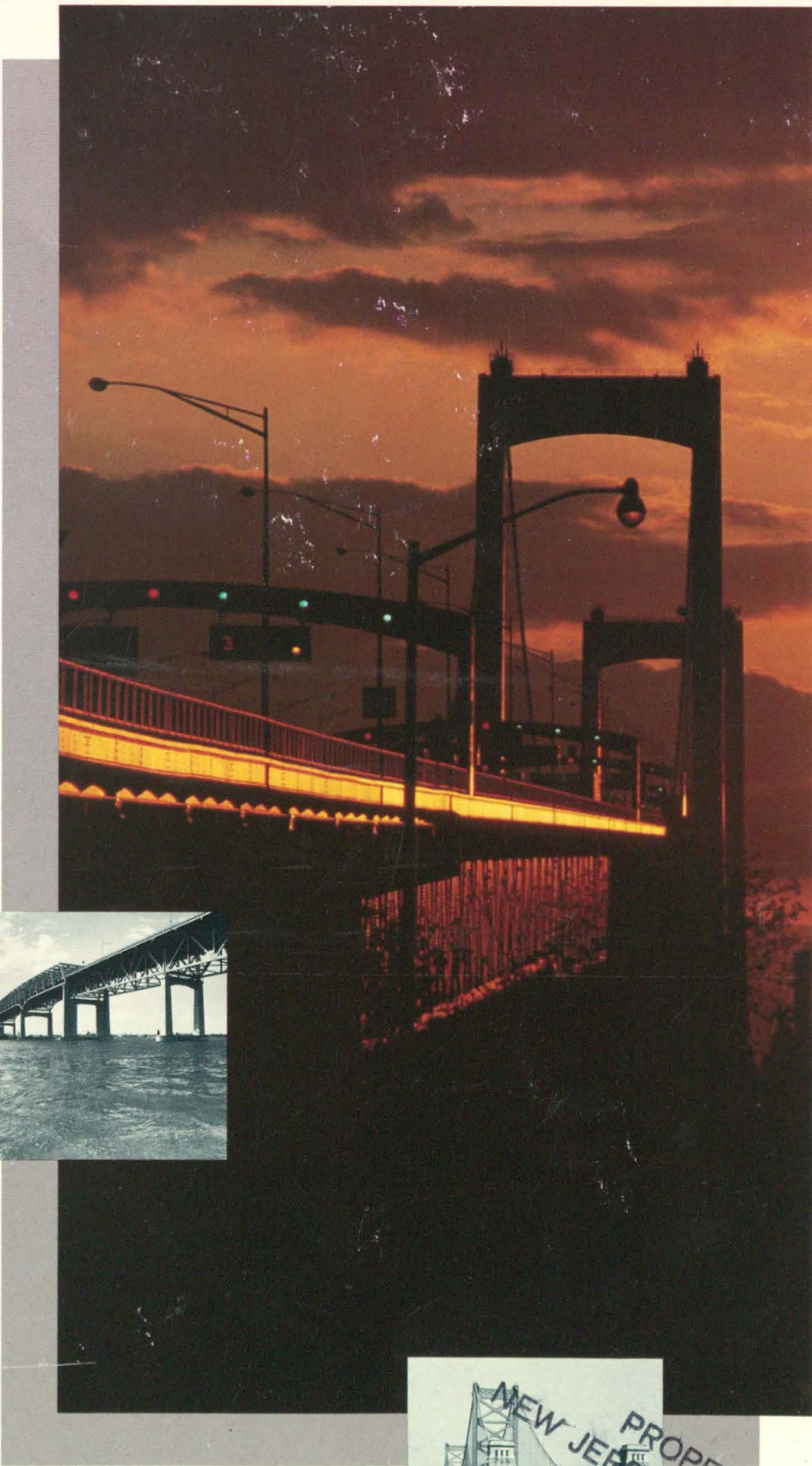


**Delaware River
Port Authority
Annual Report
1982**

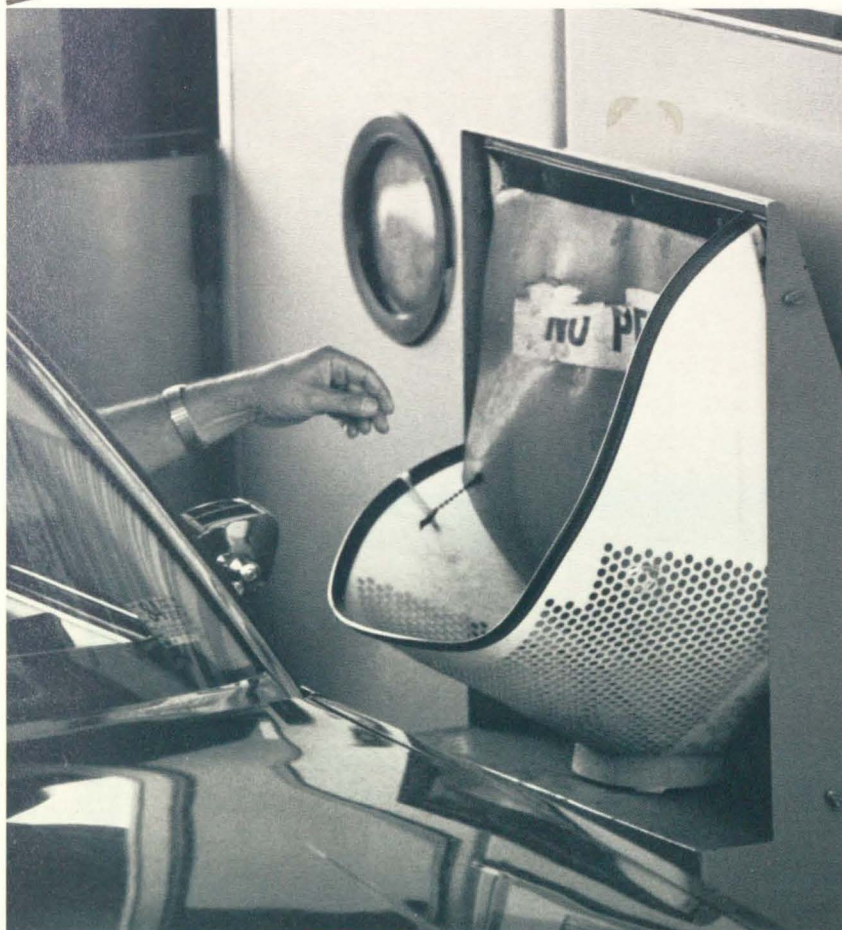
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COVER: Walt Whitman Bridge Marks 25th Anniversary 1957-1982



HEADQUARTERS

Camden, N.J.
Bridge Plaza

REGIONAL OFFICES

Philadelphia
Public Ledger Building

New York
One Penn Plaza

Chicago
233 N. Michigan Avenue

Pittsburgh
United States Steel Building

Bogota
Carrera 7a, No. 79-75

Tokyo
World Trade Center Building

Hong Kong
Galuxe Building
Central District

Brussels
Braderijstraat 7
Bus 14
2000-Antwerpen, Belgium

MONTHLY MEETING

Port Authority Commissioners meet the third Wednesday of each month in the Board Room of the Administration Building, Benjamin Franklin Bridge Plaza, Camden, N.J.

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Prepared by:
Office of Public Information
Photos: Carlton Read
Design: Studio 3

To:



*The Honorable Dick Thornburgh
Governor of the Commonwealth
of Pennsylvania*

and



*The Honorable Thomas H. Kean
Governor of the State of New Jersey*

The Port Authority's responsibilities to the Delaware Valley region were carried out with careful regard for both efficient and effective operations. All departments were scrutinized by the Commission and prudent organizational changes were made which were responsive to the level of austerity required by present economic conditions. As a result, it is a pleasure to report a most successful year where the level of services rendered did not diminish while the level of revenues received was higher.

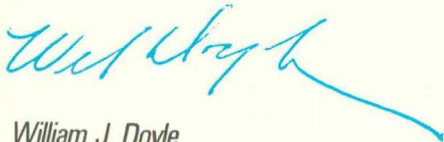
Traffic on the Authority's four bridges across the Delaware River increased by 893,027 trips or 1.3 percent in 1982 compared to the previous year. This growth was principally responsible for an increase in operating revenues last year of \$7,674,000 or 12.9 percent. Ridership on PATCO's Lindenwold High Speed Line totaled 11,132,825 in 1982, a drop of 1.2 percent, which compared very favorably with the decline of 3 percent nationally for mass transit patronage. In the case of PATCO, several factors caused the decline. One was the decrease in employment in the region resulting in fewer persons riding to and from work. A second was the slump in gasoline prices which reduced the disadvantages of commuting by auto. Finally, a fare increase in 1981 had at least a temporary depressing effect on ridership levels.

The worldwide recession, which has adversely impacted most businesses and activities in the region, also had a depressing effect on cargo movements at the Ports of Philadelphia. Total international waterborne commerce was reduced almost 12 percent for the year largely because of reduced imports of petroleum and the reduced export of coal, direct effects brought about by the oil glut. There were gains, however, in import general cargo and in the Port's market share of business among its North Atlantic ports competitors. There were also changes in the Port and in the general economy which justified optimism for the future of the region's maritime activity.

The Authority can report progress in its efforts to solve several major problems. The redecking of the 56-year-old Benjamin Franklin Bridge is the most serious, and every effort is being made to arrange suitable financing of this project. Financing of the rehabilitation of the High Speed Line track on the Benjamin Franklin Bridge is complete. An initial grant was received from the Urban Mass Transportation Administration and a commitment for additional funding has been made. Progress can also be reported on preparations to construct the ramp between northbound Rt. I-95 and the Commodore Barry Bridge. This ramp was not built when the Bridge opened in 1974.

The details of all these activities are contained in the report which follows.

Yours respectfully,



William J. Doyle
Chairman

Members of the Commission

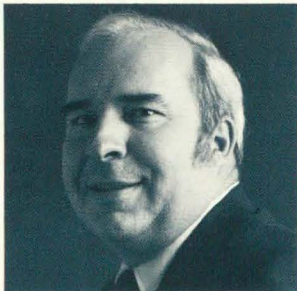
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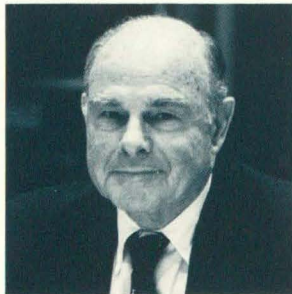
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Commonwealth of PA



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Managing Partner
Greater Phila.
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Geoffrey Stengel, Jr.
Secretary, Pennsylvania
Depart. of Commerce

NEW JERSEY

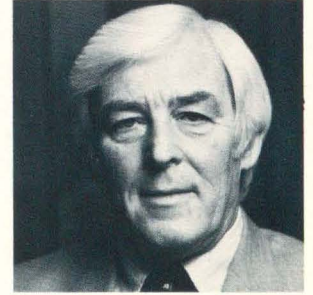
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The Delaware River Port Authority is a regional public agency serving transportation and maritime needs, in southeastern Pennsylvania and Southern New Jersey.

The Authority's parent states have assigned it responsibility for: providing crossings of the Delaware River between Philadelphia and Delaware Counties on the Pennsylvania side and the adjoining areas in New Jersey; for high speed rail mass transit between center city Philadelphia and the adjoining area of New Jersey within a 35-mile radius; and for the promotion of commerce on the Delaware River.

In the 64-year span since the agency was established as the Delaware River Bridge Joint Commission in 1919, it has carried out the mandates of its States and the Congress by constructing bridge and transit facilities valued today in excess of \$436 million.

Since the agency's conversion to a port authority in 1952, its World Trade Division has contributed importantly, through its network of domestic and international field offices, to making the Ports of Philadelphia one of the leading maritime centers of the world.

While it is a public agency serving public purposes, the Authority operates in some ways very similar to private enterprise.

The Authority did not have access to public funds — taxes in any form — in financing construction of its facilities. Funds for capital projects were obtained through the public sales of revenue bonds. Money to repay the bonds and for operations and maintenance is raised through

charges for the use of the Authority's facilities. But while the Authority must raise its own capital and provide its own income, it does not make a profit. Funds realized in excess of what is required for debt service and operations and maintenance are used for the Authority's other mandated public services, including promotion of waterborne commerce and subsidy of rail mass transit.

The affairs of the Authority are conducted by a 16-member Board of Commissioners. Eight members are appointed by the Governor of New Jersey with the advice and consent of the Senate. Six are appointed by the Governor of Pennsylvania, and two members, the Auditor General and the Treasurer of Pennsylvania, serve ex-officio. The 14 appointed members serve five-year terms or until replaced while the ex-officio members serve for their terms of office. All serve without pay. The Commission sets schedules of tolls and fares, employs permanent staff, contracts for services, and generally sets and oversees the policy, plans and direction of the Authority.

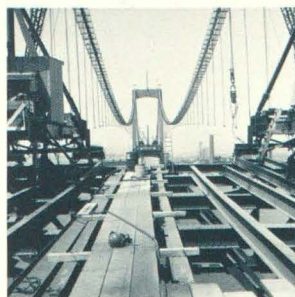
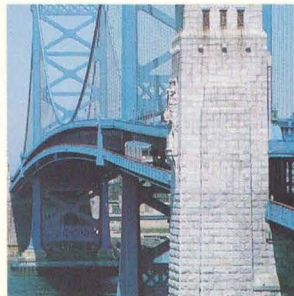
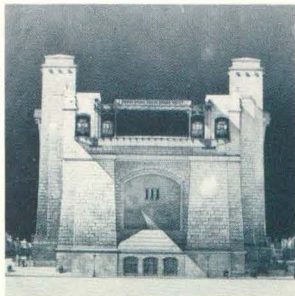
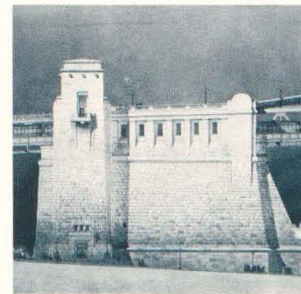
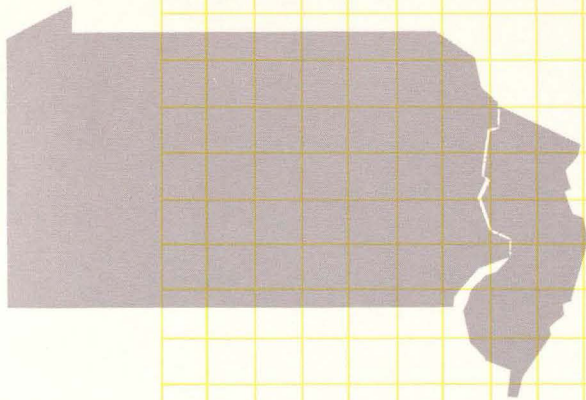
The Authority's facilities consist of four large, interstate toll bridges — which provide the bulk of its income — and a modern rail mass transit system. The first of the bridges was the Delaware River Bridge, later renamed the Benjamin Franklin Bridge. It was opened in July 1926 between Philadelphia and Camden. Rail mass transit service between center-city Philadelphia and center-city Camden was added on tracks outboard of the bridge roadway in 1936. Although built by the Authority, the transit line was operated under lease by the Philadelphia Transportation Co.

The steady growth in automobile ownership dictated the need for an additional bridge across the Delaware. The Port Authority responded to this need with the construction of the Walt Whitman Bridge between South Philadelphia and Gloucester City, N.J. It was opened in May 1957.

With the successful completion of this project, the Authority next turned its attention to improved rail transit. Construction began in the mid-1960's on a new, semi-automated high speed rail transit system from 16th and Locust Sts., Philadelphia, to Lindenwold, N.J., 10 miles east of Camden. It opened in 1969 and has become the standard of excellence for measuring all subsequent new transit systems throughout the nation. The Authority established its own operating subsidiary, the Port Authority Transit Corp. (PATCO), which, in the 14 years since it began to function, has twice been honored by the federal government for outstanding efficiency.

Acting on the recommendation of a long-range "Crossing Needs Study," the Authority began construction of two additional bridges in 1969. The Commodore Barry Bridge, between Chester, Pa. and Bridgeport, N.J., replaced an aging, inadequate ferry at that location, and was opened in February 1974. The Betsy Ross Bridge, between Northeast Philadelphia and Pennsauken, N.J., the only major bridge in the world named for a woman, was opened in April 1976.

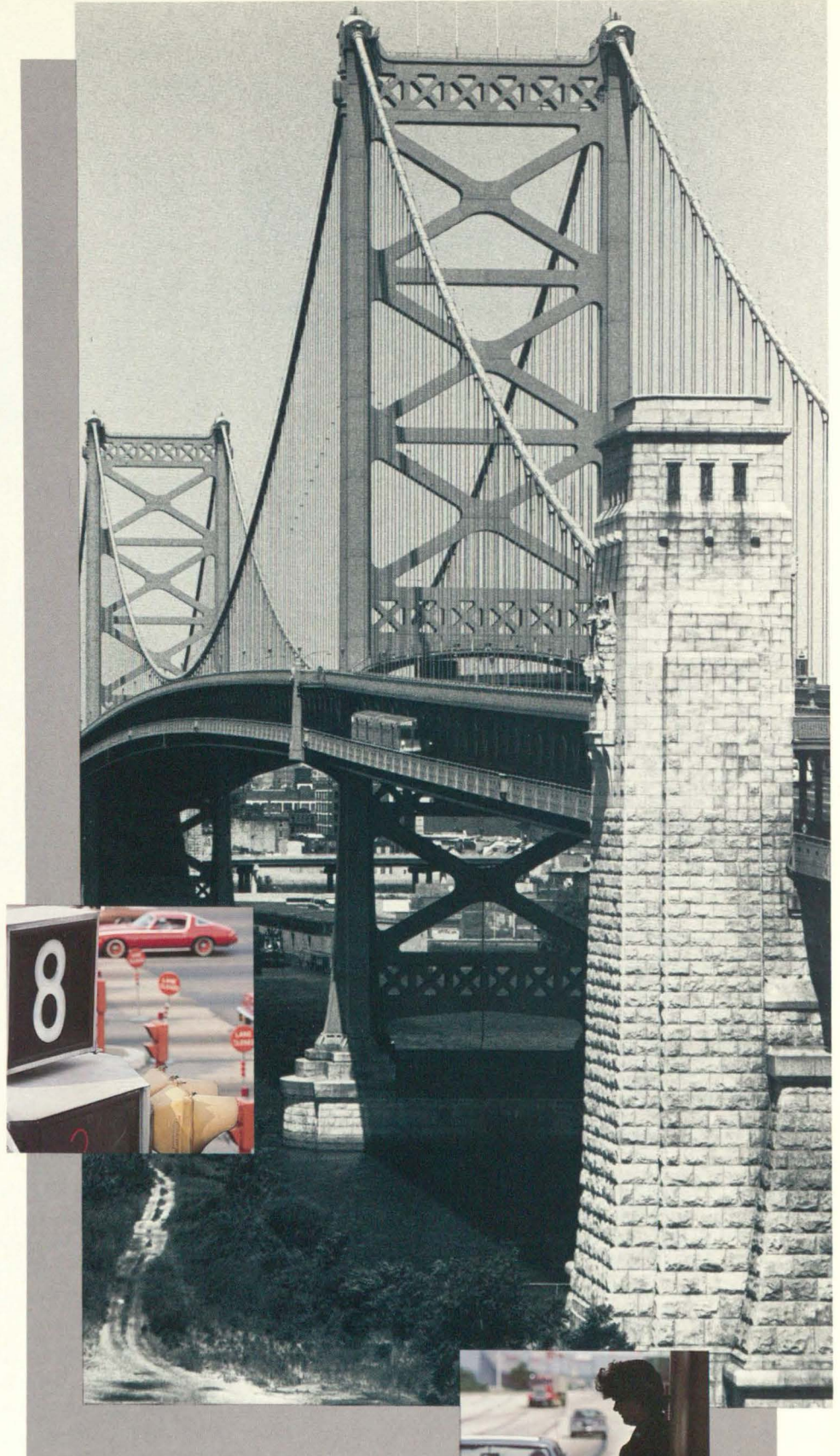
While the Port Authority neither owns nor operates any maritime facilities, it has conducted, on an international scale, an aggressive, organized promotion of all the services and facilities available on the



Delaware River from Trenton to the sea. These promotional activities are conducted by the Authority's World Trade Division through its headquarters in Camden and its domestic field offices in Philadelphia, New York, Pittsburgh and Chicago, and its overseas offices in Antwerp, Belgium; Bogota, Colombia; Tokyo, Japan, and Hong Kong.

The year 1982 was a period of challenge and adjustment for the Delaware River Port Authority. A Sub-committee on Operations, a special committee of the Board of Commissioners, held a series of meetings over a period of many months to thoroughly review staffing and structure of each Division in the Authority, and duties of individuals in those Divisions. Its purpose was to reduce operational costs. As a result of the Sub-Committee's organizational realignments and operational changes, operating costs were reduced by approximately \$600,000. Of that total, some \$427,800 in savings will reoccur annually.

The Benjamin Franklin Bridge between center city, Philadelphia, and Camden, N.J. was the first major bridge to span the lower Delaware. When it opened July 1, 1926, it was the longest suspension bridge in the world. In its more than 50 years of operation it has registered over a billion vehicle crossings. It has seven lanes for motor traffic, two pedestrian walks and two sets of speed line tracks.





One of the major changes was in the structure of the former Bridge Division where the position of Director was eliminated. The Division's operational elements of Police, Toll Collection, Toll Security and Highway Maintenance were placed directly under the Executive Vice President. The position of Manager of Highway Maintenance was also eliminated and the functions of the Police and Highway Bureaus were combined under the direction of the Inspector of Police. Additional economies are expected in 1983 when the evaluation of a revised organization will be completed.

Total traffic on the Authority's four bridges increased for the tenth consecutive year. The increase in 1982 was 1.3 percent, or 893,027 vehicles for a total of 69,650,610 vehicles. Three of the four bridges set new annual traffic records. Traffic on the Benjamin Franklin increased by 550,333 to 24,433,182 vehicles. It has never topped its record of 32,198,966 vehicles set in 1956, the year prior to the opening of the Walt Whitman Bridge.

The Walt Whitman Bridge continued to be the busiest of the four bridges with a volume of 34,497,647 vehicles in 1982, an increase of

21,183 over the previous year. The span set a new single day record on August 20, of 125,766 vehicles, eclipsing by 3,636 vehicles the previous one-day high mark set on August 1, 1980. Annual traffic growth continued on the Commodore John Barry Bridge by 3.6 percent or 204,475 vehicles to a total of 5,871,879, and on the Betsy Ross Bridge by 2.5 percent, or 117,036 vehicles to a total of 4,847,902.

The use of commuter stickers increased one percent with sales that averaged 39,897 a month, while the use of half-priced tickets by senior citizens, a program now in its fourth year, increased 27 percent to 4,443 daily.

The success of the security system installed at the Walt Whitman Bridge in 1981 resulted in improvements to the automatic toll collection equipment being extended to all Authority bridges and the installation of closed circuit TV monitors at the Benjamin Franklin Bridge.

Aggressive enforcement of traffic regulations resulted in a 5½ percent decrease in accidents in

1982, dropping to 324 from the previous year's 343. Fatalities also dropped from four to three.

Authority police traveled 1,367,605 miles while patrolling approximately 30 miles of bridges, roadways and ramps 24 hours a day. Their assistance to the public included no-charge pushing and towing service to 10,650 disabled vehicles, an average of 29 per day, and they transported a total of 250 injured persons to local hospitals. The police issued 8,233 citations for moving violations and 9,225 warnings for lesser infractions. Authority police assisted area police departments in apprehending 285 criminal suspects. They arrested 181 persons for offenses committed on Port Authority property and successfully intervened in 48 suicide attempts. Two deaths resulted from persons jumping from Authority bridges. The previous year there were three.

The Highway Bureau's snow removal crews were dispatched 11 times during the relatively mild winter, and the Bureau's high standards of maintenance year round continued to insure the safe and attractive conditions of the Authority's roadways, walkways, grounds and buildings.

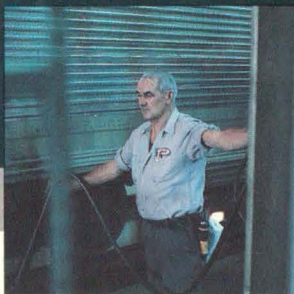
FIVE YEAR TRAFFIC TOTALS

	BENJAMIN FRANKLIN BR.	WALT WHITMAN BR.	COMMODORE BARRY BR.	BETSY ROSS BR.	TRAFFIC TOTALS
1978	22,682,024	32,572,272	4,856,600	4,103,035	64,213,931
1979	22,424,915	32,599,265	5,056,836	4,431,309	64,512,325
1980	22,832,684	34,371,718	5,316,251	4,608,527	67,129,180
1981	23,882,849	34,476,464	5,667,404	4,730,866	68,757,583
1982	24,433,182	34,497,647	5,871,879	4,847,902	69,650,610

When it opened in 1969, the Lindenwold High Speed Line was the first new rail rapid transit system to be built in the Eastern United States in 50 years. It was radically different than previous systems and so successful that it became the prototype for other new rail systems around the country. It is 14.5 miles long and operates between 16th & Locust Sts., Philadelphia, and Lindenwold, N.J., 10 miles east of Camden.



Port Authority Transit Corporation



The Port Authority's wholly-owned subsidiary, the Port Authority Transit Corporation (PATCO), safely transported 11,132,825 passengers on the Lindenwold High Speed Line in 1982. This was only 131,101, or 1.2 percent, fewer than in 1981. It was a remarkable achievement in view of a 26.3 percent fare increase in August of 1981, substantially lower gasoline prices, and persistent economic recession resulting in fewer people traveling to work. Nationwide, mass transit patronage declined some 3 percent in 1982.

Despite slightly less patronage, PATCO recorded an 11.3 percent increase in farebox-generated revenues in 1982 to \$12,853,681. Operating expenses increased only 10.2 percent, to \$16,056,805. Thus, PATCO's operating ratio of revenues divided by expenses improved 1.1 percent to .8005. In 13 full years of operations, PATCO's operating ratio has averaged 93.6 percent, the highest in the industry, which averages less than 50 percent.

PATCO continued to make significant contributions to energy conservation, air pollution abatement and highway safety. The 2,453,944 vehicles that used PATCO parking lots in 1982 represented an all-time high. Without PATCO the majority of these vehicles would have ended up on congested Camden and Philadelphia streets.

PATCO operated 105,126 scheduled train trips in 1982, which was 7,028, or 6.3 percent, fewer than in 1981. This reflects careful monitoring of patronage, with subsequent scheduling tailored to meet actual demand. In spite of fewer train trips, transit car mileage increased 2.5 percent over 1981, to 4,518,288 miles. The extra mileage resulted from severe winter weather experienced in

**PATCO
RIDERSHIP IN MILLIONS**

1978	10,924,239
1979	11,078,330
1980	11,406,132
1981	11,263,926
1982	11,132,825

January. It accounted for a 36 percent increase in car mileage.

Of the 105,126 scheduled trips, 103,382, or 98.34 percent, operated on schedule, an improvement of 0.5 percent over 1981. This was largely the result of the reliability of the new PATCO II cars. Throughout 1982, their first full year of operation, the Vickers-built cars rolled up twice as many miles and hours between component failures as the PATCO I cars.

Meanwhile, programs to improve the reliability of the 75 original PATCO I cars, built in 1968 and 1969 continued. By mid-July the last motor-generator set was replaced with a static converter. The motor-generators, devices which produce a low-voltage electrical current for operation of carborne subsystems, were trouble-prone and costly to maintain.

In August, twelve high-mileage, single-unit, PATCO I transit cars were deactivated and placed in storage. They will be cycled through a heavy overhaul program and returned to service, to replace other high-mileage PATCO I cars.

PATCO system safety was also enhanced in 1982 by the replacement of all highly flammable polyurethane foam seat cushions in the PATCO I car fleet with neoprene foam cushions, of the same type used on PATCO II cars.

New rail ties, new rail-to-tie fasteners and new refurbished rail were emplaced in Camden's Mickle Boulevard subway tunnel. The work was accomplished by PATCO maintenance forces without interfering with normal revenue service traffic.

Surface grinding of mainline track to extend rail life, improve ride quality and reduce noise was

performed and ultrasonic testing of all mainline track was conducted. Replacement began of obsolete electro-mechanical protective relays with electronic protective relays in electrical substations along the PATCO line.

All Operations Department Train Operators, Supervisors, and Dispatchers received annual refresher training; personnel from operations, maintenance and safety areas attended safety-related courses at the U.S. Department of Transportation's Transportation Safety Institute in Oklahoma City; PATCO Police officers participated in several skills-enhancement courses conducted by the New Jersey State Police and other agencies; and PATCO management personnel attended various transit-industry conferences, meetings and emergency preparedness drills.

PATCO management personnel served on a broad range of technical committees, often in leadership roles, instructed in various security and safety courses; participated in a variety of peer reviews of rail transit properties under development; and helped conduct the first ever safety review team from the American Public Transit Association Safety Review Service. The concept for such safety reviews was first advanced by a PATCO staff member in 1975.

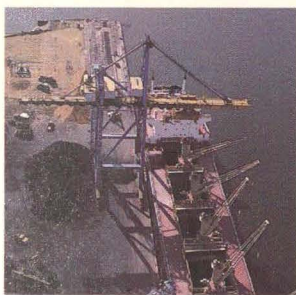
PATCO's general offices were moved in October from the Delaware River Port Authority's Annex Building in Camden to new quarters in the Lindenwold operations and maintenance facility. The change increases management efficiency by consolidating supervision into one location where the majority of personnel and activities are centered. PATCO maintenance forces constructed the new quarters in available space in the Lindenwold Terminal Building.

The number and occurrence rate of crimes on PATCO property dropped 15 percent in 1982. Motor vehicle-related offenses constituted the majority of crimes. Only 53 of the 397 major crimes were crimes against the person.

Persons riding eastbound PATCO trains over the Benjamin Franklin Bridge had an unparalleled view of the harbor when the "Tall Ships" arrived in port in mid-June. PATCO advertising and promotion efforts exploited this natural advantage, with the result that some 45,000 additional fares were collected over the four and one-half days the ships were in port.

A marketing breakthrough was scored in July. Members of the Center City (Philadelphia) Association of proprietors (CAP) began to participate in joint promotional efforts with PATCO, a cooperative venture which PATCO had been seeking for years. It offers PATCO patrons special discounts and free merchandise from participating merchants. Expanded support for joint promotions has been assured for 1983.

PATCO's strategic position was significantly enhanced on November 19, when New Jersey Governor Thomas Kean officially opened the connector ramps between the I-295 freeway and the PATCO Woodcrest Station in Cherry Hill Township. The connectors were the final link in the Woodcrest Station project. The connectors and the new station, opened on February 1, 1980, have combined to provide the finest and most accessible public transportation facility in the entire Delaware Valley. About 1500 parking spaces are available to meet the demands of future patronage growth at this station.



Effects of the persistent worldwide recession continued to be reflected in declining tonnages among the nation's ports. At the Ports of the Delaware River, total international waterborne commerce was reduced almost 12 percent in 1982, dropping from 65,799,969 tons in 1981 to 57,988,985. The world oil glut was the single, most significant factor contributing to the decline since it reduced both petroleum imports and coal exports. These two bulk commodities together with the recession-induced reduction in iron ore imports accounted for some 95 percent of the loss.

Gains were also recorded, however. Import general cargo increased 3.7 percent from 2,911,940 tons in 1981 to 3,019,900 tons last year. And the Ports of the Delaware also recorded a slight growth in their market share of general cargo among the highly competitive North Atlantic Ports. It rose from 16.4 percent to 16.73 percent.

There were a number of other accomplishments during the year which provide a sound basis for optimism when they are combined with indications that economic recovery is beginning to stir. The Port continued to attract new services, and improvements were added to existing facilities and services. A new liner service joined the Port's roster of scheduled sailings. Antwerp Bulk Carrier (ABC Container Line) arrived in February to offer a unique route from Europe to Australia/New Zealand, then to the Ports of Philadelphia and home to Europe on its final leg. The Line employs specially designed combination bulk/container vessels which can transport both standard and refrigerated containers.

After many years of effort, the Port was successful in obtaining service to Puerto Rico. The new service operating out of Petty's Island at Pennsauken, N.J. is transporting containers by barge, and the initial experience has been rewarded with a pattern of steady growth in business.

Additional expansion of the Port's coal capacity resulted from the modernization of Conrail's Export Coal facility at Pier 124 South, Greenwich Point. The equipment includes a traveling shiploader and a conveyor system with a loading capacity of 5,000 tons per hour; a barge loading shuttle conveyor with a telescopic chute, and an eight-car electric infra-red heated thaw shed to facilitate cold weather operation. Also new to the Delaware River Ports was the development in 1982 of a modern coal shipping terminal constructed and placed in operation by Energy Terminals, Inc. at Port Richmond. The facility includes machinery for blending coal and capabilities for handling 7,000-10,000-unit trains on a loop track. This is the first phase of a complex which will eventually include self unloading barges to provide topping off service to supercolliers in the lower Delaware Bay. The two additions have increased the Port's coal handling capacity from three million tons a year to 15 million tons a year.

The Port continued to modernize and upgrade general cargo facilities. A major project was completed by the South Jersey Port Corporation which extended its marginal wharf another 740 feet at the Beckett Street Terminal providing a total berthing space there of 2290 lineal feet. As

part of the same project the agency has placed in operation its new multipurpose, heavy duty Kocks Crane capable of lifting 45 tons of general, dry bulk and containerized cargo. The crane has a bulk capacity of 900 tons per hour.

A comparable improvement was completed at the Wilmington Marine Terminal where a new \$3.6 million multipurpose crane was installed as part of its development of a 7.2-acre container berth and storage area. Also, the Terminal's access roads were expanded and facilities for servicing 60 refrigerated container units were added last year.

The Delaware River Ports are a major conduit for the importation of Chilean fruits.

The fruit ships laden with grapes, nectarines, apples, melons and pears begin arriving in December and continue arriving at a steady pace until June making this region a national distribution center for winter fruits. It is a lucrative business for the Ports and one that is highly valued by the maritime community. In the 1981-82 season, more than 12.5 million cases valued in excess of \$125 million were handled and an increase of 20 percent was forecast for the 1982-83 season.

At the conclusion of the last season, the World Trade Division coordinated a united effort on the part of all involved in the fruit trade to review both accomplishments and difficulties experienced. These were analyzed at a series of meetings held at the Philadelphia office of the Port Authority, and marketing plans for the 1982-83 season developed which were designed to refine even further the handling techniques developed in the Port over the past five years, and to eliminate any difficulties experienced. The meetings proved extremely productive.

The World Trade Division



has similarly concentrated on protecting the very valuable volume of import meats which arrive from Australia and New Zealand. The Ports of Philadelphia excel in handling this product to the point where it handles more import meats than any other port in the nation. The growth of the import meat business in the Ports of Philadelphia has been steady and dramatic. It increased some 73 percent in just the three-year period from 1978 to 1980, beginning with 156,368 tons, or 25.98 percent of the North Atlantic market, and increasing to 269,623 tons for 49.63 percent of the North Atlantic market. Competitive ports are anxious to capture a larger share of this business and the World Trade Division has been working closely with local meat handlers to maintain the Port's supremacy.

And while the Port was proud of its progress, it was not without problems. Although the threat has by no means been removed, the attempt to impose port users' fees to finance channel maintenance dredging in the nation's ports, rather than the traditional federal funding, was successfully averted, at least temporarily. The Authority led the port community in opposing this proposition. Special counsel was employed in Washington to properly represent the Port's views. The Authority is also cooperating with ports throughout the country in this united opposition. The effort is ongoing and sustained.

The World Trade Division completed several pending projects and initiated a number of new directions in 1982. A year-long study jointly undertaken by the Authority,

the cities of Philadelphia, Camden, Wilmington and Chester, Bucks County and the U.S. Maritime Administration, was completed and its recommendations submitted. Among proposed actions advocated in the report were: concentration on specialized, large-unit volume general cargo shipments such as automobiles, frozen meat and fruit; increased effort for a larger share of containerized cargoes from the region's immediate hinterland; increased attention to long-range planning; and a program to install the most efficient, modern equipment commensurate with the specialized cargoes handled.

A new service of the Division which is gaining rapid acceptance and utilization in the port community is its computerized marketing information system. The system's data base, purchased from the Journal of Commerce, lists individual import and export transactions that both originate and terminate in the mid-Atlantic and mid-West States. The service which operates through a terminal and on-line printer, enables the World Trade Division to identify market areas and specific importers and shippers which should be included in its marketing efforts.

The World Trade Division has launched the Port Authority on an entirely new venture with the formation of an "International Marketing Service Group, Trade Development Marketing and Shipping Control System." The program grew out of the Division's association with Nigeria and other West African nations the Division was assisting with marketing problems in this country. The Authority is now authorized to officially represent these countries in marketing and distributing their products in this country, and, in some instances, to assist them in purchasing American commodities. For the

first time in its history, the Division would charge a fee for its services. The arrangement also has the advantages of generating additional new cargo tonnages for the Ports of Philadelphia, and of promoting the area's natural, geographic location as a distribution center.

The scope, direction and tempo of the Port's regional advertising campaign all increased in the past year. One series of print ads featured testimonials by major American companies whose top executives pointed out the advantages of shipping through the Ports of Philadelphia. Another series explained the advantages of each of the Port's major terminals. Radio advertisements were successfully used to explain assistance available through the World Trade Division's overseas offices. And a tastefully illustrated four-color brochure was issued citing the principal port services. The print advertisements received awards for their excellence in competition at the American Association of Port Authorities' annual meeting.

Several significant personnel changes occurred during the year. New Managers were named to operate the field offices at Pittsburgh and Chicago, while the Manager of the New York field office announced that he would retire after 20 years service at the end of the year. His position and several new executive posts in marketing and planning were to be filled in 1983 in line with the Division's new directions. They will emphasize sharply focused marketing efforts and the development of both short range and long range plans.



The Commodore John Barry Bridge, named in honor of the famed Revolutionary War Naval hero, is the world's second longest cantilever highway bridge. It connects I-95 and the industrial areas of lower Delaware County at Chester, Pa. with the rural farming areas of Gloucester County at Bridgeport, N.J. It also provides easy access to South Jersey seashore resorts. The five-lane span replaced a ferry at that location in 1974.

**PORTS OF PHILADELPHIA
FOREIGN TRADE**

<i>Short Tons in Millions</i>	
1978	74.7
1979	80.4
1980	67.6
1981	65.8
1982	57.9



The Walt Whitman Bridge is the busiest of the Authority's four bridges. It directly connects the Schuylkill Expressway in South Philadelphia with the North-South Freeway at Gloucester City, N.J. It is also a direct connection in New Jersey with I-295, Routes 130 and 42 and the Atlantic City Expressway. The Walt Whitman was also an important influence for the development of the Food Distribution Center and the Sports Complex in South Philadelphia.



Engineering and Planning Division completed eight construction contracts in 1982 at a cost of \$1,636,000 and began three new projects with a contract value of \$2,703,000. Among the major items completed were the steel painting at the Betsy Ross Bridge, \$855,000; bituminous pavement repairs at the Walt Whitman Bridge, \$353,000; and miscellaneous concrete repairs, also at the Walt Whitman, \$204,000. Lesser cost items included the installation of a closed circuit television security system at the Benjamin Franklin Bridge to improve security in the vault areas where money is handled, and the installation of new 13,200-volt cables feeding the main power supply at the Walt Whitman Bridge.

Among the more unusual items in the list were replacement of a beam over "B" ramp at the Walt Whitman, damaged by a truck, and repairs to the bottom chord under the

center of the Walt Whitman where it was damaged by a passing ship. All accidents in which damage to bridge property occurred were processed for insurance reimbursement. The most costly of the new projects begun during the year was the \$1,736,715 contract to expand the platforms of the Lindenwold High Speed Line stations. The longer platforms will permit the use of eight-car trains rather than the present maximum of six cars thereby increasing the capacity to accommodate additional peak travel-time traffic. A contract was let and completed in the course of the year for replacement of the 50-year-old high speed circuit breakers feeding PATCO transit power transmission on the Benjamin Franklin Bridge. The new breakers were installed at the Front Street and the Birch Street Substations, and were arranged so that electrical sectionalization is now available which will improve the reliability and the flexibility of the system operation.

The third of the new pro-

jects was the closing of the Franklin Square Station at 7th Street in Philadelphia. The Station was opened at the request of the City as part of the Authority's participation in the Bicentennial celebration of 1976. Sufficient patronage to make the Station a regularly scheduled stop never developed, however, and service there was discontinued. Entrances were sealed in a manner which will permit them to be reopened should the need ever arise.

Other PATCO projects have progressed. Work continued in support of three UMTA grants for maintenance equipment and improvements for the PATCO system, amounting to \$2,800,000.

Engineering was completed for



the rehabilitation of the anchorage bearings on the Walt Whitman Bridge, and the contract for the work was awarded in the amount of \$270,300. A bridge maintenance problem of much greater scope, however, is the redecking of the 56-year-old Benjamin Franklin Bridge. Engineering Division staff prepared the scope of work and recommended the selection of Michael Baker, Jr., Inc. in association with Weidlinger Associates to evaluate various orthotropic designs and develop the most economical steel plate replacement. The firms are also to develop the most feasible and economical alternative to eliminate deterioration of the concrete envelope surrounding the tracks of the PATCO High Speed Line on each side of the bridge. In August, the Urban Mass Transportation Administration awarded a capital grant for this project. The total estimated cost of the work is \$27 million, and should begin early in 1983.

Maintenance, Electrical and Control Bureaus undertook more than 50 in-house projects covering a broad range of repair and replacement at all four bridge installations. Personnel from the various bureaus were involved in the inspections of 12 construction contracts at various locations, and assistance was rendered on the annual inspections of the four bridge and PATCO facilities.

Inspection of DRPA non-funded projects by outside agencies was conducted including an eight-foot sewer construction (PennDOT) at the Benjamin Franklin Bridge; twin box culverts crossing along and under the Walt Whitman Bridge (City of Phila.) and roadway lighting revisions at Gloucester City approaches to the Walt Whitman (N.J.DOT).

Over 45 items related to real estate were processed. Legal De-

partment was furnished drawings and review comments related to land sales or acquisitions, easements, utility crossings, legal interrogatories, accident reports and various DRPA agreements.

The Division's defective 60-foot aerial tower was replaced with a new 65-foot unit, and the old 35-foot aerial tower was replaced with a new 45-foot unit. Also acquired was a new backhoe and loader with earthdrill and hydraulic hammer attachments.

Nearly all elements of the draft final report of the High Speed Line extension "Update Analysis" were completed by the Engineering and Planning Unit in 1982. The exceptions were chapters 2 and 9 which should be ready in January. The Update Analysis is a federally funded technical study to select, test and analyze rail and non-rail transportation alternatives in the Lindenwold-Berlin-Atco area.

The Unit also participated in or provided professional guidance on planning projects sponsored by state, county and municipal agencies. Major efforts included the Camden Transportation Terminal, and joint development studies of PATCO stations.

The Camden terminal is intended to provide a multimodal interface which would interconnect the PATCO High Speed Line, bus commuters — using both New Jersey Transit and Trailways — and persons traveling by auto and taxi. It is hoped that the facility will stimulate a rebirth of business in the downtown Camden area.

The Joint Development Studies are being conducted to examine the potential of PATCO station areas for development for private enterprise. The goal is to increase PATCO revenues from development income and to increase PATCO patronage.

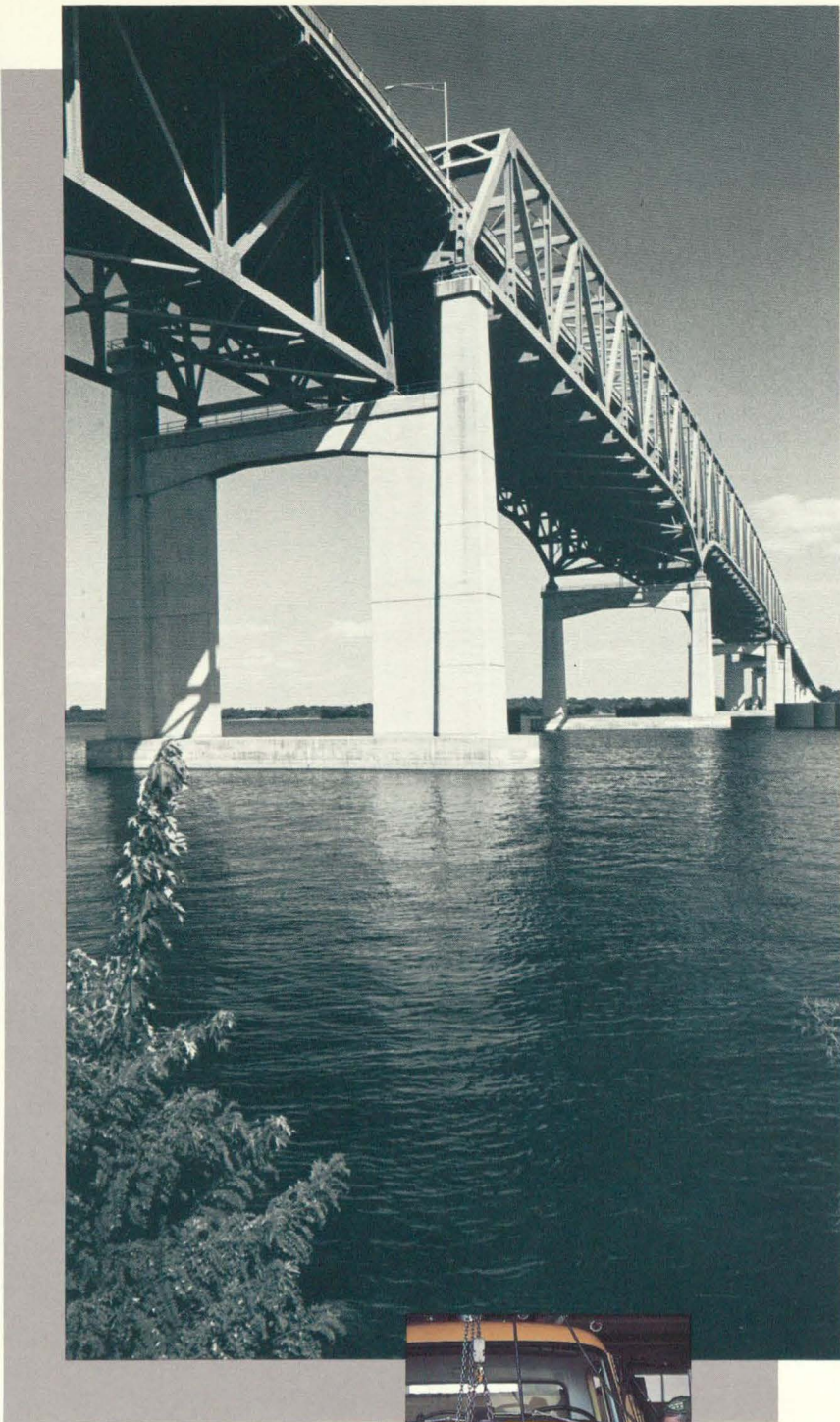
The Engineering and Planning unit conducted an in-house study of parking reuse rate at the PATCO Lindenwold Station in order to develop methods for increasing parking capacity.

The unit also prepared the estimate of cost and related drawings necessary for dismantling the surface structures and sealing the station openings at the Franklin Square Station.

The Planning Liaison Office represented the Authority, as in prior years, in the transportation planning activities of the Delaware Valley Regional Planning Commission, which is responsible for the allocation of federal funding in the area.

The Unit also successfully developed and processed a federal grant application for first phase funding for the rehabilitation of the PATCO track bed on the Benjamin Franklin Bridge. A Phase I grant of \$3.8 million was received with the strong indication that additional funding would follow. Applications were also prepared for a number of PATCO improvement items which were instrumental in successfully obtaining UMTA grants of \$852,000.

In mid-year, the Planning Liaison office function was transferred from the Engineering and Planning Division to the Office of the President.



The Betsy Ross Bridge opened in April 1976 as the newest of the Authority's four bridges. It is the first major bridge in the world to be named in honor of a woman. The Betsy Ross links Northeast Philadelphia and I-95 with Pennsauken, N.J. and Rt. 130, with additional highway links still to be constructed. The through, continuous-truss bridge has eight traffic lanes and measures 90 feet from curb to curb.

Administration Division

The various units of the Administration Division continued to operate at a high level of activity in 1982.

As was the case the previous year, the employment level at the Authority remained stable at a total of 672 employees. There were employment requirements, however, mostly as a result of vacancies which were brought about by retirement and voluntary separation. The majority of these vacancies are filled at the entry level in the toll lanes, and Personnel Relations processed some 3,000 applications in selecting candidates. In all hiring, affirmative action policies of the Authority were rigidly observed.

Personnel Relations is also responsible for the conduct of the Authority's program of employing college students during summer vacations. Last year, 94 men and women benefited from this community service which helps students earn money for their educations and at the same time permits regular Authority employees to enjoy vacations during the most desirable time of the year. Most of the students were assigned to either the toll lanes or to the maintenance forces.

The new safety program has continued its positive campaign in reducing lost time accidents. At



the end of its second year's activity, lost time accidents were reduced 31 percent, resulting in 24 percent less lost-time hours.

Administration Div. played an active role in the successful negotiations of a new contract with the Authority members of the Fraternal Order of Police. And a new dimension was added with expanded responsibilities for both employee insurance programs and the Authority's liability claims. The new position of Manager, Insurance Administration, was created with responsibility for planning, developing, implementing and administering various insurance programs with particular emphasis on employee health and life insurance.

The Authority's positive impact on the immediate community is reflected in the statistics of the Purchasing Bureau which acquired 6,766 items during the year with a total value of \$2,228,836.94. Almost all were purchased locally. Of the total, 167 purchases, or 14½ percent, representing a value of \$324,505.04, were placed under the advantageous pricing benefits of New Jersey State contract. And 122 purchases of goods and services required, with a value of \$37,982.96, were placed with Minority vendors.

The Office of Public Information made over 1,000 media contacts in 1982, most of them by telephone, but many in person. The majority are direct responses to requests for information concerning the Authority's ongoing activities. Other contacts are made to alert the media to developments that have news significance, arrange individual interviews or appearances on special interest programs, or to arrange in-

formational meetings with news executives.

In addition to the regular media contacts, there were 47 press releases issued during the year covering the entire range of Authority activities. The use of Mediawire service was begun. This is a commercial operation which accepts news releases over the telephone and then wires them immediately and directly into the newsrooms of all the important media in the region. This can be essential to rapid dissemination of late-breaking news where the Authority is anxious to make the earliest possible contact with the public.

The Office of Public Information participated in a number of special events during the year. Assistance in helping with arrangements to introduce a new container service to the regional community was given to ABC Lines which began making regular runs between Europe, Australia and the U.S. East Coast. Similar aid was provided to Energy Terminals, Inc. in launching a new coal shipping terminal. The assistance in both cases included aid in publicizing the events, as well as making the essential ceremonial arrangements. Although there was no direct participation in the visits of the Cunard Line Queen Elizabeth II and the Tall Ships for the City of Philadelphia Tri-centennial celebration, the media was accommodated in their television and photographic coverage of these events from our Benjamin Franklin and Walt Whitman Bridges which overlook the central harbor area. Among the other significant special activities was the publicizing of PATCO's cooperative promotion with Center City Philadelphia merchants aimed at boosting both ridership on the High Speed Line and shopping in center city; and

PIO participation in World Trade's very successful effort to eliminate difficulties and encourage the highly lucrative fruit trade between Chile and the Delaware River Ports.

One of the most important new responsibilities assumed by PIO during the year was the management of the maritime advertising program for the Port. Public agencies and private firms on both sides of the river join with the Authority in financing this effort. The scope of the program was immediately expanded resulting in a series of ads in maritime publications emphasizing the advantages of the region's facilities and services as attested to by prominent industrial customers. There was also a series of radio advertisements which not only promoted the Port to potential users but informed the general public of the role of the Port Authority and other agencies in providing these public services.

Graphic services provided to all Divisions of the Port Authority by the Administration Division's print shop again expanded. Despite its small size, its operations increased 6.6 percent last year with the production of 670 print jobs and a total of 9,211,708 separate pieces.

The shop is also responsible for the production of the commuter stickers which permit regular bridge users to cross for reduced fees. Accuracy is extremely critical in their production and yet a half million are manufactured without error in the print shop each year. In the five years the sticker printing program has been in operation, all equipment has been paid for and a net savings of \$287,652 has been realized.

During the year 1982, total operating revenues increased \$7,674,000 or 12.9 percent over comparable 1981 figures.

The increase was principally due as a result of new bridge tolls effective September 1, 1981 and a 1.3 percent increase in overall bridge traffic. Total operating and administrative expenses, including depreciation of \$7,343,000, were \$49,817,000 which resulted in operating revenues in excess of expenses of \$17,459,000 as compared to \$14,078,000 for 1981. The PATCO net operating loss in 1982, including depreciation of \$2,377,000 was \$5,547,000 as compared to \$5,311,000 in 1981 despite the full year of additional revenue received as a result of the PATCO fare increase effective August 30, 1981.

Investment income in the Revenue, Bond Service and Bond Reserve Funds decreased from \$9,256,000 to \$8,728,000 primarily as a result of lower overall interest

rates throughout the investment community for the year. All investments of the Authority were in accordance with the 1969 and 1974 General Bond Resolutions and reflect the continued prudent investment management by the Finance Committee.

After the deduction for interest on "Outstanding" Funded Debt of \$16,829,000 there remained net revenues of \$9,358,000 available for other Port Authority activities such as World Trade Division expenses and necessary capital expenditures as compared to \$6,505,000 for one year earlier.

The 1969 and 1974 General Bond Resolutions do not recognize the inclusion of depreciation as an "Operating Expense" and, accordingly, Statements of Revenues and Expenses are calculated in accordance with these Bond Resolutions and are shown as Note 8 to the Financial Statements.

Membership changes on the Board of Commissioners took place among both the Pennsylvania and New Jersey delegations during 1982.

One of Governor Byrne's final actions before leaving office was the appointment of former Assemblyman H. Donald Stewart, of Woodstown, Salem County, to the Commission to fill the vacancy which had existed since the death of Commissioner Joseph McComb in 1980. Commissioner Stewart assumed his new duties in January.

In mid-year, Governor Kean made his first appointment to the Board with the selection of Mrs. Mary Ruth (Robert) Talley, of Mickleton, Gloucester County, to replace James Yates who had served on the Board since 1975. Mrs. Talley is the first woman from New Jersey ever to serve on the Port Authority's Board of Commissioners.

The final changes were made in the membership in late Fall. Pennsylvania Commissioner James Bodine, who was appointed to the Board when he served as Secretary of Commerce for the Commonwealth, resigned effective November 15. He had served since his appointment in early 1979 to succeed Robert Pottamkin. And in November, New Jersey Commissioner Craig W. Yates, of Burlington County, resigned because of a transfer of employment overseas after having served since 1979.

At year's end, there was one vacancy on each State delegation.

FINANCIAL HIGHLIGHTS

	1982	1981
Gross Operating Revenues (1)	\$ 54,422,000	\$ 48,056,000
Operating Revenues in Excess of Expenses (1)	27,972,000	24,403,000
Net Revenues Available for Debt Service (1)	36,700,000	33,659,000
Interest on Funded Debt	16,829,000	16,829,000
Investment in Facilities (1)	531,474,000	529,678,000
Funded Debt	311,234,000	319,407,000

(1) In accordance with Port Authority Bond Resolutions. See note 8.

Financial Statements

Financial Summary

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February 24, 1983

Commissioners
Delaware River Port Authority
Camden, New Jersey

We have examined the balance sheets of the various funds of Delaware River Port Authority as of December 31, 1982, and the related statements of revenues and expenses, changes in fund equities and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the various funds of Delaware River Port Authority as of December 31, 1982, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Comparative financial information from the 1981 financial statements is presented herein. In our opinion, such comparative financial information has been properly extracted from the prior year's financial statements.

Touche Ross & Co.

Certified Public Accountants

DELAWARE RIVER PORT AUTHORITY

BALANCE SHEETS
(Thousands of Dollars)

December 31, 1982

<u>A S S E T S</u>	<u>Capital Fund</u>	<u>Revenue Fund</u>	<u>Bond Service Fund</u>	<u>Bond Reserve Fund</u>	<u>Debt Service Fund</u>
CASH	\$	\$ 355	\$	\$	\$
INVESTMENT IN SECURITIES (Notes 5 and 6)		50,197	10,415	24,007	475
ACCRUED INTEREST RECEIVABLE		1,317		512	34
ACCOUNTS RECEIVABLE (Note 2)		26			
TRANSIT SYSTEM INVENTORY					
PREPAID EXPENSES		238			
INVESTMENT IN FACILITIES (Note 3)	264,913				
LESS ACCUMULATED DEPRECIATION	<u>77,108</u>				
	187,805				
FUTURE EXTENSIONS TO SOUTHERN NEW JERSEY RAPID TRANSIT SYSTEM STUDY	<u>19</u>				
	<u>\$187,824</u>	<u>\$52,133</u>	<u>\$10,415</u>	<u>\$24,519</u>	<u>\$509</u>
<u>LIABILITIES AND FUND EQUITIES</u>					
ACCOUNTS PAYABLE:					
Contracts	\$	\$	\$	\$	\$
Retained amount on contracts		10			
Other		<u>455</u>			
		465			
ACCRUED LIABILITIES:					
Interest			7,686		524
Pension (Note 4)		673			
Sick leave benefits		<u>4,068</u>			
		4,741	7,686		524
DEFERRED INCOME ON TRUCK TICKETS		788			
RESERVES:					
Replacements and repainting		7,552			
Other		<u>612</u>			
		8,164			
FUNDED DEBT (Note 5)	92,088			24,187	
COMMITMENTS (Note 6)					
FUND EQUITIES (DEFICIENCIES)	<u>95,736</u>	<u>37,975</u>	<u>2,729</u>	<u>332</u>	(19
	<u>\$187,824</u>	<u>\$52,133</u>	<u>\$10,415</u>	<u>\$24,519</u>	<u>\$509</u>

See notes to financial statements

December 31,
1981

Debt Service Reserve Fund	1974 Escrow Deposit Fund	1974 Bond Fund	Construction Fund	General Fund	Combined	Combined
\$	\$ 2	\$ 1	\$ 5	\$ 121	\$ 484	\$ 783
3,532	19,706		10,310	8,043	126,685	118,784
96	256		210	12	2,437	1,572
				1,423	1,449	1,229
				1,429	1,429	1,302
				242	480	477
			263,444	3,117	531,474	529,678
			<u>22,596</u>	<u>282</u>	<u>99,986</u>	<u>93,101</u>
			240,848	2,835	431,488	436,577
				807	826	748
<u>\$3,628</u>	<u>\$19,964</u>	<u>\$ 1</u>	<u>\$251,373</u>	<u>\$14,912</u>	<u>\$565,278</u>	<u>\$561,472</u>
\$	\$	\$	\$ 4,078	\$	\$ 4,078	\$ 3,605
				235	245	331
				892	1,347	1,682
			4,078	1,127	5,670	5,618
	440	52			8,702	8,923
				230	903	697
				<u>1,069</u>	<u>5,137</u>	<u>4,707</u>
	440	52		1,299	14,742	14,327
					788	632
					7,552	6,633
				<u>265</u>	<u>877</u>	<u>307</u>
				265	8,429	6,940
	17,683		177,276		311,234	319,407
<u>3,628</u>	<u>1,841</u>	<u>(51)</u>	<u>70,019</u>	<u>12,221</u>	<u>224,415</u>	<u>214,548</u>
<u>\$3,628</u>	<u>\$19,964</u>	<u>\$ 1</u>	<u>\$251,373</u>	<u>\$14,912</u>	<u>\$565,278</u>	<u>\$561,472</u>

DELAWARE RIVER PORT AUTHORITY

STATEMENTS OF REVENUES AND EXPENSES
(Thousands of Dollars)

	Year Ended December 31,	
	1982	1981
OPERATING REVENUES AND EXPENSES (Note 5):		
Bridge:		
Tolls	\$54,360	\$47,994
Other operating revenues	62	62
Operating expenses	21,683	19,315
Depreciation	4,966	5,014
	<u>26,649</u>	<u>24,329</u>
	<u>27,773</u>	<u>23,727</u>
Transit System:		
Passenger fares	12,300	11,006
Other operating revenues	554	540
Operating expenses	16,024	14,542
Depreciation	2,377	2,315
	<u>18,401</u>	<u>16,857</u>
	(5,547)	(5,311)
	<u>22,226</u>	<u>18,416</u>
GENERAL ADMINISTRATION EXPENSES	4,767	4,338
OPERATING REVENUES IN EXCESS OF EXPENSES	17,459	14,078
INTEREST INCOME	8,728	9,256
INTEREST ON FUNDED DEBT (Note 5):		
First Series Revenue Bonds	5,625	5,625
Series 1972 Revenue Bonds	6,550	6,550
Series 1972 Refunding Revenue Bonds	4,654	4,654
	<u>16,829</u>	<u>16,829</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER INCOME (EXPENSES)	9,358	6,505
OTHER INCOME (EXPENSES):		
Interest on funded debt - refunded issues (Note 5):		
First Series Revenue Bonds	(971)	(1,227)
Series 1974 Special Revenue Refunding Bonds	(1,263)	(1,425)
Series 1974 Special Obligation Refunding Bonds	(140)	(231)
	<u>(2,374)</u>	<u>(2,883)</u>
Other interest income (Note 5)	3,417	4,530
World trade development expenses	(1,878)	(1,821)
Benjamin Franklin Bridge Deck Rehabilitation Study		(384)
Other	(43)	62
	<u>(878)</u>	<u>(496)</u>
NET INCOME	<u>\$ 8,480</u>	<u>\$ 6,009</u>

See notes to financial statements

DELAWARE RIVER PORT AUTHORITY

STATEMENTS OF CHANGES IN FINANCIAL POSITION
(Thousands of Dollars)

	Year Ended December 31,	
	1982	1981
SOURCE OF FUNDS:		
Operations:		
Net income	\$ 8,480	\$ 6,009
Noncash expenses:		
Depreciation	7,343	7,328
Provision for maintenance of facilities	2,046	1,767
Provision for self-insurance	812	84
Amortization of bond discount	107	118
Deferred income on truck tickets	156	(233)
Funds provided by operations	18,944	15,073
Increase in accounts payable	52	2,236
Increase in accrued liabilities	415	338
Government contributions for capital improvements and additions	1,387	1,026
	20,798	18,673
APPLICATION OF FUNDS:		
Retirement of bonds	8,280	8,721
Additions to facilities	2,254	7,189
Maintenance of facilities	1,127	1,378
Increase (decrease) in accounts receivable	1,085	(734)
Payment of self-insurance claims	242	100
Other	208	219
	13,196	16,873
INCREASE IN CASH AND INVESTMENTS	7,602	1,800
CASH AND INVESTMENTS:		
Beginning of year	119,567	117,767
End of year	\$127,169	\$119,567

See notes to financial statements

DELAWARE RIVER PORT AUTHORITY

STATEMENTS OF CHANGES IN FUND EQUITIES
(Thousands of Dollars)

	Year Ended December 31, 1982				
	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	Debt Service Fund
FUND EQUITIES (DEFICIENCIES) DECEMBER 31, 1981	\$92,684	\$32,694	\$ 2,652	\$389	\$ 8
REVENUES AND EXPENSES:					
Operating revenues		54,422			
Operating expenses	(4,185)	(21,683)			
General administration expenses		(4,767)			
Interest income		5,878	777	2,073	
Interest on funded debt			(16,769)		
Other income (expenses)	(207)				(1,164)
	(4,392)	33,850	(15,992)	2,073	(1,164)
GOVERNMENT CONTRIBUTIONS FOR CAPITAL IMPROVEMENTS AND ADDITIONS (Note 7)	1,387				
INTERFUND TRANSFERS AND PAYMENTS:					
Bond service fund requirement		(16,069)	16,069		
Funds in excess of bond reserve requirement		2,130		(2,130)	
Completed capital additions	1,242				
Funds in excess of escrow requirement					
Excess funds free of lien or pledge		(12,140)			
Funds in excess of debt service reserve fund requirement		415			
Debt service fund requirement		(2,905)			2,905
Excess funds from escrow trust restructuring program					
Retirement of bonds:					
First Series Revenue Bonds	4,825				
Series 1974 Special Obliga- tion Refunding Serial Bonds					
Series 1974 Special Revenue Refunding Bonds					(1,764)
Other	(10)				
FUND EQUITIES (DEFICIENCIES) DECEMBER 31, 1982	<u>\$95,736</u>	<u>\$37,975</u>	<u>\$ 2,729</u>	<u>\$ 332</u>	<u>(\$ 15)</u>

See notes to financial statements

YEARS ENDED DECEMBER 31, 1982 AND 1981 (Thousands of Dollars)

1. Summary of Significant Accounting Policies:

Description of Business:

The Delaware River Port Authority is a public corporate instrumentality of the Commonwealth of Pennsylvania and the State of New Jersey created with the consent of Congress by compact legislation between the Commonwealth and the State. The Authority has no stockholders or equity holders and, among other powers, is vested with the control, operation and collection of tolls and revenues of certain bridges spanning the Delaware River (Benjamin Franklin, Walt Whitman, Commodore Barry, and Betsy Ross Bridges). The Authority has also constructed and operates a high speed transit facility known as the Port Authority Transit Corporation (PATCO). The facility, a wholly-owned subsidiary, operates between Philadelphia and Lindenwold, New Jersey. Through its World Trade Division, the Authority promotes the development and use of the Delaware River as a highway of commerce.

Basis of Presentation:

The financial statements include the accounts of the Delaware River Port Authority and PATCO. Material balances and transactions between the entities have been eliminated.

Investment in Securities:

Investment in securities is stated at amortized cost, because it is the Authority's intention to hold these investments until maturity.

Transit System Inventory:

Transit system inventory, consisting principally of spare parts for maintenance of transit system facilities, is stated at cost (first-in, first-out method).

1. Summary of Significant Accounting Policies (Continued):

Investment in Facilities and Reserves for Replacements and Repainting:

Investment in facilities is stated at cost, which generally includes expenses in connection with the offering, selling and issuance of bonds as well as interest expense and administrative and legal expenses incurred during the construction period. Investment in facilities also includes the cost of improvements, enlargements and betterments to the original facility. Replacements of existing facilities (except police and other vehicles whose estimated useful life is two years or less) are also recorded at cost. The related costs and accumulated depreciation of the property replaced are removed from the respective accounts and any gain or loss on disposition is credited or charged to operations.

Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, including those financed by federal contributions in 1982 and 1981 (Note 7). In distributing net income to equity, a charge representing depreciation on assets acquired with contributions is made against the related contribution accounts.

Maintenance and repair costs considered necessary to maintain bridge facilities in good operating condition are charged to operations as incurred. Reserves sufficient to meet the estimated cost to repaint the bridges and replace road surfaces and fenders of bridge facilities are provided by periodic charges to operations.

PATCO System, first phase capital improvement program and future extensions to PATCO System study are stated at cost, net of reimbursements prior to 1981 from the Urban Mass Transportation Administration and other governmental agencies. The PATCO System includes the expenditures of federal grants in 1982 and 1981 for capital improvements and additions (Note 7).

Funded Debt Discount:

Discount arising from the issuance of funded debt is amortized by the straight-line method from the issue date to maturity.

Reclassifications:

Certain reclassifications have been made to 1981 financial statements to conform to 1982 classifications.

NOTES TO FINANCIAL STATEMENTS (Continued)

YEARS ENDED DECEMBER 31, 1982 AND 1981 (Thousands of Dollars)

2. Accounts Receivable:

General Fund accounts receivable include amounts due from governmental authorities as follows:

	<u>1982</u>	<u>1981</u>
New Jersey Transit Corp. for services performed on extension of PATCO platforms at six passenger stations	\$ 281	\$
Construction reimbursement for the PATCO System, Locust traction power substation		26
Reimbursement for a Mass Transit Capital Improvement Grant, the PATCO System, first phase capital improvement program	687	381
Advance to N.J. Department of Transportation for right-of-way acquisition, Woodcrest Station	181	322
Reimbursement for Mass Transit Technical Study Grants	117	234
Other	<u>157</u>	<u>229</u>
	<u>\$1,423</u>	<u>\$1,192</u>

Construction costs and accounts receivable are generally subject to approval and audit by the applicable governmental agency.

3. Investment in Facilities:

	<u>1982</u>	<u>1981</u>
Bridges:		
Benjamin Franklin Bridge	\$ 57,520	\$ 56,999
Walt Whitman Bridge	96,985	96,599
Commodore Barry Bridge	139,461	139,446
Betsy Ross Bridge	<u>128,898</u>	<u>128,904</u>
	422,864	421,948
Less accumulated depreciation	<u>71,039</u>	<u>66,152</u>
	<u>351,825</u>	<u>355,796</u>

3. Investment in Facilities (Continued):

	<u>1982</u>	<u>1981</u>
Transit System:		
PATCO System (Note 7)	\$106,806	\$105,457
PATCO System		
first phase capital		
improvement program	<u>1,804</u>	<u>2,273</u>
	108,610	107,730
Less accumulated depreciation	<u>28,947</u>	<u>26,949</u>
	<u>79,663</u>	<u>80,781</u>
	<u>\$431,488</u>	<u>\$436,577</u>

4. Pension Plan:

The Authority participates in a money purchase pension plan administered by an agency of the Commonwealth of Pennsylvania which covers all permanent employees of the Authority. The nonrepresented employees of PATCO are also covered by this plan. Contributions to the plan by the Authority and PATCO amounted to \$2,781 and \$2,414 in 1982 and 1981, respectively. PATCO also contributes to a union pension plan which covers its represented employees. Contributions totalling \$148 and \$143 in 1982 and 1981, respectively, were made to this plan. The excess, if any, of the actuarially computed value of vested benefits over the respective pension fund assets, was not available from the administrators of either plan.

5. Funded Debt:

	<u>1982</u>	<u>1981</u>
<u>To Be Paid from Operations:</u>		
First Series Revenue Bonds, 5.625% due 1/15/09	\$100,000	\$100,000
Series 1972 Revenue Bonds, 6.50% due 1/15/11, less unamortized discount of \$1,413 - 1982 and \$1,463 - 1981	98,587	98,537
Series 1972 Refunding Revenue Bonds, 6.00% due 1/15/10, less unamortized discount of \$262 - 1982 and \$271 - 1981	77,139	77,130
Series 1974 Special Revenue Refunding Bonds, 7.25% due 1/15/90, less unamortized discount of \$139 - 1982 and \$183 - 1981	<u>15,631</u>	<u>17,547</u>
	<u>291,357</u>	<u>293,214</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

YEARS ENDED DECEMBER 31, 1982 AND 1981 (Thousands of Dollars)

5. Funded Debt (Continued):

	<u>1982</u>	<u>1981</u>
<u>To Be Paid from Escrow Fund Investments:</u>		
First Series Revenue Bonds, 5.35% to 5.40% due in installments through 1985	\$ 17,825	\$ 22,650
Series 1974 Special Obligation Refunding Bonds, 5.55% to 5.60% due in semiannual installments to 1985, less unamortized discount of \$2 - 1982 and \$7 - 1981	<u>2,052</u>	<u>3,543</u>
	<u>19,877</u>	<u>26,193</u>
	<u>\$311,234</u>	<u>\$319,407</u>

To effect the redemption of \$40,000 First Series Revenue Bonds, the Authority entered into a refunding program during 1974. Under this program, the entire proceeds from the issuance of the Series 1974 Special Obligation and Revenue Refunding Bonds, together with certain other monies of the Authority, were deposited under an irrevocable escrow deposit agreement in the 1974 Escrow Deposit Fund and invested in government obligations.

The interest and maturing principal of the government obligation investments are to be used to pay debt service on the First Series Revenue Bonds and the 1974 Special Obligation Refunding Bonds.

Substantially all revenues, cash and securities of the Authority are pledged under the various resolutions authorizing the bond issues.

The Series 1974 Special Obligation Refunding Bonds are not subject to early redemption. All other issues are redeemable prior to maturity at various amounts not in excess of 104% of principal.

The several bond/debt service, bond/debt reserve, and escrow requirements established by and defined in the various resolutions authorizing the bond issues were met by the Authority.

5. Funded Debt (Continued):

These requirements are summarized as follows:

	December 31,	
	<u>1982</u>	<u>1981</u>
Bond Reserve Fund	\$ 21,601	\$ 21,601
Bond Service Fund	9,126	9,126
Debt Service Reserve Fund	3,177	3,177
Debt Service Fund	2,270	2,205
1974 Escrow	19,330	25,244

Current maturities and sinking fund payments on long-term debt are as follows:

1983	\$8,425
1984	8,785
1985	9,005
1986	6,625
1987	7,070

6. Commitments:

As of December 31, 1982, the Authority had contractual commitments as follows:

	<u>Revenue Fund</u>	<u>General Fund</u>	<u>Total</u>
Benjamin Franklin Bridge:			
Bridge deck replacement	\$	\$ 234	\$ 234
Suspender rope replacement program		7	7
Other	5		5
Walt Whitman Bridge:			
Modification of traffic control devices		37	37
Anchorage bearing assembly		2	2
High voltage cable replacement		30	30
Bituminous pavement repairs	<u>93</u>	<u>17</u>	<u>110</u>
Forward	<u>98</u>	<u>327</u>	<u>425</u>

DELAWARE RIVER PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

YEARS ENDED DECEMBER 31, 1982 AND 1981 (Thousands of Dollars)

6. Commitments (Continued):

	<u>Revenue Fund</u>	<u>General Fund</u>	<u>Total</u>
Forward	\$ 98	\$ 327	\$ 425
Commodore Barry Bridge:			
Engineering services re: I-95 ramps H and F		53	53
Betsy Ross Bridge:			
Steel painting	1		1
PATCO Transit System:			
First phase improvement program		168	168
Franklin Square station, street level access closure		15	15
BFB trackbed repairs		74	74
Platform extensions, N.J. stations		1,519	1,519
Wire marking and cutting machine		10	10
Future extensions to Southern New Jersey Rapid Transit System study			
		57	57
World Trade development:			
Delaware River regional port and rail studies		42	42
Domestic port advertising program		63	63
Other		5	5
	<u>\$ 99</u>	<u>\$2,333</u>	<u>\$2,432</u>

Engineering studies have determined that the Benjamin Franklin roadway deck must be replaced and that the track envelope must be repaired. Although the cost of these projects cannot be determined at this time, the Authority in 1982 appropriated within the General Fund \$6,250 par value of investments to partially fund its share of the projects. In addition, the Board of the Delaware River Port Authority passed a resolution to withdraw monthly up to \$500 of excess funds, if available, from the Revenue Fund and deposit it in the General Fund where it will be reserved for the Authority's share of the two projects.

As of December 31, 1982, the Authority is actively negotiating to obtain its remaining share of funding from the state and federal governments.

6. Commitments (Continued):

The Authority is committed to the Commonwealth of Pennsylvania for construction of roadway connections between the Benjamin Franklin Bridge, the Vine Street Expressway and I-95. The Authority agrees to provide 10% of the construction costs if 90% federal funds are obtained. If federal funding is not obtained the Authority will limit its participation to an amount not to exceed \$3,375.

The Authority has a long-term lease agreement for the rental of toll collection equipment for 65 toll lanes. The agreement expires April 29, 1985. The lease remains in full force and effect for an additional two year period unless the Authority gives termination notice in writing at least 120 days prior to the expiration of the base period. If the Authority installs additional equipment pursuant to the provisions of the lease agreement, the terms of the lease shall be automatically extended for a period of two years. The lease contains an option to purchase clause.

Certain subway properties are leased from the City of Philadelphia. The lease expires December 31, 1997 and provides for rental payments of one dollar per year plus 9.6% of net profits of the Transit System. For the years ended December 31, 1982 and 1981 no additional rent is payable since operations of the Transit System resulted in a loss when computed in accordance with terms of the lease agreement.

Under the terms of the Authority's agreements with the Pennsylvania and New Jersey Departments of Transportation and the City of Philadelphia, the Authority leases for the annual rental of one dollar certain of the facilities constructed or acquired under the PATCO System first phase capital improvement program. Title to the facilities will vest in the several agencies participating in the project but the Authority is required to provide the insurance and maintenance of the leased property.

YEARS ENDED DECEMBER 31, 1982 AND 1981 (Thousands of Dollars)

6. Commitments (Continued):

Minimum lease commitments for the bridge automatic toll collection equipment and the transit system change makers are as follows:

Year Ending December 31,

1983	\$828
1984	770
1985	250

Rent expense for the years ended December 31, 1982 and 1981 amounted to \$1,053 and \$1,005, respectively.

7. Government Contributions for Capital Improvements and Additions:

The Port Authority receives contributions in aid for financing capital improvements and additions to the rapid transit system from the Urban Mass Transportation Administration. Capital improvement grant funds of \$1,387 were received in 1982 and \$1,026 in 1981. Charges representing depreciation on assets relating to these contributions were \$62 in 1982 and \$4 in 1981.

	December 31,	
	<u>1982</u>	<u>1981</u>
Contributions	\$2,413	\$1,026
Less accumulated charges (depreciation on assets acquired with contributions)	<u>66</u>	<u>4</u>
	<u>\$2,347</u>	<u>\$1,022</u>

8. Statements of Revenues and Expenses in Accordance with Port Authority Bond Resolutions:

The following statements of revenues and expenses have been prepared in accordance with the provisions of the Authority's Bond Resolutions which do not provide for depreciation as an operating expense, except for the PATCO System, as would be required by generally accepted accounting principles. The Authority's total net assets and fund equities would be increased by \$71,039 as a result of excluding all accumulated depreciation through December 31, 1982.

8. Statements of Revenues and Expenses in Accordance with Port Authority Bond Resolutions (Continued):

	<u>1982</u>	<u>1981</u>
Operating revenues:		
Bridge tolls	\$54,360	\$47,994
Other operating revenues	<u>62</u>	<u>62</u>
	54,422	48,056
Bridge operating expenses	<u>21,683</u>	<u>19,315</u>
	32,739	28,741
General administration expenses	<u>4,767</u>	<u>4,338</u>
Operating revenues in excess of expenses	27,972	24,403
Interest income	<u>8,728</u>	<u>9,256</u>
	36,700	33,659
Interest on funded debt:		
First Series Revenue Bonds	5,625	5,625
Series 1972 Revenue Bonds	6,550	6,550
Series 1972 Refunding Revenue Bonds	<u>4,654</u>	<u>4,654</u>
	16,829	16,829
	19,871	16,830
Other income (expenses):		
Interest on funded debt - refunded issues:		
First Series Revenue Bonds	(971)	(1,227)
Series 1974 Special Revenue Refunding Bonds	(1,263)	(1,425)
Series 1974 Special Obligation Refunding Bonds	<u>(140)</u>	<u>(231)</u>
	(2,374)	(2,883)
Other interest income	3,417	4,530
World Trade development expenses	(1,878)	(1,821)
Transit system operating loss (includes depreciation of \$2,377 in 1982 and \$2,315 in 1981)	(5,547)	(5,311)
Discount on bonds purchased, Series 1974 Special Revenue Refunding Bonds	193	176
Cost of equipment retired	(315)	(389)
Benjamin Franklin Bridge deck rehabilitation study	<u> </u>	<u>(384)</u>
	<u>(6,504)</u>	<u>(6,082)</u>
Net income	<u>\$13,367</u>	<u>\$10,748</u>

YEARS ENDED DECEMBER 31, 1982 AND 1981 (Thousands of Dollars)

9. Contingencies:

In the ordinary course of business, the Authority is involved in certain litigation. In the opinion of management, the ultimate liability, if any, will not have a material effect on the financial condition of the Authority.



