

974.901
D55

1991

NEW JERSEY STATE LIBRARY



3 3009 00077 4747


PROPERTY OF
NEW JERSEY STATE LIBRARY

OCT 28 1992

185 W. STATE ST.
TRENTON, N.J.



**DELAWARE RIVER
PORT AUTHORITY
ANNUAL REPORT**





COVER • A photo of one of the four giant coats of arms which adorn the anchorages on the Ben Franklin Bridge. These crests are 115 feet above the ground and are the emblems of Camden and New Jersey and Philadelphia and Pennsylvania. Leon Hermont, the noted Belgian sculptor, was commissioned for the work in 1925.

PHOTO • THIS PAGE The Ben Franklin Bridge welcomes in 1992 with a spectacular fireworks display as part of the "Columbus 500" celebration.



CONTENTS



REPORT TO THE GOVERNORS

2

COMMISSIONERS AND OFFICERS

4

EXECUTIVE DIRECTOR'S REPORT

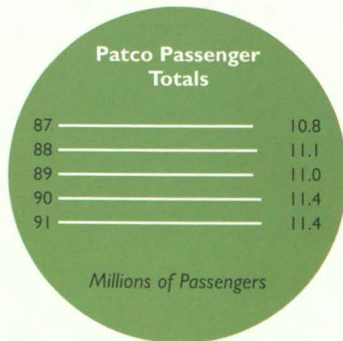
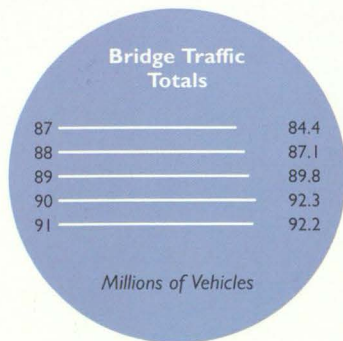
6

EDITORIAL SECTION

8

FINANCIAL STATEMENTS

22



**THE 1991 REPORT OF THE
DELAWARE RIVER PORT AUTHORITY**

To: *The Honorable Robert P. Casey*

Governor of The Commonwealth

of Pennsylvania and The Honorable

James J. Florio Governor of the State of New Jersey



GOVERNOR CASEY



GOVERNOR FLORIO



THE REV. NICHOLAS S. RASHFORD, S.J. • Chairman

PETER J. BURKE, JR. • Vice Chairman

The Golden Spike.

The Delaware River Port Authority in 1991 used the Golden Spike — long a symbol of progress and unity — to mark the start of construction of the Delaware Valley's newest transportation center. • Both symbolically and realistically, the golden spike driven into the railroad ties at DRPA's new Regional Intermodal Transfer Center unites the economies of southeastern Pennsylvania and southern New Jersey. The rail center, with a long reach to the north, south and west, allows hundreds of Delaware Valley businesses to move containerized cargo more quickly and efficiently. • But the project also does something more. • It sends out a clear message that the people of the Delaware Valley, using the talents and resources of a bi-state agency, can and will work together to identify necessary projects and see them to completion. • The governors of Pennsylvania and New Jersey have set the agenda for regional progress. DRPA's commissioners and staff readily follow their lead for we, like the governors, understand that the Delaware River does not divide us from each other, it unites us with the world. • Much hard work remains before us. But there can be no doubt the enterprise is well begun. • DRPA's commissioners in 1992 will see operations begin at the Regional Intermodal Rail Center. We will begin an initiative toward rejuvenating the Camden waterfront. We will make major improvements in reducing the Delaware Valley's traffic congestion and air pollution and we will continue to work to revise DRPA's charter to allow the agency to become involved in region-wide economic development programs. • Advancing these projects will require liberal views and conservative management. It will require that we prudently take care of today's business while keeping our eyes fixed on the future. • With continuing support from our parent states, the men and women of the Delaware River Port Authority and the Port Authority Transit Corp. will work diligently toward those ends. We will work to become the Golden Spike that unites the Delaware Valley economy in vision and in progress.

Yours Respectfully,

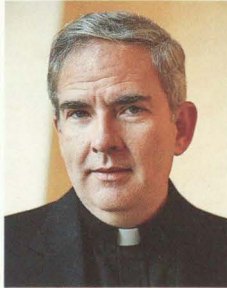


Nicholas S. Rashford, S.J., Chairman

**THE COMMISSIONERS AND OFFICERS OF THE
DELAWARE RIVER PORT AUTHORITY**

PENNSYLVANIA COMMISSIONERS

*Rev. Nicholas S. Rashford, S.J.,
Chairman; President
St. Joseph's University*



*Honorable Catherine Baker Knoll,
Treasurer, Commonwealth of
Pennsylvania*



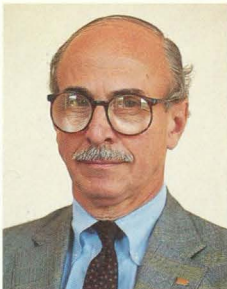
*Honorable Lucien E. Blackwell,
Member, United States
House of Representatives*



*G. Edward DeSeve,
Office of the Governor,
Commonwealth of
Pennsylvania*



*G. Davis Greene, Jr.
Office of the Governor,
Commonwealth of
Pennsylvania*



*Vincent Fumo,
State Senator,
Commonwealth of
Pennsylvania*



*Honorable Barbara Hafer,
Auditor General,
Commonwealth of
Pennsylvania*

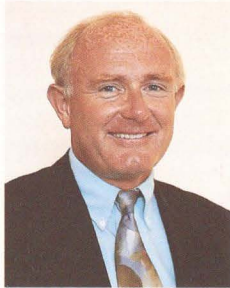


*Max Pievsky,
Former State Representative,
Commonwealth of
Pennsylvania*



NEW JERSEY COMMISSIONERS

*Peter J. Burke Jr.,
President, Meadow
View Health Care Center
Vice Chairman*



*William K. Dickey, Esquire,
Counselor at Law*

*Eugene J. McCaffrey, Sr.,
Executive Director*



OFFICERS

*Joseph P. DiRenzo,
President, United Building &
Construction Trades Council*



*Robert A. Innocenzi,
Deputy Commissioner,
NJ. Department of
Transportation*

*Siegfried Dahms,
Secretary, Director of
Bridges*

*Martin S. Dorph,
Treasurer*

*John M. Kennedy, CEO
PEPCO Manufacturing*



*Howard L. Moon Sr.,
Camden County
Health and Human Services*

*H. Donald Stewart, Owner,
Harry F. Stewart Agency*



*Honorable Teresa A. Porrini,
Mayor,
Maple Shade Township*

Traffic on the Delaware River Port Authority bridges and ridership on the PATCO High-Speed Line remained stable during 1991 despite the recession that hampered business both nationally and locally. Although the numbers remained high, the lack of growth during the recession signals the need for continued prudent management of resources in order for DRPA to fulfill its transportation, economic development and port promotion objectives. Toward that end, DRPA in 1991 continued its management restructuring, its computer enhancement and its long-range planning. Highlights of the year's activities included:

- The re-election of The Rev. Nicholas S. Rashford as chairman and the election of Peter J. Burke Jr. as vice chairman during the board's regular reorganization meeting. Mr. Burke also assumed the chairmanship of the finance committee.
- The election of a new corporate treasurer and a new corporate secretary.
- The start of construction of DRPA's new intermodal rail terminal in South Philadelphia and the decision by two major shipping lines to use The Ports of Philadelphia as a load center for cargo being shipped to Canada.
- The leadership role played by DRPA in forging an alliance



- with two other agencies to study the concept of "Round Trip Tolls" on all bridges spanning the lower Delaware River. The plan, if proven feasible, would reduce regional traffic congestion and air pollution.
- The leadership role played by PATCO in promoting a regional program that encourages mass transit. The program, named TransitCheck, allows companies to give their workers a tax-exempt commuting subsidy.
- The acquisition by DRPA of development rights to land adjacent to the New Jersey State Aquarium in Camden and beginning initial plans for a new DRPA headquarters building.
- The setting of a new annual traffic record on the Betsy

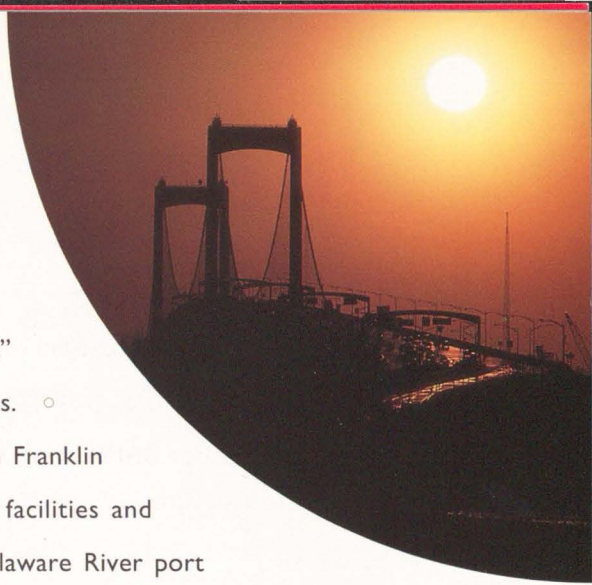
Ross Bridge. The statements of support from Pennsylvania Gov. Robert P. Casey and New Jersey Gov. James J. Florio for DRPA's proposed compact change. The change, once approved, will expand DRPA's role in port unification and regional economic development. In anticipation of that compact change, DRPA continued the restructuring of its executive staff in three main areas. First, it strengthened the in-house legal department. Second, it split the responsibilities of the chief engineer and chief planner into two separate but closely interrelated functions, as they had been in previous years. Third, it combined the port operations and economic development divisions into a new division known as World Trade and Economic Development. These moves allow DRPA to begin the critical planning and program development functions that will be required under the strict reporting requirements of the new compact. They also focus DRPA and PATCO on immediate

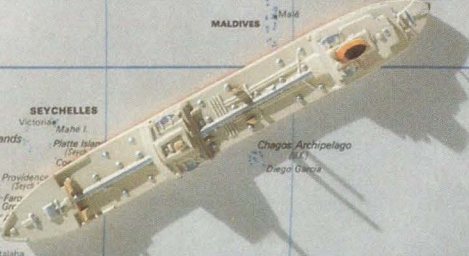
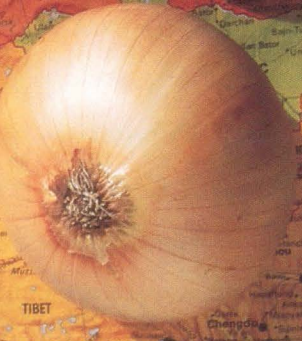
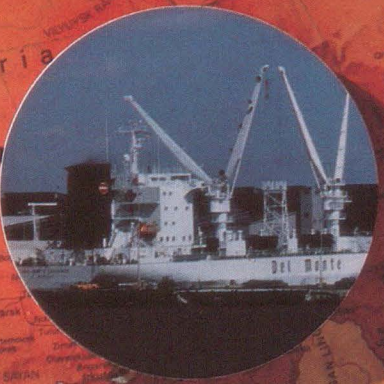
issues that directly affect the public. ○ Such issues include: ○ Planning for the redecking of the Walt Whitman Bridge. ○ Development of “smart” systems to move traffic more efficiently. ○ Renovation of PATCO stations. ○ Expansion of the PATCO parking lots. ○ Replacement of the Benjamin Franklin Bridge’s pedestrian walkway. ○ Retention of federal maritime-related facilities and monitoring regulations that govern the shipment of cargo through the Delaware River port facilities. ○ Making public facilities accessible to handicapped individuals. ○ Tasks such as these require a hard-working and professional cadre of employees focused on public service. DRPA and PATCO take great pride in their workers. Those who collect the tolls and operate the high-speed trains are only the most visible of a diverse work force that provides transportation services to more than 100 million travelers each year. They are supported by customer service representatives, electricians, police officers, engineers, purchasing agents and others. ○ Keeping the skills and motivation of this group at high professional levels is a challenging, on-going task. ○ Part of the solution is computerization. DRPA is working to tie together various functions in order to boost productivity and efficiency. Substantial progress in this field was made during 1991 and progress will continue through 1992. ○ But much more important is the effort to address workplace issues and develop common sense approaches. It is the goal of DRPA and PATCO to make sure each employee delivers a high level of public service in a cheerful and courteous manner.

○ DRPA and PATCO workers stood strongly behind their fellow employees who were called to participate in Operation Desert Storm. And they again showed their community spirit with programs such as the annual United Way Giving Campaign, toys for tots and drug awareness sessions. ○ Every employee also participated in a one-day training session known as “Affirmative Action: The Next Phase, Understanding the Changing Workforce.” This program, conducted by specially trained DRPA and PATCO employees, made it clear that both agencies support the goals of equal opportunity for all workers and will not tolerate discrimination or harassment.

○ Another key element in fostering a professional attitude is continued training. DRPA police underwent training in the use of weapons and participated with other law enforcement agencies in fighting illegal drugs. The police also continued their strong efforts to protect the motoring public from drunk drivers. ○ At the same time managers from various departments sharpened their skills in fields such as public management, communications and budgeting.

○ The executive staff of DRPA and PATCO view 1991 as a year of preparation. Large tasks and great responsibilities await us and we, as a unified and motivated work force, will be ready to accept the challenges.



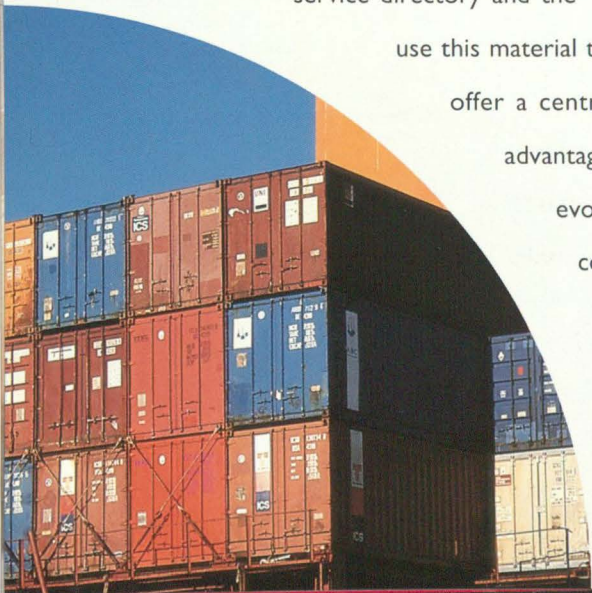


Products from all over the world come and go through the Ports of Philadelphia. The Delaware River ports handle large quantities of fruits, vegetables and meat as well as iron and steel, chemicals and petroleum products.

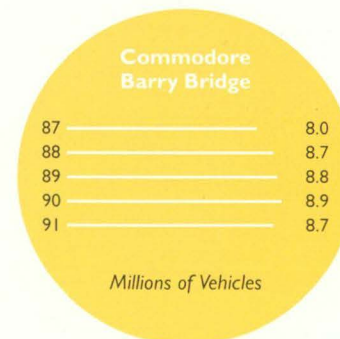
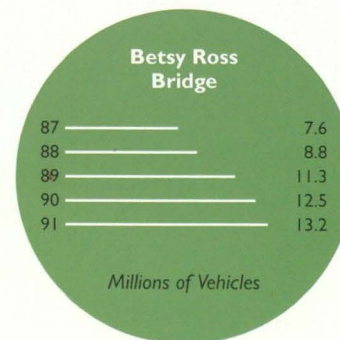
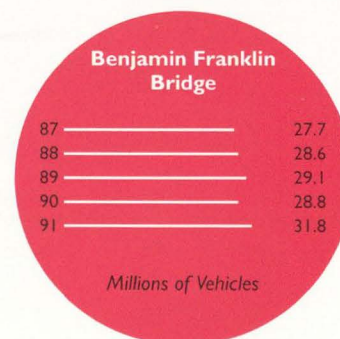
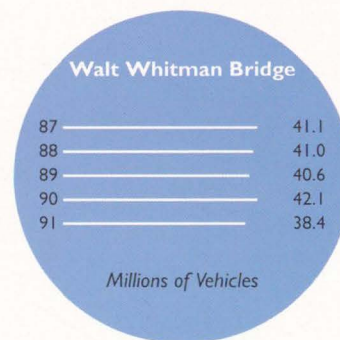
DONALD H. RAINEAR • Director World Trade and Economic Development

The Division of Port Operations and the Division of Economic Development were merged in 1991. The new division is named "World Trade and Economic Development," and anticipates the broader opportunities that will be available to DRPA upon ratification of its amended charter.

- The 1991 trade figures clearly show the need for a more aggressive DRPA role in developing projects that will benefit the regional economy.
- General cargo figures for the Delaware River port facilities fell by 5 percent when compared to 1990 totals. The decline reflected the effects of the national recession and mirrored a weak performance by all the major port cities in the Northeast.
- Especially hard hit during 1991 were bulk shipments and items related to the construction industry. On the bright side, general cargo exports continue to grow at a healthy pace and the Delaware Valley remains the leading U.S. center for fruit imports.
- The trade figures, however, show the continuing need to formulate long-term marketing strategies that will benefit the entire port district, and to develop solid trade relationships with emerging economies in Northern Europe, the Mediterranean, the Caribbean and South America.
- Another factor pointed out in the trade figures is the need to strengthen the port's ability to handle containerized cargo.
- To that end, World Trade and Economic Development assisted in the development of DRPA's Regional Intermodal Transfer Facility that will make the Delaware Valley a three-railroad hub for the shipment of containers both domestically and internationally.
- On the New Jersey side of the river, World Trade and Economic Development played a key role in negotiating the site for DRPA's new headquarters along the Camden waterfront.
- Continuing discussions were held with port officials on both sides of the river to develop meaningful marketing strategies and identify growth cargoes. Some of this effort resulted in special shipments of "project" cargo through the port — coal mining machinery to Australia, mill housing to South Korea, Brazilian made transit cars for use in Chicago and box-making machinery for Chile.
- At the heart of the division's activities is the dissemination of accurate, timely information regarding the benefits of shipping through the Delaware River port facilities. This is accomplished by the annual port marketing conference, the annual fruit marketing conference and the publication of a shipping service directory and the "Ports of Philadelphia Handbook."
- DRPA trade offices around the world use this material to make sure manufacturers and shippers know that the Delaware River ports offer a centralized location, excellent transportation and a skilled labor force. These advantages will become evident as a new, more aggressive port complex continues to evolve and meets the challenges of a the post-recession world of international commerce.



After 18 consecutive years of traffic growth, the number of vehicles crossing DRPA bridges declined slightly in 1991. The decline, however, amounted to less than 1 percent and, despite the recession, 1991's traffic total was the second highest ever. Vehicle count on the Benjamin Franklin, Walt Whitman, Commodore Barry and Betsy Ross bridges totalled 92,272,457. That is 84,045 vehicles lower than the record-setting 1990 year, a .09 percent decline. However it is 2.4 million greater than 1989's total. Traffic in 1991 was at a 35-year high on the Benjamin Franklin Bridge. The span carried 31.8 million vehicles, 3 million more than 1990's total. It marked the first time since 1956 — the year before the Walt Whitman Bridge opened — that the Ben Franklin Bridge carried more than 30 million vehicles. The Betsy Ross Bridge also set an annual traffic record. It carried more than 13 million vehicles for the first time in its 15 year history, a 6 percent gain. The Walt Whitman Bridge handled 38.4 million vehicles, a decline of 8.6 percent. During the year DRPA conducted extensive work on the bridge, including repairs to the roadway and painting. The Commodore Barry Bridge carried 8.7 million vehicles, a decline of 2.2 percent. However in the final days of 1991 Pennsylvania opened I-476, the so-called "Blue Route." This roadway connects many of Philadelphia's western suburban communities to I-95 just north of the Commodore Barry Bridge. The Blue Route is expected to increase bridge traffic by providing a convenient link for commuters, truckers and those traveling to seashore resorts. DRPA sold more than 51,000 discount commuter stickers each month during 1991, however the sale of monthly car-pool discount booklets declined to about 167. DRPA remains the only U.S. bridge operator offering a reduced discount program for senior citizens. Almost 10,000 senior citizens each month bought reduced fare tickets, a 3.3 percent increase. DRPA finished installing a computerized toll collection system that produces complete audit information immediately after each collector's revenue is counted. The system also allows motorists to use commuter stickers in any toll lane, manual or automatic, thus improving traffic flow. Looking to the future, DRPA — at no cost and with no obligation — installed a "test" automated toll system on an access road. Close monitoring will give DRPA valuable hands-on experience in designing and operating these innovative systems.



NOTE B
CAUTION

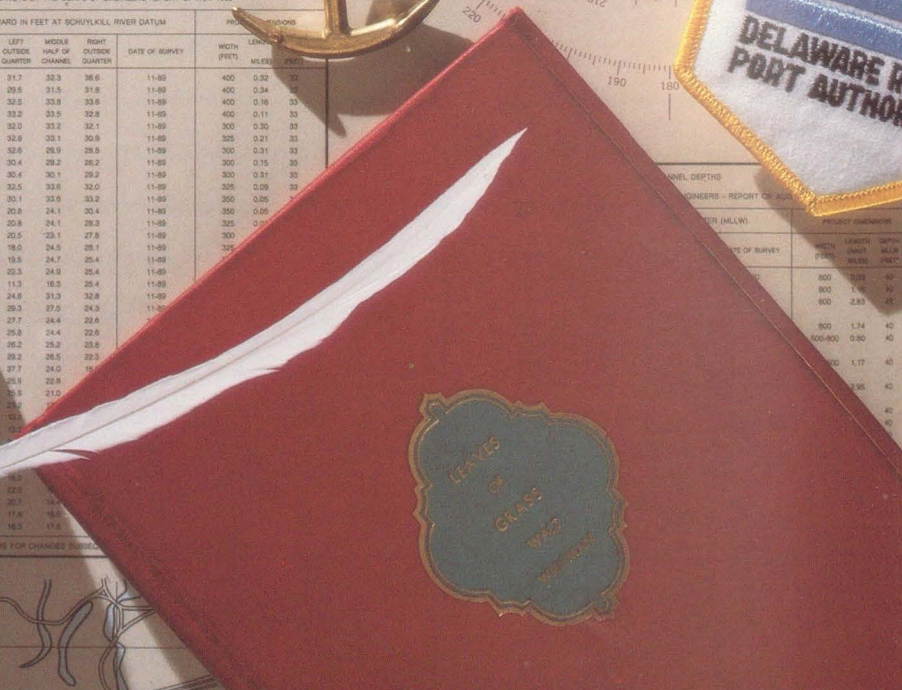
Fixed and floating obstructions, some submerged, may exist within the magenta tinted bridge construction area. Mariners are advised to proceed with caution.

University of Pennsylvania
Walnut Street
Cable Area
Stack



SCHUYLKILL RIVER CHANNEL DEPTHS
TABULATED FROM SURVEYS BY THE CORPS OF ENGINEERS-REPORT OF NOV 1989
CONTROLLING DEPTHS FROM SEAWARD IN FEET AT SCHUYLKILL RIVER DATUM

NAME OF CHANNEL	LEFT OUTSIDE QUARTER	MIDDLE HALF OF CHANNEL	RIGHT OUTSIDE QUARTER	DATE OF SURVEY	WIDTH (FEET)	LENGTH (FEET)
1	31.7	32.3	36.6	11-89	400	0.32
2	29.8	31.5	31.6	11-89	400	0.34
3	32.5	33.8	33.6	11-89	400	0.16
4	33.2	33.5	32.8	11-89	400	0.11
5	32.0	32.2	32.1	11-89	300	0.30
6	32.8	32.1	32.9	11-89	325	0.21
7	32.6	28.9	28.5	11-89	300	0.31
8	30.4	28.2	28.2	11-89	300	0.15
9	30.4	30.1	29.2	11-89	300	0.31
10	32.5	33.6	32.0	11-89	325	0.29
11	30.1	33.5	33.2	11-89	300	0.06
	20.8	24.1	30.4	11-89	350	0.06
	20.8	24.1	28.3	11-89	325	0
	20.5	25.1	27.8	11-89	300	0.06
	19.0	24.5	28.1	11-89	325	0
	19.5	24.7	25.4	11-89		
	22.3	24.9	25.4	11-89		
	11.3	16.5	20.4	11-89		
	24.8	31.3	32.8	11-89		
	29.3	27.5	24.3	11-89		
	27.7	24.4	22.6			
	25.8	24.4	22.6			
	26.2	25.2	23.6			
	29.2	28.5	22.3			
	27.7	24.0	19.5			
	25.1	22.8	20.4			
	24.3	21.0	19.5			
	23.2	21.0	19.5			
	22.1	21.0	19.5			
	21.0	21.0	19.5			
	20.0	21.0	19.5			
	19.0	21.0	19.5			
	18.0	21.0	19.5			
	17.0	21.0	19.5			
	16.0	21.0	19.5			

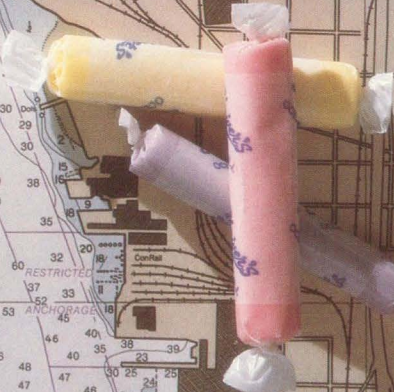


HARD'S FIRE

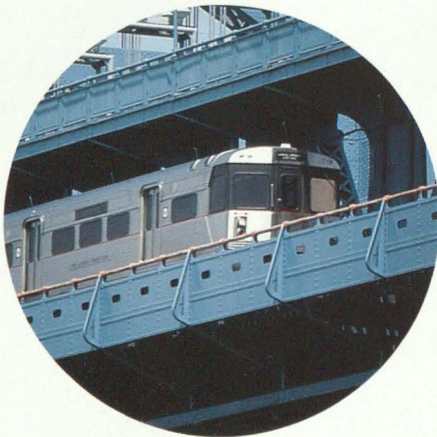
OLL
RIVER
PORT AUTHORITY



Historic namesakes for the four Delaware River Port Authority bridges are represented by products of their lives—Betsy Ross' flag, Ben Franklin's bifocals, Walt Whitman's "Leaves of Grass" and John Barry's quill and monetary contribution to our country's fight for independence.



The Engineering Division in 1991 saw work progress in several important areas: the construction of DRPA's intermodal transfer facility, planning for "Round-Trip Toll" collection, and repairs to the Benjamin Franklin Bridge pedestrian walkways. ○ However the most gratifying engineering work of 1991 involved the improvements made to the PATCO High-Speed Line, improvements that will provide better access for handicapped patrons. ○ The Engineering Division, working with PATCO, opened at Woodcrest Station the first elevator in the 22-year history of the line. DRPA engineers also worked with Camden officials to prepare a second elevator at Broadway Terminal. ○ But the effort to increase accessibility to the line goes beyond elevators. It involves a host of items such as motorized doors, new transaction windows, fare gates, Call-For-Aid telephones and directional signs, all which meet the needs of handicapped riders. ○ Engineering also worked with PATCO to finalize plans for the rehabilitation of six station platforms. It completed the rehabilitation of 16 bridges that carry PATCO trains through Camden and began construction on the expansion of the Ashland Station parking lot to accommodate 400 additional vehicles. ○ Walt Whitman Bridge users saw a considerable amount of work in progress in 1991 and more improvements are in the planning process. Engineering has begun studying plans to redeck major portions of the bridge and its approach roadways. ○ The division also began evaluating the best way to implement the proposed "Round-Trip Toll" system on all four bridges. The change to one-direction collecting will require toll plaza modifications and temporary strategies to implement the transition smoothly and safely. ○ At the Benjamin Franklin Bridge, the improved access to the Vine Street Expressway helped motorists reach destinations more quickly. ○ Work also progressed on the Ben Franklin Bridge's 65-year-old walkways. The walkways fulfill a dual function. They allow some 300 pedestrians, runners and bicyclists each day to enjoy a fine view of the river and the skylines of Philadelphia and Camden while providing areas for bridge maintenance, including maintenance on the bridge's improved decorative lighting system. Those lights are now computerized so they can "dance" to music at Philadelphia and Camden waterfront celebrations. ○ Looking to 1992, DRPA will finish construction of the regional intermodal transfer facility in South Philadelphia. The project involves two parallel loading tracks, each approximately 2,200 feet long, a 3,000-foot run-around track and a crushed stone surface. The site is lit and enclosed with a chain link security fence.



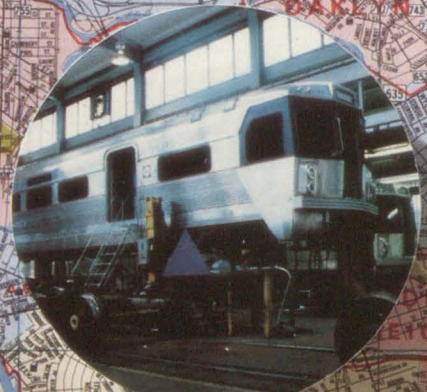
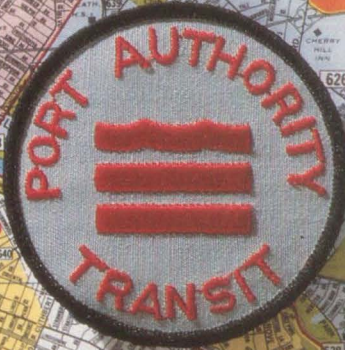
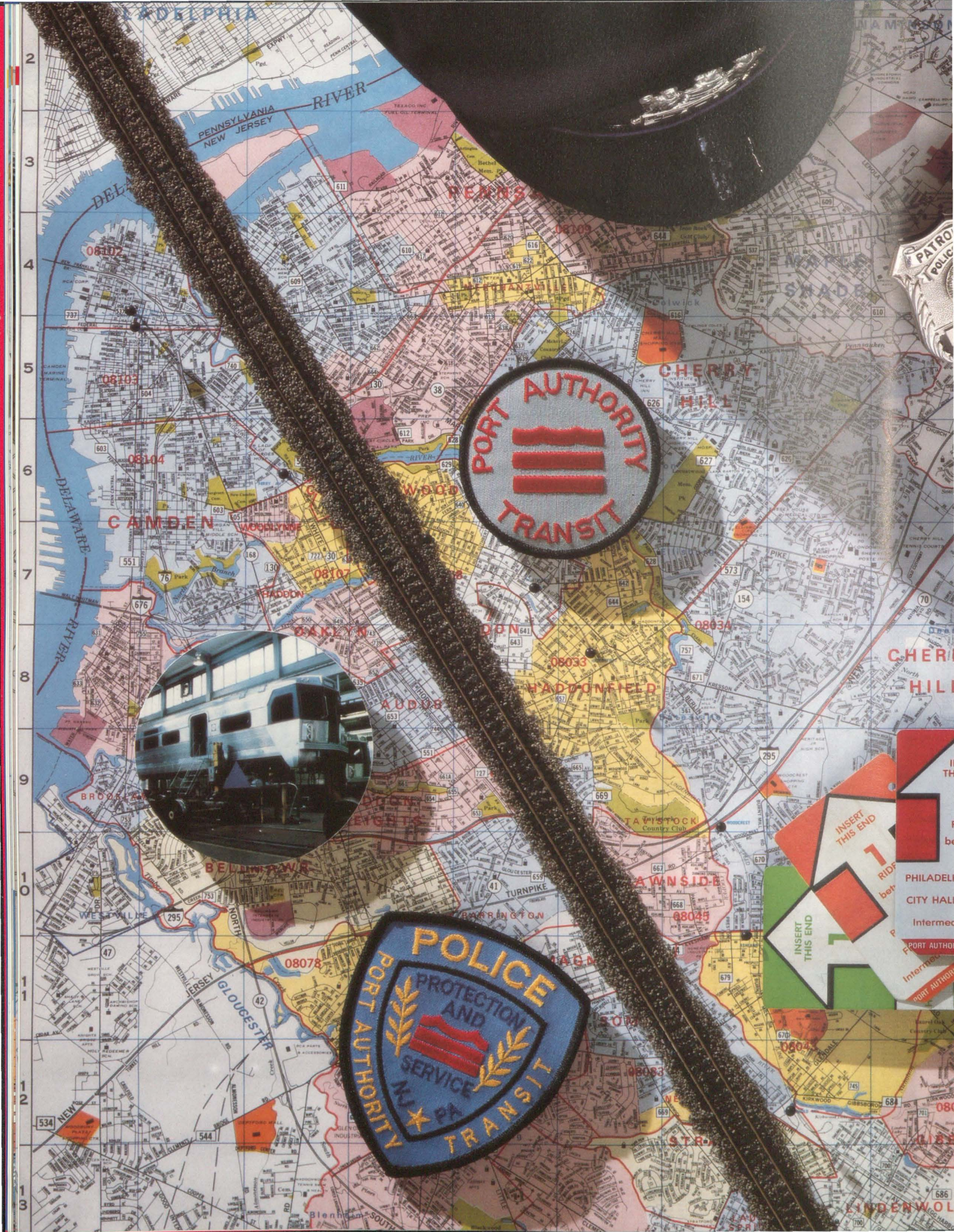
DRPA in September of 1991 split the responsibilities of the Division of Engineering and Planning by creating the new Division of Planning and Program Development and retaining Engineering as a separate division. Planning and Program Development became involved in negotiations and equipment procurement for the Regional Intermodal Transfer Facility. The goal of the program is to have the facility operational during 1992 with maximum use by shippers, manufacturers, trucking companies and railroads. The division also participated in preliminary work that will lead to the development of DRPA's proposed new headquarters building in Camden.

ROBERT G. SCHWAB • General Manager

PATCO

For the Port Authority Transit Corp., a wholly owned subsidiary of DRPA, 1991 marked a slight decline after six consecutive years of ridership growth. Total ridership for 1991 was 11,372,911. That compares to 11,404,517 in 1990, a 0.3 percent decrease. Average daily ridership in 1991 was 41,231, the second highest in PATCO's 23-year history. Demand for PATCO's 12,391 parking spaces at suburban New Jersey stations remained high throughout the year. The average weekday utilization of all parking lots was close to 96 percent of capacity with several stations averaging close to 100 percent. PATCO revenue in 1991 was \$15.58 million. That represents a 0.2 percent decline from 1990. PATCO fares have remained constant since 1983. Operating expenses increased from \$21.75 million in 1990 to \$24.03 million. The ratio of net operating revenue to operating expenses was 64.8 percent, and remains among the best of any mass transit systems in the country. Trains operated "on-time" for 99.3 percent of the almost 85,000 train trips scheduled in 1991. That performance enabled PATCO to maintain an average "on-time" record of more than 99 percent over the past seven years. During the year PATCO installed the first elevator on the system at the Woodcrest Station, improved track components such as ties, rails, switch components and third-rail cover boards, completed the mid-life overhaul and upgrading of six of the 23-year-old rail cars and expanded the central computer's maintenance and financial systems.





2
3
4
5
6
7
8
9
10
11
12
13

DELAWARE RIVER
PENNSYLVANIA
NEW JERSEY

CAMDEN

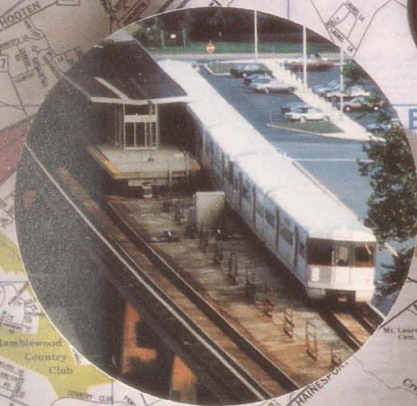
CHERRY HILL

CHERRY HILL

POLICE
PORT AUTHORITY TRANSIT
PROTECTION AND SERVICE

INSERT THIS END

PHILADELPHIA
CITY HALL
Intermed
PORT AUTHORITY
Intermed
PORT AUTHORITY



the game
COURIER
SOUTH JERSEY'S
TUESDAY, J

acing vict...
e tracks last d...

The business trip was one of dozens the
...-old computer company executive
...Sabbury, Mass., made regularly.
... something went terribly amiss. Mul
... was last seen alive around 3 p.m. th
... Monday afternoon and, soon after,
... killed repeatedly, dismembered and

Bradle

14	608	5	678
15	609	6	679
16	610	7	680
17	611	8	681
18	612	9	682
19	613	10	683
20	614	11	684
21	615	12	685
22	616	13	686
23	617	14	687
24	618	15	688
25	619	16	689
26	620	17	690
27	621	18	691
28	622	19	692
29	623	20	693
30	624	21	694
31	625	22	695
32	626	23	696
33	627	24	697
34	628	25	698
35	629	26	699
36	630	27	700
37	631	28	701
38	632	29	702
39	633	30	703
40	634	31	704
41	635	32	705
42	636	33	706
43	637	34	707
44	638	35	708
45	639	36	709
46	640	37	710
47	641	38	711
48	642	39	712
49	643	40	713
50	644	41	714
51	645	42	715
52	646	43	716
53	647	44	717
54	648	45	718
55	649	46	719
56	650	47	720
57	651	48	721
58	652	49	722
59	653	50	723
60	654	51	724
61	655	52	725
62	656	53	726
63	657	54	727
64	658	55	728
65	659	56	729
66	660	57	730
67	661	58	731
68	662	59	732
69	663	60	733
70	664	61	734
71	665	62	735
72	666	63	736
73	667	64	737
74	668	65	738
75	669	66	739
76	670	67	740
77	671	68	741
78	672	69	742
79	673	70	743
80	674	71	744
81	675	72	745
82	676	73	746
83	677	74	747
84	678	75	748
85	679	76	749
86	680	77	750
87	681	78	751
88	682	79	752
89	683	80	753
90	684	81	754
91	685	82	755
92	686	83	756
93	687	84	757
94	688	85	758
95	689	86	759
96	690	87	760
97	691	88	761
98	692	89	762
99	693	90	763
100	694	91	764

INSERT THIS END

10 RIDES

PH STATIONS

ROADWAY

Stations

TRANSIT CORP.

INSERT THIS END

2 RIDES

PATCO links the suburbs of Southern New Jersey to the urban communities of Camden and Philadelphia. Its security force, working with local law enforcement agencies, makes PATCO one of the country's safest mass transit systems.



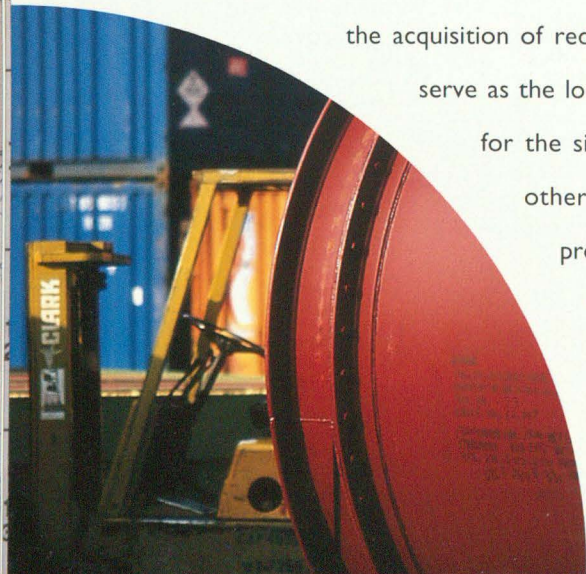
DRPA's police department logged more than 1 million patrol miles during 1991 and succeeded in maintaining a safe driving environment on the four bridges and their approach roadways. ○ Building on the force's commitment to stop drivers who are under the influence of drugs or alcohol, DRPA police made 442 DWI arrests during the year. Officers made an equal number of arrests for other offenses. ○ Officers assisted more than 8,000 motorists, transported more than 130 people to local hospitals and responded to 53 fires. ○ Training has been a cornerstone in upgrading the efficiency of the police department. All officers received training in firearms and individual officers trained in areas such as management, traffic control and narcotics enforcement. ○ The Port Authority Transit Police, operating under PATCO management, provided protection for more than 11 million riders as well as patrolling trains, stations and parking lots. Total crimes on PATCO property declined slightly during 1991.

MANAGEMENT INFORMATION SERVICES**STEVEN JOACHIM • Director**

The Department of Management Information Services, established in 1990, provides technology, data processing and user-support services throughout DRPA. Since the inception of MIS, the authority has doubled the number of personal computers in use and increased data storage capacity by more than 1,000 percent. ○ But MIS's goal is not just to add computers. The goal is to develop a strategic information system that allows employees to become more productive, with special targeting to those areas of operation where the highest cost/benefit ratio can be obtained. ○ To meet this goal — and to prepare for additional business needs — DRPA has adopted a multi-platform "open systems technology." It combines technology currently used at DRPA via local area networks and the flexibility to adapt to developing technologies. ○ During 1991 MIS provided technology and training in areas such as advanced word processing, spreadsheet functions, scanning and graphics. It also developed systems that enable departments to share information. This process will continue as MIS expands the systems from small, divisional networks to networks that will provide information sharing throughout the enterprise.

LEGAL DEPARTMENT**RICHARD L. BROWN • General Counsel**

The Legal Department in 1991 began an effort to handle more litigation, including most workers compensation cases, by the in-house staff. ○ Major projects for the department included work on DRPA's compact change, the acquisition of redevelopment rights for a tract of land along the Camden waterfront that will serve as the location for DRPA's new headquarters building and negotiating the ground lease for the site of DRPA's new Regional Intermodal Transfer Facility. ○ Working with other departments, the Legal Department reviewed contracting procedures and procedures involving the purchase of goods and services. The goal is to further open the process to smaller qualified bidders, thereby increasing participation by minority and disadvantaged bidders while lowering the cost to DRPA.



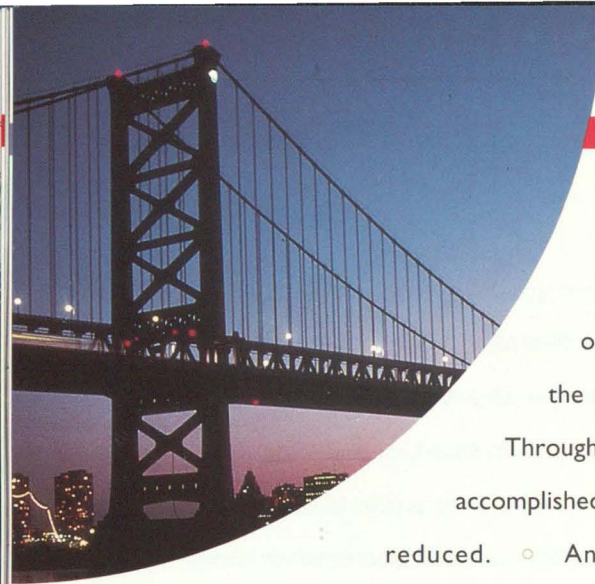
Government Relations is DRPA's principal liaison with other governmental units. During 1991 it provided information to legislators to assist them in evaluating the proposed changes to DRPA's compact. The department will continue to work on this project as the compact change moves to Congress for final approval. ○ The department will also continue to work with other transportation agencies to develop a Round-Trip Toll program for all bridges on the lower Delaware River. ○ Government Relations assisted in developing a plan that will make PATCO more accessible to handicapped individuals in response to the Americans with Disabilities Act and it coordinated the efforts of local maritime interests in successfully opposing a change in the Northern Europe-USA rate agreement that would harm Delaware Valley businesses. ○ Government Relations provided assistance to New Jersey officials considering an East-West connector road linking South Jersey roadways with Pennsylvania's Blue Route via the Commodore Barry Bridge. And the division helped federal officials in their initial deliberations regarding the deepening of the Delaware River shipping channel to 45 feet.

C. CARLTON READ • Manager


PUBLIC INFORMATION OFFICE



The Public Information Office, in addition to preparing DRPA's annual report, interacts daily with the public and the press. It handles both internal and external communications, provides a media-clipping service for commissioners and staff and works with other departments to ensure DRPA and PATCO information reaches the appropriate audiences. ○ In 1991 that meant updating the agency's basic information brochure and producing the first ever brochure describing the economic impact of The Ports of Philadelphia. The office published a newsletter and provided photos to publications and agencies including the New Jersey State Aquarium, the U.S. Information Agency and several foreign broadcast agencies. ○ Public Information organized the "Golden Spike" ceremony to mark the start of construction for the Regional Intermodal Transfer Facility. It also worked with the World Trade Division to promote the annual Port Marketing Conference and Fruit Importers Workshop as well as a press briefing on the changes to DRPA's compact. ○ Public Information wrote extensively — in speeches, position papers, press releases and magazine articles — about DRPA and PATCO activities. It prepared port descriptions for trade publications, updated motorists about highway conditions and made sure motorists knew about improvements in the toll collecting system.



DRPA's Personnel Relations Department affects activities at all levels of the organization. ◦ An important goal for the department in 1991 was to reduce the number of job-related injuries and the costs associated with these injuries. Through an innovative program of case investigations and follow-ups, this has been accomplished and the amount of work hours lost because of injuries has been substantially reduced. ◦ Another area that demanded immediate attention during 1991 involved preparation for compliance with the Americans with Disabilities Act. Personnel Relations began a comprehensive review of DRPA job descriptions, employment policies and practices, including screening of applicants, hiring, promotion and pay. The goal is to ensure all qualified individuals receive the broad protection mandated by ADA. ◦ Personnel Relations also launched an aggressive review of DRPA's affirmative action program. It arranged one-day seminars in which all employees discussed practical applications of affirmative action. Titled, "Affirmative Action, the Next Phase," the program helped workers examine numerous aspects of the affirmative action laws. Sessions showed workers how to recognize and deal with areas such as sexual harassment, age discrimination and reverse discrimination. ◦ The program, conducted by specially trained DRPA employees, focused on the positive aspects of employment equality. Workers said the program made them aware of their individual rights as well as making clear their obligations toward others. "Affirmative Action, the Next Phase" emphasized to workers that DRPA's commitment goes beyond legal requirements. It stressed that affirmative action makes good business sense and helps the agency carry out its public responsibilities. ◦ The department in 1991 conducted several other training programs, the largest of which enabled more than 200 workers to qualify under new federal standards to drive heavy equipment vehicles. ◦ Personnel Relations at the end of 1991 assisted several dozen employees who elected to participate in an early retirement program offered by the Pennsylvania pension system.

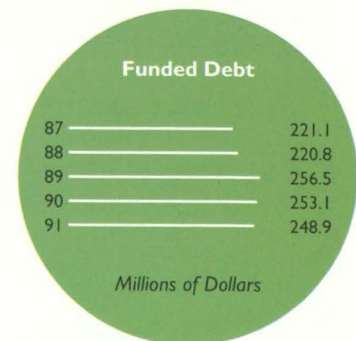
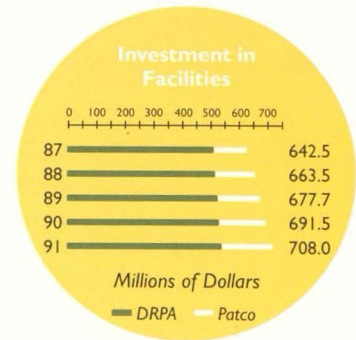
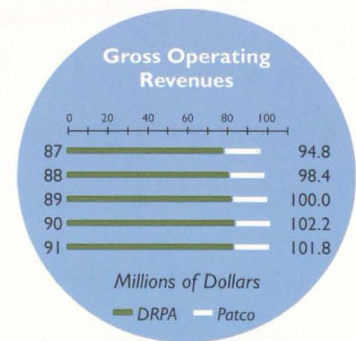

FINANCE

MARTIN S. DORPH · Treasurer

For the Year 1991, total operating revenues were \$101.83 million. Operating revenues decreased \$400,000 or 0.4 percent compared to 1990 revenues. The decline was due to a minor decrease in bridge traffic as well as a \$36,000 decrease in PATCO's total operating revenue. ◦ Total operating and administrative expenses including depreciation were \$80.39 million. This resulted in operating revenues exceeding expenses by \$21.44 million. That compares to \$27.71 million in 1990. ◦ DRPA's portion of this excess of operating revenues over expenses, including depreciation of \$7.15 million and administrative expenses of \$10.47 million, was \$33.85 million. That

compares to \$37.55 million in 1990. ○ PATCO's operating loss in 1991, including depreciation of \$3.95 million, was \$12.41 million. That compares to \$9.84 million in 1990. ○ Net income is calculated by adding interest income and subtracting interest expense and other expenses from the excess of operating revenues over operating expenses. Due to significant decreases in interest rates during 1991, interest income decreased from \$12.03 million to \$11.49 million. ○ After the deduction of interest expense of \$20.89 million on outstanding funded debt, \$12.04 million remained available for other DRPA expenses. These expenses include support for the World Trade Division and other port related activities. After consideration of such expenses, which total \$2.33 million (net of miscellaneous income), DRPA had net income in 1991 of \$9.71 million, a decrease of \$6.17 million compared to 1990. ○ In accordance with the General Bond Resolution adopted by the commissioners on April 15, 1985, DRPA calculates "net revenue" available to pay debt service on its bonds by adding operating revenues of DRPA, interest income and proceeds of the bond redemption fund available to pay debt service, then subtracting the sum of operating expenses (without considering depreciation, amortization or interest) and administrative expenses. ○ Pursuant to this calculation, DRPA's "net revenue" available for debt service in 1991 was \$57.90 million. That compares to \$60.24 million in 1990. Debt service, comprised of interest and principal payments on DRPA's outstanding bonds, totalled \$20.76 million for the year ending Jan. 1, 1992. Therefore DRPA's "net revenue" available for debt service was sufficient to cover debt service 2.79 times. ○ Among the 1991 activities of the Finance Division were:

- A gain of \$564,000 was realized by restructuring investments held in an irrevocable trust fund.
- An increase in DRPA's general liability insurance limits from \$50 million to \$100 million.
- The implementation of a policy release bonus in our liability insurance which could result in a reduction of more than \$100,000 in insurance premiums.





DELAWARE RIVER PORT AUTHORITY FINANCIAL STATEMENTS

CONTENTS

INDEPENDENT AUDITORS' REPORT	NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
22	27
FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 1991 AND 1990: CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS	SUPPLEMENTAL SCHEDULES—BY FUNDS AND COMBINED TOTALS, YEAR ENDED DECEMBER 31, 1991 WITH 1990 COMBINED TOTALS:
23	BALANCE SHEETS
CONSOLIDATED BALANCE SHEETS	38
24	STATEMENTS OF CHANGES IN NET ASSETS
CONSOLIDATED STATEMENTS OF CASH FLOWS	40
26	

INDEPENDENT AUDITORS' REPORT

Commissioners
Delaware River Port Authority:

We have audited the consolidated financial statements of the Delaware River Port Authority and its subsidiary, Port Authority Transit Corporation, as of December 31, 1991 and 1990 and for the years then ended, listed in the foregoing table of contents. These consolidated financial statements and the supplemental schedules discussed below are the responsibility of the Delaware River Port Authority's management. Our responsibility is to express an opinion on the consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Delaware River Port Authority and its subsidiary Port Authority Transit Corporation at December 31, 1991 and 1990 and the results of their operations and their cash flows, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplemental schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic consolidated financial statements taken as a whole.

Cherry Hill, New Jersey
March 30, 1992



Delaware River Port Authority

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years ended December 31, 1991 and 1990 (In Thousands)

	<u>NOTES</u>	<u>1991</u>	<u>1990</u>
OPERATING REVENUES AND EXPENSES:	7		
Bridges:			
Tolls		\$86,028	\$86,461
Other operating revenues		221	152
Total		<u>86,249</u>	<u>86,613</u>
Operating expenses		34,781	32,050
Depreciation	4,8	7,153	7,050
Total		<u>41,934</u>	<u>39,100</u>
Bridges net operating income		<u>44,315</u>	<u>47,513</u>
Transit system:			
Passenger fares		15,119	15,197
Other operating revenues		461	419
Total		<u>15,580</u>	<u>15,616</u>
Operating expenses		24,036	21,754
Depreciation	4,8	3,952	3,703
Total		<u>27,988</u>	<u>25,457</u>
Transit system net operating loss		<u>(12,408)</u>	<u>(9,841)</u>
General administration expenses		10,468	9,959
OPERATING INCOME		<u>21,439</u>	<u>27,713</u>
INTEREST INCOME (EXPENSE):			
Interest income		11,490	12,036
Interest on funded debt	7	(20,890)	(20,956)
Interest expense—net		<u>(9,400)</u>	<u>(8,920)</u>
INCOME BEFORE OTHER NONOPERATING REVENUE (EXPENSES)		<u>12,039</u>	<u>18,793</u>
NONOPERATING REVENUES (EXPENSES):			
Other interest income—Construction Fund		802	913
World trade development expenses		(3,705)	(3,691)
Loss on early retirement of facilities			(150)
Gain from escrow restructuring	7	564	
Other		7	15
Nonoperating expenses—net		<u>(2,332)</u>	<u>(2,913)</u>
NET INCOME		<u>9,707</u>	<u>15,880</u>
ADD DEPRECIATION ON ASSETS ACQUIRED WITH GOVERNMENT CONTRIBUTIONS— Charged against contributed capital	8	<u>1,434</u>	<u>1,240</u>
INCREASE IN NET ASSETS FROM OPERATIONS		<u>11,141</u>	<u>17,120</u>
NET ASSETS FROM OPERATIONS, BEGINNING OF PERIOD		<u>365,406</u>	<u>348,286</u>
NET ASSETS FROM OPERATIONS, END OF PERIOD		<u>\$376,547</u>	<u>\$365,406</u>

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
December 31, 1991 and 1990 (In Thousands)

ASSETS	NOTES	1991	1990
Cash	2	\$677	\$736
Investment in securities	1,2,5	103,615	106,520
Accrued interest receivable		1,231	1,393
Accounts receivable	3	2,552	1,508
Transit system inventory	1	2,718	2,734
Prepaid expenses		<u>1,137</u>	<u>1,027</u>
Total		<u>111,930</u>	<u>113,918</u>
RESTRICTED ASSETS:			
Cash		18	11
Investment in securities	1,2,7	69,120	62,783
Accrued interest receivable		<u>1,501</u>	<u>1,420</u>
Total restricted assets		<u>70,639</u>	<u>64,214</u>
INVESTMENT IN FACILITIES			
Accumulated depreciation	1,4	707,983	691,468
		<u>(176,449)</u>	<u>(165,540)</u>
Investment in facilities—net		<u>531,534</u>	<u>525,928</u>
DEBT ISSUANCE COSTS, NET OF AMORTIZATION			
	7	<u>5,957</u>	<u>6,646</u>
FUNDED DEBT INTEREST COST			
	7	<u>14,872</u>	<u>18,219</u>
TOTAL ASSETS		<u>\$734,932</u>	<u>\$728,925</u>

See notes to consolidated financial statements.



LIABILITIES AND NET ASSETS	NOTES:	1991	1990
ACCOUNTS PAYABLE:			
Contracts		\$8,017	\$7,789
Retained amounts on contracts		779	720
Other	5	<u>6,070</u>	<u>4,913</u>
Total accounts payable		<u>14,866</u>	<u>13,422</u>
ACCRUED LIABILITIES:			
Pension	6	851	1,081
Sick and vacation leave benefits		12,384	11,662
Other		<u>1,294</u>	<u>1,354</u>
Total accrued liabilities		<u>14,529</u>	<u>14,097</u>
DEFERRED INCOME ON TRUCK TICKETS			
		<u>2,516</u>	<u>2,168</u>
ACCRUED INTEREST (Payable from Restricted Assets)			
	7	<u>18,471</u>	<u>14,658</u>
FUNDED DEBT			
	7	<u>248,896</u>	<u>253,054</u>
RESERVES:			
Repainting	1	10,906	18,443
Other	9	<u>2,823</u>	<u>3,705</u>
Total reserves		<u>13,729</u>	<u>22,148</u>
Total liabilities		<u>313,007</u>	<u>319,547</u>
NET ASSETS:			
From contributed capital	8	<u>45,378</u>	<u>43,972</u>
From operations:			
Designated for capital		230,903	227,644
Reserved for:			
Revenue bonds		17,208	17,212
Revenue bond service		16,916	14,445
Revenue bond interest		12,167	16,417
Construction		12,690	11,888
Working capital and maintenance		22,625	21,004
Unreserved	9,10	<u>64,038</u>	<u>56,796</u>
Total net assets from operations		<u>376,547</u>	<u>365,406</u>
Total net assets		<u>421,925</u>	<u>409,378</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$734,932</u>	<u>\$728,925</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 1991 and 1990 (In Thousands)

	1991	1990
OPERATING ACTIVITIES:		
Operating income	\$21,439	\$27,713
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	11,201	10,753
Amortization of funded debt interest costs	3,347	2,241
World Trade Development expenses	(3,705)	(3,691)
Changes in assets and liabilities which provided (used) cash:		
Accounts receivable	(1,044)	(281)
Transit system inventory	16	(176)
Accounts payable	1,444	(404)
Accrued liabilities	432	846
Deferred income on truck tickets	348	163
Repainting reserve	(7,537)	(784)
Other reserves	(882)	(339)
Other	494	(7)
Net cash provided by operating activities	25,553	36,034
CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets—net	(16,839)	(14,272)
Cash provided by capital grants	2,840	8,047
Repayment of funded debt	(4,500)	(3,815)
Interest paid	(16,046)	(16,355)
Net cash used in capital and related financing activities	(34,545)	(26,395)
NET INCREASE (DECREASE) IN CASH BEFORE INVESTING ACTIVITIES	(8,992)	9,639
INVESTING ACTIVITIES:		
Unrestricted:		
Purchases of investments	(270,165)	(290,593)
Proceeds from sale of investments	273,070	279,487
Decrease (increase) in investments	2,905	(11,106)
Restricted:		
Purchases of investments	(74,720)	(69,929)
Proceeds from sale of investments	68,383	58,960
Increase in investments	(6,337)	(10,969)
Receipts of interest	12,372	12,341
Net cash provided by (used in) investing activities	8,940	(9,734)
NET DECREASE IN CASH	(52)	(95)
CASH, BEGINNING OF YEAR	747	842
CASH, END OF YEAR	\$695	\$747
CASH AT DECEMBER 31, 1991 AND 1990:		
Unrestricted	\$677	\$736
Restricted	18	11
Total	\$695	\$747

See notes to consolidated financial statements.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended December 31, 1991 and 1990 (In Thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Operations—The Delaware River Port Authority (the “Authority”) is a public corporate instrumentality of the Commonwealth of Pennsylvania (the “Commonwealth”) and the State of New Jersey (the “State”) created with the consent of Congress by compact legislation between the Commonwealth and the State. The Authority has no stockholders or equity holders. Among its other powers, the Authority is vested with the control, operation and collection of tolls and revenues of certain bridges spanning the Delaware River; namely, the Benjamin Franklin, Walt Whitman, Commodore Barry and Betsy Ross Bridges (referred to herein as DRPA). 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, Pennsylvania 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. The costs of providing facilities and services to the general public on a continuing basis are recovered primarily in the form of tolls and fares.

Basis of Presentation—The consolidated financial statements of the Authority, which are prepared on the accrual basis of accounting, include the accounts of the DRPA and PATCO. Material balances and transactions between the entities have been eliminated.

Investment in Securities—Investment in securities is stated at amortized cost (which approximates market), because it is the Authority’s intention to hold these investments until maturity. Certain investments are required as reserves in connection with the Authority’s funded debt (Notes 2 and 7).

Transit System Inventory—Transit system inventory, consisting principally of spare parts for maintenance of transit system facilities, is stated at the lower of cost (first-in, first-out method) or market.

Investment in Facilities—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 for primarily police and certain 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 nonoperating revenues (expenses).

Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, including those financed by Federal contributions (Note 8). A charge representing depreciation on assets acquired with contributions is made directly to the related contribution accounts.

Asset lives used in the calculation of depreciation are generally as follows:

Bridges, freeways and tunnels	100 years
Buildings, stations and certain bridge components	35-40 years
Electrification, signals and communication systems	30-40 years
Transit cars, machinery and equipment	10-25 years

The bridge facilities are stated at cost, net of contributions by the New Jersey Department of Transportation. The PATCO system first phase capital improvement program is stated at cost, net of reimbursements prior to 1981 from the Urban Mass Transportation Administration and other governmental agencies (Note 4). The PATCO system includes expenditures of Federal grants for capital improvements and additions (Note 8).

Reserve for Repainting—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 are provided by periodic charges to operations.

Debt Issuance Costs and Bond Discount—Debt issuance costs and the discount arising from the issuance of the revenue bonds are amortized by the straight-line method from the issue date to maturity.

Insurance Expense—The Authority provides for the uninsured portion of potential public liability and workers’ compensation claims through self-insurance programs and charges current operations for estimated claims to be paid (Note 9).

Reclassifications—Certain amounts from the 1990 financial statements have been reclassified to conform with the 1991 presentation.

2. CASH AND INVESTMENTS

The Authority maintains cash and investments for all funds. The investments in various securities are maintained for specified funds in accordance with the General Bond Resolution adopted on April 17, 1985.

At December 31, 1991 and 1990 cash balances were \$695 and \$747, respectively, of which \$472 and \$596, respectively, was cash on hand. Balances of \$192 at December 31, 1991 and \$116 at December 31, 1990 were insured by federal depository insurance.

Investments are purchased in accordance with the General Bond Resolution of April 17, 1985. They include U.S. Government obligations, obligations of U.S. agencies or instrumentalities, and obligations of public agencies or municipalities rated in either of the two highest rating categories by Standard and Poor's Corporation or Moody's Investors Service.

Investments also include the assets of the Authority's deferred compensation plan. As indicated in Note 5, the Authority does not make contributions to the plan. The Authority considers the assets to be property of the Authority until disbursed.

The Authority's investments are categorized below to give an indication of the credit risk assumed by the Authority at December 31, 1991 and 1990. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments for which the securities are held by its banks' trust department or agent, but not in the Authority's name (the Authority had no Category 1 or Category 2 investments at December 31, 1991 and 1990).

	1991			1990		
	Category 3	Carrying Amount	Market Value	Category 3	Carrying Amount	Market Value
U.S. Agency securities	\$85,024	\$85,024	\$85,290	\$59,482	\$59,482	\$59,684
U.S. Government securities	44,820	44,820	45,130	74,098	74,098	74,253
Total	129,844	129,844	130,420	133,580	133,580	133,937
Cash on hand		472	472		596	596
Time deposits	21,324	21,547	21,547	15,768	15,919	15,919
Guaranteed Income Contract collateralized by U.S. Government and Agency securities	17,194	17,194	17,194	17,194	17,194	17,194
Mutual Funds (deferred compensation)		3,294	3,294		2,336	2,336
Other	630	1,079	1,079	350	425	425
Total	\$168,992	\$173,430	\$174,006	\$166,892	\$170,050	\$170,407

	1991			1990		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Reported as:						
Cash	\$18	\$677	\$695	\$11	\$736	\$747
Investments	69,120	103,615	172,735	62,783	106,520	169,303
Total	\$69,138	\$104,292	\$173,430	\$62,794	\$107,256	\$170,050

3. ACCOUNTS RECEIVABLE

Accounts receivable include the following:

	1991	1990
Reimbursements from governmental agencies—capital improvements to the PATCO system due from the Urban Mass Transportation Administration	\$210	\$851
Other:		
Deposits with insurance companies	293	266
Litigation settlement	1,800	
Miscellaneous	249	391
Total	\$2,552	\$1,508

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



4. INVESTMENT IN FACILITIES

Investment in facilities is composed of the following:

	<u>1991</u>	<u>1990</u>
Bridges:		
Benjamin Franklin	\$142,170	\$136,183
Walt Whitman	105,500	102,937
Commodore Barry (a)	141,875	141,708
Betsy Ross (a)	139,090	138,791
Total	<u>528,635</u>	519,619
Accumulated depreciation	<u>(121,480)</u>	(114,499)
Net book value	<u>407,155</u>	405,120
Transit system:		
PATCO system (b) (Note 10)	171,117	167,173
PATCO system first phase capital improvement program (c)	<u>1,938</u>	1,938
Total	<u>173,055</u>	169,111
Accumulated depreciation	<u>(54,969)</u>	(51,041)
Net book value	<u>118,086</u>	118,070
Regional Port Projects in progress	<u>6,293</u>	2,738
Total investment in facilities—net	<u>\$531,534</u>	<u>\$525,928</u>

The following costs of facilities have not been included in the Authority's investment in facilities at December 31, 1991, since title to the respective assets has been retained by the participating agency:

- (a) Commodore Barry Bridge, \$4,431 and Betsy Ross Bridge, \$5,472 — construction, engineering, land and utility relocation costs by the new Jersey Department of Transportation.
- (b) \$1,700 by the New Jersey Transit Corporation.
- (c) \$59,610 at December 31, 1991 by the following participating agencies:

Urban Mass Transportation Administration	\$44,531
State of New Jersey	13,165
Commonwealth of Pennsylvania	1,189
City of Philadelphia	<u>725</u>
Total	<u>\$59,610</u>

5. DEFERRED COMPENSATION PLAN

Both the DRPA and PATCO have a deferred compensation plan which was established in 1985. All hourly and salaried employees are eligible to participate in the plan, which permits the participants to defer annually a portion of their salaries. The DRPA and PATCO do not make any contributions to the plan. The plan assets were \$2,360 and \$934 at December 31, 1991 and \$1,676 and \$660 at December 31, 1990 for the DRPA and PATCO, respectively. These assets are included in the accompanying financial statements in investments in securities as they are considered to be assets of the Authority and therefore are subject to the Authority's creditors until disbursement (see Note 2). The liability to employees is included in accounts payable—other.

6. PENSION PLANS

All full-time and part-time employees of the DRPA and nonrepresented employees of PATCO are covered by the Pennsylvania State Employees Retirement System, which is a cost-sharing multiple-employer Public Employees Retirement System (PERS). PATCO represented employees are covered by the Teamsters Pension Plan of Philadelphia and Vicinity which is a cost-sharing, multiple-employer plan.

A. *Plan Description and Provisions*

Pennsylvania State Employees Retirement System

All permanent full-time and part-time employees are eligible and required to participate in the Pennsylvania State PERS. The PERS provides pension, death and disability benefits. A member may retire after completing three years of service and after reaching normal retirement age (the age of sixty or the age at which thirty-five years of service has been completed, whichever occurs first). Benefits vest after ten years of service. If an employee terminates his or her employment after at least ten years of service but before the normal retirement age, he or she may receive pension benefits immediately or defer pension benefits until reaching retirement age. Employees who retire after reaching the normal retirement age with at least three years of credited service are entitled to receive pension benefits for the rest of their lives equal to 2% of their final average compensation (average of the three highest years in earnings) times the number of years for which they were employed by a participant in the State PERS. The pension benefits received by an employee who retires after ten years of credited service but before normal retirement age are reduced for the number of years that person is under normal retirement age.

Pension provisions include death benefits, under which the surviving beneficiary may be entitled to receive the employee's accumulated deductions less the amount of pension payments that the employee received, the present value of the employee's account at retirement less the amount of pension benefits received by the employee, the same pension benefits formerly received by the employee, or one-half of the monthly pension formerly received by the employee. The maximum pension benefit to the employee previously described may be reduced depending on the benefits elected for the surviving beneficiary.

The Authority's 1991 covered payroll and total payroll was \$33,183 and \$41,589, respectively.

Teamsters Pension Plan of Philadelphia and Vicinity.

All PATCO union employees are eligible and required to participate in the Teamsters Pension Plan of Philadelphia and Vicinity. The plan provides pension, death and disability benefits. A member may retire at the later of (a) the date the employee reaches age 65 or (b) the tenth anniversary of the employee's commencement of participation in the plan. Additionally, employees are eligible for early retirement after 10 years of participation in the plan and (a) completion of 30 years vested service or (b) attainment of age 50 and completion of 10 years of vested service. Benefits vest after 10 years of service. An employee who retires on or after his or her normal retirement age is entitled to receive benefits based on his or her credited years of service multiplied by a monthly benefit rate, which is determined based on the employer's daily contributions. The benefits are subject to maximum rates which vary according to employer daily contribution rates. Members may also receive benefits after early retirement at reduced rates depending on age at retirement.

An employee who qualifies for disability retirement benefits (total and permanent disability with 10 years of vested service, 5 years of service under a collective bargaining agreement and at least 300 covered days of contributions) is entitled to receive \$200 per month until retirement age, when retirement benefits would commence.

Provisions include surviving spouse death benefits, under which the surviving spouse is entitled to a 50% survivor annuity in certain cases.

PATCO's 1991 covered payroll and total payroll was \$6,412 and \$12,144, respectively.

B. *Contributions Required and Made*

Pennsylvania State Employees Retirement System

Employees of the Authority who were employed prior to July 22, 1983 and on or subsequent to July 22, 1983 are required to pay 5% and 6.25%, respectively, of their gross earnings to the pension plan. During 1991, the Authority was required to contribute 10.73% of covered payroll to the plan.

Total contributions made during 1991 amounted to \$5,402, of which \$3,559 and \$1,843 were made by the Authority and its employees, respectively.

Teamsters Pension Plan of Philadelphia and Vicinity

PATCO contributes nine dollars and eighty cents per day per participating union employee. The employees make no contributions to the plan. During 1991, PATCO contributed \$473, which is approximately 8% of covered payroll to the plan.



C. *Funding Status and Progress*—The amount of the total pension benefit obligation is based on a standardized measurement established by Governmental Accounting Standards Board Statement No. 5 (GASB 5) that, with some exceptions, must be used by a PERS. The standardized measurement is the actuarial present value of credited projected benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date, and is adjusted for the effects of projected salary increases. A standardized measure of the pension benefit obligation was adopted by the GASB to enable readers of PERS financial statements to (a) assess the PERS funding on a going-concern basis, (b) assess progress made in accumulating sufficient assets to pay benefits when due, and (c) make comparisons among other PERS and among other employers.

Pennsylvania State Employees Retirement System

Total excess of market value of assets available for benefits over projected benefit obligation of the State PERS as of December 31, 1990 (the most recent plan information available) was as follows:

I. Projected benefit obligation:

Retirees and beneficiaries:

Superannuation retirements	\$2,403,617
Early retirements	753,709
Disabled	181,088
Beneficiaries	<u>150,806</u>
Total	<u>3,489,220</u>

Inactive participants

65,325

Active members:

Employee contributions and interest	1,855,313
Employer-financed liability—vested	3,776,219
Employer-financed liability—nonvested	<u>350,255</u>
Total	<u>5,981,787</u>

Total obligation for all members

\$9,536,332

II. Market value of assets available for benefits

\$9,876,027

III. Excess of market value of assets available

for benefits over projected benefit obligation

\$339,695

The significant assumptions used in this valuation are an annual investment return of 9% and annual salary increases of 6.5%.

The Authority's required contribution to the State PERS represents approximately 1.03% of the total current year actuarially determined contribution requirements for all employers covered by the pension plan.

Ten-year historical trend information is presented in the 1990 Pennsylvania State Public Employees Retirement System Financial Report. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due.

Teamsters Pension Plan of Philadelphia and Vicinity

Total unfunded benefit obligation of the Teamsters Pension Plan of Philadelphia and Vicinity as of January 1, 1989 (the most recent plan information available) was as follows:

1. Accrued liability:	
(a) Active members:	
Retirement benefits	\$334,283
Termination benefits	15,395
Death benefits	8,527
Disability benefits	19,803
Total	378,008
(b) Retired members and beneficiaries	299,023
(c) Terminated vested members	86,432
Total	<u>\$763,463</u>
2. Actuarial value of assets	<u>\$374,675</u>
3. Unfunded accrued liability as of January 1, 1989	<u>\$388,788</u>

PATCO's required contribution to the Teamsters Pension Plan of Philadelphia and Vicinity represents less than .9% of total employer contributions to the plan. Ten-year historical trend information regarding this plan is not available.

- D. *Related Party Investments*—During 1991, neither the State PERS or the Teamsters Pension Plan of Philadelphia and Vicinity held any securities issued by the Authority or other related parties.
- E. *Other Retirement Benefits*—In addition to providing pension benefits, the Authority provides certain health care and life insurance benefits for retired employees. Substantially all of the Authority's employees may become eligible for those benefits if they reach normal retirement age (the age of sixty or the age at which thirty-five years of service has been completed, whichever occurs first) while working for the Authority. These, and similar benefits for active employees, are provided through an insurance company whose premiums are based on the benefits paid during the year. The Authority recognizes the cost of providing these benefits by expensing annual insurance premiums, which were \$1,915 and \$1,449 for 1991 and 1990, respectively.

7. FUNDED DEBT

In 1985, the Authority issued \$222,235 of revenue bonds. Such issue was established and authorized by the Authority pursuant to the General Bond Resolution and First Supplemental Resolution dated April 17, 1985. The 1985 bonds were authorized and issued as an issue of Subordinate Bonds, to refund all of the Authority's then outstanding bonds and to pay certain costs incurred in connection with the issuance of the 1985 bonds. The Authority's refunding program was undertaken to restructure the Authority's debt with the objective of reducing its debt service requirements during the years 1985 through 1989.

On March 7, 1989 the Authority issued \$179,464 of Refunding Revenue Bonds, Series 1989. Such issue, dated February 1, 1989, was established and authorized by the Authority pursuant to the General Bond Resolution and Second Supplemental Resolution, dated February 27, 1989, which authorized the 1989 Bonds as Subordinate Bonds to 1) provide payment for all interest on the 1985 Term Bonds due January 1, 2011 (principal amount \$124,165) due and payable on July 1 and January 1 of each year, commencing July 1, 1989 to and including January 1, 1995, the date fixed for the redemption as a whole of such 1985 Term Bonds, and the redemption price of such bonds; 2) provide payment for all interest on 1985 Term Bonds due 2002 (total principal amount \$49,305) due and payable on July 1 and January 1 of each year, commencing July 1, 1989 to and including January 1, 1995, the date fixed for the redemption of such portion of such 1985 Term Bonds, and the redemption price of \$10,865 of such bonds; 3) provide for payment on a portion of the interest for the 1985 Serial Bonds due and payable on July 1 and January 1 of each year, commencing July 1, 1991 to and including January 1, 1995; 4) deposit moneys to the Bond Reserve Fund in order to satisfy the bond reserve requirement under the Resolution; and 5) pay costs and expenses incurred in connection with the issuance of the 1989 Bonds.

The 1989 Refunding Revenue Bond net proceeds and the balance in the 1985 Bond Reserve Fund were used to purchase U.S. Government securities which were placed in irrevocable trust accounts with a trustee to provide debt service payments as



described above until the 1985 Term Bonds are called on January 1, 1995 at 103%. The debt to be serviced from the irrevocable trusts is considered defeased and thus was removed from the Authority's balance sheet as of March 7, 1989.

The defeased 1985 bonds outstanding at December 31, 1991 are as follows:

<u>Maturity Date</u> <u>(January 1)</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u> <u>Amount</u>
	Serial Bonds	
1992	7.75%	\$4,885
1993	8.00	5,290
1994	8.25	5,735
1995	8.50	6,245
1996	8.60	6,800
1997	8.70	7,410
		<u>36,365</u>
	Term Bonds	
2002	9.375	38,440
		<u>74,805</u>
Total par value of 1985 bonds outstanding		<u>74,805</u>

The 1989 bonds outstanding at December 31, 1991 are as follows:

<u>Maturity Date</u> <u>(January 1)</u>	<u>Interest</u> <u>Rate/Yield</u>	<u>Principal</u> <u>Amount</u>
	Serial Bonds	
1995	6.80%	4,015
1996	6.90	7,295
		<u>11,310</u>
	Capital Appreciation Bonds	
1997	7.05	4,538
1998	7.10	8,595
1999	7.15	8,003
2000	7.20	7,435
2001	7.25	6,901
2002	7.30	6,413
2003	7.35	5,889
		<u>47,774</u>
	Term Bonds	
2007	7.375	71,535
		<u>71,535</u>
	Serial Bonds	
2008	6.50	21,295
2009	6.50	22,645
2010	7.00	2,370
2011	6.50	2,535
		<u>48,845</u>
Total par value of 1989 bonds outstanding		179,464
Less unamortized bond discount on serial and term bonds		<u>5,373</u>
Total—net		<u>174,091</u>
Total funded debt		<u>\$248,896</u>

Interest on the 1985 and 1989 Serial and Term bonds is payable semi-annually on January 1 and July 1 in each year. The 1989 bonds (other than the 1989 Capital Appreciation Bonds) bear interest from the February 1, 1989 issue date and payments of interest commenced July 1, 1989. The 1989 Capital Appreciation Bonds bear interest from the date of original issuance and delivery, March 7, 1989. Interest on these bonds is compounded on January 1 and July 1 of each year, commencing July 1, 1989 and is payable only at maturity. Interest expense includes interest on the bonds and amortization of debt issuance costs and debt issuance discount.

The Bond Service Fund (a component of restricted assets) has a net assets deficiency of \$5,388 at December 31, 1991. Such amount is net of \$10,531 of accrued interest expense on the Authority's \$47,774 principal amount of 1989 Capital Appreciation Bonds. None of this expense was or is required to be funded by the Authority until the 1996 calendar year. The Second Supplemental Resolution dated February 27, 1989 requires that, commencing January 20, 1996, the Authority shall make monthly deposits with the Trustee to the Bond Service Fund for the payment of the accreted value on the 1989 Capital Appreciation Bonds, as they mature and become due on a principal payment date.

The 1985 Term bonds maturing on January 1, 2002 and the 1989 Term bonds maturing on January 1, 2007 are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption on January 1 in the years and the amounts specified below:

1985 Term Bonds Due January 1, 2002		1989 Term Bonds Due January 1, 2007	
Date	Amount	Date	Amount
1998	\$6,315	2004	\$16,025
1999	6,950	2005	17,200
2000	7,620	2006	18,480
2001	8,360		
Total	29,245	Total	51,705
At maturity, 2002	9,195	At maturity, 2007	19,830
Total	<u>\$38,440</u>	Total	<u>\$71,535</u>

The 1985 bonds maturing on or after January 1, 1996 and the 1989 bonds maturing on or after January 1, 2000 (other than the Capital Appreciation Bonds which are not subject to redemption prior to maturity) are subject to optional redemption prior to maturity on or after January 1, 1995 (the 1985 bonds), and January 1, 1999 (the 1989 bonds), as a whole at any time, or in part on any interest payment date on or after such dates, at the respective redemption prices set forth below, in each case together with accrued interest to the redemption date:

Redemption Dates (Inclusive)	Redemption Price	
	1985 Bonds	1989 Bonds
January 1, 1995 to December 31, 1995	103%	
January 1, 1996 to December 31, 1996	102	
January 1, 1997 to December 31, 1997	101	
January 1, 1998 and thereafter	100	
January 1, 1999 to December 31, 1999		102%
January 1, 2000 to December 31, 2000		101½
January 1, 2001 to December 31, 2001		101
January 1, 2002 to December 31, 2002		100½
January 1, 2003 and thereafter		100

If less than all of the 1985 bonds are to be called for optional redemption, the Trustee will select the 1985 bonds to be redeemed in inverse order of maturity. If less than all of the 1989 bonds are to be called for optional redemption, the Trustee will select the 1989 bonds to be redeemed as the Authority may designate to the Trustee.

The 1985 and 1989 bonds are payable from and solely secured by a pledge of (1) net revenues of the DRPA and (2) all moneys and securities from time to time deposited in the funds and accounts established by the General Bond Resolution, except for unrestricted assets in the General Fund, and the 1989 Escrow Account B, in the Bond Redemption Fund (a component of restricted assets). The Authority's General Fund may also be used to repay these bonds.

The Bond Service requirements for the 1985 and 1989 bonds of \$5,500 and \$4,619, respectively, and the bond reserve requirement of \$34,600, established by and defined in the General Bond Resolution and the First Supplemental Resolution



adopted April 17, 1985, and the Second Supplemental Resolution adopted February 27, 1989, were met by the Authority. On February 27, 1989, the Authority authorized the purchase of a surety bond for the purpose of funding approximately one-half of the Bond Reserve Fund.

In accordance with the terms and provisions of the Arbitrage Compliance Agreement and the Investment Agreement, both dated March 7, 1989 and the Second Supplemental Resolution dated February 27, 1989, the Authority makes semi-annual General Fund deposits with the Bayerische Landesbank Girozentrale. The Authority expects to use these deposits for the January 1, 1995 redemption of the undefeased 1985 Term bonds due January 1, 2002.

Maturities on the Authority's outstanding long-term debt during the next five years are as follows:

	<u>1985 Bonds</u>	<u>1989 Bonds</u>
1992	\$4,885	\$0
1993	5,290	0
1994	5,735	0
1995	6,245	4,015
1996	6,800	7,295

To accomplish the 1985 refunding, the Authority deposited proceeds from the 1985 bond sale, together with U.S. Treasury obligations transferred from its 1974 Debt Service Reserve Fund, into a separate irrevocable trust fund pursuant to an Escrow Deposit Agreement dated May 15, 1985. The investment and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the following outstanding debt had been defeased by the 1985 refunding and therefore removed as a liability from the Authority's balance sheet:

- \$100,000, 5.625%, 1969 First Series Revenue Bonds, maturing January 15, 2009.
- \$100,000, 6.50%, Series 1972 Revenue Bonds, maturing January 15, 2011.
- \$77,400, 6.00%, Series 1972 Refunding Revenue Bonds, maturing January 15, 2010.

During 1991, the Authority replaced certain U.S. Treasury obligations with similar obligations of the Resolution Funding Corporation, a Federal Agency. This transaction resulted in a recovery of \$564 which has been recognized as the gain from escrow restructuring.

To accomplish the 1989 refunding program, the Authority on March 7, 1989 deposited proceeds from the sale of the Refunding Revenue Bonds, Series 1989, together with cash transferred from its 1985 Bond Reserve Fund to two separate escrow accounts, which immediately thereafter were invested by the Trustee in United States Treasury obligations. Each of the 1989 Escrow Accounts shall be held by the Trustee as trust funds and are deemed irrevocably set aside as such for the safe and exclusive benefit of the holders of the 1985 bonds to the extent and in the manner set forth in the Second Supplemental Resolution dated February 27, 1989. The maturing principal and interest on the United States Treasury and other federal agency obligations and other available moneys are sufficient to fully service the defeased debt until the debt is called. For financial reporting purposes, the following outstanding portions of the 1985 Revenue Bonds have been defeased by the 1989 refunding and therefore removed as a liability from the Authority's balance sheet: \$124,165 9.375%, Series 1985 Term Bonds due January 1, 2011; \$10,865 9.375%, Series 1985 Term Bonds due January 1, 2002.

8. GOVERNMENT CONTRIBUTIONS FOR CAPITAL IMPROVEMENTS AND ADDITIONS

The 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 \$2,840 and \$8,047 were received in 1991 and 1990, respectively. Charges representing depreciation on assets relating to these contributions were \$1,434 in 1991 and \$1,240 in 1990.

	<u>1991</u>	<u>1990</u>
Cumulative contributions	\$52,286	\$49,446
Accumulated depreciation on assets acquired with contributions	(6,908)	(5,474)
Total contributed capital	<u>\$45,378</u>	<u>\$43,972</u>

9. CONTINGENCIES

The Authority is self-insured for the initial \$5,000 and \$300, per occurrence, of public liability and workers' compensation insurance, respectively. PATCO is self-insured for the initial \$5,000, per occurrence, of public liability insurance and is totally self-insured for workers' compensation. The Authority and PATCO are involved in various actions arising in the ordinary course of business and from workers' compensation claims. In the opinion of management, the ultimate outcome of these actions will not have a material adverse effect on the consolidated financial position.

10. COMMITMENTS

As of December 31, 1991 the Authority had contractual commitments as follows:

Benjamin Franklin Bridge:	
Roadway connections (a)	\$500
Engineering services:	
Inspection roadway deck	9
Transformer retrofill	1
Material inspecting and testing	8
Walkway replacement	380
Contracts:	
Walkway replacement	4,402
Material inspecting and testing	13
Geotechnical investigation for Camden Office site	10
AT&T System, maintenance and service	80
Consulting services for installation of computer systems	55
Maintenance agreement for communications network	113
Audit of 1990 financial statements	1
Consulting for Columbus 500 Celebration	17
Walt Whitman Bridge:	
Engineering services:	
Transformer retrofill	9
Evaluation of existing structures	1
Contracts:	
Steel painting	403
Bridge paint testing	35
Commodore Barry Bridge:	
Engineering services:	
Design and construction of a sewer force main and pumping station	4
Transformer retrofill	15
Betsy Ross Bridge:	
Engineering services:	
Preliminary and final design for the connection of Torresdale and Aramingo Avenues to the Betsy Ross Bridge and I-95	2,503
Transformer retrofill	1
PATCO System:	
Engineering services:	
Design modifications for Woodcrest Station	2
Reconstruction of Ashland Station parking facilities	56
Rehabilitation of bridges from Newton Avenue to Crescent Boulevard	14
Station platform repairs	269
Contracts:	
Transformer retrofill	21
UMTA:	
Erosion control study	21
Fiber optic communications system	1
Regional Port Projects:	
TRACS	875
Regional Intermodal Transfer Facility	408
Port Enhancement Projects	304
Total	<u>\$10,531</u>

(a) The Authority has agreed to contribute funds to the Commonwealth of Pennsylvania for roadway connections between the Benjamin Franklin Bridge, the Vine Street Expressway and I-95 in an amount not-to-exceed \$500.



The Authority has entered into an Agreement with the Pennsylvania Department of Transportation (PennDOT) relating to construction and other costs involving contemplated highway and roadway connections between Interstate 95, Aramingo-Torresdale Avenues and the Betsy Ross Bridge, and the treatment of certain related funds held by the Authority and claimed by PennDOT. The funds claimed by PennDOT amount to approximately \$8,017. Under certain circumstances, the Authority may be required to pay to PennDOT the balance of these funds not committed to properly allocable costs of the project.

In conjunction with the establishment of its Regional Intermodal Transfer Facility, on July 1, 1991 the Authority entered into a lease agreement with Consolidated Rail Corporation (Conrail) for a term of twenty-nine years and seven months for the use of approximately 22.2 acres of Conrail's Greenwich Yard facility in Philadelphia. Annual base rentals are payable in the amount of \$80 during the first two years of the lease, \$167 per year for the third and fourth years, and \$267 per year thereafter. The annual base rent is subject to adjustment annually on the anniversary date (July 1) based on the increase in the Consumer Price Index. In addition to the annual base rent, the Authority must pay, as "Additional Rent", its equitable share of all taxes, assessments, charges, fees and other legal impositions, as well as the cost and expenses of any labor or materials furnished by Conrail when and if requested by the Authority. The Authority has the right to terminate this lease at any time upon the payment of three (3) years' Base Rent and Additional Rent.

Under an agreement dated June 12, 1986, the Authority leases sixty-three lanes of toll collection equipment. On May 24, 1989 (as amended in 1990) the Authority entered into a new long-term lease agreement, which provides for the installation and maintenance of a computerized toll collection and audit system for sixty-seven toll lanes, at the Authority's four bridges. The agreement covers a minimum period of ten years, which commences after the equipment is completely installed at all four bridges, with an option for an additional three years. Rental and maintenance expense will be fixed at \$1,644 for the first two years. The balance of the ten-year agreement includes annual increases in the maintenance portion tied to the Consumer Price Index (CPI) with a 5% annual cap, and a cumulative 43% cap. The three-year option period permits 5% annual increases for the maintenance fee. At December 31, 1990, sixteen lanes of the new toll collection equipment at the Betsy Ross Bridge and ten lanes at the Commodore Barry Bridge had been installed, tested, accepted and placed in operation. At December 31, 1991, the new toll collection equipment was substantially installed, tested, accepted and placed in operation at all bridges.

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, 1991 and 1990, 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 (Note 4).

The significant minimum lease and maintenance fee commitments, excluding adjustments for CPI, are as follows:

1992	\$1,724
1993	1,767
1994	1,811
1995	1,861
1996	1,911

Rent expense for the years ended December 31, 1991 and 1990 amounted to \$1,722 and \$1,395, respectively.

In July 1990, the Americans With Disabilities Act (ADA) was enacted to ensure that persons with disabilities have access to public accommodations. Compliance with the significant provisions of the law will require the Authority to make accessible existing key stations by July 1993, and one railcar per train by July 1995. Any newly constructed transit facilities were required to be accessible by January 1992 and any new railcars ordered after August 25, 1990 must also be accessible.

The Authority has pledged its commitment to complying with the applicable regulations of the ADA and, as such, has undertaken preliminary planning and implementation activities. The total ultimate cost of compliance can not be fully determined at this time, however, capital costs to be incurred are expected to be significant. In connection with this, the Authority has applied to the Urban Mass Transportation Administration (UMTA) for \$13 million in grant funds to fund this project. The Authority is expected to fund any additional necessary capital requirements.

SUPPLEMENTAL BALANCE SHEETS—BY FUNDS AND COMBINED TOTALS
December 31, 1991 with 1990 Combined Totals (In Thousands)

	RESTRICTED						1991	1990	
	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	Bond Redemption Fund	Construction Fund	General Fund	Combined Totals	Combined Totals
ASSETS									
Cash		\$480					\$197	\$677	\$736
Investment in securities		90,435					13,180	103,615	106,520
Accrued interest receivable		1,146					85	1,231	1,393
Accounts receivable		415					2,137	2,552	1,508
Transit system inventory							2,718	2,718	2,734
Prepaid expenses		567					570	1,137	1,027
Total		93,043					18,887	111,930	113,918
RESTRICTED ASSETS:									
Cash						\$18		18	11
Investment in securities			\$10,200	\$17,194		20,402	21,324	69,120	62,783
Accrued interest receivable			178	14		329	980	1,501	1,420
Total restricted assets			10,378	17,208		20,749	22,304	70,639	64,214
INVESTMENT IN FACILITIES									
Accumulated depreciation	\$695,229						12,754	707,983	691,468
Investments in facilities—net	(175,996)						(453)	(176,449)	(165,540)
	519,233						12,301	531,534	525,928
DEBT ISSUANCE COSTS, NET OF AMORTIZATION		5,957						5,957	6,646
FUNDED DEBT INTEREST COST					\$14,872			14,872	18,219
TOTAL ASSETS	<u>\$525,190</u>	<u>\$93,043</u>	<u>\$10,378</u>	<u>\$17,208</u>	<u>\$14,872</u>	<u>\$20,749</u>	<u>\$53,492</u>	<u>\$734,932</u>	<u>\$728,925</u>



LIABILITIES AND NET ASSETS (DEFICIENCY)	RESTRICTED						1991	1990	
	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	Bond Redemption Fund	Construction Fund	General Fund	Combined Totals	Combined Totals
ACCOUNTS PAYABLE:									
Contracts						\$8,017	\$8,017	\$7,789	
Retained amounts on contracts		\$542				42	\$195	720	
Other	\$13	2,842					3,215	4,913	
Total accounts payable	13	3,384				8,059	3,410	14,866	
ACCRUED LIABILITIES:									
Pension		644					207	851	
Sick and vacation leave benefits		9,196					3,188	12,384	
Other		1,294						1,294	
Total accrued liabilities		11,134					3,395	14,529	
DEFERRED INCOME ON TRUCK TICKETS									
		2,516						2,516	
ACCRUED INTEREST (Payable from Restricted Assets)									
			\$15,766		\$2,705			18,471	
FUNDED DEBT	248,896							248,896	
RESERVES:									
Repainting		10,906						10,906	
Other		1,702					1,121	2,823	
Total reserves		12,608					1,121	13,729	
Total liabilities	248,909	29,642	15,766		2,705	8,059	7,926	313,007	
NET ASSETS (DEFICIENCY):									
From contributed capital	45,378							45,378	
From operations:									
Designated for capital	230,903							230,903	
Reserved for:									
Revenue bonds				\$17,208				17,208	
Revenue bond service			(5,388)				22,304	16,916	
Revenue bond interest					12,167			12,167	
Construction						12,690		12,690	
Working capital and maintenance		22,625						22,625	
Unreserved		40,776					23,262	64,038	
Total net assets (deficiency) from operations	230,903	63,401	(5,388)	17,208	12,167	12,690	45,566	376,547	
Total net assets (deficiency)	276,281	63,401	(5,388)	17,208	12,167	12,690	45,566	421,925	
TOTAL LIABILITIES AND NET ASSETS (DEFICIENCY)	\$525,190	\$93,043	\$10,378	\$17,208	\$14,872	\$20,749	\$53,492	\$734,932	
								\$728,925	



SUPPLEMENTAL STATEMENTS OF CHANGES IN NET ASSETS—BY FUNDS AND COMBINED TOTALS
 Year ended December 31, 1991 with 1990 Combined Totals (In Thousands)

	RESTRICTED						1991	1990	
	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	Bond Redemption Fund	Construction Fund	General Fund	Combined Totals	Combined Totals
NET ASSETS AT									
BEGINNING OF YEAR	\$271,616	\$70,257	\$(2,048)	\$17,212	\$16,417	\$11,888	\$24,036	\$409,378	\$385,451
Revenues and expenses:									
Operating revenues		86,249					15,580	101,829	102,229
Operating expenses	(11,105)	(34,781)					(24,036)	(69,922)	(64,557)
General administration expenses		(10,468)						(10,468)	(9,959)
Interest income		6,461	294	1,313	1,160		2,262	11,490	12,036
Interest on funded debt	(1,032)		(14,448)		(5,410)			(20,890)	(20,956)
Other income (expenses)	4	3				802	(3,141)	(2,332)	(2,913)
Total	(12,133)	47,464	(14,154)	1,313	(4,250)	802	(9,335)	9,707	15,880
Government contributions for capital improvements and additions	2,840							2,840	8,047
Interfund transfers and payments:									
Bond Service		(15,314)	15,314						
Funds in excess of Bond Reserve requirement		1,317		(1,317)					
Funds free and clear of any lien or pledge		(40,323)					40,323		
Retirement of bonds—									
Revenue Bonds Series 1985	4,500		(4,500)						
Completed capital additions	9,458						(9,458)		
NET ASSETS (DEFICIENCY) AT END OF YEAR	\$276,281	\$63,401	\$(5,388)	\$17,208	\$12,167	\$12,690	\$45,566	\$421,925	\$409,378

DELAWARE RIVER PORT AUTHORITY

Bridge Plaza, Camden, NJ 08101
Telephone: (609) 963-6420
FAX (609) 541-6379

Executive Director
Eugene J. McCaffrey, Sr.

Secretary/Director of Bridges
Siegfried Dahms

World Trade & Economic Development
Donald H. Rainear, Esq.

Finance
Martin S. Dorph

Port Authority Transit Corporation
Robert G. Schwab
Lindenwold, NJ 08021
Telephone: (609) 772-6900
FAX (609) 772-6957

Engineering
Robert A. Box

Planning & Program Development
George R. Beetle

Director of Management Information Services
Steven Joachim

WORLD TRADE & ECONOMIC DEVELOPMENT MARKETING OFFICES

UNITED STATES

Camden, NJ
Donald H. Rainear, Esq.,
Director
Raymond G. Heinzlmann,
Deputy Director
Alan J. Wood,
Assistant Director
Bridge Plaza
Camden, NJ 08101
Telephone: (609) 963-6420
(215) 925-8780
FAX (609) 964-8106

Philadelphia, PA
Phillip L. Chaples
Manager, Philadelphia Office
Public Ledger Building
Suite 1026
Philadelphia, PA 19106
Telephone: (215) 627-3235
FAX (215) 627-8212

Pittsburgh, PA
Joseph F. McNerney
Regional Manager
USX Tower
Suite 1475
Pittsburgh, PA 15219
Telephone: (412) 391-4355
FAX (412) 391-1773

Houston, TX
Kalle F. Jensen
Regional Manager
14910 Kimberly
Houston, TX 77079
Telephone: (713) 496-0730
FAX (713) 496-9216

Chicago, IL

Anthony J. Rupsis
Regional Manager
Epic Office Park
2 East 22nd Street
Suite #207
Lombard, IL 60148
Telephone: (708) 916-7310
FAX (708) 916-7308

EUROPE • SCANDINAVIA

Antwerp, Belgium
Rolf D. Ludmann
Regional Manager, Europe
7 Braderijstraat, Bus 14
Antwerp, Belgium 2000
Telephone: 234-3960
FAX 234-3966

AUSTRALIA • NEW ZEALAND

Sydney, Australia
Peter B. Horne
Regional Manager, Pacific
64 Castlereagh Street
Sydney, Australia 2000
Telephone: 233-2911
FAX 233-2826

BRAZIL • ARGENTINA

Sao Paulo, Brazil
Duncan Fox Brazil, Ltda.
Vitor Martins
Marketing Manager
Rua Henrique Martins, 644a
CEP 01435 Jardim Paulista
Sao Paulo, Brazil
Telephone: 887-8043
FAX 887-8064

CHILE

Santiago
Duncan Fox, S.A.
Francisco Walker,
Senior Representative
Miraflores 178, Piso 11
Santiago, Chile
Telephone: 395 734
FAX 331 871

HONG KONG • CHINA • THAILAND • MALAYSIA • SINGAPORE • INDONESIA

Asia Transportation Ltd.
Albert K.H. Chan
Vice President
902 Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong
Telephone: (5) 894-8238
FAX (5) 894-9376

KOREA • TAIWAN

Dohjaegu Ltd.
Jack A. Dodds
Managing Director
Suite 706, Shinwha Building
#14-33, Yoido-Dong
Seoul, Korea
Telephone: 783-6100
FAX 7848545

Produced by Office of Public Information
Photographed by Carlton Read
Still Lives by Stephen Coan
Written by Joseph K. Diemer
Design by Studio 3
Printed by Innovation Printing & Lithography
Typography by IP Graphics, Inc.



DELAWARE RIVER PORT AUTHORITY
Bridge Plaza
Camden, NJ 08101