

2006 Budget



THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

(Including its wholly-owned Corporate Entities)

2006 BUDGET C O N T E N T S

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THE PORT AUTHORITY OF NY & NJ

December 8, 2005

To the People of New York and New Jersey:

The Port Authority's 2006 Budget represents the bistate agency's pledge to provide the highest levels of security and services at its airports, bridges, tunnels, seaport and rail system in New York and New Jersey.

The \$5 billion 2006 Budget provides a record \$616 million in security spending at Port Authority facilities. It also contains significant investments in the region's transportation infrastructure with a \$1.88 billion Capital Plan, among the largest single-year investments in the agency's history.

To deal with rising costs for security, the Port Authority continued an agency-wide initiative in 2005 to identify ways to operate more efficiently and effectively. The initiative has already identified \$100 million in annual operating savings that resulted from the consolidation of business functions, better coordination of maintenance staff, centralization of the agency's marketing, advertising and communications functions, and a reduction of 545 staff positions.

In addition to security projects at Port Authority facilities, the budget includes funds that will continue to enhance the region's world-class transportation system, including construction of the World Trade Center Transportation Hub, the construction of Terminal 5 at John F. Kennedy International Airport, the redevelopment of Terminal B at Newark Liberty International Airport, and funding for expanded ExpressRail facilities and channel deepening in the Port of New York and New Jersey.

We are grateful for the leadership of New York Governor George E. Pataki and Acting New Jersey Governor Richard J. Codey. The priorities in the 2006 Budget were set by the governors of both states to fulfill their commitments to the people of the region. We look forward to working with Governor Pataki and New Jersey Governor-elect Jon Corzine in the upcoming year to keep the region moving forward and the economy strong.

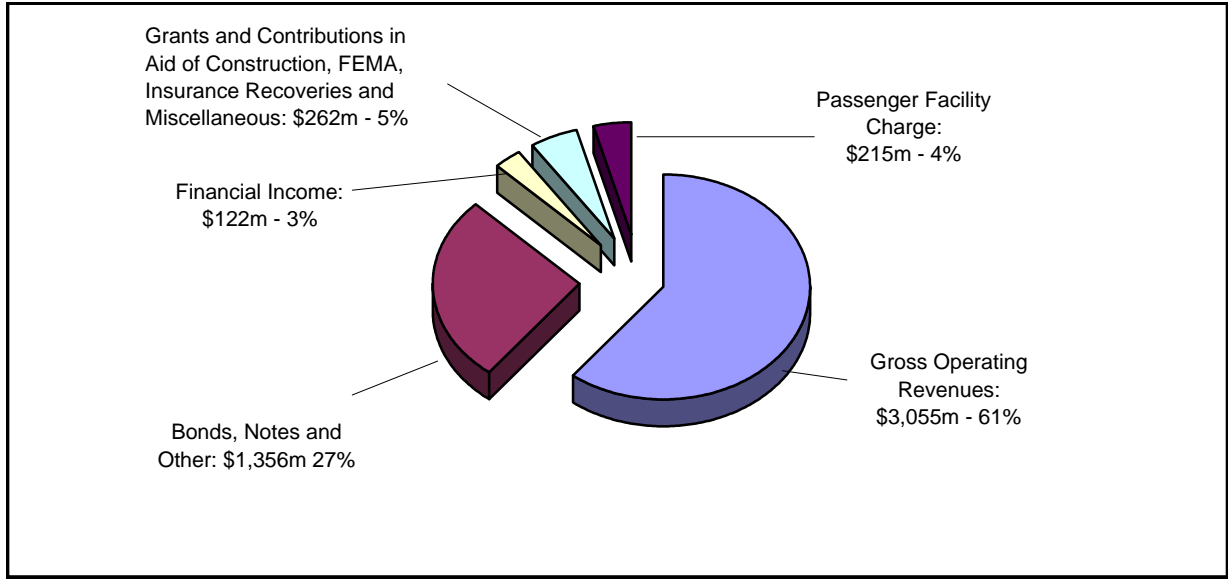
Sincerely,

Anthony R. Coscia, Chairman

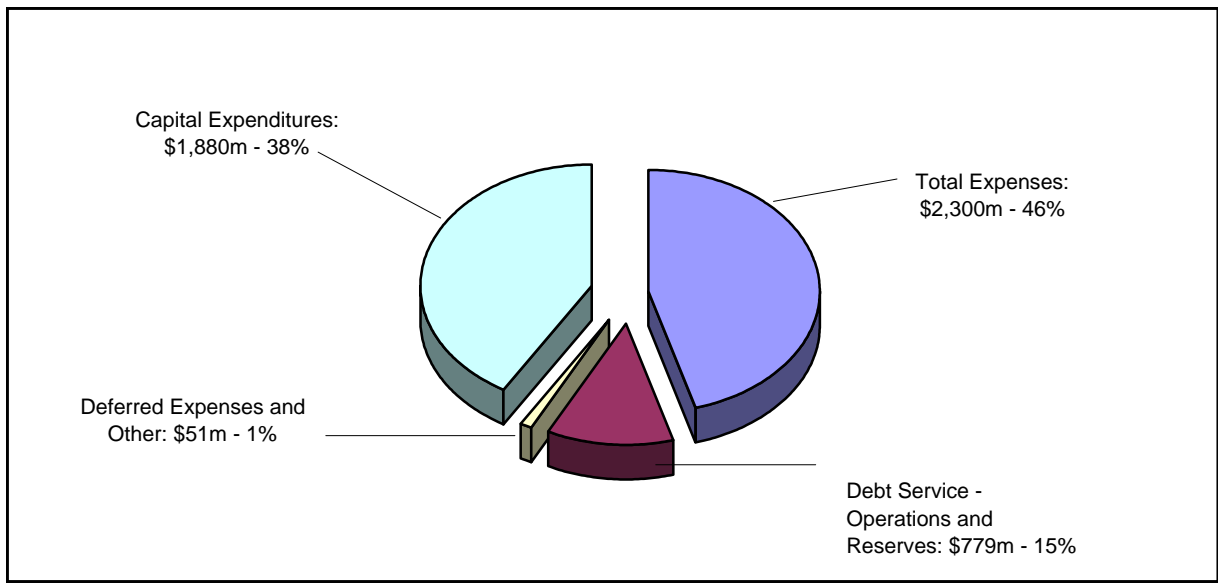
Kenneth J. Ringler Jr., Executive Director

Summary of Sources and Uses - 2006 Budget

Sources: \$5 Billion



Uses: \$5 Billion



THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
(Including its wholly-owned Corporate Entities)

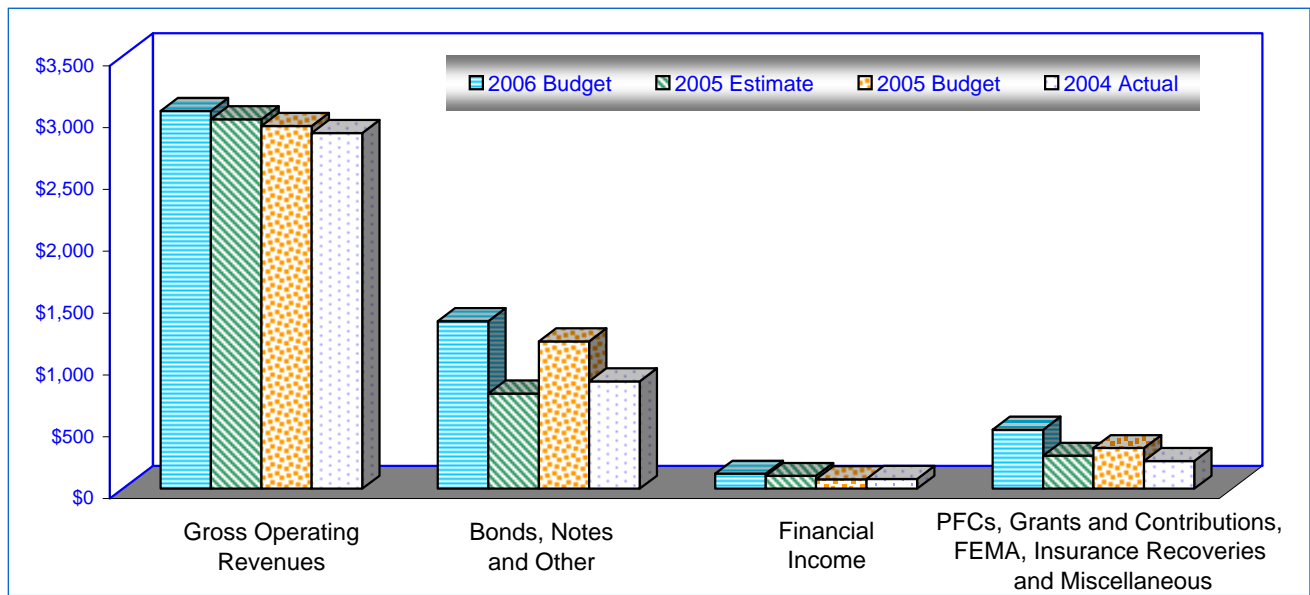
2006 BUDGET
(In Thousands)

Item	Total Expenditures	Personal Services	Materials & Services
Audit	\$11,896	\$9,594	\$2,302
Aviation	655,496	139,725	515,771
Chief Administrative Officer	1,080	916	164
Chief Financial Officer	3,164	1,018	2,146
Chief of Public & Government Affairs	502	428	74
Chief of Real Estate & Development	1,235	613	622
Chief of Strategic Planning	3,156	511	2,645
Chief Operating Officer	4,885	1,353	3,532
Chief Technology Officer	695	434	261
Comptroller's	18,842	12,130	6,712
Economic Development	57,694	3,081	54,613
Engineering	267,631	84,125	183,506
Construction Contracts	614,068	-	614,068
Executive Offices	2,820	2,104	716
Financial Services	14,847	10,729	4,118
Government & Community Affairs	5,346	2,792	2,554
Human Resources	16,563	8,845	7,718
Medical Services	4,590	2,483	2,107
Inspector General	5,513	4,183	1,330
Labor Relations	2,788	1,847	941
Law Department	21,785	20,048	1,737
Office of Emergency Management	12,626	3,172	9,454
Office of Environmental Policy & Planning	1,614	968	646
Office of the Secretary	3,923	2,193	1,730
Operations Services	57,852	34,442	23,410 ⁽¹⁾
Facility Construction Support	32,103	24,854	7,249
Operations Standards	1,706	1,278	428
Policy & Planning	7,339	3,234	4,105
Port Commerce	164,322	23,858	140,464
Priority Capital Programs	284,835	5,947	278,888
Procurement	16,435	11,156	5,279 ⁽¹⁾
Project Management	69,946	26,279	43,667
Public Affairs	16,548	6,229	10,319
Public Safety	387,268	344,005	43,263
Rail	193,562	138,180	55,382
Real Estate	78,054	6,398	71,656 ⁽¹⁾
Technology Services	12,660	21,626	(8,966) ⁽¹⁾
Treasury	36,847	6,411	30,436
Tunnels, Bridges & Terminals	177,300	112,298	65,002
World Trade Redevelopment (includes expenses related to 9-11)	75,249	1,397	73,852
Other:			
Amounts in Connection with Operating Asset Obligations	43,660	-	43,660
Bi-state Dredging Program	4,000	-	4,000
Debt Service - Operating	779,010	-	779,010
Debt Service - Capitalized Interest	96,459	-	96,459
Insurance	143,544	-	143,544
Municipal Rents and Amounts in Lieu of Taxes	214,143	-	214,143
Provision for Study and Development	15,300	-	15,300
Regional Programs - Operating	9,635	-	9,635
Regional Programs - Capital	270,977	-	270,977
Special Project Bond Debt Service	88,677	-	88,677
Total Port Authority Budget	\$5,010,190	\$1,080,884	\$3,929,306

(1) Net after charges to other departments.

Sources

SOURCES (In Millions)



	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Gross Operating Revenues	\$3,055	\$2,988	\$2,945	\$2,878
Bonds, Notes and Other	1,356	770	1,198	883
Financial Income	122	104	72	65
Grants and Contributions in Aid of Construction, FEMA, Insurance Recoveries and Miscellaneous	262	129	162	98
Passenger Facility Charge	215	138	167	126
Total Sources	<u>\$5,010</u>	<u>\$4,129</u>	<u>\$4,544</u>	<u>\$4,050</u>

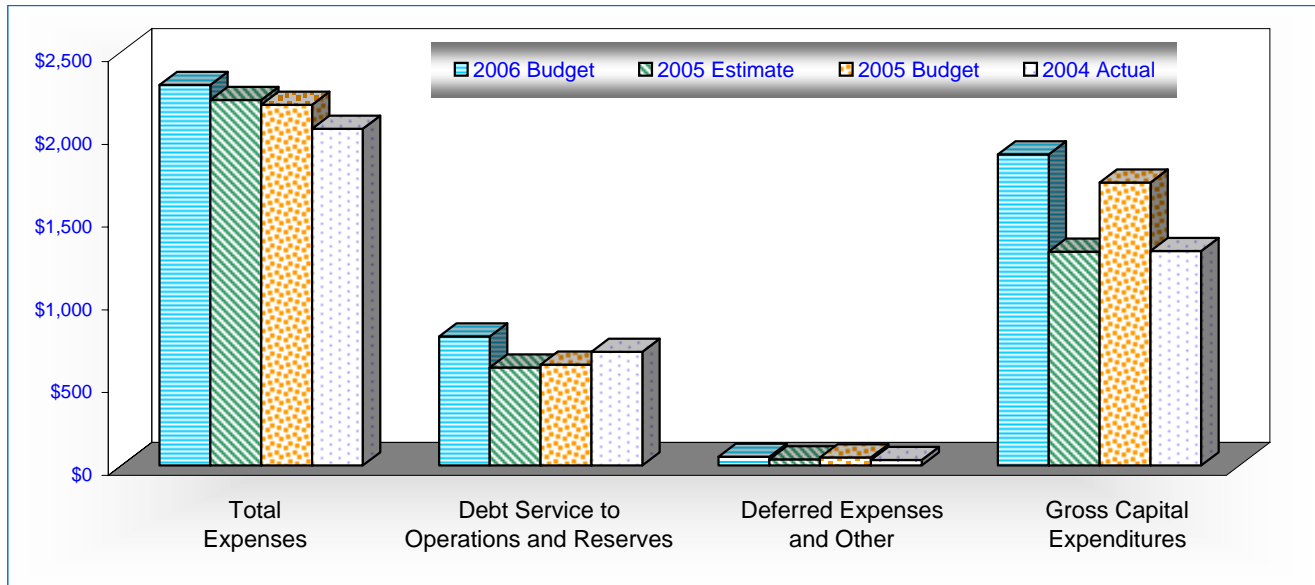
GROSS OPERATING REVENUES BY FACILITY

(In Thousands)

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Aviation				
LaGuardia Airport	\$281,960	\$278,956	\$269,032	\$258,237
John F. Kennedy International Airport	811,858	798,229	766,747	753,558
Newark Liberty International Airport	685,777	664,559	667,831	629,851
Teterboro Airport	34,335	27,444	27,744	26,387
Port Authority Heliport	3,063	2,072	2,271	1,825
Total - Aviation	1,816,993	1,771,260	1,733,625	1,669,858
Tunnels, Bridges & Terminals				
Holland Tunnel	87,271	84,321	89,546	88,105
Lincoln Tunnel	109,858	115,638	112,605	114,918
George Washington Bridge	322,640	325,152	331,504	326,365
George Washington Bridge Bus Station	1,568	1,576	1,520	1,766
Bayonne Bridge	21,286	21,980	21,847	21,209
Goethals Bridge	85,837	85,043	87,803	83,860
Outerbridge Crossing	76,436	79,259	78,937	80,184
Port Authority Bus Terminal	29,116	28,303	28,623	27,583
Total - Tunnels, Bridges & Terminals	734,012	741,272	752,385	743,990
Rail				
PATH Rapid Transit	82,951	87,655	82,384	83,999
Journal Square Transportation Center	5,607	5,301	5,417	5,381
Total - Rail	88,558	92,956	87,801	89,380
Port Commerce				
Port Newark	74,258	72,969	68,798	64,808
Elizabeth - PA Marine Terminal	70,617	67,621	61,308	57,454
Brooklyn - PA Marine Terminal	2,370	2,829	1,650	1,712
Howland Hook Marine Terminal	7,778	5,491	6,156	4,870
Greenville Yard	279	272	309	294
PA Auto Marine Terminal	8,119	8,119	9,155	8,175
Brooklyn Piers 1-5	0	2,335	2,330	2,396
Red Hook Container Terminal	2,099	1,891	2,120	2,395
Total - Port Commerce	165,520	161,527	151,826	142,104
Economic & Waterfront Development				
Economic Development				
Essex County Resource Recovery Facility	71,560	63,385	63,580	62,527
PA Industrial Park at Elizabeth	870	870	863	863
Bathgate Industrial Park	3,492	3,325	4,010	4,124
Teleport	12,570	12,395	12,395	21,315
Newark Legal & Communications Center	3,450	3,450	3,920	3,401
Ferry Transportation Services	190	380	820	621
Sub-total Economic Development	92,132	83,805	85,588	92,851
Waterfront Development				
Hoboken Waterfront	5,331	5,564	5,190	7,421
Queens West Waterfront	1,082	1,061	791	1,407
Sub-total Waterfront Development	6,413	6,625	5,981	8,828
Total Economic & Waterfront Development	98,545	90,430	91,569	101,679
World Trade	151,439	130,205	128,454	131,502
Total Gross Operating Revenues	\$3,055,067	\$2,987,651	\$2,945,660	\$2,878,513

Uses

USES (In Millions)



	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Expenses:				
Operating & Maintenance Expenses	\$2,090	\$2,011	\$1,970	\$1,855
Allocated Expenses	163	147	167	140
Operating Asset Obligations	44	49	38	35
Net (recoverables) expenses related to 9-11-01	3	2	4	5
Total Expenses	2,300	2,209	2,179	2,035
Debt Service Charged to Operations & Reserves:				
Interest on Bonds and Other Obligations	422	363	372	354
Debt Maturities and Retirements	182	229	237	222
PFC Commercial Paper	175	-	-	-
Debt Retirement Acceleration	-	-	-	110
Total Debt Service	779	592	609	686
Deferred Expenses and Other	51	37	47	33
Capital Expenditures:				
Line Department Programs & Regional	1,702	1,118	1,534	1,108
PFC Expenditures	178	173	175	188
Total Gross Capital Expenditures	1,880	1,291	1,709	1,296
Total Uses	\$5,010	\$4,129	\$4,544	\$4,050

OPERATING AND MAINTENANCE EXPENSES BY FACILITY

(In Thousands)

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Aviation				
LaGuardia Airport	\$210,365	\$204,254	\$201,821	\$191,668
John F. Kennedy International Airport	568,500	557,015	554,323	540,553
Newark Liberty International Airport	386,050	353,694	356,750	325,363
Teterboro Airport	18,623	12,499	9,904	11,069
Port Authority Heliport	2,896	2,649	2,686	2,189
Total - Aviation	1,186,434	1,130,111	1,125,484	1,070,842
Tunnels, Bridges & Terminals				
Holland Tunnel	72,384	65,280	66,741	62,847
Lincoln Tunnel	91,170	81,589	89,376	75,380
George Washington Bridge	92,598	91,424	89,682	82,237
George Washington Bridge Bus Station	9,262	11,840	9,588	8,440
Bayonne Bridge	13,524	16,152	14,472	14,054
Goethals Bridge	26,370	22,510	24,193	19,708
Outerbridge Crossing	24,105	19,814	22,857	20,979
Port Authority Bus Terminal	93,522	84,647	79,188	84,742
Total - Tunnels, Bridges & Terminals	422,935	393,256	396,097	368,387
Rail				
PATH Rapid Transit	193,424	191,408	180,935	178,871
Journal Square Transportation Center	9,746	10,054	9,884	9,869
Total - Rail	203,170	201,462	190,819	188,740
Port Commerce				
Port Newark	65,941	52,926	55,798	43,426
Elizabeth - PA Marine Terminal	23,323	43,367	23,883	29,202
Brooklyn - PA Marine Terminal	10,964	10,461	9,900	8,483
Howland Hook Marine Terminal	8,791	9,445	9,389	6,254
Greenville Yard	30	30	31	3
PA Auto Marine Terminal	2,022	2,208	2,696	1,673
Brooklyn Piers 1-5	-	5,490	1,531	1,123
Red Hook Container Terminal	3,943	7,472	9,699	3,521
Total - Port Commerce	115,014	131,399	112,927	93,685
Economic & Waterfront Development				
Economic Development				
Essex County Resource Recovery Facility	62,549	64,883	65,220	64,217
PA Industrial Park at Elizabeth	133	179	182	81
Bathgate Industrial Park	1,343	1,542	1,663	1,237
Teleport	12,136	11,599	15,501	13,938
Newark Legal & Communications Center	1,373	1,642	1,753	1,387
Ferry Transportation Services	16,410	4,588	10,950	2,221
Sub-total Economic Development	93,944	84,433	95,269	83,081
Waterfront Development				
Hoboken Waterfront	289	-	-	-
Queens West Waterfront	64	21	-	-
Sub-total Waterfront Development	353	21	-	-
Total Economic & Waterfront Development	94,297	84,454	95,269	83,081
World Trade	58,174	44,968	43,649	40,045
Other Programs	9,635	24,988	6,350	10,105
Total Operating & Maintenance Expenses	2,089,659	2,010,638	1,970,595	1,854,885
Allocated General Administrative Expenses	152,698	138,564	147,704	134,381
Development	10,779	9,091	18,883	5,539
Operating Asset Obligations	43,660	49,010	38,060	34,609
Net recoverables (expenses) related to 9-11-01	2,556	2,424	4,065	4,985
Total	\$2,299,352	\$2,209,727	\$2,179,307	\$2,034,399

GENERAL ADMINISTRATIVE EXPENSES

(In Thousands)

Department / Office	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Audit	\$11,463	\$10,503	\$10,537	\$9,764
Chief Administrative Officer	1,080	1,331	1,320	1,458
Chief Engineer	2,009	1,794	1,829	1,443
Chief Financial Officer	3,164	2,821	3,298	3,053
Chief of Planning & Development	1,609	1,149	-	522
Chief Operating Officer	3,533	2,971	4,351	2,396
Chief Public & Government Affairs	502	505	606	503
Chief of Staff	1,029	922	1,033	813
Chief of Strategic Planning	367	332	739	116
Chief Technology Officer	695	765	780	751
Comptroller's	16,102	15,889	16,907	15,599
Economic Development	2,981	2,926	3,705	2,480
Executive Director	1,792	1,724	1,631	1,450
Office of Environ. Policy, Prog and Comp.	1,614	762	-	1
Financial Services	7,523	8,596	8,461	6,800
Government & Community Affairs	5,346	4,435	5,625	4,679
Human Resources	21,152	19,669	21,105	19,159
Inspector General	5,513	5,386	4,936	4,746
Labor Relations	2,788	2,964	3,119	2,727
Law Department	21,784	20,440	22,178	25,099
Office of Business Development	264	235	-	3
Office of the Secretary	3,922	3,985	3,985	3,921
Operation Services Department	6,333	7,011	7,119	7,400
Policy & Planning	4,864	4,635	4,849	4,651
Priority Capital Programs	2,316	1,099	-	39
Procurement	13,013	12,778	14,036	12,531
Project Management	807	-	-	-
Public Affairs	9,054	8,759	8,616	8,963
Real Estate	6,212	5,667	5,311	4,092
Technology Services	9,159	6,254	7,338	6,767
Treasury	14,578	12,478	14,465	11,259
Others (Revenue, Reclassifications, etc.)	(1,001)	(3,038)	291	240
Grand Total	\$181,567	\$165,747	\$178,170	\$163,425
Allocation to Operations	\$152,698	\$138,564	\$147,704	\$134,381
Allocation to Capital	28,869	27,183	30,466	29,044
Total Allocation	\$181,567	\$165,747	\$178,170	\$163,425

DEVELOPMENT EXPENSES

(In Thousands)

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Programs and Studies:				
Study and Development Projects	\$3,625	\$1,470	\$5,000	\$ -
Comprehensive Port Improvement Plan	-	1,055	2,917	1,848
Overseas Operations	1,352	2,116	2,077	1,556
Smart Card Initiative	1,000	-	-	-
Access to the Region's Core	-	-	2,194	186
Local Assistance Program	336	342	278	180
Other	446	73	338	-
Sub-Total	<u>6,759</u>	<u>5,056</u>	<u>12,804</u>	<u>3,770</u>
Bi-State Dredging Program	<u>4,020</u>	<u>4,035</u>	<u>6,079</u>	<u>1,769</u>
Total Development Expenses	<u><u>\$10,779</u></u>	<u><u>\$9,091</u></u>	<u><u>\$18,883</u></u>	<u><u>\$5,539</u></u>

CAPITAL EXPENDITURES BY FACILITY

(In Thousands)

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Aviation				
LaGuardia Airport	\$66,402	\$63,015	\$77,313	\$72,482
John F. Kennedy International Airport	224,028	100,199	175,936	106,248
Newark Liberty International Airport	84,380	72,361	97,882	15,709
Teterboro Airport	35,004	35,472	37,212	26,452
Downtown Heliport	360	400	1,000	2
Total - Aviation	410,174	271,447	389,343	220,893
Tunnels, Bridges & Terminals				
Holland Tunnel	19,895	34,282	44,914	59,605
Lincoln Tunnel	13,352	33,108	37,518	56,443
George Washington Bridge	67,346	63,329	70,647	67,941
George Washington Bridge Bus Station	2,774	1,487	2,262	1,622
Bayonne Bridge	14,537	10,384	12,327	16,926
Goethals Bridge	37,426	35,430	38,450	38,438
Outerbridge Crossing	6,844	13,973	13,054	4,466
Port Authority Bus Terminal	38,943	44,337	57,012	26,632
Total - Tunnels, Bridges & Terminals	201,117	236,330	276,184	272,073
Rail				
PATH Rapid Transit	153,692	123,885	153,559	101,423
Downtown Restoration Program	1,842	800	0	20,973
WTC PATH Permanent Terminal	238,501	65,000	100,005	51,059
Journal Square Transportation Center	6,140	7,351	7,076	8,900
Total - Rail	400,175	197,036	260,640	182,355
Port Commerce				
Port Newark	48,589	39,236	46,577	36,230
Elizabeth - PA Marine Terminal	89,505	87,124	108,207	148,120
Brooklyn - PA Marine Terminal	1,747	5,110	5,105	11,909
Howland Hook Marine Terminal	72,361	75,719	101,519	63,101
PA Auto Marine Terminal	1,800	750	500	223
Red Hook Container Terminal	90	990	1,440	254
Total - Port Commerce	214,092	208,929	263,348	259,837
Economic & Waterfront Development				
Hoboken Waterfront Development	6,809	475	7,500	826
Queens West	13,585	2,894	28,270	8,624
Ferry Transportation Services	44,825	11,268	20,698	3,341
Teleport	270	1,200	1,500	158
Bathgate	-	-	-	(104)
Total - Economic & Waterfront Development	65,489	15,837	57,968	12,845
World Trade Center Site/Retail	86,334	22,000	48,002	31,927
Net Capital Expenditures - Line Department Programs	1,377,381	951,579	1,295,485	979,930
Other Programs:				
Regional Development Facility (Bank I)	106,291	43,571	93,141	-
Other Regional Programs	16,186	14,700	47,998	42,123
New York Economic Development Program	49,500	20,000	40,946	36,083
Regional Transportation Initiatives	99,000	33,042	50,542	27,885
Sub-total - Other Programs	270,977	111,313	232,627	106,091
Airport Access/PFC Program:				
PFC Funded	176,155	142,768	166,524	428,199
PA Funded	1,350	30,557	8,002	(239,843)
Sub-total - Airport Access/PFC Program	177,505	173,325	174,526	188,356
Provision For Study & Development Projects	15,300	-	-	-
Total Net Capital Expenditures	1,841,163	1,236,217	1,702,638	1,274,377
Add Back - Financial Income/Reimbursements	39,000	54,457	6,014	21,213
Total Gross Capital Expenditures	\$1,880,163	\$1,290,674	\$1,708,652	\$1,295,590

**Net Assets, Revenues
and Reserves
and Assets and Liabilities**

THE PORT AUTHORITY of NEW YORK & NEW JERSEY

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

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Gross Operating Revenues	\$3,055,067	\$2,987,651	\$2,945,660	\$2,878,513
Operating & Maintenance Expenses	<u>(2,089,659)</u>	<u>(2,010,638)</u>	<u>(1,970,595)</u>	<u>(1,855,134)</u>
Contribution to Net Operating Revenues	965,408	977,013	975,065	1,023,379
Net recoverables (expenses) related to 9-11-01	(2,556)	(2,424)	(4,065)	(4,985)
Allocated Expenses	(163,477)	(147,655)	(166,587)	(139,920)
Operating Asset Obligations	<u>(43,660)</u>	<u>(49,010)</u>	<u>(38,060)</u>	<u>(34,609)</u>
Net Operating Revenues	755,716	777,924	766,353	843,865
Contributions	261,778	125,732	162,160	94,569
PFC Program	214,986	113,500	-	-
Depreciation & Amortization	(730,863)	(657,219)	(598,083)	(556,640)
Financial Income	116,235	93,259	70,776	57,403
Interest and Other Expenses	<u>(373,774)</u>	<u>(359,250)</u>	<u>(372,716)</u>	<u>(355,615)</u>
Net Assets (formerly classified as Net Income)	<u>\$244,077</u>	<u>\$93,946</u>	<u>\$28,490</u>	<u>\$83,582</u>

INFORMATION ON PA OPERATIONS BY FACILITY

2006 Budget and 2005 Estimate

(In Thousands)

	Gross Oper. Rev.	O&M Expenses	Allocated Expenses	Deprec. & Amort.	Net Interest & Contributions	2006 Budget Net Income/ (Loss)	2005 Estimate Net Income/ (Loss)	2004 Actual Net Income/ (Loss)
Aviation								
LaGuardia Airport	\$281,960	\$210,365	\$16,238	\$30,458	\$7,320	\$17,579	\$27,086	\$31,263
John F. Kennedy International Airport	811,858	568,500	29,356	106,132	24,142	83,728	92,912	67,042
Newark Liberty International Airport	685,777	386,050	27,487	104,343	37,528	130,369	142,919	150,006
Teterboro Airport	34,335	18,623	1,305	3,889	(10,825)	21,343	14,875	13,948
Downtown Manhattan Heliport	3,063	2,896	363	701	56	(953)	(1,626)	(1,404)
Total - Aviation	1,816,993	1,186,434	74,749	245,523	58,221	252,066	276,166	260,855
Tunnels, Bridges & Terminals								
Holland Tunnel	87,271	72,384	9,078	18,817	6,936	(19,945)	(9,811)	(6,014)
Lincoln Tunnel	109,858	91,170	10,531	34,448	9,963	(36,254)	(16,460)	(4,996)
George Washington Bridge and Bus Station	324,208	101,860	12,812	51,408	12,742	145,386	164,675	176,139
Bayonne Bridge	21,286	13,524	1,645	5,707	3,869	(3,458)	(4,266)	(3,751)
Goethals Bridge	85,837	26,370	3,575	8,274	2,429	45,189	49,100	47,070
Outerbridge Crossing	76,436	24,105	3,050	10,695	2,608	35,978	42,434	43,394
Port Authority Bus Terminal	29,116	93,522	9,986	16,815	(5,408)	(85,799)	(77,048)	(82,151)
Total - Tunnels, Bridges & Terminals	734,012	422,935	50,677	146,164	33,139	81,097	148,624	169,691
Rail								
PATH Rapid Transit	82,951	193,424	28,869	123,078	(141,020)	(121,400)	(238,879)	(247,096)
Journal Square Transportation Center	5,607	9,746	545	4,640	1,846	(11,170)	(12,320)	(11,595)
Total - Rail	88,558	203,170	29,414	127,718	(139,174)	(132,570)	(251,199)	(258,691)
Port Commerce								
Port Newark	74,258	65,941	3,450	19,348	8,327	(22,807)	(9,035)	(8,788)
Elizabeth - PA Marine Terminal	70,617	23,323	1,605	26,856	12,429	6,404	(15,595)	(19,209)
Brooklyn - PA Marine Terminal	2,370	10,964	544	11,342	3,829	(24,309)	(27,125)	(32,387)
Howland Hook Marine Terminal	7,778	8,791	363	8,446	5,599	(15,421)	(14,094)	(20,847)
Greenville Yard	279	30	0	0	-	249	242	291
PA Auto Marine Terminal	8,119	2,022	65	2,279	1,149	2,605	2,118	3,625
Brooklyn Piers 1-5	-	-	-	289	203	(492)	(3,447)	1,148
Red Hook Container Terminal	2,099	3,943	182	13,215	990	(16,232)	(20,547)	(4,651)
Total - Port Commerce	165,520	115,014	6,209	81,775	32,526	(70,003)	(87,483)	(80,818)
Economic & Waterfront Development								
Economic Development								
Essex County Resource Recovery Facility	71,560	62,549	151	1,412	(3,176)	10,624	1,621	(7,122)
PA Industrial Park at Elizabeth	870	133	-	208	224	305	229	444
Bathgate Industrial Park	3,492	1,343	-	1,510	402	237	(293)	1,171
Teleport	12,570	12,136	182	2,513	632	(2,893)	(2,728)	3,921
Newark Legal & Communications Center	3,450	1,373	11	3,159	1,106	(2,200)	(2,681)	(2,065)
Ferry Transportation Services	190	16,410	182	133	173	(16,707)	(4,709)	(2,952)
Sub-total Economic Development	92,132	93,944	525	8,935	(639)	(10,634)	(8,561)	(6,603)
Waterfront Development								
Hoboken Waterfront	5,331	289	75	1,394	1,807	1,766	2,060	2,662
Queens West Waterfront	1,082	64	11	936	1,256	(1,184)	(1,325)	(6,794)
Sub-total Waterfront Development	6,413	353	86	2,330	3,063	582	735	(4,132)
Total Economic & Waterfront Development	98,545	94,297	611	11,265	2,424	(10,052)	(7,826)	(10,735)
World Trade Center								
World Trade Center	127,939	14,081	-	0	(9,216)	123,074	126,676	115,611
WTC Site	-	20,568	1,816	4,913	2,498	(29,795)	(26,782)	(19,773)
WTC Retail LLC	23,500	23,525	-	0	(83)	58	(13,329)	-
World Trade	151,439	58,174	1,816	4,913	(6,801)	93,337	86,565	95,838
Regional and Other								
	-	9,635	-	54,101	59,088	(122,824)	(122,401)	(87,573)
Sub-total	3,055,067	2,089,659	163,477	671,459	39,423	91,051	42,447	88,567
Net (recoverables) expenses related to 9-11-01 PFC Program								
	-	-	-	-	2,556	(2,556)	(2,424)	(4,985)
	-	-	-	59,404	(214,986)	155,582	53,924	-
Totals	\$3,055,067	\$2,089,659	\$163,477	\$730,863	(\$173,007)	\$244,077	\$93,946	\$83,582

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
Revenues and Reserves
(In Thousands)

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Gross Operating Revenues	\$3,055,067	\$2,987,651	\$2,945,660	\$2,878,513
Expenses:				
Operating & Maintenance Expenses	2,089,659	2,010,638	1,970,595	1,855,134
Allocated Administrative & Development	163,477	147,655	166,587	139,920
Operating Asset Obligations	43,660	49,010	38,060	34,609
Net (recoverables) expenses related to 9-11-01	2,556	2,424	4,065	4,985
Total Expenses	2,299,352	2,209,727	2,179,307	2,034,648
Net Operating Revenues	755,715	777,924	766,353	843,865
Financial Income	116,235	93,259	70,776	57,403
Contributions	261,778	125,732	162,160	94,569
PFC Program	214,986	113,500	-	-
Net Revenues Available for Debt Service and Reserves	1,348,714	1,110,415	999,289	995,837
Debt Service:				
Interest on bonds and other obligations	422,249	363,503	372,090	353,813
Debt maturities and retirements	182,145	228,560	237,395	222,607
PFC Commercial Paper	175,000	-	-	-
Debt retirement acceleration	-	-	-	110,075
Total Debt Service	779,394	592,063	609,485	686,495
Increase in Reserves from Operations & Financial Income	569,320	518,352	389,804	309,342
Direct Investment in Facilities	(575,000)	(547,000)	(537,064)	(285,441)
Appropriation to / (from) Reserves for Self-Insurance	-	-	-	249
Net Increase / (Decrease) in Reserves for Year	(5,680)	(28,648)	(147,260)	24,150
Reserves, beginning of year	1,568,548	1,597,196	1,588,775	1,573,046
Reserves, end of year	\$1,562,868	\$1,568,548	\$1,441,515	\$1,597,196

ASSETS AND LIABILITIES
(Pursuant to Port Authority Bond Resolutions)
(In Thousands)

	2006 Budget	2005 Estimate	2005 Budget	2004 Actual
Assets				
Invested In Facilities	\$24,218,908	\$22,377,745	\$22,906,589	\$21,141,528
Cash and Investments	3,601,024	3,092,918	3,438,133	3,342,530
Other Assets	<u>3,472,051</u>	<u>3,534,987</u>	<u>3,555,215</u>	<u>3,581,664</u>
Total Assets	<u>31,291,983</u>	<u>29,005,650</u>	<u>29,899,937</u>	<u>28,065,722</u>
Liabilities				
Consolidated Bonds and Notes	9,829,593	8,446,108	8,895,496	7,873,573
Other Obligations	2,488,821	2,630,687	2,923,323	3,236,380
Accounts Payable and Other Liabilities	1,864,571	1,746,322	1,844,529	1,517,462
PFC Deferred Revenue	<u>-</u>	<u>-</u>	<u>26,153</u>	<u>14,651</u>
Total Liabilities	<u>14,182,985</u>	<u>12,823,117</u>	<u>13,689,501</u>	<u>12,642,066</u>
Net Assets	<u>\$17,108,998</u>	<u>\$16,182,533</u>	<u>\$16,210,436</u>	<u>\$15,423,656</u>
Net Assets Are Composed Of:				
Reserve Funds				
General Reserve Fund	\$1,189,879	\$1,065,596	\$1,139,791	\$1,068,790
Consolidated Bond Reserve Fund	<u>372,989</u>	<u>502,952</u>	<u>301,724</u>	<u>528,406</u>
Total Reserve Funds	<u>1,562,868</u>	<u>1,568,548</u>	<u>1,441,515</u>	<u>1,597,196</u>
Appropriated Reserves for Self-Insurance	69,112	69,112	69,361	69,112
Debt Retired Through Income	6,266,008	6,083,863	6,103,926	5,855,303
Capital Funding Provided by Others	828,140	828,140	828,140	828,140
Appropriated Reserves Invested in Facilities	6,803,998	6,228,998	6,208,622	5,681,998
PFCs Invested in Facilities	<u>1,578,872</u>	<u>1,403,872</u>	<u>1,558,872</u>	<u>1,391,907</u>
Net Assets	<u>\$17,108,998</u>	<u>\$16,182,533</u>	<u>\$16,210,436</u>	<u>\$15,423,656</u>

Activity Highlights

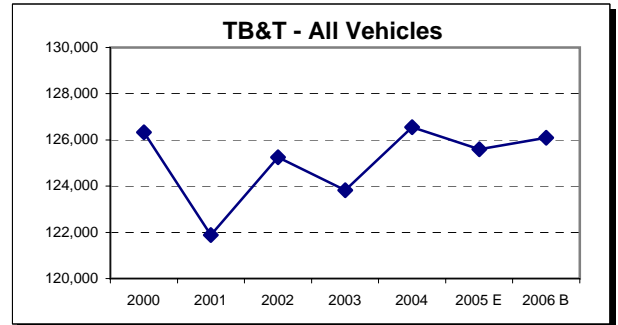
ACTIVITY HIGHLIGHTS

2000 - 2004 ACTUAL, 2005 ESTIMATE AND 2006 BUDGET

(In thousands)

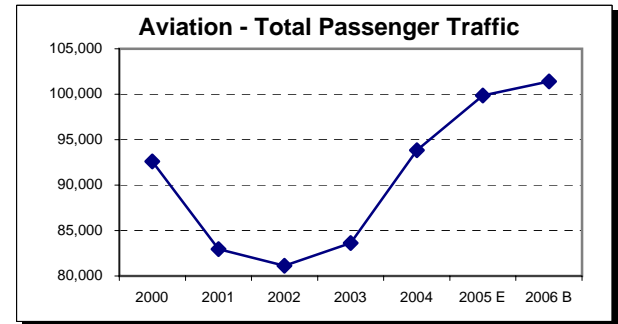
Tunnels, Bridges and Terminals (Eastbound Traffic)

	<u>Autos</u>	<u>Buses</u>	<u>Trucks</u>	<u>Total</u>
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 Estimate	114,100	3,200	8,300	125,600
2006 Budget	114,700	3,100	8,300	126,100



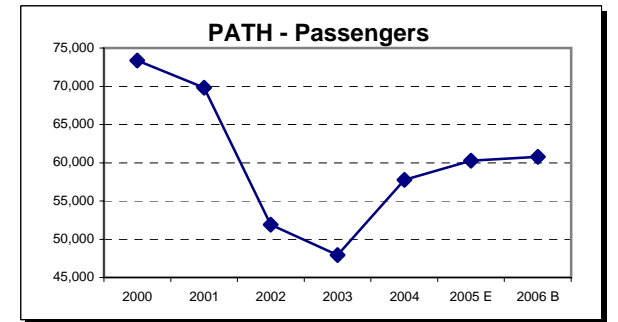
Aviation - Passenger Traffic

	<u>International</u>	<u>Domestic</u>	<u>Total</u>
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 Estimate	29,837	70,028	99,865
2006 Budget	29,640	71,767	101,407



PATH - Passengers

2000	73,388
2001	69,792
2002	51,922
2003	47,920
2004	57,768
2005 Estimate	60,254
2006 Budget	60,773



Port Commerce - Marine Cargo - Metric Tons

2000	18,870
2001	19,900
2002	21,249
2003	23,539
2004	25,474
2005 Estimate	27,210
2006 Budget	28,840

