 |
| **Aviation** | 963 | 963 | 958 |
| **Capital Security Projects** | 25 | 25 | 25 |
| **Port Commerce** | 174 | 174 | 172 |
| **Project Management Office** | 9 | 9 | 9 |
| **Rail / PATH** | 1,081 | 1,081 | 1,081 |
| **Tunnels, Bridges & Terminals** | 912 | 912 | 911 |
| **CHIEF, PUBLIC & GOVERNMENT AFFAIRS** | 2 | 2 | 2 |
| **Government and Community Affairs** | 11 | 11 | 12 |
| **Media Relations** | 10 | 10 | 9 |
| **Marketing** | 27 | 27 | 28 |
| **CHIEF, REAL ESTATE & DEVELOPMENT** | 2 | 2 | 2 |
| **Real Estate & WTC Redevelopment** | 80 | 80 | 80 |
| **EXECUTIVE OFFICES** | 9 | 9 | 9 |
| **GENERAL COUNSEL/LAW** | 132 | 132 | 132 |
| **INSPECTOR GENERAL** | 30 | 30 | 30 |
| **Audit** | 77 | 77 | 77 |
| **OFFICE OF THE SECRETARY** | 17 | 17 | 17 |
| **PUBLIC SAFETY** | 1,725 | 1,725 | 1,725 |
| **Office of Emergency Management** | 17 | 17 | 18 |
| **Position reductions pending Retirements and Efficiencies** | (200) | -- | -- |
| **TOTAL POSITIONS** | 6,777 | 6,977 | 6,977 |

# Activity Highlights

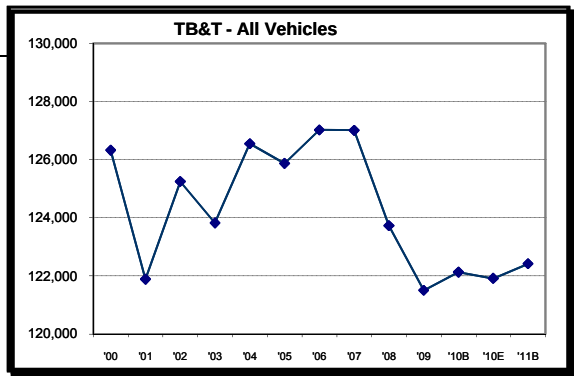
# ACTIVITY HIGHLIGHTS

## 2000 - 2009 ACTUAL, 2010 ESTIMATE AND 2010-2011 BUDGET

**(in thousands)**

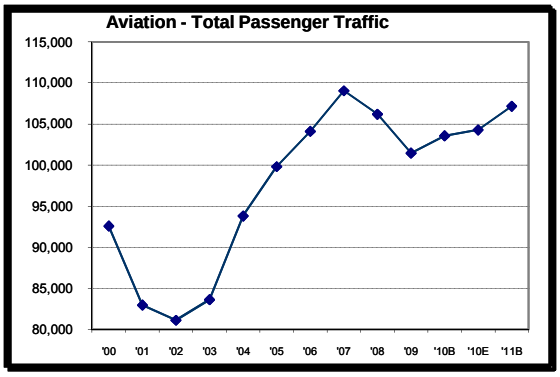
**Tunnels, Bridges & Terminals**
**(Eastbound Vehicular Movements)**

| | Autos | Buses | Trucks | Total |
|---|---|---|---|---|
| 2000 | 115,149 | 2,571 | 8,603 | 126,323 |
| 2001 | 110,753 | 2,842 | 8,287 | 121,882 |
| 2002 | 114,005 | 3,121 | 8,118 | 125,244 |
| 2003 | 112,869 | 3,041 | 7,910 | 123,820 |
| 2004 | 115,219 | 3,123 | 8,205 | 126,547 |
| 2005 | 114,481 | 3,137 | 8,249 | 125,867 |
| 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 Budget | 111,300 | 3,152 | 7,673 | 122,125 |
| 2010 Estimate | 111,124 | 3,121 | 7,666 | 121,911 |
| 2011 Budget | 111,362 | 3,217 | 7,837 | 122,416 |



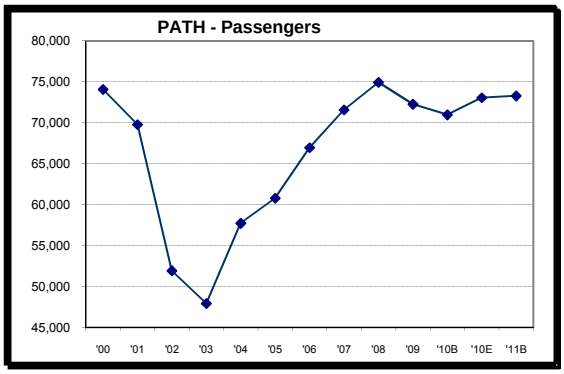

**Aviation - Passengers**

| | International | Domestic | Total |
|---|---|---|---|
| 2000 | 28,339 | 64,257 | 92,596 |
| 2001 | 24,750 | 58,225 | 82,975 |
| 2002 | 23,811 | 57,322 | 81,133 |
| 2003 | 24,014 | 59,630 | 83,644 |
| 2004 | 27,576 | 66,247 | 93,823 |
| 2005 | 29,621 | 70,211 | 99,832 |
| 2006 | 30,969 | 73,164 | 104,133 |
| 2007 | 33,523 | 75,546 | 109,069 |
| 2008 | 34,635 | 71,579 | 106,214 |
| 2009 | 33,561 | 67,920 | 101,481 |
| 2010 Budget | 34,313 | 69,275 | 103,588 |
| 2010 Estimate | 35,074 | 69,228 | 104,302 |
| 2011 Budget | 35,965 | 71,215 | 107,180 |



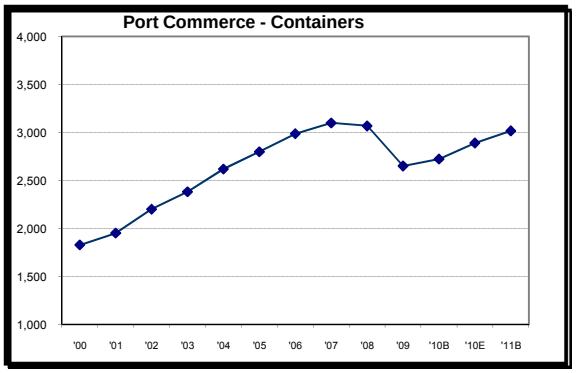

**PATH - Passengers**

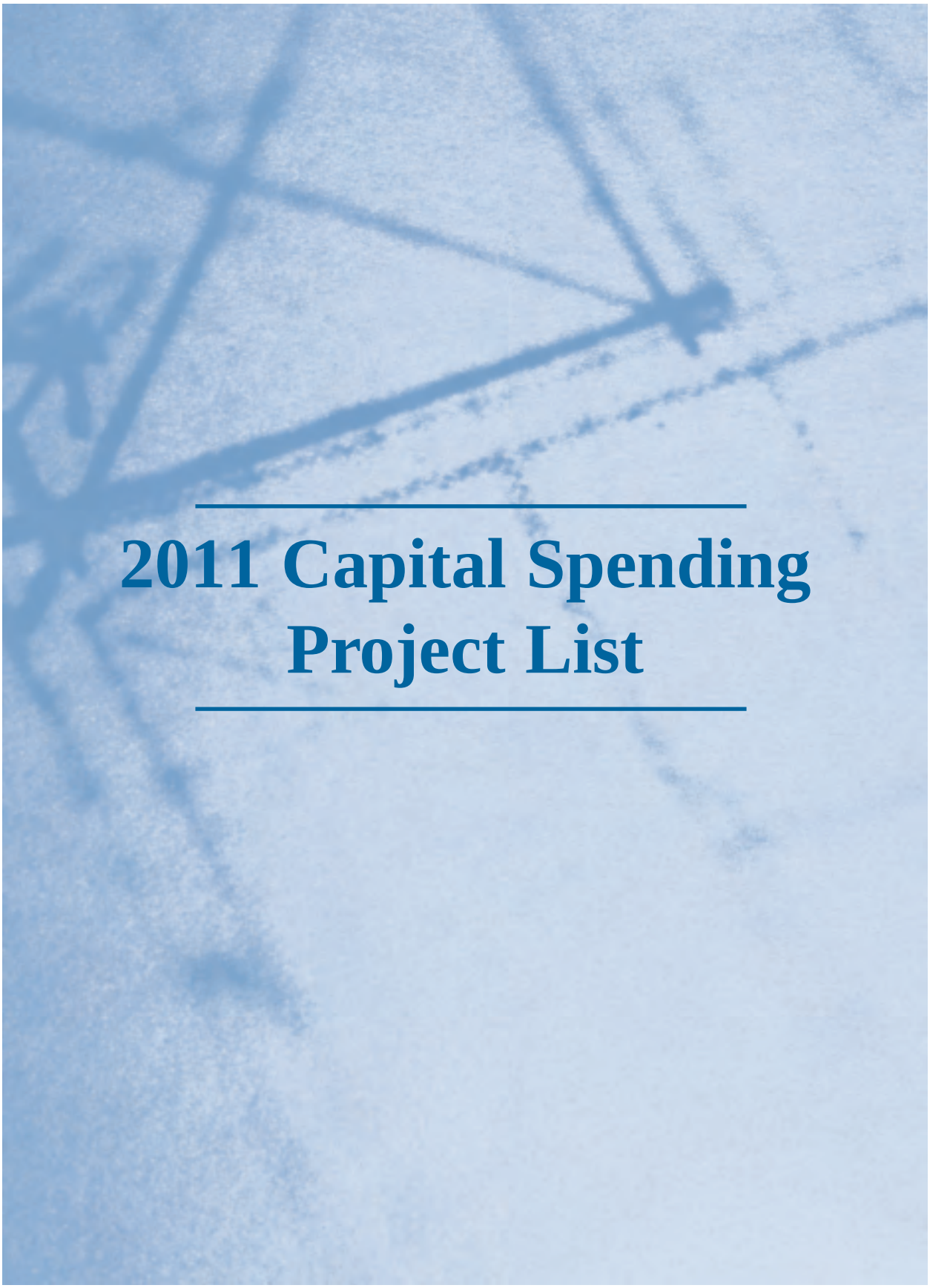
| | |
|---|---|
| 2000 | 74,087 |
| 2001 | 69,791 |
| 2002 | 51,920 |
| 2003 | 47,920 |
| 2004 | 57,725 |
| 2005 | 60,787 |
| 2006 | 66,966 |
| 2007 | 71,592 |
| 2008 | 74,954 |
| 2009 | 72,281 |
| 2010 Budget | 70,986 |
| 2010 Estimate | 73,072 |
| 2011 Budget | 73,298 |




**Port Commerce - Containers**

| | |
|---|---|
| 2000 | 1,829 |
| 2001 | 1,953 |
| 2002 | 2,201 |
| 2003 | 2,383 |
| 2004 | 2,620 |
| 2005 | 2,800 |
| 2006 | 2,988 |
| 2007 | 3,100 |
| 2008 | 3,069 |
| 2009 | 2,652 |
| 2010 Budget | 2,724 |
| 2010 Estimate | 2,891 |
| 2011 Budget | 3,017 |





# 2011 Capital Spending Project List

# PORT AUTHORITY 2011 CAPITAL SPENDING

## SUMMARY BY DEPARTMENTS

(In thousands)

| | | 2011 Budget |
|---|---|---|
| Aviation | | $ 432,259 |
| Development | | 32,326 |
| PATH | | 399,654 |
| Port Commerce | | 283,127 |
| Regional Capital Programs | | 20,159 |
| Tunnels, Bridges & Terminals | | 176,654 |
| World Trade Center | | 1,943,692 |
| Capital Infrastructure Fund | | 594,519 |
| | **Total** | **$ 3,882,390** |

| **Category Designations** | |
|---|---|
| Mandatory | (MAND) |
| Revenue Producing Projects | (RPP) |
| Security | (SEC) |
| State of Good Repair | (SGR) |
| System Enhancing Projects | (SEP) |
| Regional Projects | (SRP) |

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2011 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | AVIATION | | |
| | CA02-LaGUARDIA AIRPORT | | |
| | AERONAUTICAL | | |
| CA02-066 | RUNWAY DECK STRUCTURAL REHABILITATION | SGR | $ 19 |
| CA02-083 | AIRCRAFT RESCUE FF - BUILDING AND TECHNOLOGICAL SYSTEMS | SEP | 2,604 |
| CA02-118 | REPLACEMENT OF DECK EPOXY WEARING COURSE ON RUNWAY SURFACE PHASE III | SGR | 365 |
| CA02-127 | PRIORITY REPAIRS ITEMS - PHASE III - RUNWAY DECK REHAB | SGR | 3,087 |
| CA02-128 | TRANSFER CIRCUIT TO EXT. CONDUITS AND DECOMMISSION EMBED. PHASE III | SGR | 950 |
| CA02-129 | REHABILITATION OF THE EXPANSION JOINTS. PHASE III - RUNWAY DECK REHABILITATION | SGR | 1,110 |
| CA02-130 | REHABILITATION OF TAXIWAYS R, S, P AND G PAVEMENT | SGR | 713 |
| CA02-138 | RUNWAY 4-22 OVERLAY AND TAXIWAY REHABILITATION | SGR | 807 |
| CA02-341 | TAXIWAY PAVEMENT & LIGHTING REHABILITATION | SGR | 1,038 |
| CA02-342 | AIRFIELD LIGHTING UPGRADE | SGR | 761 |
| CA02-343 | REHABILITATION OF CTB CONCOURSE ALLEYWAY PAVEMENT | SGR | 3,633 |
| CA02-351 | INSTRUMENT LANDING SYSTEM PIERS | SGR | 460 |
| CA02-367 | REHABILITATION OF EROSION PAVEMENTS BETWEEN RUNWAY 13-31 AND TAXIWAY B | SGR | 1,004 |
| CA02-368 | REHABILITATION OF TAXIWAY F, D, Y AND RESTRICTED VEHICLE SERVICE ROAD | MAND | 2,051 |
| | | | 18,602 |
| | INFRASTRUCTURE | | |
| CA02-053 | SCHOOL SOUNDPROOFING - PHASE III | MAND | 9,492 |
| CA02-054 | WESTSIDE DOMESTIC WATER LATERAL UPGRADE | SGR | 642 |
| CA02-055 | REHABILITATION OF THE DIKE WALL ALONG\D BOWERY BAY & 13-31 | SGR | 412 |
| CA02-063 | REMOVAL OF LOW TO HIGH PRESSURE CROSSOVER CONNECTIONS | MAND | 396 |
| CA02-075 | REHABILITATION OF CTB AIR HANDLING UNITS | SGR | 382 |
| CA02-076 | UPGRADE HVAC IN CTB EAST | SGR | 68 |
| CA02-080 | REHABILITATION OF SANITARY EJECTOR PITS AT CTB | SGR | 329 |
| CA02-081 | CTB UPGRADE OF HOT WATER SYSTEM IN MECH. ELEC. ROOM NO. 3 | SGR | 329 |
| CA02-084 | REHABILITATION OF UTILITIES WEST OF 102 STREET | SGR | 751 |
| CA02-132 | STORM WATER DRAINAGE IMPROVEMENTS | SGR | 884 |
| CA02-144 | PUMP HOUSE #6, REPLACEMENT OF PUMPS AND APPURTANCES | SGR | 1,596 |
| CA02-189 | FIRE PUMP STATION UPGRADE | SGR | 27 |
| CA02-192 | CENTRAL ELECTRICAL SUBSTATION REPLACEMENT | SGR | 57 |
| CA02-193 | CTB CONCOURSES-CONCRETE PLANK REHAB | SGR | 637 |
| CA02-227 | REHABILITATION OF 22 ELECTRICAL TRANSFORMERS | SGR | 1,364 |
| CA02-328 | UPGRADE PUMPS IN PUMP HOUSE #4 | SGR | 685 |
| CA02-345 | PUMP HOUSE ELECTRICAL UPGRADES | SGR | 746 |
| CA02-369 | RUNWAY WEATHER INFORMATION SYSTEM | MAND | 775 |
| CA02-370 | GENERGY ADVANCED METERING INFRASTRUCTURE DEPLOYMENT | RPP | 1,020 |
| CA02-372 | CENTRAL HEATING & REFRIGERATION PLANT | SGR | 609 |
| CA02-377 | ACCESS IMPROVEMENT TO CTB MECHANICAL ELECTRIC ROOM #3 | SGR | 367 |
| CA02-381 | EMERGENCY GENERATOR REPLACEMENT | SGR | 1,476 |
| CA02-382 | HANGAR 3 SUBSTATION REHABILITATION | SGR | 499 |
| PA02-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 7,787 |
| | | | 31,331 |
| | LANDSIDE | | |
| CA02-347 | WEST END ROADWAY IMPROVEMENTS | SGR | 172 |
| CA02-348 | AIR TERMINAL HIGHWAY REHAB | SGR | 5,093 |
| CA02-360 | REHABILITATION OF EAST END LGA ROAD PAVEMENT | SGR | 276 |
| CA02-361 | REHABILITATION OF LGA ROAD PAVEMENT - PARKING LOT 3 TO EAST TAXI STACK | SGR | 1,052 |
| CA02-362 | REHABILITATION OF LGA ROAD FROM PARKING LOT 1 TO PARKING LOT 3 | SGR | 644 |
| CA02-378 | REPAVING OF BOWERY BAY BLVD AND FIORELLO LANE | SGR | 1,557 |
| CA02-380 | REHABILITATION OF PARKING LOT 1 | SGR | 1,503 |
| | | | 10,296 |
| | SECURITY | | |
| CA02-114 | INSTALLATION OF BOLLARDS AT TENANT TERMINALS | SEC | 920 |
| CA02-117 | UPGRADE OF GUARD POST ANTI-RAM VEHICLE | SEC | 920 |
| CA02-231 | PERIMETER INTRUSION DETECTION SYSTEM | SEC | 3,065 |
| CA02-246 | TERMINAL SECURITY ENHANCEMENTS | SEC | 526 |
| CA02-330 | INSTALLATION OF BIOMETRIC SYSTEM | SEC | 11 |
| CA02-331 | PERIMETER HARDENING | SEC | 308 |
| CA02-332 | INSTALLATION OF BOLLARDS | SEC | 6,449 |
| CA02-333 | INSTALLATION OF UNMANNED SECURITY GATES | SEC | 148 |
| | | | 12,347 |

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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | TERMINALS | | |
| CA02-004 | CTB - UPGRADE 19 HVAC CONCOURSE CORRIDORS UNITS | SGR | 1,848 |
| CA02-035 | CUSTOMER SERVICE INITIATIVES | SEP | 675 |
| CA02-243 | CTB MODERNIZATION FEASIBILITY | SEP | 73 |
| CA02-250 | CTB ROOF REPLACEMENT & STRUCTURAL REHAB. | SGR | 6,161 |
| CA02-251 | CTB ARRIVALS LEVEL ROOF REHABILITATION | SGR | 1,139 |
| CA02-339 | CTB MODERNIZATION - PLANNING | RPP | 12,839 |
| | | | 22,736 |
| CA02-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (8,102) |
| | CA02-LaGUARDIA AIRPORT | | 87,211 |
| | CA03-JFK AIRPORT | | |
| | AERONAUTICAL | | |
| CA03-019 | REHABILITATION OF CTA ROADWAY MILL & OVERLAY | SGR | 2,075 |
| CA03-029 | REHABILITATION OF TAXIWAY F-MILL & OVERLAY | SGR | 323 |
| CA03-032 | REHABILITATION OF TAXIWAYS FA & FB- MILL & OVERLAY | SGR | 503 |
| CA03-035 | REHABILITATION OF TAXIWAYS R,SC & SD-MILL & OVERLAY | SGR | 4,904 |
| CA03-088 | TAXIWAY J PAD | SEP | 2,468 |
| CA03-089 | TAXIWAY P PAD | SEP | 3,002 |
| CA03-168 | REHABILITATION OF RUNWAY 4L-22R | SGR | 4,853 |
| CA03-514 | REHABILITATION OF RUNWAY 13R-31L | SGR | 30,845 |
| CA03-565 | CONSTRUCT CENTRALIZED DE-ICING FACILITY | RPP | 994 |
| CA03-575 | REHABILITATION OF RESTRICTED VEHICLE SERVICE ROAD INTERIOR MILL & OVERLAY | SGR | 5,561 |
| CA03-576 | RESTRICTED VEHICLE SVS RD BRIDGES | SEP | 3,227 |
| | | | 58,754 |
| | INFRASTRUCTURE | | |
| CA03-001 | INSTALLATION OF BACKFLOW PREVENTERS AND METER UPGRADES – PHASE II | MAND | 3,249 |
| CA03-002 | INSTALLATION OF BACKFLOW PREVENTERS AND METER UPGRADES – PHASE III | MAND | 2,020 |
| CA03-016 | EMERGENCY FUEL SHUTOFF SYSTEM | MAND | 1,585 |
| CA03-017 | FUEL FARM TANK MOAT REHAB (PH 2 & 3) | MAND | 4,820 |
| CA03-043 | REHABILITATION OF BULK FUEL FARM COMMISSARY ROAD-MILL & OVERLAY | SGR | 212 |
| CA03-067 | REHABILITATION OF OUTFALLS 10 AND 13 | SGR | 1,514 |
| CA03-078 | SCHOOL SOUNDPROOFING - PHASE III | MAND | 4,091 |
| CA03-112 | CENTRAL SUBSTATION REHAB (A,B,C&D) | RPP | 5,974 |
| CA03-148 | GENERGY ADVANCED METERING INFRASTRUCTURE DEPLOYMENT | RPP | 2,008 |
| CA03-164 | RUNWAY WEATHER INFORMATION SYSTEM | MAND | 1,053 |
| CA03-541 | REPLACEMENT OF EMERGENCY TELEPHONE | SEP | 319 |
| CA03-548 | REPLACE 5KV SWITCHGEAR AT SATELITE FUEL FARM BLDG 241 & 269 | SGR | 1,108 |
| CA03-567 | HANGAR 15 ROOF REHAB | SGR | 2,901 |
| PA03-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 12,982 |
| | | | 43,835 |
| | SECURITY | | |
| CA03-141 | INSTALLATION OF BOLLARDS AT TENANT TERMINALS | SEC | 1,756 |
| CA03-145 | UPGRADE OF GUARD POST ANTI-RAM VEHICLE | SEC | 1,696 |
| CA03-389 | AIRPORT PERIMETER SECURITY | SEC | 2,185 |
| CA03-390 | AERO OPS AREA GUARD POST SECURITY ENHANCEMENTS | SEC | 4,515 |
| CA03-391 | INSTALL COMPUTERIZED ACCESS CONTROL SYSTEM | SEC | 7,614 |
| CA03-505 | INSTALLATION OF BIOMETRIC SYSTEM | SEC | 11 |
| CA03-506 | PERIMETER HARDENING | SEC | 127 |
| CA03-507 | INSTALLATION OF UNMANNED SECURITY GATES | SEC | 3,165 |
| | | | 21,069 |
| | TERMINALS | | |
| CA03-053 | CTA DEVELOPMENT | RPP | 7,066 |
| CA03-075 | TWA FLIGHT CENTER INTERIOR RENOVATION | RPP | 847 |
| CA03-591 | DELTA T3/T4 REDEVELOPMENT | RPP | 25,459 |
| CA03-592 | DELTA T4 REDEVELOPMENT | RPP | 896 |
| | | | 34,268 |
| CA03-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (13,423) |
| | CA03-JFK AIRPORT | | 144,504 |
| | CA32-KENNEDY AIRPORT REDEVELOPMENT | | |
| | TERMINALS | | |
| CA32-048 | NEW DOMESTIC TERMINAL | RPP | 4,685 |
| | | | 4,685 |
| CA32-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (398) |
| | CA32-KENNEDY AIRPORT REDEVELOPMENT | | 4,287 |

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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | CA39-JFK AIRTRAIN | | |
| | LANDSIDE | | |
| CA39-001 | JFK AIRTRAIN | SEP | 2,860 |
| | | | 2,860 |
| CA39-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (243) |
| | CA39-JFK AIRTRAIN | | 2,617 |
| | KENNEDY AIRPORT TOTAL | | 151,407 |
| | CA04-NEWARK AIRPORT | | |
| | AERONAUTICAL | | |
| CA04-309 | NAVIGATION AID IMPROVEMENTS | SEP | 7,039 |
| CA04-499 | REHABILITATION OF TAXIWAY A BETWEEN TAXIWAY RA & RC AND SECTIONS OF TAKIWAY K, M, Q, & PA | SGR | 90 |
| CA04-500 | REHABILITATION OF TAXIWAY W | SGR | 6,534 |
| CA04-507 | REHABILITATION OF TAXIWAY P (FROM N TO K) | SGR | 997 |
| CA04-508 | REHABILITATION OF TAXIWAY B (RA TO EDGE OF CONCRETE AT R), D (FROM N TO B) & PA (FROM RB TO B) | SGR | 798 |
| CA04-511 | MULTI-ENTRANCE TAXIWAYS FOR RUNWAY 22R | SEP | 998 |
| CA04-512 | RELOCATE BREWSTER ROAD & SITEWORK PREPARATION FOR EMAS | MAND | 763 |
| CA04-516 | RUNWAY 11 EMAS INSTALLATION FOR RUNWAY SERVICE AREA IMPROVEMENTS | MAND | 158 |
| | | | 17,377 |
| | INFRASTRUCTURE | | |
| CA04-038 | CH&RP - REPLACE CHILLERS | SGR | 248 |
| CA04-073 | TERM B FIRE ALARM SYSTEM UPGRADE | MAND | 173 |
| CA04-294 | FIRE ALARM UPGRADE | MAND | 2,479 |
| CA04-468 | COMPLETE 27KV LOOP - CTA | SEP | 1,499 |
| CA04-472 | INSTALL FIBER OPTIC INFRASTRUCTURE | SEP | 780 |
| CA04-495 | TERMINAL B FIS SUBSTATION EMERGENCY GENERATOR CAPACITY UPGRADE | SGR | 4,313 |
| CA04-496 | SALT AND SAND STORAGE BUILDING 81 | SGR | 141 |
| CA04-498 | HTHW GENERATOR REPLACEMENT (4 GENERATORS) | SGR | 2,791 |
| CA04-505 | RUNWAY WEATHER INFORMATION SYSTEM | MAND | 849 |
| CA04-506 | AIRTRAIN MID-LIFE OVERHAUL OF CONTROL & COMM. - NEC EXTENSION - SA#4 | MAND | 4,222 |
| CA04-510 | REPLACEMENT OF HTHW EXPANSION JOINTS IN PIPE GALLERY FROM CHRP TO TERMINAL A | SGR | 2,736 |
| PA04-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 6,583 |
| | | | 26,813 |
| | LANDSIDE | | |
| CA04-287 | IMPROVEMENTS TO BREWSTER & N. A/P EXIT | SGR | 15,970 |
| CA04-306 | REFURBISH CTA TOLL PLAZA | SGR | 537 |
| CA04-513 | AIRTRAIN BASE GUIDEWAY MID-LIFE OVERHAUL | SGR | 13,520 |
| CA04-514 | AIRTRAIN BASE VEHICLE SUBSYSTEM LIFECYCLE OVERHAUL | SGR | 3,988 |
| | | | 34,014 |
| | SECURITY | | |
| CA04-316 | PERIMETER SECURITY SYSTEM | SEC | 5,303 |
| CA04-318 | ELECTRICAL SUBSTATION SECURITY ENHANCEMENT | SEC | 92 |
| CA04-319 | TERMINAL SECURITY ENHANCEMENTS | SEC | 259 |
| CA04-397 | INSTALLATION OF BIOMETRIC SYSTEM | SEC | 11 |
| CA04-399 | PHYSICAL ENHANCEMENT OF AOA PERIMETER | SEC | 150 |
| CA04-400 | INSTALLATION OF UNMANNED SECURITY GATES | SEC | 117 |
| CA04-482 | INSTALLATION OF BOLLARDS AT TENANT TERMINALS | SEC | 1,788 |
| CA04-483 | UPGRADE OF GUARD POST ANTI-RAM VEHICLE BARRIER CONTROL PANELS | SEC | 1,428 |
| | | | 9,148 |
| | TERMINALS | | |
| CA04-061 | TERMINAL B- B2 CONNECTOR, 2ND ELEVATOR | SEP | 489 |
| CA04-079 | TERM B REPLACEMENT OF AC12, AC13 AND HOT WATER HEATING SYSTEM PUMPS | MAND | 758 |
| CA04-222 | TERMINAL A VERTICAL CIRCULATION | SEP | 4,749 |
| CA04-419 | BUILDING MANGEMENT SYS - TERMINALS A, B & C | SGR | 405 |
| CA04-473 | TERMINAL B REHAB ELECT. & MECH. SYSTEMS PHASE II | SGR | 7,034 |
| CA04-509 | REHABILITATION OF TERMINAL B ARRIVALS AND DEPARTURES LEVEL ROADWAYS | SGR | 824 |
| | | | 14,259 |
| CA04-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (8,637) |
| | CA04-NEWARK AIRPORT | | 92,975 |

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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | CA44-NEWARK LIBERTY REDEVELOPMENT | | |
| | TERMINALS | | |
| CA44-017 | LOWER LEVEL EXPANSION & B1 VERTICAL CIRC. | RPP | 4,376 |
| CA44-018 | UPPER LEVEL INTERNATIONAL DEPARTURES | RPP | 27,304 |
| CA44-025 | CONNECTOR EXPANSION | RPP | 2,845 |
| CA44-026 | MID-LEVEL INTERNATIONAL MEETER/GREETER | RPP | 2,881 |
| CA44-030 | OVERALL SITE AND INFRASTRUCTURE PLANNING - TERMINAL A REDEVELOPMENT PROGRAM | RPP | 3,025 |
| CA44-031 | AIRSIDE PLANNING - TERMINAL A REDEVELOPMENT PROGRAM - PHASE II PLANNING | RPP | 1,796 |
| CA44-032 | TERMINAL PLANNING - TERMINAL A REDEVELOPMENT PROGRAM - PHASE II PLANNING | RPP | 1,178 |
| CA44-033 | LANDSIDE PLANNING - TERMINAL A REDEVELOPMENT PROGRAM - PHASE II PLANNING | RPP | 2,966 |
| | | | 46,370 |
| CA44-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (3,941) |
| | CA44-NEWARK LIBERTY REDEVELOPMENT | | 42,428 |
| | NEWARK LIBERTY AIRPORT TOTAL | | 135,403 |
| | CA05-TETERBORO AIRPORT | | |
| | AERONAUTICAL | | |
| CA05-084 | IMPROVE RUNWAY 6-24 RUNWAY SERVICE AREA | MAND | 9,988 |
| CA05-085 | REHABILITATION OF RUNWAY 1-19 | SGR | 17,715 |
| CA05-107 | RUNWAY 1-19 SAFETY ENHANCEMENTS (EMAS) | MAND | 4,864 |
| CA05-108 | REDNECK AVENUE RELOCATION | MAND | 7,258 |
| CA05-112 | RUNWAY 1 RUNWAY SERVICE AREA -1000 FT OVERRUN | MAND | 229 |
| CA05-116 | INSTALLATION OF AIRFIELD LIGHTING CONTROL SYSTEM & ASSOCIATED EQUIPMENT | SEP | 1,179 |
| | | | 41,234 |
| | INFRASTRUCTURE | | |
| CA05-081 | CONSTRUCTION OF SNOW EQUIPMENT BUILDING | SEP | 1,550 |
| CA05-113 | RUNWAY WEATHER INFORMATION SYSTEM | MAND | 553 |
| | | | 2,102 |
| | SECURITY | | |
| CA05-049 | AIRPORT PERIMETER SECURITY ENHANCEMENT | SEC | 4,288 |
| | | | 4,288 |
| CA05-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (4,048) |
| | CA05-TETERBORO AIRPORT | | 43,576 |
| | CA06-STEWART AIRPORT | | |
| | AERONAUTICAL | | |
| CA06-004 | REPLACE AIRPORT WEATHER INSTRUMENTATION POWER CIRCUIT | SGR | 2,251 |
| CA06-010 | REHABILITATE TAXIWAY LIGHTING | SGR | 4,623 |
| CA06-043 | RUNWAY INCURSION MITIGATION | MAND | 2,229 |
| CA06-051 | TAXIWAY C OBJECT FREE AREA IMPROVEMENT | SEP | 2,245 |
| | | | 11,348 |
| | INFRASTRUCTURE | | |
| CA06-049 | RUNWAY WEATHER INFORMATION SYSTEM | MAND | 709 |
| PA06-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 657 |
| | | | 1,366 |
| | LANDSIDE | | |
| CA06-039 | REHABILITATION OF BRUENIG ROAD AND 1ST, 2ND AND Y STREETS | SGR | 192 |
| | | | 192 |
| | SECURITY | | |
| CA06-050 | LAW ENFORCEMENT UPGRADES | SEP | 1,450 |
| | | | 1,450 |
| | TERMINALS | | |
| CA06-007 | TERMINAL IMPROVEMENTS | RPP | 1,670 |
| | | | 1,670 |
| CA06-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (1,362) |
| | CA06-STEWART AIRPORT | | 14,662 |
| | AVIATION TOTAL | | 432,259 |

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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | DEVELOPMENT | | |
| | CH02-FERRY TRANSPORTATION | | |
| | INFRASTRUCTURE | | |
| CH02-006 | HOBOKEN PERMANENT FERRY TERMINAL | SEP | 9,613 |
| | | | 9,613 |
| CH02-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (817) |
| | CH02-FERRY TRANSPORTATION | | 8,796 |
| | CW03-TELEPORT | | |
| | INFRASTRUCTURE | | |
| CW03-020 | ELECTRICAL SYSTEM UPGRADE | SGR | 356 |
| PW03-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 360 |
| | | | 716 |
| CW03-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (61) |
| | CW03-TELEPORT | | 655 |
| | CF99-REGIONAL TRANSPORTATION INITIATIVE | | |
| | REGIONAL | | |
| CF99-227 | NY REGIONAL TRANSPORTATION PROGRAMS | SRP | 25,000 |
| | | | 25,000 |
| CF99-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (2,125) |
| | CF99-REGIONAL TRANSPORTATION INITIATIVE | | 22,876 |
| | DEVELOPMENT TOTAL | | 32,326 |
| | PATH | | |
| | CR02-PATH | | |
| | CARS | | |
| CR02-345 | PURCHASE 340 NEW PA5 CARS | SGR | 137,691 |
| CR02-406 | MASTER PLAN FOR NEW RAILCARS | SGR | 19,767 |
| | | | 157,458 |
| | INFRASTRUCTURE | | |
| CR02-259 | INSTALLATION OF CONTINUOUS WELDED RAIL SYSTEM | SGR | 2,048 |
| CR02-290 | PATH EXPANSION STUDY | SEP | 1,000 |
| CR02-328 | TUNNEL DRAINAGE SYSTEM - PHASE II | SGR | 3,829 |
| CR02-336 | CHRISTOPHER ST SUBSTATION REPLACEMENT AND UPGRADE | SGR | 3,275 |
| CR02-462 | SUBSTATION UPGRADE # 7 - JERSEY CITY | SGR | 5,146 |
| PR02-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 25,306 |
| | | | 40,604 |
| | SECURITY | | |
| CR02-394 | 800 MHZ RADIO PROGRAM - POLICE | SEC | 118 |
| | | | 118 |
| | SIGNALS/COMMUNICATIONS | | |
| CR02-150 | SIGNAL REPLACEMENT PROGRAM | SGR | 108,824 |
| CR02-352 | RADIO BASE STATION/SIMULCAST RADIO SYS | SGR | 512 |
| | | | 109,336 |
| | STATIONS | | |
| CR02-253 | COMPREHENSIVE SIGNING STATIC | SEP | 2,238 |
| CR02-312 | CONSTRUCT PATH 9TH ST ENTRANCE | SEP | 464 |
| CR02-440 | PATHVISION & PUBLIC ADDRESS SYSTEM REPLACEMENT | SGR | 1,878 |
| CR02-447 | HOBOKEN CORRIDOR MODERNIZATION IMPROVEMENTS | SGR | 1,849 |
| CR02-451 | PAVONIA/NEWPORT WATERPROOFING | SGR | 2,149 |
| CR02-496 | HARRISON PROPERTY ACQUISITION AND REMEDIATION | SEP | 1,609 |
| CR02-497 | PROPERTY ACQUISITION SUBSTATION 9 - HARRISON | SEP | 874 |
| CR02-499 | HARRISON INTERMODAL | SEP | 1,696 |
| | | | 12,757 |
| | TRACKS | | |
| CR02-212 | TIE REPLACEMENT IN OUTSIDE AREAS | SGR | 3,077 |
| CR02-258 | REPLACEMENT OF TURNOUTS-PHASE III | SGR | 3,529 |
| CR02-261 | REPLACEMENT OF 3RD RAIL | SGR | 1,246 |
| CR02-358 | U69 GUARD RAIL | SGR | 935 |
| | | | 8,787 |

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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| CR02-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (27,970) |
| | CR02-PATH | | 301,090 |
| | CR08-PATH SAFETY | | |
| | INFRASTRUCTURE | | |
| CR08-022 | VENT SYSTEM - FAN BLADE REPLACEMENT | SGR | 1,021 |
| | | | 1,021 |
| | SECURITY | | |
| CR08-051 | SECURITY & CONTROL CENTER BUILDING | SEC | 19,050 |
| CR08-061 | INSTALL DIGITAL VIDEO RECORDING SYSTEM | SEC | 912 |
| CR08-066 | EXCHANGE PLACE LAND SIDE SECURITY | SEC | 1,867 |
| CR08-068 | JSTC HARDENING & PHYSICAL PROTECTION | SEC | 1,103 |
| CR08-078 | FLOOD GATES / FLOOD MITIGATION | SEC | 17,256 |
| CR08-079 | TUNNEL EXTERIOR MITIGATION | SEC | 52,066 |
| CR08-087 | UPGRADE BADGING | SEC | 447 |
| CR08-088 | INTEGRATED SECURITY SYSTEMS AND GRAPHIC USER INTERFACE | SEC | 546 |
| CR08-092 | INSTALLATION OF 800MHz FREQUENCY CONVERTERS | SEC | 2,823 |
| | | | 96,069 |
| CR08-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (8,253) |
| | CR08-PATH SAFETY | | 88,838 |
| | CR21-JOURNAL SQUARE | | |
| | INFRASTRUCTURE | | |
| CR21-032 | JSTC - BUS TERMINAL ESCALATOR REPLACEMENT | SGR | 3,545 |
| PR21-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 1,837 |
| | | | 5,382 |
| | SECURITY | | |
| CR21-068 | UPGRADE PATH PAPD COMMAND AT JSTC | SEC | 4,090 |
| | | | 4,090 |
| | STATIONS | | |
| CR21-054 | REPLACE SIX AIR HANDLERS AT JSTC | SGR | 1,157 |
| | | | 1,157 |
| CR21-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (904) |
| | CR21-JOURNAL SQUARE | | 9,726 |
| | PATH TOTAL | | 399,654 |
| | PORT COMMERCE | | |
| | CP05-PORT NEWARK | | |
| | DREDGING | | |
| CP05-120 | CONSOLIDATED PROJECT TO 50 FT - NY/NJ HARBOR DEEPENING | MAND | 12,100 |
| | | | 12,100 |
| | INFRASTRUCTURE | | |
| CP05-134 | BERTH 8 & PART BERTH 10 RECONSTRUCTION | SGR | 77 |
| CP05-169 | BERTHS 36 & 63 WHARF RECONSTRUCTION | SGR | 166 |
| CP05-172 | BERTH 6 WHARF RECONSTRUCTION | SGR | 13,009 |
| CP05-191 | BACKFLOW PREVENTERS | MAND | 1,609 |
| CP05-192 | WAREHOUSE REHABILITATION OR DEMOLITION AT NJMT | RPP | 489 |
| CP05-193 | UPGRADE WATER LINES AT NJMT | SGR | 711 |
| CP05-206 | FAPS BUILDING DEMOLITION 301 & 305 | RPP | 660 |
| CP05-220 | BERTHS 30 AND 32 FENDER SYSTEM UPGRADE | SGR | 991 |
| PP05-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 3,765 |
| | | | 21,478 |
| | INTERMODAL | | |
| CP05-129 | EXPRESSRAIL/CORBIN INTERMOD R-SUPPORT 1B | RPP | 35 |
| CP05-148 | EXPRESSRAIL/CORBIN INTERMOD R-SUPPORT IIA | RPP | 8,047 |
| CP05-195 | CORBIN STREET FLYOVER | RPP | 12,423 |
| | | | 20,505 |

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2011 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | ROADWAYS | | |
| CP05-152 | EXPORT CALCUTTA ROADWAY IMPROVEMENTS | SEP | 400 |
| CP05-154 | CORBIN & TYLER STREETS INTERSECTION IMPROVEMENTS | SEP | 953 |
| CP05-156 | PORT STREET AND PORT STREET CONNECTOR | SEP | 8,007 |
| CP05-187 | PORT STREET CAPACITY IMPROVEMENT | SEP | 1,415 |
| | | | 10,775 |
| | SECURITY | | |
| CP05-122 | CCTV MONITOR SYSTEM & OPERATIONS CENTER | SEC | 654 |
| CP05-124 | PORT SECURITY PROGRAM - BADGE, ID SYSTEM | SEC | 3,720 |
| CP05-210 | PORT SECURITY PROGRAM - NJMT ACCESS CONTROL HEAD-END EQUIPMENT (TWIC PILOT) | SEC | 670 |
| CP05-211 | PORT SECURITY PROGRAM - NJMT ACCESS CONTROL EQUIPMENT FOR TENANT AREAS | SEC | 2,963 |
| | | | 8,007 |
| CP05-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (6,194) |
| | CP05-PORT NEWARK | | 66,672 |
| | CP08-PORT AUTHORITY MARINE TERMINAL AT ELIZABETH | | |
| | DREDGING | | |
| CP08-111 | UTILITIES RELOCATION KVK/NB 50' CHANNEL | MAND | 20,000 |
| CP08-112 | CONSOLIDATED PROJECT TO 50 FEET - NY/NJ HARBOR DEEPENING | MAND | 12,100 |
| | | | 32,100 |
| | INFRASTRUCTURE | | |
| PP08-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 531 |
| | | | 531 |
| | ROADWAYS | | |
| CP08-086 | NORTH AVE./MCLESTER ST. CURVE REALIGNMENT | SEP | 4,440 |
| CP08-096 | MCLESTER ST. ROADWAY WIDENING | SEP | 6,525 |
| CP08-127 | NORTH AVE ROADWAY CORRIDOR IMPROVEMENTS | SEP | 1,000 |
| CP08-139 | UTILITY RELOCATION NORTH AVE./MCLESTER ST. WIDENING | SEP | 2,352 |
| | | | 14,317 |
| CP08-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (3,991) |
| | CP08-PORT AUTHORITY MARINE TERMINAL AT ELIZABETH | | 42,958 |
| | CP09-BROOKLYN PIERS | | |
| | INFRASTRUCTURE | | |
| CP09-035 | BROOKLYN PIERS INFRASTRUCTURE IMPROVEMENTS | SGR | 1,385 |
| CP09-106 | REPLACE BULKHEAD BETWEEN PIERS 7 AND 8 | SGR | 81 |
| CP09-108 | CRUISE TERMINAL SHORE POWER | SEP | 6,913 |
| PP09-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 2,949 |
| | | | 11,328 |
| | SECURITY | | |
| CP09-085 | PORT SECURITY PROGRAM NYAMT-BADGE, ID SYSTEM | SEC | 2,500 |
| CP09-110 | NYMT ACCESS CONTROL HEAD-END EQUIPMENT (TWIC PILOT) | SEC | 76 |
| CP09-111 | NYMT ACCESS CONTROL EQUIPMENT FOR TENANT AREAS | SEC | 741 |
| | | | 3,317 |
| CP09-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (1,245) |
| | CP09-BROOKLYN PIERS | | 13,400 |
| | CP11-HOWLAND HOOK | | |
| | DEVELOPMENT | | |
| CP11-056 | PORT IVORY EXPANSION-PARCEL C DEVELOPMENT | SEP | 333 |
| | | | 333 |
| | DREDGING | | |
| CP11-039 | CONSOLIDATED PROJECT TO 50 FEET - NY/NJ HARBOR DEEPENING | MAND | 5,800 |
| CP11-044 | UTILITY RELOCATION - ARTHUR KILL 50' CHANNEL | MAND | 20,000 |
| | | | 25,800 |
| | INFRASTRUCTURE | | |
| CP11-031 | HOWLAND HOOK - PORT IVORY EXPANSION | SGR | 71 |
| CP11-071 | HOWLAND HOOK PAVING AND UTITLITY PHASE 2A | MAND | 64 |
| CP11-075 | HOWLAND HOOK PAVING AND UTILITY PHASE III | MAND | 6,044 |
| PP11-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 4,524 |
| | | | 10,703 |

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2011 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| CP11-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (3,131) |
| | CP11-HOWLAND HOOK | | 33,704 |
| | CP16-PORT JERSEY-PORT AUTHORITY MARINE TERMINAL | | |
| | DEVELOPMENT | | |
| CP16-012 | MOTBY PROPERTY ACQUISITION | RPP | 35,000 |
| CP16-027 | GLOBAL TERMINAL DEVELOPMENT | RPP | 21,100 |
| CP16-033 | ACQUISITION OF STRATEGIC PROPERTIES | RPP | 25,000 |
| | | | 81,100 |
| | INTERMODAL | | |
| CP16-035 | EXPRESSRAIL INTERMODAL FACILITY AT GREENVILLE YARDS | RPP | 3,561 |
| | | | 3,561 |
| | ROADWAYS | | |
| CP16-038 | ACCESS IMPROVEMENT PORT JERSEY | SEP | 500 |
| | | | 500 |
| | SECURITY | | |
| CP16-024 | INSTALLATION OF CCTV SECURITY SYSTEM | SEC | 985 |
| CP16-031 | INSTALL CCTV AT NJMT - PHASE IV (AMT) | SEC | 514 |
| | | | 1,499 |
| CP16-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (7,366) |
| | CP16-PORT JERSEY-PORT AUTHORITY MARINE TERMINAL | | 79,294 |
| | CP17-NY/NJ RAIL LLC | | |
| | INFRASTRUCTURE | | |
| CP17-012 | FENDER REHABILITATION AT GREENVILLE YARD | RPP | 699 |
| CP17-013 | EXISTING YARD TRACK REPAIRS AT GREENVILLE YARD | RPP | 721 |
| CP17-014 | TRANSFER BRIDGE #11 (STRUCTURAL/MECHANICAL) REPAIRS AT GREENVILLE YARD | RPP | 901 |
| CP17-015 | REHABILITATE BARGE #29 AT GREENVILLE YARD | RPP | 1,498 |
| CP17-016 | INSTALLATION OF SUPPORT TRACKS FOR FLOAT BRIDGE # 9 - NJ | RPP | 475 |
| CP17-017 | REPLACEMENT OF FLOAT BRIDGE # 9 - NJ | RPP | 273 |
| CP17-018 | RECONFIGURE OFFSITE TRACKS - NJ | RPP | 162 |
| CP17-019 | NEW BARGE AT GREENVILLE YARD | RPP | 998 |
| CP17-020 | BRIDGE REPAIRS AT 65TH STREET YARD BROOKLYN | RPP | 410 |
| CP17-021 | EXISTING TRACK REPAIRS – 65TH STREET TERMINAL NJ | RPP | 74 |
| | | | 6,210 |
| | INTERMODAL | | |
| CP17-003 | CROSS HARBOR PERMITTING, PLANNING, DESIGN (MASTER PLAN) | RPP | 369 |
| CP17-005 | CROSS HARBOR RAIL FREIGHT | RPP | 44,332 |
| CP17-007 | LIFTBRIDGE EMERGENCY REHABILITATION- NJ | RPP | 365 |
| | | | 45,066 |
| CP17-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (4,358) |
| | CP17-NY/NJ RAIL LLC | | 46,918 |
| | CP91-RED HOOK TERMINAL | | |
| | INFRASTRUCTURE | | |
| PP91-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 198 |
| | | | 198 |
| CP91-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (17) |
| | CP91-RED HOOK TERMINAL | | 181 |
| | PORT COMMERCE TOTAL | | 283,127 |

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2011 CAPITAL SPENDING
SORTED BY DEPARTMENT, FACILITY AND PROGRAM
(In thousands)

| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | REGIONAL CAPITAL PROGRAMS | | |
| CF81-002 | NY ECONOMIC DEVELOPMENT PROGRAM | SRP | 2,500 |
| CF84-008 | HUDSON-RARITAN ESTUARY PROGRAM - NJ | SRP | 2,000 |
| CF85-007 | HUDSON-RARITAN ESTUARY PROGRAM - NY | SRP | 3,718 |
| CF99-001 | REGIONAL TRANSPORTATION AND ECONOMIC DEVELOPMENT PROJECTS - NY | SRP | 8,853 |
| CF99-003 | REGIONAL DEVELOPMENT FACILITY | SRP | 739 |
| CF99-017 | ENVIRONMENT LAND ACQUISITION PROGRAM - NY | SRP | 1,000 |
| CF99-022 | NJ PROJECT DEVELOPMENT FUNDS | SRP | 3,222 |
| CF99-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (1,873) |
| | REGIONAL CAPITAL PROGRAMS TOTAL | | 20,159 |
| | TUNNELS, BRIDGES & TERMINALS | | |
| | CB02-HOLLAND TUNNEL | | |
| | INFRASTRUCTURE | | |
| CB02-040 | REHABILATION OF TUNNEL VENT SYSTEM MECHANICAL/ELECTRICAL | SGR | 14,513 |
| CB02-156 | SUPERVISORY CONTROL SYSTEM REPLACEMENT | SGR | 558 |
| CB02-162 | REPLACE FLOOR DRAINS/PIPING OF 4 VENT BUILDINGS | SGR | 1,272 |
| CB02-166 | REPLACE HVAC SYS. AT NJ ADMIN BUILDING & SERVICE GARAGE | SGR | 3,276 |
| CB02-172 | REHABILITATION OF CATWALK CAR RAIL | SGR | 1,379 |
| PB02-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 1,943 |
| | | | 22,941 |
| | SECURITY | | |
| CB02-153 | INSTALLATION OF CROSS PASSAGE DOORS | SEC | 3,107 |
| CB02-184 | ACCESS CONTROL SYSTEM ENHANCEMENT | SEC | 594 |
| | | | 3,701 |
| CB02-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (2,265) |
| | CB02-HOLLAND TUNNEL | | 24,378 |
| | CB03-LINCOLN TUNNEL | | |
| | BRIDGE | | |
| CB03-149 | REHABILITATION OF GALVIN PLAZA & DYER AVE. BRIDGES | SGR | 4,845 |
| CB03-211 | STRUCTURAL REHAB AND REPAVING OF HELIX | SGR | 1,965 |
| CB03-213 | RECONSTRUCTION OF HELIX - PLANNING | SGR | 2,677 |
| | | | 9,487 |
| | INFRASTRUCTURE | | |
| CB03-093 | REPAINTING TUNNEL VENTILATION FANS | SGR | 1,783 |
| CB03-131 | REHABILITATION OF NJ VENT BUILDING EXIT | SGR | 2,926 |
| CB03-167 | EXPLOSION PROOF EQUIPMENT | SGR | 631 |
| CB03-228 | REPLACE CRITICAL HVAC SYSTEM AT NJ ADMIN BUILDING | SGR | 1,327 |
| CB03-230 | NORTH AND SOUTH TUBE - UNDERSIDE OF ROADWAY REHABILITATION | SGR | 786 |
| CB03-231 | REPLACE VENTILATION LOUVERS IN NY VENT. BUILDINGS | SGR | 384 |
| CB03-233 | INSTALLATION OF BACKFLOW PREVENTERS | MAND | 1,239 |
| CB03-245 | RESURFACE EXPRESSWAY BETWEEN 31ST & 33RD STS. | SGR | 592 |
| CB03-253 | UPGRADE LIFE SAFETY MONITORING SYSTEM | SGR | 350 |
| PB03-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 955 |
| | | | 10,972 |
| | ROADWAYS | | |
| CB03-214 | BUS RAMP SLAB REPLACEMENT | SGR | 14,367 |
| | | | 14,367 |
| | SECURITY | | |
| CB03-208 | INSTALLATION OF CROSS PASSAGE DOORS | SEC | 5,216 |
| CB03-235 | UPGRADE CCTV SURVEILLANCE EQUIPMENT | SEC | 1,637 |
| CB03-252 | ACCESS CONTROL SYSTEM ENHANCEMENT | SEC | 543 |
| | | | 7,396 |
| CB03-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (3,589) |
| | CB03-LINCOLN TUNNEL | | 38,633 |

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2011 CAPITAL SPENDING
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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | CB04-GEORGE WASHINGTON BRIDGE | | |
| | BRIDGE | | |
| CB04-132 | RECOATING UNDERSIDE OF LOWER LEVEL | SGR | 1,394 |
| CB04-165 | LEAD REMOVAL/RECOATING NY/NJ ANCHORAGE | SGR | 571 |
| CB04-207 | SUSPENDER ROPE REPLACEMENT | SGR | 1,944 |
| CB04-221 | RECOAT RAMP LX1,LX2 & LL I-95 RAMPS 3&4 | SGR | 802 |
| CB04-261 | REHABILITATION OF NJ ANCHORAGE AND HUDSON TERRACE OVERPASS | SGR | 788 |
| CB04-270 | REHABILITATION OF UL ROADWAY ORTHOTROPIC DECK & SUPP STEEL | SGR | 14,001 |
| CB04-272 | REHABILITATION OF NY/NJ ANCHORAGE MAIN CABLE STRANDS | SGR | 759 |
| CB04-285 | REHABILITATION OF PIP HELIX | SGR | 704 |
| CB04-286 | NY HUDSON RAMP 1 & 2 - STRUCTURAL STEEL REHAB AND LEAD ABATEMENT | SGR | 484 |
| CB04-287 | PRIORITY STEEL AND CONCRETE REHABILITATION | SGR | 2,109 |
| CB04-290 | REHABILITATION OF UPPER LEVEL SIDEWALK | SGR | 617 |
| CB04-296 | LLWB-MAIN SPAN & TME LLEB/WB ROADWAYS - PAVEMENT REPLACEMENT | SGR | 3,799 |
| CB04-313 | REHABILITATION OF TME OVERPASSES | SGR | 2,154 |
| CB04-317 | REHABILITATION OF CENTER AVE BRIDGE AND LEMOINE AVE BRIDGE | SGR | 518 |
| | | | 30,641 |
| | INFRASTRUCTURE | | |
| CB04-219 | REHABILITATION OF NJ ADMINISTRATION BUILDING HVAC SYSTEM | SGR | 793 |
| CB04-228 | REPLACE FIRE HYDRANT SYS LL BRIDGE SPAN | SGR | 560 |
| CB04-241 | NJ/NY HIGH TENSION ELECT SWITCHGEAR REHAB | SGR | 574 |
| CB04-262 | IMPACT ATTENUATOR GUIDERAILS & BARRIER REPLACEMENT- FACILITY WIDE | SGR | 657 |
| CB04-288 | PRIORITY CRASH LOCATIONS TRAFFIC SAFETY IMPROVEMENT | SGR | 355 |
| PB04-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 2,377 |
| | | | 5,315 |
| | ROADWAYS | | |
| CB04-133 | RECOAT BUS TURNAROUND, RAMPS,& PLAZA | SGR | 1,095 |
| CB04-258 | FORT LEE STREET IMPROVEMENTS | SGR | 2,837 |
| CB04-260 | ALL ELECTRONIC TOLLING (MULTI-FACILITY) | SEP | 9,325 |
| CB04-276 | REHABILITATION OF 178TH/179TH STREET RAMP DECKS | SGR | 816 |
| CB04-297 | ULWB MAIN SPAN, ULWB DEPARTURE & RAMPS-PAVEMENT REPLACEMENT | SGR | 388 |
| CB04-298 | ULEB APPROACH & PIP HELIX-PAVEMENT REPLACEMENT | SGR | 2,157 |
| | | | 16,618 |
| | SECURITY | | |
| CB04-293 | UPPER LEVEL DRAINAGE | SEC | 591 |
| CB04-318 | GWB ACCESS CONTROL SYSTEM ENHANCEMENT | SEC | 792 |
| | | | 1,383 |
| CB04-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (4,586) |
| | CB04-GEORGE WASHINGTON BRIDGE | | 49,371 |
| | CB06-BAYONNE BRIDGE | | |
| | BRIDGE | | |
| CB06-038 | RECOATING UNDERSIDE NY & NJ VIADUCTS | SGR | 871 |
| CB06-081 | PRIORITY STEEL REHABILITATION | SGR | 44 |
| CB06-087 | BAYONNE BRIDGE MODERNIZATION - PLANNING | SEP | 4,217 |
| CB06-101 | BAYONNE BRIDGE FINGER JOINTS | SGR | 573 |
| | | | 5,704 |
| | INFRASTRUCTURE | | |
| CB06-073 | FIRE STANDPIPE REHABILITATION | SGR | 660 |
| PB06-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 1,140 |
| | | | 1,800 |
| | SECURITY | | |
| CB06-100 | CCTV CAMERA SYSTEM REPLACEMENT | SEC | 158 |
| | | | 158 |
| CB06-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (651) |
| | CB06-BAYONNE BRIDGE | | 7,011 |
| | CB07-GOETHALS BRIDGE | | |
| | BRIDGE | | |
| CB07-103 | GOETHALS BRIDGE MODERNIZATION - PLANNING | SGR | 11,970 |
| | | | 11,970 |

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
2011 CAPITAL SPENDING
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| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | INFRASTRUCTURE | | |
| CB07-093 | HVAC REHAB, FIRE ALARM/SUPPRESSION INSTALLATION | SGR | 3,589 |
| CB07-108 | REPLACE ADMINISTRATION BUILDING FAÇADE PANELS | SGR | 1,518 |
| CB07-114 | FIRE STANDPIPE REPLACEMENT | SGR | 736 |
| PB07-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 2,079 |
| | | | 7,921 |
| | SECURITY | | |
| CB07-134 | CCTV CAMERA SYSTEM REPLACEMENT | SEC | 158 |
| | | | 158 |
| CB07-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (1,704) |
| | CB07-GOETHALS BRIDGE | | 18,344 |
| | CB08-OUTERBRIDGE CROSSING | | |
| | INFRASTRUCTURE | | |
| PB08-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 1,028 |
| | | | 1,028 |
| | SECURITY | | |
| CB08-097 | CCTV CAMERA SYSTEM REPLACEMENT | SEC | 158 |
| | | | 158 |
| CB08-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (101) |
| | CB08-OUTERBRIDGE CROSSING | | 1,085 |
| | CB48-GWB BUS STATION | | |
| | INRASTRUCTURE | | |
| CB48-008 | UPGRADE OF FIRE ALARM SYSTEM | SGR | 99 |
| CB48-056 | GWBBS DEVELOPMENT | RPP | 10,031 |
| PB48-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 633 |
| | | | 10,763 |
| CB48-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (915) |
| | CB48-GWB BUS STATION | | 9,848 |
| | CT06-PORT AUTHORITY BUS TERMINAL | | |
| | INFRASTRUCTURE | | |
| CT06-059 | REHABILITATION OF ENCLOSED PULL THROUGH PLATFORMS | SGR | 1,351 |
| CT06-120 | REPLACEMENT OF BUILDING AUTOMATED MANAGEMENT CONTROL SYSTEM | SGR | 4,974 |
| CT06-130 | REHABILITATE SPRINKLER PIPING SYSTEM | SGR | 31 |
| CT06-161 | ADA GATE MODIFICATIONS | MAND | 63 |
| CT06-166 | INSTALLATION OF ADDITIONAL SMOKE DETECTOR SYSTEM | MAND | 1,361 |
| CT06-181 | REPLACEMENT OF EXHAUST FANS 19, 70 & 71 | SGR | 918 |
| CT06-195 | SEISMIC RETROFIT | MAND | 143 |
| CT06-196 | 3RD FLOOR SW WEARING COURSE REPLACEMENT | SGR | 2,744 |
| CT06-199 | REPLACEMENT OF FIRE PUMPS | SGR | 627 |
| CT06-200 | INSTALLATION OF FIRE ALARM VOICE EVACUATION SYSTEM | SGR | 491 |
| CT06-202 | REPLACEMENT OF PRIMARY ELECTRIC SERVICE PHASE I | SGR | 496 |
| CT06-230 | REPLACEMENT OF 58 HVAC UNITS | SGR | 1,360 |
| CT06-235 | CONCRETE REHABILITATION | SGR | 29 |
| CT06-236 | AIR RIGHTS DEVELOPMENT | RPP | 2,080 |
| CT06-248 | FACADE IMPROVEMENTS – ENTRANCE CANOPIES PAINTING & REPLACEMENT LIGHTING | SGR | 2,028 |
| CT06-249 | FACADE IMPROVEMENTS – EXTERIOR SOFFITS & LOBBY CEILINGS PAINTING & REPLACEMENT LIGHTING | SGR | 1,664 |
| CT06-250 | FACADE IMPROVEMENTS – TRUSS PAINTING | SGR | 6,025 |
| PT06-001 | CAPITAL MAJOR WORK PROGRAM | SGR | 1,101 |
| | | | 27,487 |
| | SECURITY | | |
| CT06-245 | CCTV ENHANCEMENTS AND EXPANSION | SEC | 2,520 |
| CT06-246 | ACCESS CONTROL SYSTEM ENHANCEMENT | SEC | 577 |
| | | | 3,097 |
| CT06-998 | PROVISION FOR EFFICIENCY AND PHASING | PROV | (2,600) |
| | CT06-PORT AUTHORITY BUS TERMINAL | | 27,984 |
| | TUNNELS, BRIDGES & TERMINALS TOTAL | | 176,654 |

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

| PROJECT ID | TITLE | CATEGORY | 2011 BUDGET |
|---|---|---|---|
| | WORLD TRADE CENTER | | |
| CR12-001 | WTC TRANSPORTATION HUB | MAND | 496,229 |
| CW11-003 | WTC VEHICULAR SEC CTR & TOUR BUS PKNG FAC | SEC | 160,736 |
| CW11-008 | WTC MEMORIAL | SEP | 16,632 |
| PW11-010 | WTC SITE COMMON INFRASTRUCTURE | MAND | 329,280 |
| CW11-022 | WTC PROPERTY MANAGEMENT FACILITY | MAND | 8,487 |
| CW11-023 | CORTLANDT STREET STATION | MAND | 14,650 |
| CW30-001 | WTC RETAIL REDEVELOPMENT - PHASE 1 | RPP | 223,247 |
| CW31-001 | ONE WTC - MARKETING, LEASING AND BASE BUILDING IMPROVEMENTS | RPP | 23,378 |
| CW31-555 | ONE WTC - CONSTRUCTION | RPP | 621,053 |
| CW32-002 | TOWER 2 STRUCTURE TO GRADE | RPP | 50,000 |
| | WORLD TRADE CENTER TOTAL | | 1,943,692 |
| | CAPITAL INFRASTRUCTURE FUND | | |
| CF92-001 | CAPITAL INFRASTRUCTURE FUND | SRP | 594,519 |
| | CAPITAL INFRASTRUCTURE FUND TOTAL | | 594,519 |
| | CAPITAL PROGRAM TOTAL | | $ 3,882,390 |

# Appendices

# APPENDIX A: AGENCY OVERVIEW

## PORT AUTHORITY OF NEW YORK AND 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

# Region

THE NEW YORK-NEW JERSEY REGION

The New York-New Jersey Metropolitan Region, one of the largest and most diversified in the nation, consists of the five New York boroughs of Manhattan, Brooklyn, Queens, Staten Island and The Bronx; the four suburban New York counties of Nassau, Rockland, Suffolk and Westchester; and the eight northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset and Union.

| | |
|---|---|
| Area: | 3,900 Square Miles |
| Population: | 17.5 Million (estimate for 2010) |

# ORIGINS

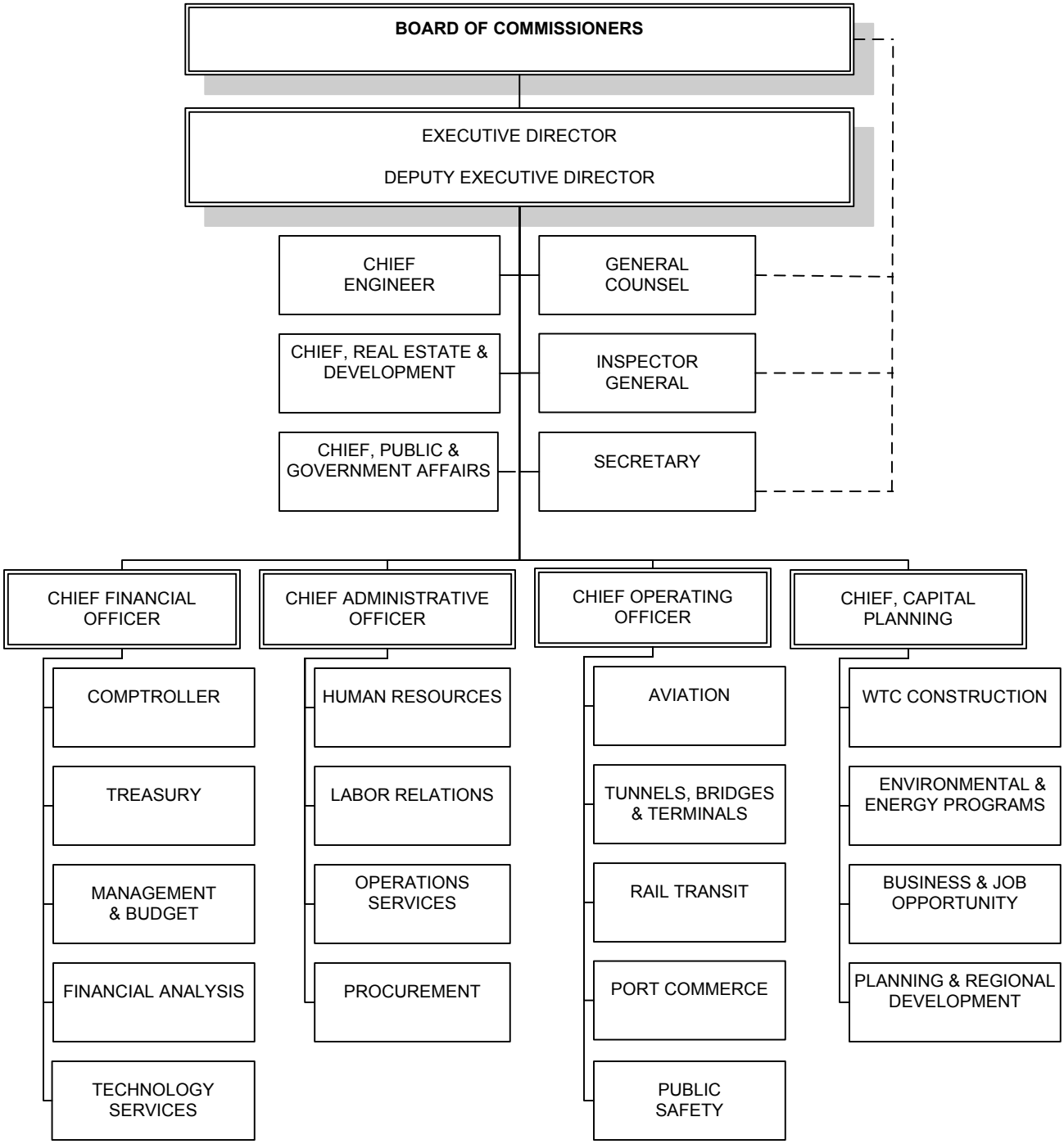
## History

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.

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
## 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, is the technical authority for structural integrity and code compliance, is agency's principal authority on engineering matters, and is 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 FINANCIAL OFFICER** -- oversees financial operations of Port Authority, including developing, implementing, and monitoring agency wide policies and strategies governing investments, financing, resource planning, budgeting, capital planning, accounting, performance measurement, analysis, financial analysis and financial controls.

**CHIEF ADMINISTRATIVE OFFICER** -- assists management and advancement of overall Port Authority agenda by oversight of human resources management, labor relations, operations services and procurement and providing internal industrial engineering and management consulting services.

**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. In order to carry out these functions, the office of the Chief oversees World Trade Center Construction, Environmental & Energy Programs, Business and Job Opportunity, Planning & Regional Development and Office of Strategic Initiatives.

# APPENDIX B: 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 recent addition to the Port Authority's budget process has been the participation in the Government Finance Officers Association's (GFOA) Budget Awards Program. This program evaluates public sector budget documents using 27 rating criteria across four different categories, which include policy, financial, operations, and communications. The Port Authority received a GFOA Budget Presentation award for the 2009 Budget Book, the first year of its participation in the program. Successfully meeting the GFOA criteria helps to ensure that the Port Authority is continually making efforts to improve its budgeting process and to provide the public with a transparent and comprehensive budget document.

**A Unified Planning Process**

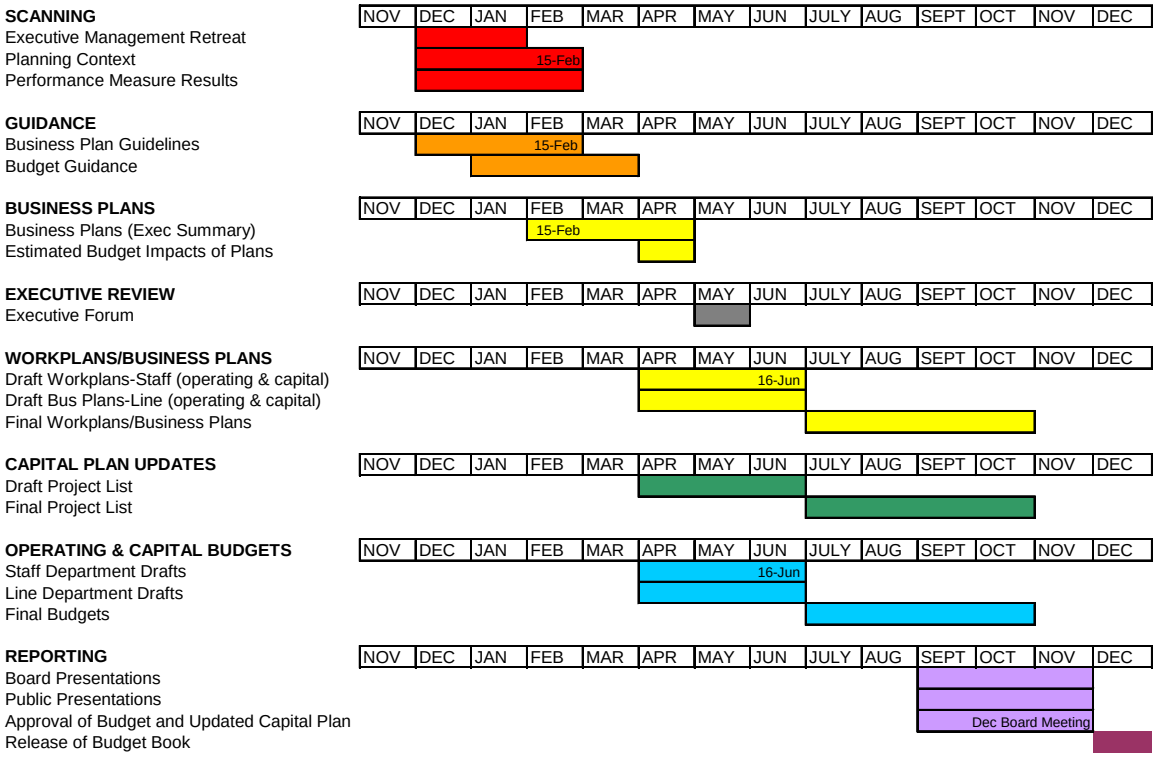
Each year, in conjunction with the development of its annual budget, Port Authority staff undertakes a comprehensive planning process designed to ensure that the agency is consistently moving towards achieving long-term goals. Over the past two years, the Port Authority has worked to unify this process by coordinating the development of business plans, capital programs, and the annual budget. This unified planning model allows for the agency's long-term Strategic Plan, adopted in 2005, 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**

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

Line Departments, the five departments that reflect the Port Authority's major lines of business (Port Commerce, Aviation, PATH, 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 in the Executive Director's planning guidance. 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 Executive Director, in conjunction with the Planning Department and the Management and Budget Department, provides feedback on departmental business/work plans as they are developed.

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 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.



**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 C:

## 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 | 2010 MAJOR OUTCOMES | 2011 PROJECT MILESTONES | 2011 BUDGET | PROJECT DELIVERABLES |
|---|---|---|---|---|---|
| **Building the Region and Investing in the Future** | World Trade Center Redevelopment | · Started erection of the Memorial Pavilion steel;<br>· Installed 1WTC steel above 50 floors; and<br>· Begin erection of the PATH Hall steel. | · Open WTC Memorial on 9/11/11. | $1.9 B | · WTC Memorial & Museum;<br>· One World Trade Center;<br>· Third largest transportation hub in New York; Liberty Park and common infrastructure; and<br>· A vehicle security center. |
| | LGA Central Terminal Building | · Awarded Program Management Services Agreement and Architectural & Engineering Services Agreement. | · Develop design documents and advance Stage I design work;<br>· Undergo environmental review and issue FONSI Report; and<br>· Prepare CTB and concourses abatement and demolition design. | $13 M | · State-of-the-art facility for domestic air travel. |
| | Goethals Bridge Replacement | · Issued final Environmental Impact Statement. | · Advance planning work for the replacement of the existing bridge. | $12 M | · A new, expanded bridge. |
| | EWR Terminal A Replacement | · Advanced Phase II Planning work. | · Advance Phase II planning of overall site conditions, infrastructure development, terminal objectives, airside and landside operations, and environmental remediation. | $9 M | · State-of-the-art facility for domestic air travel. |
| **Moving Travelers and Commuters** | PATH New Car Purchase Program | · Delivery of additional new railcars and acceptance testing. | · Delivery of all remaining railcars. | $138 M | · Complete delivery of 340 new railcars; improved service reliability and customer service. |
| | PATH Signal System Replacement Program | · Awarded the contract for the purchase and installation of the new signal system. | · Continue installation of the new signal system. | $109 M | · Increase capacity by 20% when fully deployed by providing for shorter headways. |
| | EWR Terminal B Modernization | · Created domestic departures on midlevel and<br>· Developed reconfiguration of the meet and greet area. | · Complete mid- and upper-level expansion to increase terminal capacity. | $37 M | · Increase existing capacity the airport. |
| | All Electronic Tolling (AET) | · Secured Project Authorization;<br>· Issued an RFQ and RFP to deploy the new toll system; and<br>· Finalized the Concept of Operations Document and the financial analysis to assess the impacts of AET. | · Complete RFP process and award construction contract for revenue system deployment; and<br>· Update financial analysis; | $9 M | · A cashless tolling system to enhance capacity of existing facilities. |
| **Connecting Cargo to Customers** | Harbor Deepening Program | · Continued dredging to create a 50 foot channel.<br>· Began relocation of underground utilities. | · Continue deepening of NY/NJ Harbor's main channels to 50 feet. | $70 M | · Improved navigational safety.<br>· Increased capacity to accommodate future cargo vessels. |
| | Port Commerce Infrastructure Program | · Replaced Berths 6, 8, 10, 36 & 53 at Port Newark.<br>· Rehabilitated bulkhead at piers 7 and 8. | · Complete Berth 6 replacement;<br>· Advance planning work for Berths 22 and 24; and<br>· advance work for Backflow Preventers project at NJMT and NYMT. | $50 M | · Reduced maintenance costs.<br>· Expanded capacity. |
| | Intermodal Rail Program | · Advanced design work for additional support track at Port Newark, the Corbin Street Flyover, and the Greenville Yard intermodal facility . | · Advance Phase IIA design for track work at Corbin Street; and<br>· Advance work for PNCT Flyover and Greenville Yards. | $24 M | · Comprehensive rail system with on-dock intermodal facilities for all marine terminals. |
| **Advancing Security & Sustainability Throughout the Region** | PATH Safety and Security Projects | · Developed and implemented 5-year security plan. | · Advance infrastructure improvements for the Tunnel Floodgates ; and Event Detection System;<br>· Advance tunnel mitigation work; and<br>· Complete system installation at PATH Train Control Center | $100 M | · Enhanced security through system access control.<br>· Increased operational safety. |
| | Port Commerce Security Program | · Installed TWIC identification system CCTV. | · Finalize design for Security ID System; and<br>· Complete TWIC Pilot Program and Closed Circuit TV implementation. | $13 M | · Enhanced safety and security of port operations. |
| | Security Bollard Installation at all Port Authority Airports | · Completed installation of bollards on all 3 levels of frontage of EWR's Terminal B and LGA's Marine Air Terminal. | · Complete installation of bollards at Port Authority controlled areas; and<br>· Award construction contracts and start construction at LGA, JFK and EWR tenant terminals. | $10 M | · Increased facility security at all Port Authority airports. |

## Operational Performance*

| PORT AUTHORITY FACILITIES | PERFORMANCE MEASURE | OPERATING OBJECTIVE | 2010 RESULTS | 2011 TARGET |
|---|---|---|---|---|
| **Airports** | Flight Delay Reduction | Improvement of year-to-year delay statistics for all airports. | 4-7% reduction in delays at EWR, JFK and LGA for the 12 months ending July 2010, as compared to the same period ending July 2009. | Maintain or exceed 2010 level of reduction. |
| | Customer Satisfaction | Meet or exceed industry benchmark in annual customer satisfaction survey for all terminals at all Port Authority airports. | 72% of arriving passengers and 56% of departing passengers were highly satisfied in 2010, which exceeds the industry benchmark of 55%. | Increase proportion of highly satisfied customers by 2 percentage points. |
| **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. | 85th percentile response time (in minutes) during the summer months of 2010 improved from 2009 figures for the same period at all facilities with the exception of the Staten Island Bridges. | Decrease in response time over the same time in the previous year. |
| | Reduction in Targeted Crimes at the Port Authority Bus Terminal | Minimize number of targeted crimes (robbery, assault, larceny, luggage theft, pickpocket) reported at the Port Authority Bus Terminal | 27% reduction in targeted crimes over from 2009 to 2010. | 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). | 96.98% on-time performance during 24-hour periods (0.19% above 2010 target). | 97.75% on-time performance during 24-hour periods. |
| | | | 95.96% on-time performance during peak periods (0.46% above 2010 target). | 96.85% on-time performance during peak periods. |
| | Service Reliability | Maintain high mean distance between failure (number of miles, on average, a PATH car travels before a breakdown or failure occurs that results in an annulment or delay). | 51,695 miles between failure for the PA-4 railcar fleet (0.07% above 2010 target). | 48,000 miles between failure for the PA-4 railcar fleet.<br><br>160,000 miles between failure for the new PA-5 railcar fleet. |
| **Ports** | Port Competitiveness | Maintain high percentage of U.S. containerized cargo. | 13% of U.S. containerized cargo goes through the Port Authority's port facilities. | 13.5% of U.S. containerized cargo. |
| | Clean Air Strategy | Reduce amount of air pollution emitted from Port Authority port facilities. | <2010 results not yet available – will be reported on in 2011> | 3% reduction in Criteria Air Pollutants and 5% reduction in GHGs on an annual basis. |

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

# APPENDIX D: 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.

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

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

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

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

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

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

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

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

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

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

- 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.

**Provision for Efficiency and Phasing -** a cost reduction incorporated for continuous improvement of project management through obtaining more favorable construction bids, value engineering, re-phasing stages of projects and containing planning and administrative costs.

**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.

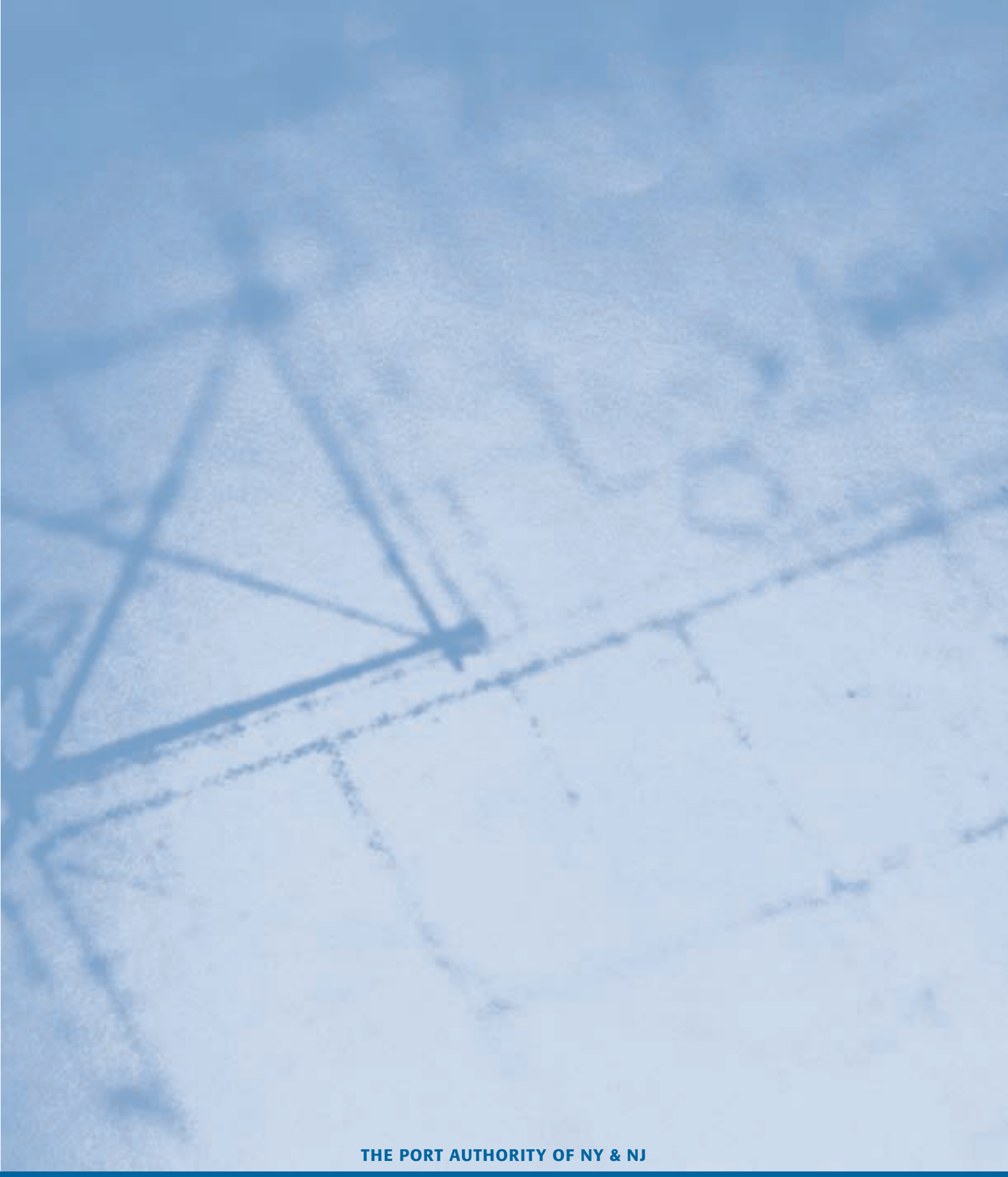
**Sources of Funds -** Gross operating revenues generated by Port Authority facilities as well as monies generated from the issuance of bonds, notes and other obligations, receipt of grants, insurance proceeds, earned income on investments and money drawn down from reserve funds, as well as the collection 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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DECEMBER 7, 2010