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DELAWARE RIVER PORT AUTHORITY

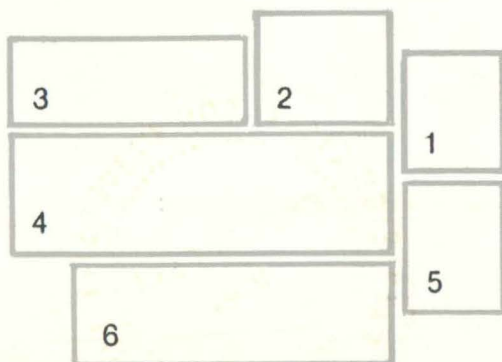


1975 Annual Report

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COVER

1. PATCO Station Supervisor
2. DRPA Port Representative
3. Light Change for Beacon
4. New Coat for Ben
5. Toll Booth Greetings
6. Scout Training in Transit



DELAWARE RIVER PORT AUTHORITY

of Pennsylvania and New Jersey

Annual Report 1975

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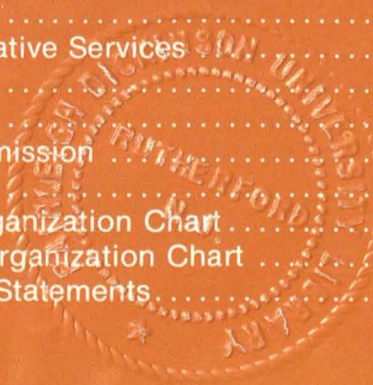
Monthly Meeting

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

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What The PORT AUTHORITY IS...

The Delaware River Port Authority is a public agency of Pennsylvania and New Jersey created to provide public services beneficial to both, without using the taxing power or credit of either state.

It began as a bridge commission in 1919 and built what is now the Benjamin Franklin Bridge. It was expanded to a bistate Authority and given additional responsibilities in 1952 by a compact between the States, approved by Congress.

The principal responsibilities assigned by the compact are:

- Building, operating and maintaining bridges in the assigned area between the two states.
- Building, operating and maintaining a rail rapid transit system between the two states and within 35 miles of Camden, N. J.
- Promoting waterborne commerce in the port district centered in Southeastern Pennsylvania and Southern New Jersey.

Policy for the Port Authority, and its subsidiary, the Port Authority Transit Corp. (PATCO), is set by the 16-member Board of Commissioners, eight from each state. All, except the Pennsylvania Auditor General and Treasurer, who are ex-officio members, are appointed by the Governors to five-year terms. All serve without pay. The monthly meetings of the Commissioners are open to the public.

Elected to head the staff in carrying out Commission policy and to conduct the daily operations of the Authority are the Executive Director, two Deputy Executive Directors, Treasurer and Director of Finance, Secretary and Counsel.

All DRPA officers and Commissioners have corresponding responsibilities in PATCO.

The Port Authority has built four bridges and a modern rail rapid transit system. Toll and fare income from these facilities provide the revenues for the Authority's activities and for the retirement of bonds which provided the capital to build the facilities.

The Benjamin Franklin Bridge opened between Philadelphia and Camden in 1926. It was the

largest suspension bridge in the world at that time. It has seven reversible lanes. By the end of 1975, 955,004,716 vehicles had crossed the bridge since its opening.

The Walt Whitman Bridge between South Philadelphia and Gloucester, N. J. was opened in 1957. It was responsible for extensive development in Southern New Jersey, and for the past decade it has been listed among the world's dozen busiest bridges.

The Commodore Barry Bridge between Chester, Pa. and Bridgeport, N. J. was opened on February 1, 1974. It is the fourth largest long-span cantilever bridge in the world.

The Betsy Ross Bridge between Northeast Philadelphia and Pennsauken, N. J. was completed in 1974, but opening was delayed pending completion of connectors with Interstate Route 95 by the Pennsylvania Department of Transportation.

The bridges cost \$433 million to build. They have a replacement value of just under a billion dollars.

The Authority built and PATCO operates the 14.5-mile Lindenwold High Speed Line between suburban Camden County and center city Philadelphia. Open since 1969, it is the world's most modern and successful rail rapid transit system.

Plans for extending the PATCO system have been submitted to the Governors of both states and await their approval.

The Authority's World Trade Division carries out an international program of trade promotion on behalf of Ameriport — the ports of the Delaware River. It operates trade offices in Philadelphia, New York, Chicago, Washington, D.C., Pittsburgh, London, Antwerp, Milan, Bogota, Tokyo and Hong Kong.

The Division's efforts have contributed importantly to making Ameriport the leading United States port in the movement of international cargo. Waterborne commerce is a major consideration in the economic wellbeing of the region. One of every three jobs in the 11-county port area is port related. Wages exceed \$2 billion per year.

*Discard
cmf*

To:

The Honorable Milton J. Shapp
Governor of the Commonwealth of Pennsylvania

and

The Honorable Brendan T. Byrne
Governor of the State of New Jersey



*Honorable Milton J. Shapp
Governor of the Commonwealth
of Pennsylvania*

A measure of the Authority's expanding service to the community is found in the increased use of its facilities and the vigor of regional waterborne commerce.

Traffic on all three of the Authority's bridges—the Benjamin Franklin, the Walt Whitman and the Commodore John Barry — increased 5.18 per cent for the year. This represented 2,709,699 additional crossings for a total of 55,061,069. Authority police rendered assistance to 8,190 disabled vehicles. There was no charge for this service. At the direction of the Commissioners, walkways on the Benjamin Franklin Bridge were reopened without restriction to pedestrian and bicycle traffic in daylight hours.

Ridership on the Lindenwold High Speed Line grew .09 per cent over the previous year to 11,119, 988 fares. A new one-day record of 64,262 rides was set on May 28th. Work was begun late in the year to renovate and reopen Franklin Square Station in time to accommodate Bicentennial visitors to Philadelphia's most historic area.




*Honorable Brendan T. Byrne
Governor of the State
of New Jersey*

Ameriport registered 78 million tons of international commerce in 1975 with a value which exceeded eight billion dollars. This was more foreign tonnage than was handled by any other port in the nation.

A four-year, federally funded study called for extending the highly successful Lindenwold High Speed Line in both states and the building of two new branches. A core program for the initial phase of construction in New Jersey and Pennsylvania was submitted to the Governors of each State for their approval.

The Authority's financial future was jeopardized by rulings of two federal agencies. The I.C.C. ordered PATCO fares lowered to April 1972 levels. Reduced tolls on Authority bridges went into effect December 1 on order of the Federal Highway Administrator. As the year ended, both orders were being contested in the Third U.S. Circuit Court of Appeals.

Yours respectfully


John R. Bunting
Chairman

DELAWARE RIVER PORT AUTHORITY

of Pennsylvania and New Jersey

The Commission



John R. Bunting, Chairman
Chairman of the Board of the First Pennsylvania Banking and Trust Co. Former economist and past Vice President for the Federal Reserve Bank of Phila. Author of "The Hidden Face of Free Enterprise."

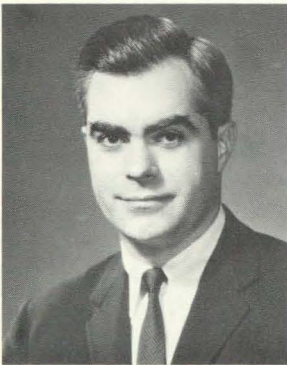
Pennsylvania



Grace M. Sloan
Commissioner since first elected State Treasurer in 1961. She was elected Auditor-General in 1965 and re-elected State Treasurer in 1968. Mrs. Sloan is the first woman elected to both offices.



Richard G. Gilmore
Vice President of the Girard Bank. Former Deputy Superintendent of Philadelphia School District; former budget director for Penn Fruit Co. Active in Citizens Committee for Improvement of Justice.



Robert P. Casey
Pennsylvania Auditor-General since 1968. Attorney and former State Senator. L.L.B. and J.D. degrees from George Washington U. and Honorary Doctor of Laws, Scranton U. Resides in Scranton.



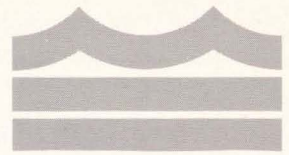
Morris Gerber
Attorney and former Montgomery County Judge. Served as chief counsel for the Auditor-General and general counsel for the State Treasurer and as his representative on the Delaware River Joint Toll Bridge Commission.



Albert Levin
President of M. Levin & Co. Board member of the National Association of United Fruit and Vegetable Assns. and of the Big Brothers Assn. Past President of the Alliance of Lithuanian Jews of Phila.



Charles G. Simpson
Retired Vice President of the United Gas Improvement Co. Graduate of U. of North Dakota, degree in Engineering. Former member of State Board of Education. Director of Gaudenzia House, Inc.

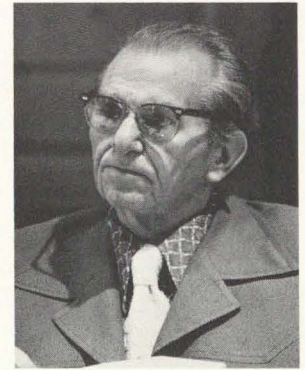


David J. Goldberg, Vice Chairman
 Attorney, L.L.B., U. of Pennsylvania. Personal Counsel to Governor Hughes. New Jersey's first Commissioner of Transportation. Harvard Fellow and lecturer at Princeton and U. of Pennsylvania.

New Jersey



Irving K. Kessler
 Executive Vice President, RCA Government and Commercial Systems. Trustee of Temple U. and on Board Heritage Bank, N.A. Active in United Way, PENJERDEL, Boy Scouts, professional groups.



Joseph J. McComb
 President of Central Labor Union of Camden County. Served on N. J. Commission of Unemployment Compensation and as Chairman of Camden Housing Authority. On Board of Fidelity Bank and Trust and United Way.



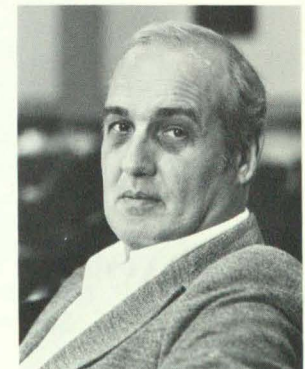
William J. Doyle
 Board Chairman of General Energy Resources, Inc. Board member of Fidelity Bank & Trust Co. Past President Burlington Jaycees, Past Vice President State Jaycees. Was Burlington Twp. Councilman.



Ceasare D. Napoliello
 Production Manager, Targar Mfg. Inc. Retired, U.S. Army as Major. Winslow Township Committeeman and Deputy Mayor; member of Planning Bd. Past President Winslow Twp. Kiwanis, Cedar Brook Fire Co.



Dante J. D'Anastasio
 Principal in architectural firm of D'Anastasio, Lisiewski & Tarquini. Served as Chairman N. J. State Board of Architects. Past President Camden Jaycees, West Jersey Society of Architects.

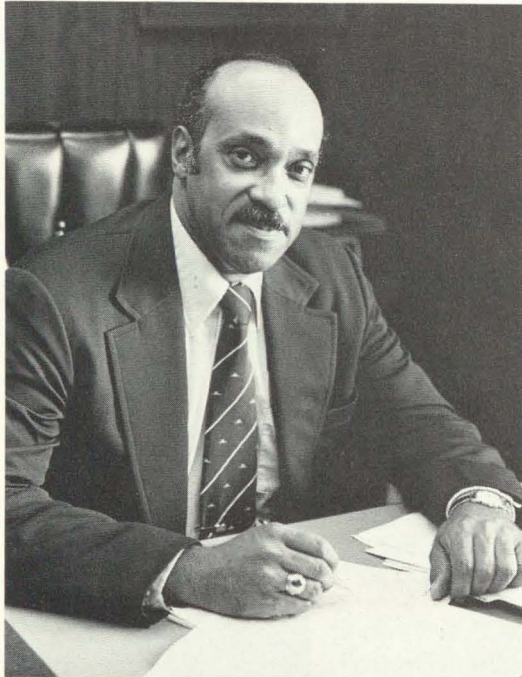


James A. Yates
 Supervisor, Siemens Corp., Telecommunications Engineering Division. Member of Washington Township Committee; served as Mayor. Prominently active in student sports as official, advisor and sports columnist.

Executive Officers



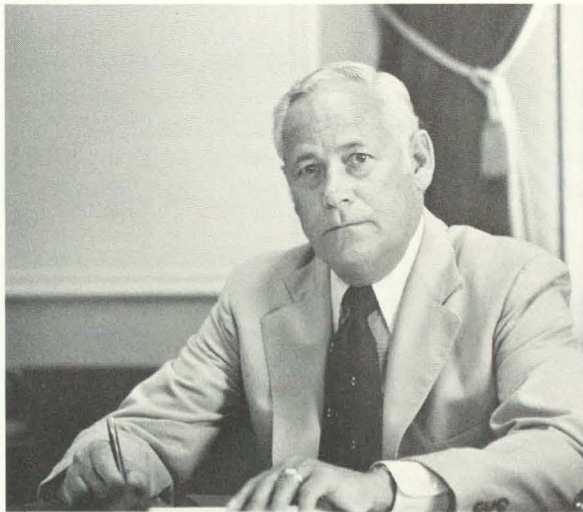
William W. Watkin, Jr.
Executive Director



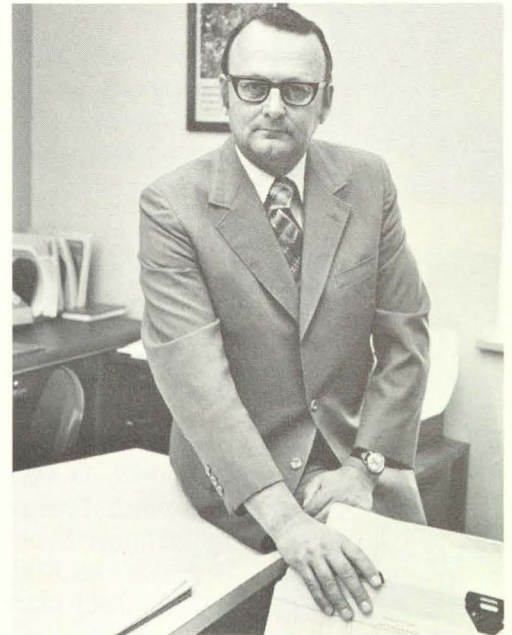
Haldane King
Deputy Executive Director



Alfred L. Griebing
Deputy Executive Director



Edward P. Scullin
Secretary



Thomas J. Auchter
Treasurer

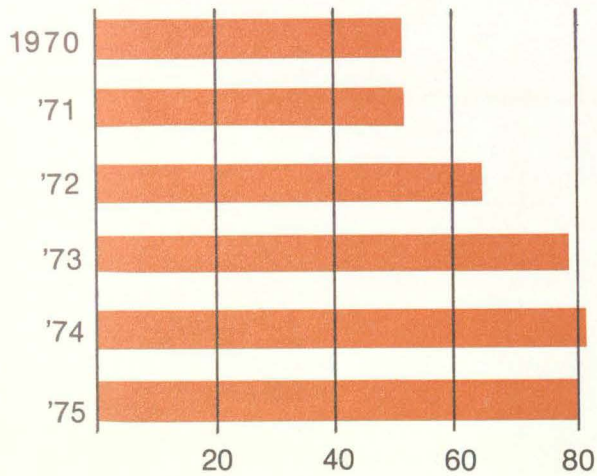
1975 Review

FIVE YEAR TRAFFIC STATISTICS

	Benjamin Franklin Bridge	Walt Whitman Bridge	Commodore Barry Bridge
1971	22,754,909	30,824,073	
1972	22,436,696	29,021,348	
1973	21,861,376	30,349,900	
1974	20,502,653	28,908,355	2,940,362
1975	21,291,906	30,174,730	3,594,433

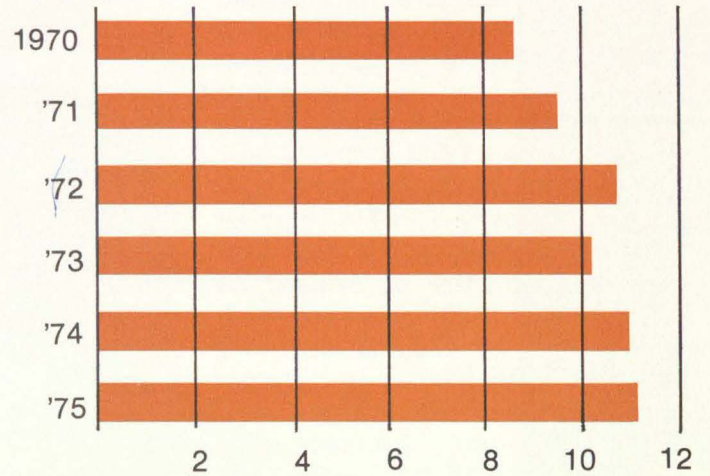
AMERIPORT'S FOREIGN TRADE

Short Tons — In Millions



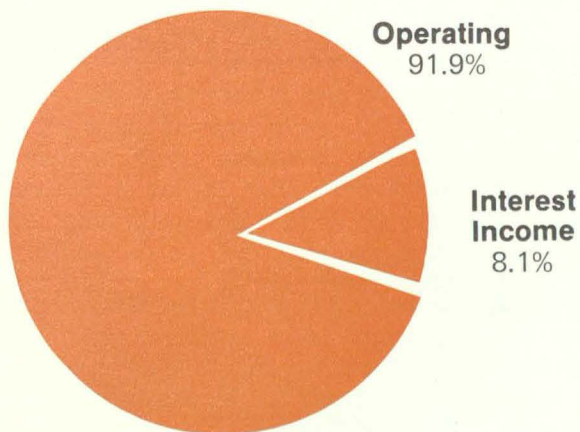
PATCO

Ridership — In Millions

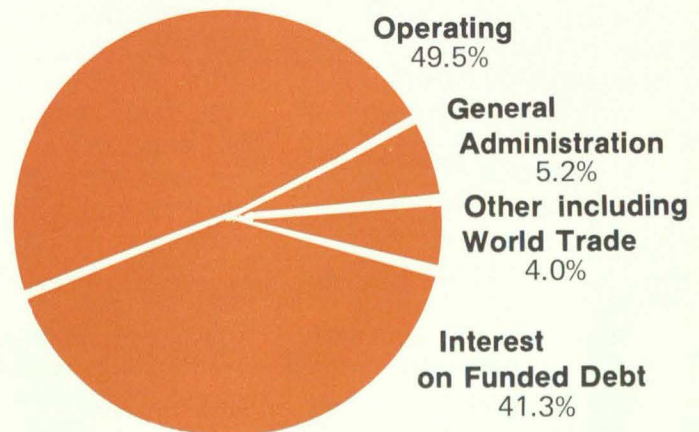


THE DOLLAR — 1975

Revenues



Expenses



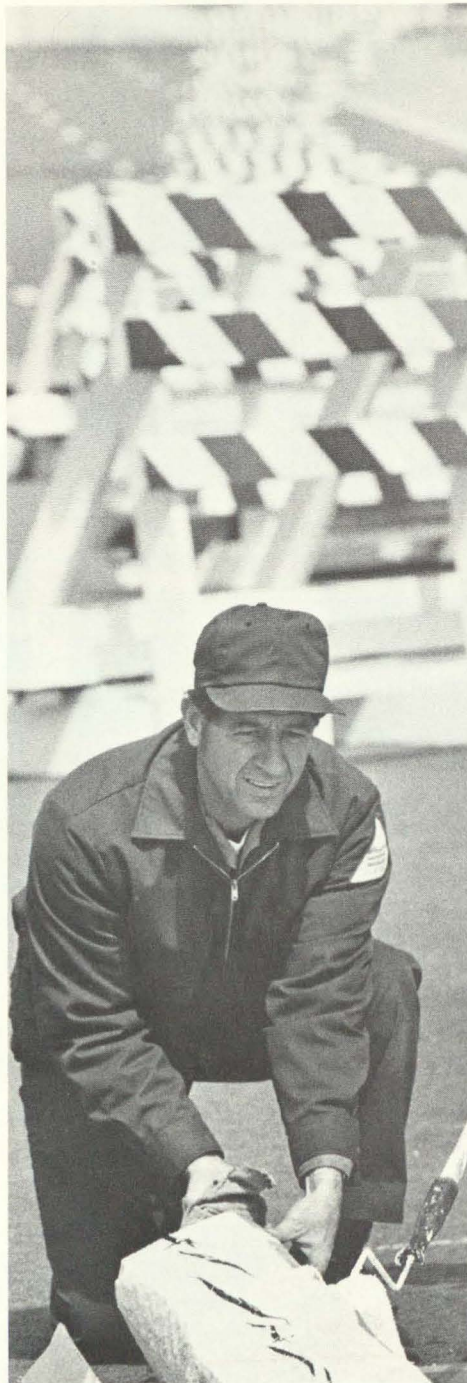
DIVISIONS AND THEIR SERVICES

Bridge

Traffic volumes for all Delaware River Port Authority bridges showed an increase over 1974. The Benjamin Franklin carried 21,291,906 vehicles, an increase of 789,253 or 3.85 per cent over 1974. The Walt Whitman carried 30,174,730, an increase of 1,266,375 or 4.38 per cent above the 1974 figure. For the entire year, the Commodore Barry Bridge carried 3,594,433 vehicles. That bridge, which opened to traffic on February 1, 1974, carried 2,940,362 vehicles in its first year and for the equivalent of 1975 carried 3,363,926 vehicles, an increase of 423,564 or 14.40 per cent. The annual traffic volume for the three bridges was 55,061,069, an increase of 2,709,699 or 5.18 per cent above 1974.

With the addition of the gate arms, toll violations have essentially been eliminated.

The automated toll collection system in use on all bridges of the Authority has shown continued improvement in efficiency and reliability. In 1975, a total of 32,419,840 vehicles, approximately 59 per cent of all traffic processed, passed through the automatic toll lanes. Barrier gate arms were added to the system in 1975 after extensive efforts to verify and improve the accuracy and reliability of the system without gates. The system is now operating at the 99 per cent efficiency for which it is designed.



With the addition of the gate arms, toll violations have essentially been eliminated. As would be expected, improvements in the accuracy of toll and traffic records and increased revenues have also resulted from the improved control made possible by the gates. Numerous representatives from other agencies in the United States and foreign countries visited the Authority in 1975 to observe and evaluate our system in operation.

The Authority is recognized as a leader in the development and use of a workable automated toll collection system.

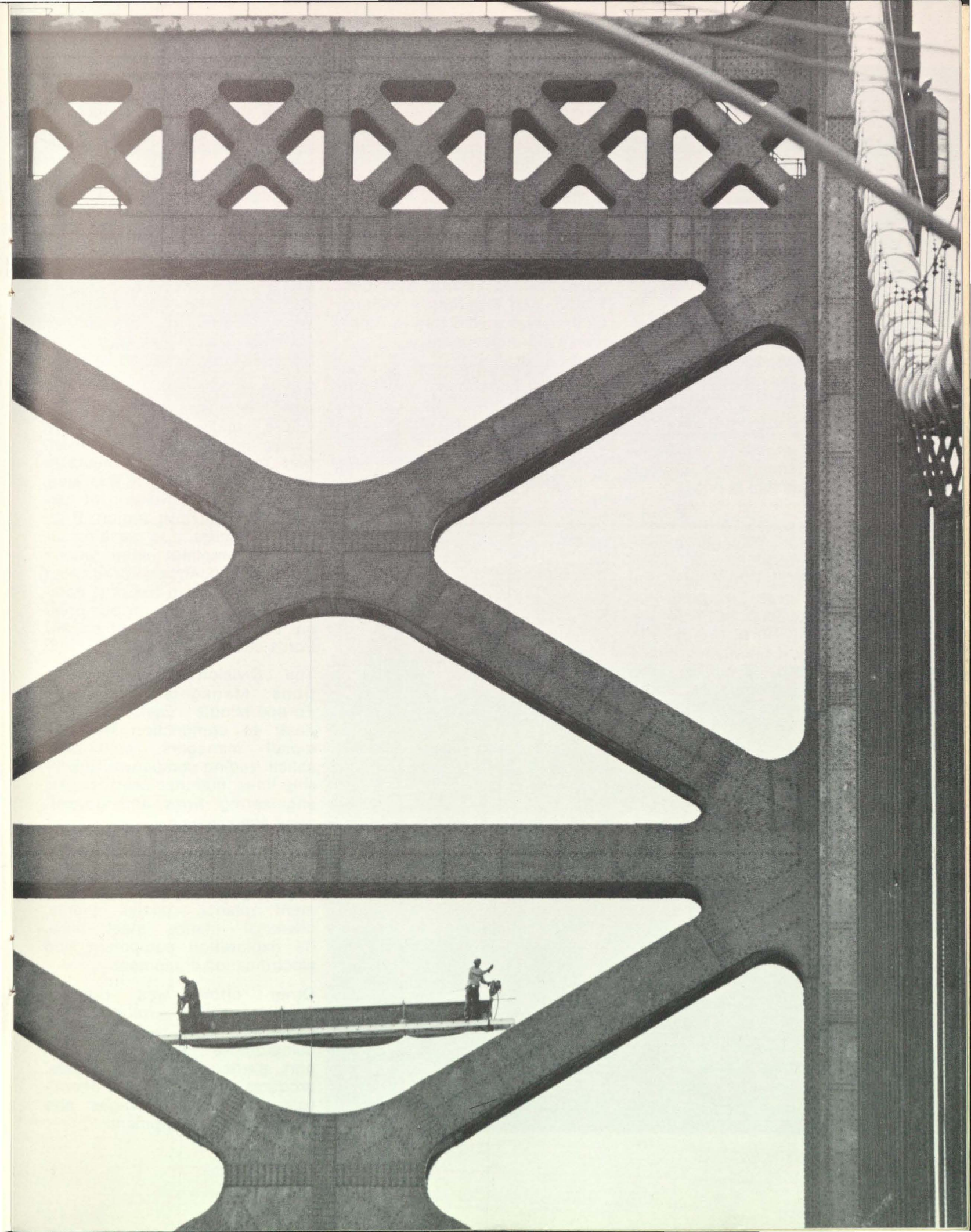
An intensive program of traffic enforcement and speed regulation was pursued on all facilities to promote safety and decrease accidents. During 1975, our patrons travelled approximately 220,250,000 vehicle-miles or 10,250,000 more than in 1975.

Although the number of accidents increased 11 per cent, the increase in accidents per vehicle-mile was approximately six per cent. Of the 572 accidents reported, 330 resulted in injuries which required hospital treatment. Seven traffic fatalities and two deaths from other causes occurred on our facilities.

Our police vehicles travelled 1,148,717 miles. Members of our police force issued 6,046 citations for moving violations. They also rendered "no charge" removal service to 8,190 disabled vehicles, an average of 22 vehicles per day. Port Authority police assisted area police departments in apprehending criminal suspects on 214 occasions. They prevented 18 suicide attempts. Two deaths resulted from persons jumping from the Benjamin Franklin and Betsy Ross Bridges.

Just prior to the end of the year, the walkways of the Benjamin Franklin Bridge were reopened without charge to bicycle and pedestrian traffic on a trial basis. It is the only one of the Port Authority bridges with separate walkways that make it possible to accommodate cyclists and pedestrians.

During 1975, the Bridge Division maintenance forces, augmented as required by contractor effort, continued to maintain all Authority facilities in a safe and presentable condition.



World Trade

The Authority's World Trade Division is charged with the obligation of promoting the Delaware River as a "Highway of Commerce."

In the 25 years since its inception, the Division has pursued the fulfillment of this obligation: continued growth of cargoes through Ameriport—the Ports of Philadelphia.

Sustaining such a positive growth in tonnage, of course, requires steamship service.

Ameriport's maritime facilities registered over 78 million tons of international commerce in 1975. While this total was about three per cent less than the previous year, Ameriport handled more foreign tonnage than any other port in our nation. Of this 78 million tons, bulk cargoes comprised about 72 million tons. The remainder was general cargo. Dollar value, however, was 4.9 billion for the bulk and 3.3 billion for general cargo, or a total exceeding eight billion dollars.

Indicative of the longer term growth in Ameriport is the 50 per cent increase in foreign commerce traffic between 1970 and 1975, compared to our closest competitors—New York, up 25 per cent; Baltimore, up 30 per cent, and Hampton Roads, down 10 per cent in the same period.

Sustaining such a positive growth in tonnage, of course, requires steamship service.

The World Trade Division was instrumental in attracting several additional steamship lines to enhance and expand exist-

ing service. New services in 1975 included the Black Sea Shipping Company, Constellation Navigation Inc., Alexandria Shipping Company, Atlantica and Rico Lines.

The World Trade Division's domestic and foreign offices intelligence gathering efforts are provided staff support by the Division's three headquarter bureaus—Marketing Services, Traffic, and Regulatory Matters. Each serves a vital role in Ameriport's maritime industry.

The Marketing Services Bureau provides economic and statistical analyses to pinpoint commodity trends in foreign commerce. The data enables Division field representatives to more effectively solicit commerce through Ameriport.



The Marketing Services Bureau is responsible for such matters as securing waterborne cargo for warehouse/distribution; the development of deepwater transshipment terminals; reverse investments of overseas capital; site development for the servicing of offshore oil leasing, and bulk product site development.

The Bureau's Industrial Development Section is charged with

increasing waterborne commerce by creating captive cargo for the port through the location of water-related firms in the Delaware Valley region.

The Traffic Bureau's present responsibility is to evaluate and compare new and amended rules, regulations, practices, rates, tariffs and charges of railroads, motor carriers in foreign and domestic ports, including our own Ports of the Delaware Valley. Recommendations are made to assure that a competitive status is maintained.

The Bureau of Regulatory Matters has the responsibility to insure that steamship companies operating out of Ameriport receive their full measure of cargo generated by this area, and to prevent diversion of cargo out of our port region. If diversion occurs, it is basis for filing a complaint with federal regulatory agencies, predicated on the impact on the port community, the impact on our present steamship lines and on our Port's customers.

The Division's three Operations Managers (American, Europe/Middle East and Far East) in conjunction with regional managers, continually solicit trading companies, steamship lines, manufacturers, banks, engineering firms and government agencies.

Much of the solicitation in 1975 focused on special project work involving the shipment of cement plants, power plants, chemical plants, steel mills, oil exploration equipment and electrification equipment.

Other effort was directed towards either initiating or increasing the flow of selected commodities through Ameriport, particularly iron and steel products, food products, chemicals, alcoholic beverages and transportation equipment.

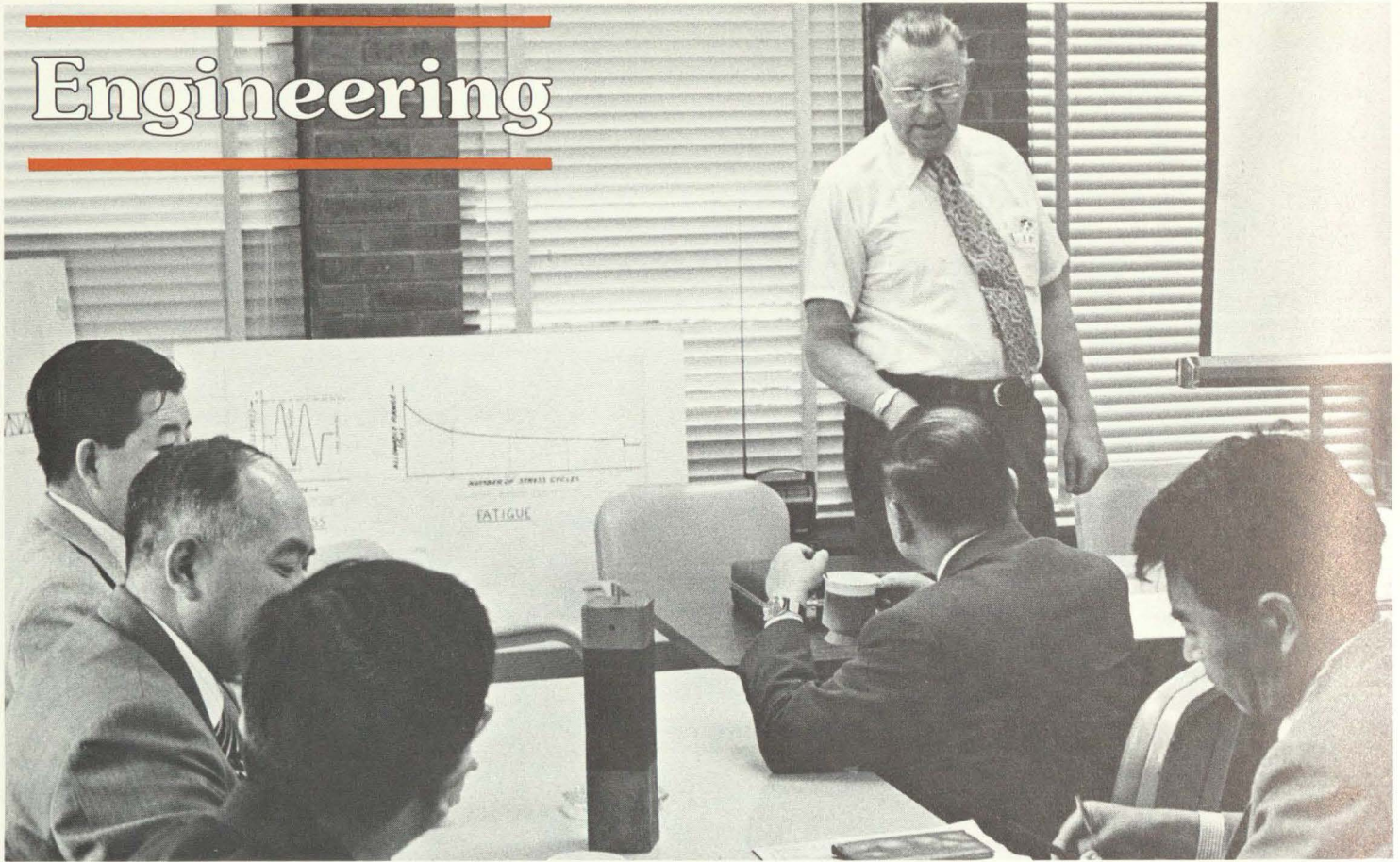


DRPA's Deputy Executive Director Haldane King, center, inspects bridge of Mormacdraco with Moore-McCormack Lines officials.

Right: Central Harbor piers adjoin renewal area of Philadelphia with expressway construction in foreground and office buildings at rear.



Engineering



Engineering Division's Roger Kolm shares bridge expertise with visiting Japanese study team.

Construction contracts under the direct supervision of the Port Authority were completed at the Commodore Barry Bridge in early 1975 and at the Betsy Ross Bridge in August 1975.

The construction of ramps connecting both bridges to I-95 is being supervised by the Pennsylvania Department of Transportation and will continue into 1976. Ramp construction at the Betsy Ross Bridge is expected to be completed to permit the bridge to be opened to revenue traffic in late April of 1976.

Construction of the roadway connecting the Benjamin Franklin Bridge plaza to I-676 in Camden is being accomplished under the supervision of the New Jersey Department of Transportation and is expected to be completed in late 1976.

Other significant projects un-

dertaken in 1975 include the demolition of the Chester Ferry slips, rehabilitation of the Franklin Square Station of PATCO, and the complete painting of the Benjamin Franklin Bridge. The bridge was painted an attractive blue color which has been well received by the public and has become known as "Bicentennial Blue."

The project for a new PATCO station at Woodcrest, New Jersey, is progressing through the stages of final design. The Authority is supervising the design of the station, trackwork and signal modifications and the New Jersey Department of Transportation is supervising the design of parking lots and access road connections with I-295. The Authority is continuing its efforts to procure additional transit cars to support Woodcrest Station prior to its anticipated opening in mid-1978.

Detailed inspections of the Benjamin Franklin and Walt Whitman Bridges by Modjeski and Masters declared both bridges to be well maintained and in good condition. The program of inspecting and testing selected suspender cables of the Benjamin Franklin Bridge, which began in 1974, continues.

The firm of Howard, Needles, Tammen and Bergendoff completed studies to evaluate the effect of wind induced oscillation on the Commodore Barry Bridge. All field and laboratory research was completed, and design of a recommended system of mechanical vibration absorbers has been finalized. A contract is being prepared to accomplish required modification of selected truss members in the summer of 1976.

Planning



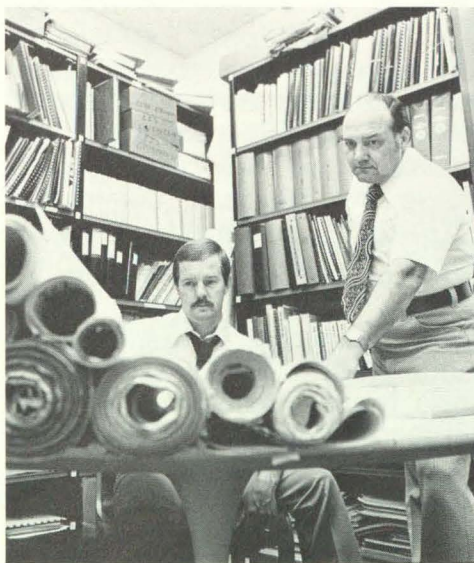
The Authority's consultants and staff combined their efforts in 1975 to advance the Mass Transportation Development Program essentially to completion.

The consultant submitted a Summary Report with supporting volumes. This report was widely distributed to solicit comment from affected cities and municipalities, planning agencies, mass transportation operators and citizen advisory groups.

Commissioners of the Authority approved a total program consisting of approximately thirty-seven miles of additional double-track line at an estimated cost of \$787 million, at 1975 cost levels. Construction of an initial core system composed of an extension in Philadelphia, a three-mile extension along a proposed Mt. Laurel Branch, northeastward from

Camden, a two-mile extension along a proposed Glassboro Branch south from Camden, and required trunk-line improvements, was approved contingent upon funding by Federal and local governments.

Regional Planning activities were accomplished in close coordination with the Delaware



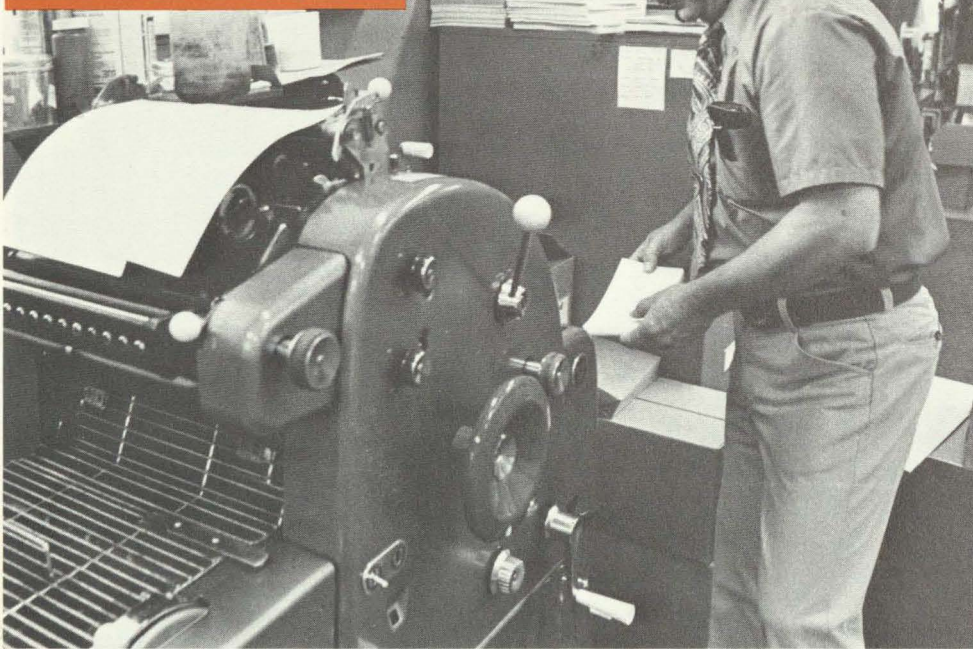
Plans for extensions to the Lindenwold High Speed Line are examined.

Valley Regional Planning Commission. The Authority has membership on the Technical Advisory Committees for Highway, Transit and Airport, and the Coastal Zone Steering Committee, and enjoys observer status on the Planning Coordinating Committee of DVRPC.

Regional Planning efforts in 1975 included development of a long range integrated transportation plan as part of the Year 2000 Plan of DVRPC, and development of a Transportation Improvement Program which is a prerequisite for receiving Federal funds.

During the past year, special emphasis was placed on actions to encourage the completion of regional highways and approach highways leading to Authority facilities.

Administrative Services



Administrative Services print shop provides for most in-house needs.

A measure of the Authority's positive impact on the immediate community can be found in the volume of goods and services purchased.

The Administrative Services Division, which includes purchasing among its principal responsibilities, processed 2,515 orders to area firms for goods with a total value in excess of \$1,290,400. Materials ranged from such routine items as office supplies, highway salt and heavy equipment to volume purchases of gasoline and fuel oil.

Many of the items were secured from the list of 15 local minority vendors compiled by the Division's Purchasing Bureau as part of the Authority's implementation of its affirmative action program.

The Division successfully concluded one of the most unusual responsibilities it has been called upon to perform—the sale of the last boat in the Authority's three-ship ferry fleet. The ferryboat, *Chester*, which became surplus with the opening of the Commodore John Barry Bridge early in 1974, was sold on January 21, 1975 to Ships and Power Equipment Company of Camden, N. J. for \$31,361.78. Its transfer effectively concluded the regional river-crossing service provided over a nine-year period by the Port Authority Ferry Corporation.

During the year the Division's print shop completed 451 jobs covering a broad spectrum of printed materials which added up to 6,418,552 printed copies. Among the items were business forms, business cards, letterheads and envelopes, engineering contract title pages and covers, toll receipts, staff telephone directories, monthly

financial statements, planning reports, employee newspaper, sailing schedules, organization charts and posters.

The addition of an addressing machine made a significant reduction in the cost of the bi-monthly mailing of 3,700 sailing schedules to foreign and domestic port users, and the annual mailing of 2,000 annual reports to individuals and organizations throughout the United States.

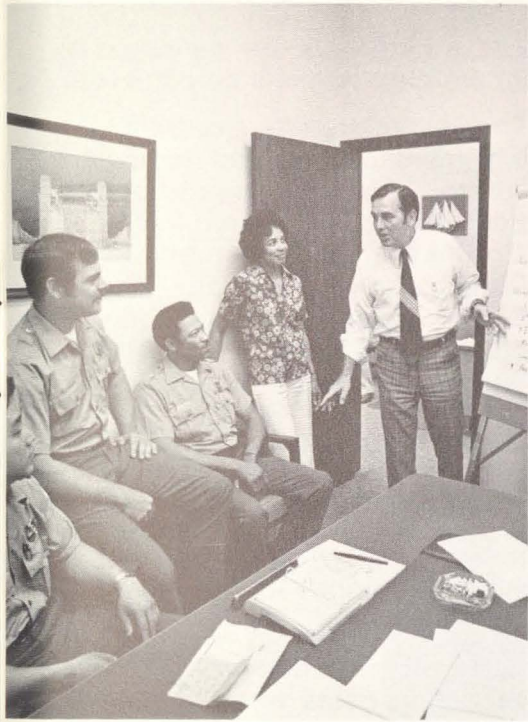
Seventy-five claims were initiated for damages to DRPA property from accidents caused by vehicles using our facilities. These resulted in the recovery of \$15,693.13 for the year.

Personnel

During 1975, the Personnel Division processed twenty-three persons for employment with the Port Authority. Three of the total filled new positions while the remaining twenty represented replacement hires. It brought the total number of DRPA personnel in all Divisions to 586 by the close of the year.

Forty-three per cent of the persons employed were minority representatives. This percentage was in keeping with the Authority's emphasis for effectively implementing its affirmative action program.

The Personnel Division successfully completed negotiations in November with the Transport Workers Union representing 224 personnel among the Authority's toll collectors, toll accounting clerks, and members of the Maintenance Bureau, Highway Department and Electrical and Controls Bureau.



During the following month of December, negotiations were also successfully completed with the Fraternal Order of Police which represents 85 members of the Authority's police force.

At the approach of the new year, the Personnel Division was preparing for the demanding requirement of hiring and processing more than 100 additional employees in time to staff the new Betsy Ross Bridge scheduled to open in the Spring of 1976.

Finance

For the year 1975, total operating revenues amounted to \$41,379,548, for an increase of 4.50 per cent over 1974. Total operating and general administrative expenses were \$22,294,269 which resulted in operating revenues in excess of expenses of \$19,085,279, as compared to \$19,479,094 for 1974.

Investment income in the Rev-

enue, Bond Service and Bond Reserve Funds decreased from \$4,006,953 to \$3,641,412 as a result of generally lower interest rates throughout the investment community from a similar period one year earlier. All investments of the Port Authority were made in accordance with the 1969 Bond Resolution and reflect the continued prudent investment management by the Finance Committee.

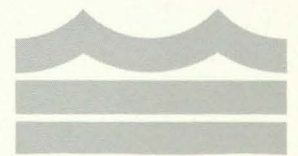


As a result of our 1974 Refunding Program, interest on the "Outstanding" funded debt for the full year 1975 amounted to \$16,829,036, or a decrease of \$1,146,397 from 1974. This produced net revenues of \$5,097,655 available for other Port Authority activities such as World Trade and capital improvements.



Electronics technician checks toll monitoring equipment.

The Commission



During 1975, four Commissioners completed careers of distinguished service as members of the Port Authority's Board. Senior member, with a tenure which spanned a generation, was Joseph M. Hitzel, Jr., of New Jersey, who served from April 29, 1959 to October 23, 1975. By contrast, Commissioner Manuel Carballo of New Jersey served only nine months from February 10 to October 31, 1975, when he re-

signed to accept a cabinet position in Wisconsin. The third New Jersey Commissioner, Burton D. Zehner, was appointed on May 11, 1970, and completed a term of five and one-half years on December 1, 1975.

The lone Pennsylvania Commissioner to leave office in 1975 was Henry W. Sawyer, III, who served from October 27, 1971 to October 22, 1975.

PATCO

The Port Authority Transit Corporation's Lindenwold High Speed Line continued its pattern of annual growth by carrying 11,119,988 passengers in 1975, an increase of .09 per cent over 1974. This was generated despite exceptionally high unemployment along the entire transit line corridor, standing room only during peak hour runs and jammed-full parking lots.

The transit cars were operated 121,294 less miles through the year, effecting a cost reduction of approximately \$65,000 while still attaining an "on time/on schedule" mark of 98.15 per cent—an achievement not equalled by any other transit system in North America.

A concept of the unusual service PATCO can provide when required was demonstrated on May 28th. The Philadelphia Flyers Hockey Team, winners of the Stanley Cup Playoffs for the second straight year, commemorated their victory with a parade and a city-wide celebration. The additional riding generated by this event produced a new one-day PATCO record of 64,262 passengers carried by operating six-car trains on six and seven-and-a-half-minute frequencies throughout the day. Added passenger revenue that day exceeded additional operating expenses by \$11,666.

New Jersey sport fans are gradually learning the advantages of eliminating traffic and parking problems by leaving their cars on the New Jersey side of the river and riding PATCO, via a SEPTA transfer directly to the Stadium and the Spectrum.

Our advertising is directed to encouraging off-peak ridership,

including student patronage to and from colleges and universities in Philadelphia and Camden. PATCO carries approximately 1,300 Rutgers of South Jersey students to the Camden campus each week during regular college semester months.

Tests of the new automatic fare collection gates were conducted and satisfactorily completed

The erosion of inflation more than offset increased ridership so that 1975 operating and maintenance cost exceeded passenger revenues. Since the fare schedule was last increased in April, 1972, labor costs have risen 46 per cent, the cost of consumable materials, other than power, rose 50 per cent, and electric power to run trains increased 92.4 per cent. Consequently, PATCO's cumulative Net Operating Loss (exclusive of rental charge) for 1975, amounted to \$653,918.



In an effort to offset some of the anticipated operating loss for 1975, the Directors authorized an increase in the PATCO parking lot fee from 25 cents to 50 cents. This was implemented on August 25th.

At that time, approximately half of the 9,400 parking spaces were free. Following expansion of the lots in Lindenwold and Ashland, and the planned re-stripping of all

lots, a ratio of 60 per cent paid to 40 per cent free will be achieved.

The immediate effect of the parking fee increase was tempered somewhat by a change to permit free parking on all paid lots after 10:00 A.M. daily, as an attraction for more off-peak riding. Parking meter spaces remained "paid parking" except for Saturdays, Sundays and major holidays.

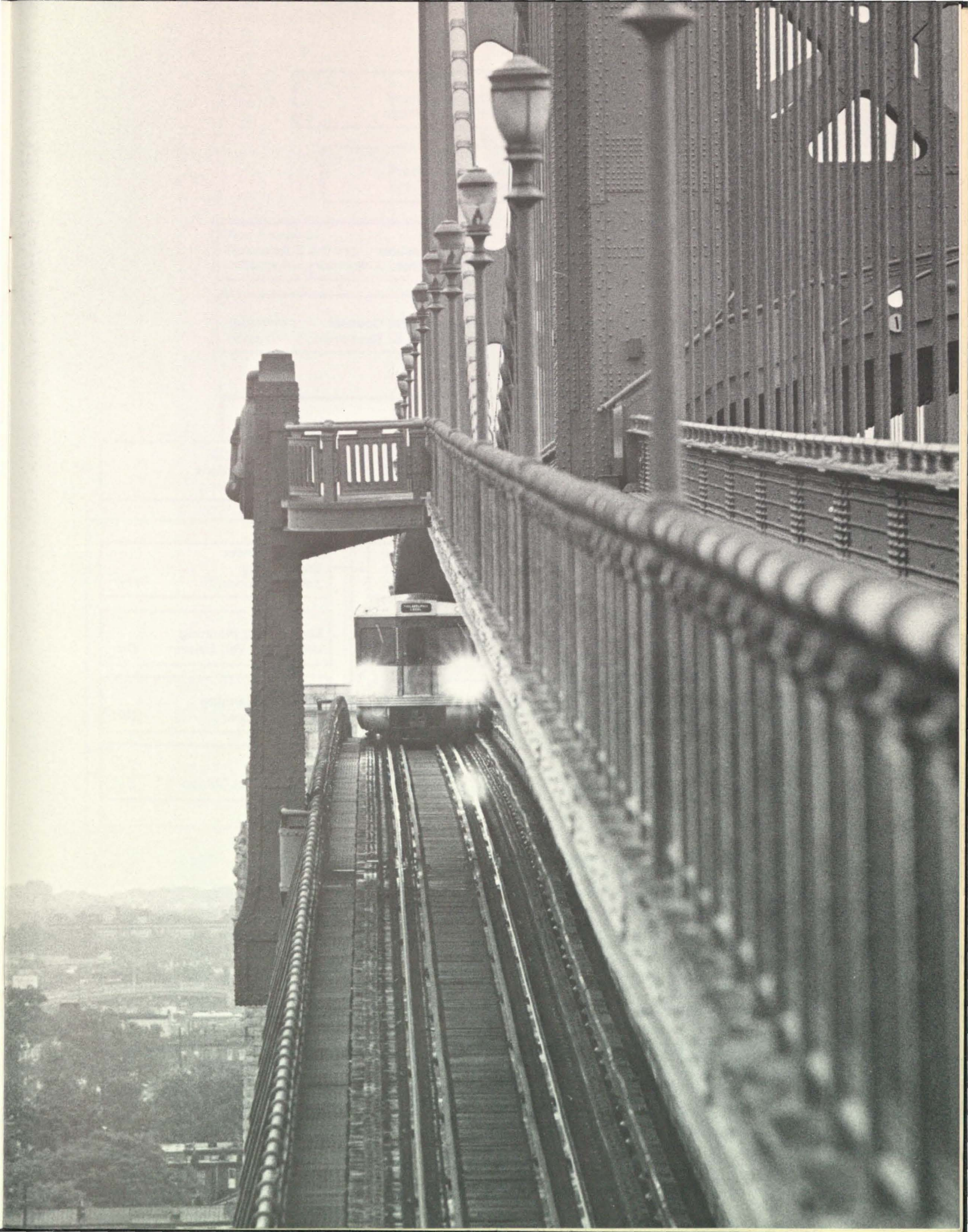
The installation of third rail heaters was completed on portions of the mainline track most susceptible to ice formations in order to reduce interruptions and equipment damage during severe winter storms.

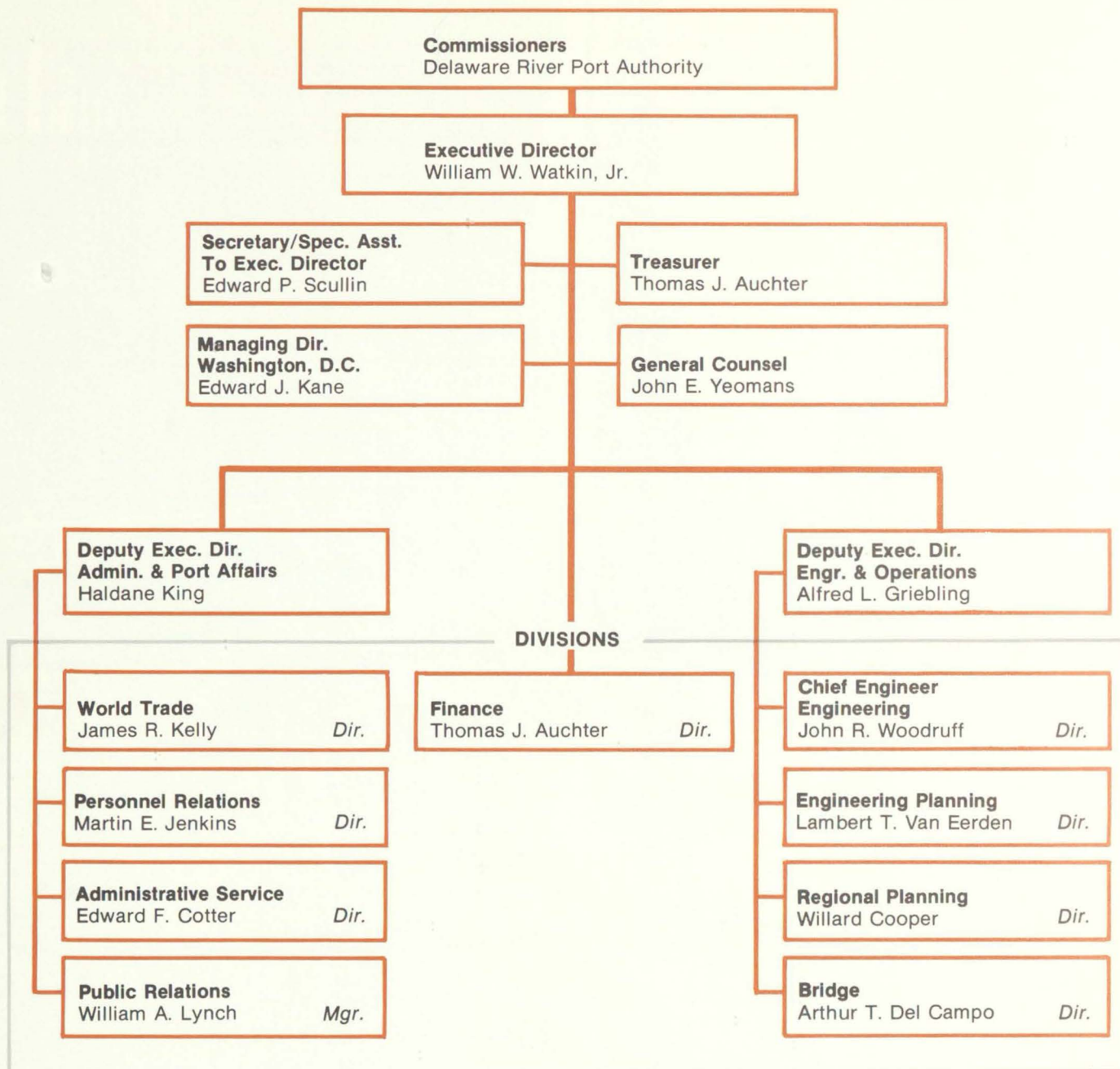
Tests of the new automatic fare collection gates were conducted and satisfactorily completed at the Ferry Avenue Station. Cubic Western Data has promised to complete shipment of gates for installation at all stations by late Spring of 1976.

PATCO Directors agreed on May 21, 1975 to reopen Franklin Square Station as a "showcase" for Philadelphia's Bicentennial observance. The City allotted \$200,000 toward the cost of completely rehabilitating this 40-year-old facility with an historic theme featuring huge photo murals of historic events and transportation modes in the Delaware Valley.

A referendum on a bond issue to fund transportation improvements in New Jersey, including the State's share of extending the Lindenwold High Speed Line, was rejected by New Jersey voters in November. As a result, the extension plans have been deferred until new financial arrangements are completed.

However, progress has continued on residual improvements to the Line, including the construction of the new Woodcrest Station, between Ashland and Haddonfield.



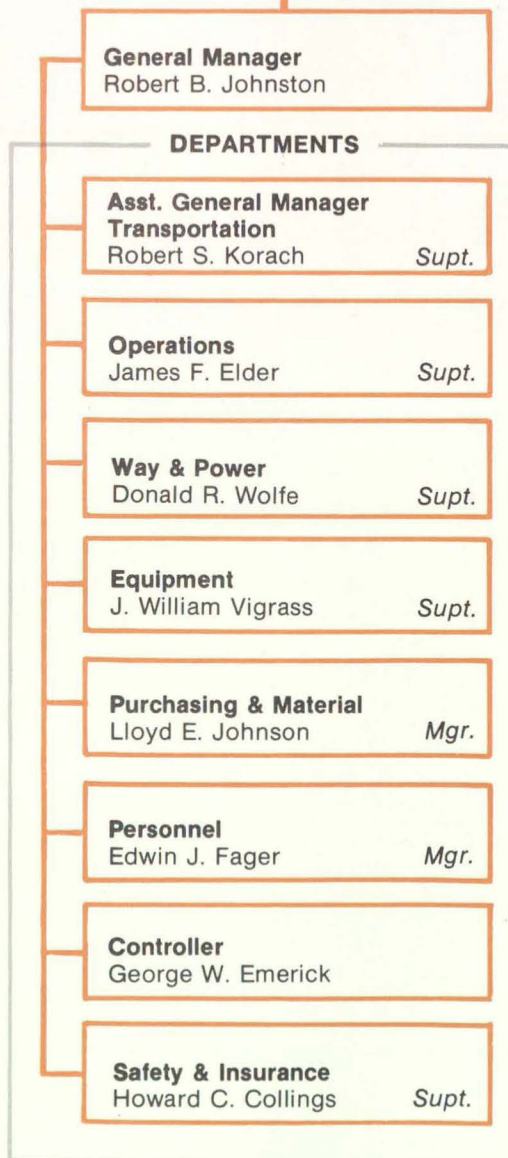
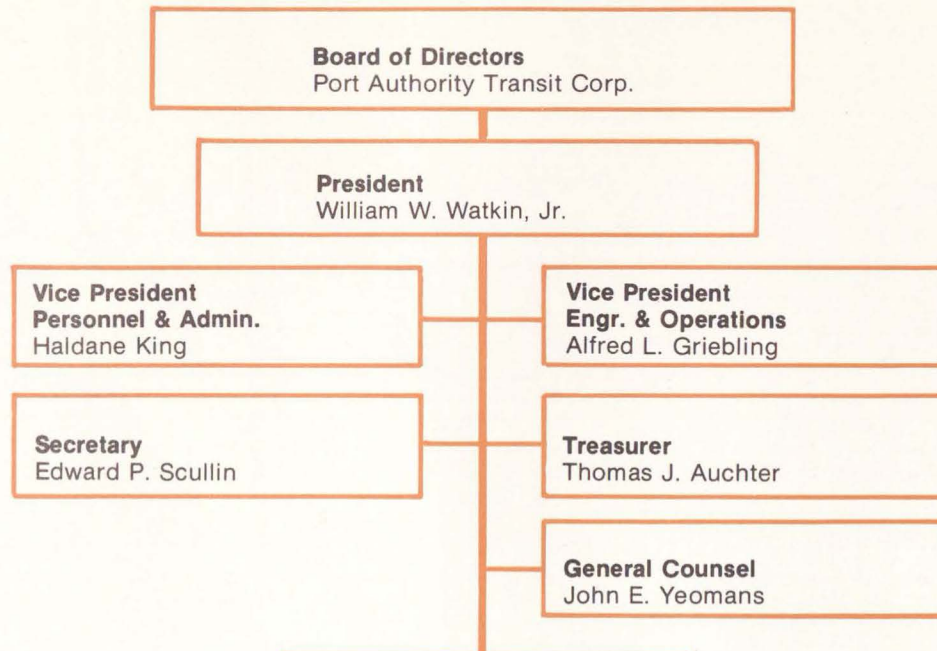


DELAWARE RIVER PORT AUTHORITY

of Pennsylvania and New Jersey

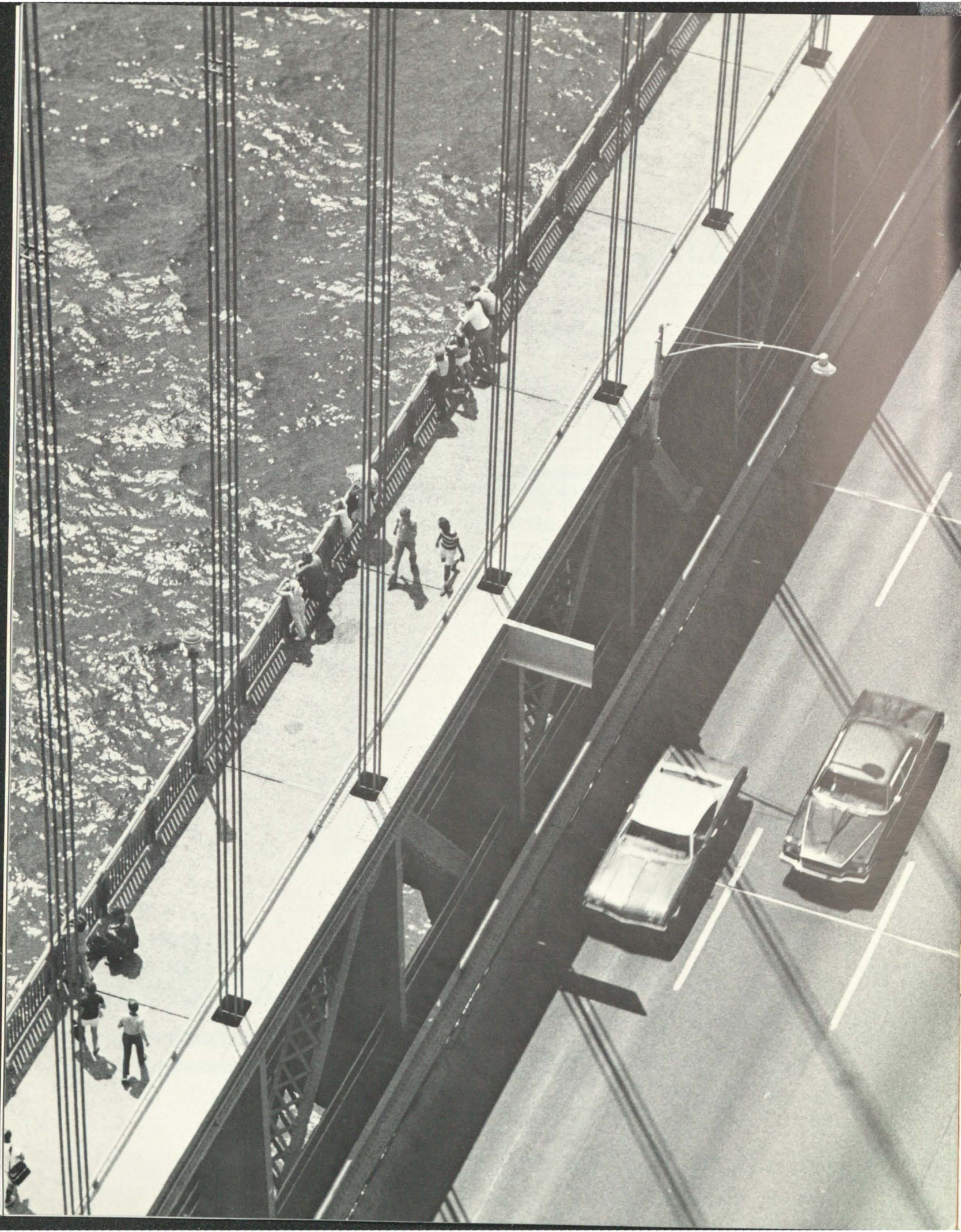
ORGANIZATION CHART

December 31, 1975



**PORT
AUTHORITY
TRANSIT
CORPORATION**

**ORGANIZATION CHART
December 31, 1975**



FINANCIAL STATEMENTS

FINANCIAL SUMMARY

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LAVENTHOL & HORWATH

CERTIFIED PUBLIC ACCOUNTANTS

1845 WALNUT STREET
PHILADELPHIA, PA 19103

OFFICES THROUGHOUT THE WORLD

Delaware River Port Authority
Camden, New Jersey

We have examined the balance sheet of Delaware River Port Authority as at December 31, 1975 and 1974 and the related statements of revenues and expenses and of changes in fund equities for the years then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Delaware River Port Authority at December 31, 1975 and 1974 and the results of its operations and changes in fund equities for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Laventhol & Horwath

February 20, 1976

DELAWARE RIVER PORT AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
YEARS ENDED DECEMBER 31, 1975 AND 1974

	1975	1974
Operating revenues and expenses (Notes 5, 6 and 7):		
Bridge tolls	\$34,700,595	\$33,314,486
Bridge operating expenses	<u>10,713,377</u>	<u>9,586,692</u>
Transit system passenger fares	6,318,213	6,157,370
Transit system operating expenses, including depreciation of \$2,173,412 in 1975 and \$2,152,807 in 1974	<u>9,453,736</u>	<u>8,580,686</u>
Loss on Chester-Bridgeport Ferry (Note 4)	(3,135,523)	(2,423,316)
Other operating revenues, including \$328,032 in 1975 and \$288,990 in 1974 from transit system	<u>360,740</u>	<u>320,520</u>
	21,212,435	21,431,351
General administration expenses:		
Salaries, including employee benefits (Note 6)	1,629,111	1,492,211
Other	<u>498,045</u>	<u>460,046</u>
	2,127,156	1,952,257
Operating revenues in excess of expenses	19,085,279	19,479,094
Interest income on investment in securities of the Revenue, Bond Service and Bond Reserve Funds	3,641,412	4,006,953
Interest on funded debt:		
1969 First Series Revenue Bonds	5,625,000	6,771,397
Series 1972 Revenue Bonds	6,550,376	6,550,376
Series 1972 Refunding Revenue Bonds	<u>4,653,660</u>	<u>4,653,660</u>
	(16,829,036)	(17,975,433)
Revenues in excess of expenses before other income (charges)	5,897,655	5,510,614
Other income (charges):		
Interest on funded debt:		
1969 First Series Revenue Bonds (Note 5)	(2,069,467)	(970,028)
Series 1970 Revenue Bonds (Note 5)	(5,425,000)	(5,425,000)
Series 1972 Special Obligation Refunding Bonds	(1,705,000)	(1,705,000)
Series 1974 Special Revenue Refunding Bonds	(2,009,472)	(1,005,264)
Series 1974 Special Obligation Refunding Bonds	<u>(1,080,559)</u>	<u>(579,337)</u>
	(12,289,498)	(9,684,629)
Other interest income on investment in securities	12,010,770	11,426,252
World trade development expenses, including salaries and employee benefits of \$840,487 in 1975 and \$776,160 in 1974	(1,325,132)	(1,222,286)
Bond issuance costs	(17,290)	(216,036)
Cost of equipment retired		(868,820)
Gain (loss) on sale of property:		(39,094)
Land		128,721
Chester-Bridgeport Ferry equipment (Note 4)	<u>(1,621,150)</u>	<u>(475,892)</u>
	\$ 4,276,505	\$ 5,034,722
Net income		

See notes to financial statements.

DELAWARE RIVER PORT AUTHORITY
BALANCE SHEET - DECEMBER 31, 1975 AND 1974

ASSETS	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	1972 Escrow Deposit Fund
Cash (Note 5)		\$ 361,114			
Investment in securities (Notes 2 and 5)		24,764,739	\$10,531,105	\$23,640,584	\$106,095,000
Accrued interest receivable		662,142		352,896	2,970,465
Accounts receivable (Note 3)		33,285			
Transit system inventory					
Prepaid expenses		265,703			
Investment in facilities:					
Benjamin Franklin Bridge	\$ 44,495,235				
Walt Whitman Bridge	86,906,471				
Southern New Jersey Rapid Transit System, net of accumulated depreciation, 1975, \$13,670,369; 1974, \$11,507,212 (Note 2)	88,133,175				
Southern New Jersey Rapid Transit System, first phase capital improvement program					
Commodore Barry Bridge		318,188			
Betsy Ross Bridge		1,023,473			
Chester Bridgeport Ferry, land (Note 4)					
	<u>220,876,542</u>				
Future extensions to Southern New Jersey Rapid Transit System study		<u>18,588</u>			
	<u>\$220,895,130</u>	<u>\$26,086,983</u>	<u>\$10,531,105</u>	<u>\$23,993,480</u>	<u>\$109,065,465</u>
LIABILITIES AND FUND EQUITIES					
Accounts payable:					
Contracts					
Retained amount on contracts		\$ 65,057			
Other		<u>465,724</u>			
		<u>530,781</u>			
Accrued liabilities:					
Interest			\$ 7,685,883		\$ 2,486,458
Pension (Note 6)		252,072			
Sick leave benefits		<u>1,726,563</u>			
		<u>1,978,635</u>	7,685,883		<u>2,486,458</u>
Deferred income on truck tickets		<u>594,310</u>			
Reserves:					
Replacements and repainting		1,800,082			
Self-insurance (Note 2)					
		<u>1,800,082</u>			
Funded debt (Note 5)	\$112,842,611			\$23,630,263	108,071,157
Commitments and contingent liabilities (Note 7)				363,217	(1,492,150)
Fund equities (deficiencies)	<u>108,052,519</u>	<u>21,183,175</u>	<u>2,845,222</u>	<u>363,217</u>	<u>(1,492,150)</u>
	<u>\$220,895,130</u>	<u>\$26,086,983</u>	<u>\$10,531,105</u>	<u>\$23,993,480</u>	<u>\$109,065,465</u>

1972 Bond Fund	Debt Service Fund	Debt Service Reserve Fund	1974 Escrow Deposit Fund	1974 Bond Fund	Construction Fund	General Fund	Total	
							1975	1974
\$ 776			\$ 113	\$ 2,769	\$ 3,948	\$ 105,209	\$ 473,929	\$ 408,551
159,642	\$1,806,154	\$3,540,468	51,930,000	4,989	19,731,630	2,090,886	244,295,197	245,395,532
		155,111	1,702,497		289,077	14,052	6,146,240	5,863,854
					212,047	1,816,809	2,062,141	9,402,741
						927,441	927,441	834,397
					66,966	93,566	426,235	254,936
					500,000		44,995,235	44,949,113
							86,906,471	86,843,682
						353,388	88,486,563	90,267,624
						297,479	297,479	97,984
					122,275,538	3,636,300	126,230,026	118,251,232
					98,687,881		99,711,354	95,643,233
								154,954
					<u>221,463,419</u>	<u>4,287,167</u>	<u>446,627,128</u>	<u>436,207,822</u>
						558,753	577,341	617,397
<u>\$160,418</u>	<u>\$1,806,154</u>	<u>\$3,695,579</u>	<u>\$53,632,610</u>	<u>\$7,758</u>	<u>\$241,767,087</u>	<u>\$9,893,883</u>	<u>\$701,535,652</u>	<u>\$698,985,230</u>
					\$ 5,024,870		\$ 5,024,870	\$ 1,095,377
					2,571,317	\$ 120,378	2,756,752	3,743,092
					82,219	509,396	1,057,339	954,874
					<u>7,678,406</u>	<u>629,774</u>	<u>8,838,961</u>	<u>5,793,343</u>
\$781,458	\$ 869,607		\$ 947,570	\$437,300			13,208,276	13,591,047
					6,852	95,053	353,977	276,336
					157	200,416	1,927,136	1,638,212
					<u>781,458</u>	<u>869,607</u>	<u>947,570</u>	<u>437,300</u>
							15,489,389	15,505,595
							594,310	601,861
							1,800,082	1,907,927
						450,000	450,000	450,000
						450,000	2,250,082	2,357,927
			43,169,171		<u>170,761,867</u>		<u>458,475,069</u>	<u>463,115,168</u>
(621,040)	936,547	\$3,695,579	9,515,869	(429,542)	63,319,805	8,518,640	215,887,841	211,611,336
<u>\$160,418</u>	<u>\$1,806,154</u>	<u>\$3,695,579</u>	<u>\$53,632,610</u>	<u>\$ 7,758</u>	<u>\$241,767,087</u>	<u>\$9,893,883</u>	<u>\$701,535,652</u>	<u>\$698,985,230</u>

See notes to financial statements.

DELAWARE RIVER PORT AUTHORITY
STATEMENT OF CHANGES IN FUND EQUITIES
YEARS ENDED DECEMBER 31, 1975 AND 1974

	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	1972 Escrow Deposit Fund	1972 Bond Fund
Balance, equities (deficiencies), beginning of year	<u>\$107,528,652</u>	<u>\$21,334,292</u>	<u>\$ 2,866,220</u>	<u>\$ 49,987</u>	<u>(\$ 712,707)</u>	<u>(\$ 646,970)</u>
Revenues and expenses:						
Operating revenues		34,733,302				
Operating expenses	(2,153,572)	(10,713,377)				
General administration expenses		(2,127,156)				
Interest income		1,657,346	417,485	1,566,581		
Interest on funded debt			(16,829,036)			
Other income (charges), net	(15,872)				951,684	(1,695,537)
	<u>(2,169,444)</u>	<u>23,550,115</u>	<u>(16,411,551)</u>	<u>1,566,581</u>	<u>951,684</u>	<u>(1,695,537)</u>
Interfund transfers and payments:						
Bond Service Fund requirement		(16,330,517)	16,330,517			
Funds in excess of Bond Reserve requirement		1,253,351		(1,253,351)		
Completed capital additions	1,693,311					
Funds in excess of escrow requirement					(1,721,467)	1,721,467
Excess funds free of lien or pledge		(5,636,716)				
Funds in excess of Debt Service Reserve Fund requirement		2,027				
Debt Service Fund requirement		(2,997,869)				
Retirement of bonds:						
1969 First Series Revenue Serial Bonds	1,000,000					
Series 1974 Special Obligation Refunding Serial Bonds						
Series 1974 Special Revenue Refunding Bonds						
Other		8,492	60,036		(9,660)	
	<u>2,693,311</u>	<u>(23,701,232)</u>	<u>16,390,553</u>	<u>(1,253,351)</u>	<u>(1,731,127)</u>	<u>1,721,467</u>
Balance, equities (deficiencies), end of year	<u>\$108,052,519</u>	<u>\$21,183,175</u>	<u>\$ 2,845,222</u>	<u>\$ 363,217</u>	<u>(\$1,492,150)</u>	<u>(\$ 621,040)</u>

Debt Service Fund	Debt Service Reserve Fund	1974 Escrow Deposit Fund	1974 Bond Fund	Construction Fund	General Fund	Total	
						1975	1974
\$ 792,592	\$3,463,259	\$9,013,647	(\$ 513,661)	\$63,399,292	\$5,036,733	\$211,611,336	\$206,576,614
					6,646,246 (7,300,164)	41,379,548 (20,167,113)	39,598,729 (18,167,378)
(1,952,846)	234,347	1,676,938	(1,079,865)	1,446,736	(1,186,735)	(2,127,156)	(1,952,257)
(1,952,846)	234,347	1,676,938	(1,079,865)	1,446,736	(1,840,653)	(16,829,036)	(17,975,433)
						(1,621,150)	(475,892)
						4,276,505	5,034,722
					(1,464,317)	(228,994)	
		(3,874,743)	3,874,743		5,636,716		
2,997,869	(2,027)						
		(1,000,000)					
		2,795,000	(2,795,000)				
(1,010,000)		1,098,200			(88,200)		
108,932		(193,173)	84,241	(61,906)	3,038		
2,096,801	(2,027)	(1,174,716)	1,163,984	(1,526,223)	5,322,560		
\$ 936,547	\$3,695,579	\$9,515,869	(\$ 429,542)	\$63,319,805	\$8,518,640	\$215,887,841	\$211,611,336

See notes to financial statements.

DELAWARE RIVER PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1975 AND 1974

1. Summary of significant accounting policies:

Basis of presentation:

The following accounting policies are in accordance with generally accepted accounting principles of governmental agencies and with provisions of the Authority's Bond Resolutions.

Southern New Jersey Rapid Transit System operations are carried out by a subsidiary legal entity, the accounts of which are included herein. Material balances and transactions between the entities have been eliminated.

Investment in securities:

Investment in securities is stated at amortized cost, which approximates market value.

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 and reserve for replacements and repainting:

Investment in facilities is stated at cost, which generally includes expenses in connection with the offering, selling and issuance of bonds, and administrative and legal expenses during the construction period. Investment in facilities also includes cost of improvements, enlargements and betterments to the original facility.

Depreciation is not included as an operating expense or otherwise provided, except for the Southern New Jersey Rapid Transit System where it is provided by the straight-line method over the estimated useful lives of the components of the facility.

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

Southern New Jersey Rapid Transit System, first phase capital improvement program and future extensions to Southern New Jersey Rapid Transit System study:

Southern New Jersey Rapid Transit System, first phase capital improvement program and future extensions to Southern New Jersey Rapid Transit System study are stated at cost, net of reimbursements from the Urban Mass Transit Authority and other governmental agencies (see Note 3).

Reserve for self-insurance:

Commencing in 1972, the subsidiary which operates the Southern New Jersey Rapid Transit System established a public liability self-insurance reserve to provide for losses, which, if sustained, would not be covered by insurance policies.

Funded debt discount:

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

DELAWARE RIVER PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 1975 AND 1974

2. Appropriated assets, General Fund:

The Authority has set aside investments in securities totalling \$450,000 of the General Fund as a reserve for self-insurance for Port Authority Transit Corporation.

3. Accounts receivable:

General Fund accounts receivable include amounts due from governmental authorities for:

	<u>1975</u>	<u>1974</u>
Construction reimbursement for the Southern New Jersey Rapid Transit System, Locust traction power substation	\$ 353,381	\$287,256
Reimbursement for a Mass Transit Capital Improvement Grant, the Southern New Jersey Rapid Transit System, first phase capital improvement program	569,199	160,666
Advance to N.J. Department of Transportation for right-of-way acquisition, Woodcrest Station	623,000	
Reimbursement for a Mass Transit Technical Study Grant	<u>90,586</u>	<u> </u>
	<u>\$1,636,166</u>	<u>\$447,922</u>

The Construction Fund accounts receivable represents the amount due from the State of New Jersey for construction of highways leading to certain of the Authority's facilities.

4. Chester-Bridgeport Ferry:

The Chester-Bridgeport Ferry ceased operations on February 1, 1974 when the Commodore Barry Bridge was opened for traffic. The Port Authority Ferry Corporation, was formally dissolved by the Authority's Board of Commissioners on February 28, 1975. Land, with a cost of \$154,954, was transferred at that time from the Chester-Bridgeport Ferry to the Commodore Barry Bridge.

5. Funded debt:

The First Series Revenue Bonds, Series 1970 Revenue Bonds, Series 1972 Revenue Bonds and Series 1972 Refunding Revenue Bonds are issued in accordance with the General Bond Resolution dated April 23, 1969 as supplemented; the Series 1972 Special Obligation Refunding Bonds are issued pursuant to Resolution dated September 13, 1972; the Series 1974 Special Revenue Refunding Bonds are issued in accordance with the Special Revenue Bond Resolution dated June 19, 1974 as supplemented; and the Series 1974 Special Obligation Refunding Bonds are issued pursuant to Resolution dated June 19, 1974.

DELAWARE RIVER PORT AUTHORITY
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEARS ENDED DECEMBER 31, 1975 AND 1974

5. Funded debt (continued):

Funded debt transactions for the two years ended December 31, 1975 and 1974 and outstanding funded debt are summarized as follows:

	<u>Total</u>	<u>1969 First Series Revenue Bonds</u>	<u>Series 1970 Revenue Bonds</u>
Balance, January 1, 1974	\$416,185,826	\$140,000,000	\$70,000,000
Add:			
Proceeds from sale of bonds	46,729,630 ^(a)		
Amortization of bond discount	<u>199,712</u>		
Balance, December 31, 1974	463,115,168	140,000,000	70,000,000
Deduct:			
Bonds matured	(3,795,000)	(1,000,000)	
Bonds redeemed early	(90,000)		
Sinking Fund payment	(1,010,000)		
Add:			
Amortization of bond discount	<u>254,901</u>		
Balance, December 31, 1975	<u>\$458,475,069</u>	<u>\$139,000,000</u>	<u>\$70,000,000</u>

(a) Proceeds from sale of bonds totalling \$46,729,630 were deposited into the 1974 Escrow Deposit Fund.

The funded debt is payable and bears interest as follows:

<u>Maturity date</u>	<u>Rate</u>	<u>Principal, net of unamortized discount</u>
1969 First Series Revenue Bonds:		
<u>January 15,</u>		
1976	5.00 %	\$ 2,125,000
1977	5.10	1,500,000
1978	5.15	2,050,000
1979	5.20	2,900,000
1980	5.25	3,575,000
1981	5.30	4,200,000
1982	5.35	4,825,000
1983	5.35	5,350,000
1984	5.40	5,975,000
1985	5.40	6,500,000
Total serial bonds outstanding		<u>39,000,000</u>
2009 (term bonds)	5.625	<u>100,000,000</u> \$139,000,000
Series 1970 Revenue Bonds, January 15, 2010	7.75	70,000,000
Series 1972 Revenue Bonds, net of unamortized discount of \$1,765,259, January 15, 2011	6.50	98,234,741
Series 1972 Refunding Revenue Bonds, net of unamortized discount of \$328,843, January 15, 2010	6.00	77,071,157
Series 1972 Special Obligation Refunding Bonds, January 15, 1979	5.50	31,000,000
Series 1974 Special Revenue Refunding Bonds, net of unamortized discount of \$589,442, January 15, 1990	7.25	25,580,558

<u>Series 1972 Revenue Bonds</u>	<u>Series 1972 Refunding Revenue Bonds</u>	<u>Series 1972 Special Obligation Refunding Bonds</u>	<u>Series 1974 Special Revenue Refunding Bonds</u>	<u>Series 1974 Special Obligation Refunding Bonds</u>
\$98,133,989	\$77,051,837	\$31,000,000		
			\$26,492,805	\$20,236,825
<u>50,376</u>	<u>9,660</u>	<u> </u>	<u>77,129</u>	<u>62,547</u>
98,184,365	77,061,497	31,000,000	26,569,934	20,299,372
				(2,795,000)
			(90,000)	
			(1,010,000)	
<u>50,376</u>	<u>9,660</u>	<u> </u>	<u>110,624</u>	<u>84,241</u>
<u>\$98,234,741</u>	<u>\$77,071,157</u>	<u>\$31,000,000</u>	<u>\$25,580,558</u>	<u>\$17,588,613</u>

<u>Maturity date</u>	<u>Rate</u>	<u>Principal, net of unamortized discount</u>
Series 1974 Special Obligation Refunding Bonds:		
<u>January 15,</u>	<u>July 15,</u>	
1976		5.25 % \$ 1,375,000
	1976	5.25 1,320,000
1977		5.30 1,320,000
	1977	5.30 1,285,000
1978		5.30 1,290,000
	1978	5.30 1,230,000
1979		5.35 1,240,000
	1979	5.35 1,145,000
1980		5.40 1,145,000
	1980	5.40 1,005,000
1981		5.45 1,005,000
	1981	5.45 840,000
1982		5.50 840,000
	1982	5.50 655,000
1983		5.55 660,000
	1983	5.55 455,000
1984		5.60 460,000
	1984	5.60 240,000
1985		5.60 240,000
		<u>17,750,000</u>
Outstanding issue		17,750,000
Less unamortized discount		<u>161,387</u>
		<u>17,588,613</u>
		<u>\$458,475,069</u>

DELAWARE RIVER PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 1975 AND 1974

5. Funded debt (continued):

To affect the redemption of the \$40,000,000 Serial Bonds issued under the 1969 General Bond Resolution, on July 11, 1974 the Authority issued the Series 1974 Special Revenue Refunding Bonds and Series 1974 Special Obligation Refunding Bonds. Proceeds from the sale of these bonds, together with unencumbered amounts from the General Fund totalling \$6,448,458 and an amount previously deposited in the Bond Reserve Fund totalling \$1,843,950 were transferred into the 1974 Escrow Deposit Fund and applied to the purchase of specified investments which are held in a special and irrevocable trust fund under an escrow deposit agreement. The maturing principal of the specified investments will be used to redeem the 1969 Serial Bonds as they mature, and to pay the debt service thereon. The income from these specified investments, together with the accrued interest on the Series 1974 Special Obligation Refunding Bonds received at settlement will be used to redeem the Series 1974 Special Obligation Refunding Bonds as they mature, and to pay the related debt service.

As a result of the issuance of the Series 1974 Special Revenue Refunding Bonds and the Series 1974 Special Obligation Refunding Bonds, the 1969 Serial Bonds are, as of July 11, 1974, no longer "outstanding" as defined by the General Bond Resolution. Interest expense on the 1969 Serial Bonds is included in other income (charges) after July 15, 1974.

The Authority has given the Trustee under the 1969 General Bond Resolution notice of its irrevocable election to redeem the Series 1970 Revenue Bonds on January 15, 1979 at 103% of principal amount. To effect this redemption the entire proceeds from the sale of Series 1972 Refunding Revenue Bonds and Series 1972 Special Obligation Bonds, together with cash transferred from the Bond Service Fund, were deposited in the 1972 Escrow Deposit Fund and were applied to the purchase of certain specified investments which are held in a special and irrevocable trust fund under the 1972 Escrow Deposit Agreement. The maturing principal of and the interest income from the specified investments will be used to pay the principal, redemption premium and the interest on the Series 1970 Revenue Bonds, and to the extent available, the principal of and interest on the Series 1972 Special Obligation Bonds.

As a result of the issuance of the Series 1972 Refunding Revenue Bonds and the Series 1972 Special Obligation Refunding Bonds, the Series 1970 Bonds are, as of October 17, 1972, no longer "outstanding" as defined by the 1969 General Bond Resolution. Interest expense on the Series 1970 Bond is included in other income (charges).

DELAWARE RIVER PORT AUTHORITY
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEARS ENDED DECEMBER 31, 1975 AND 1974

5. Funded debt (continued):

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

The Series 1974 and 1972 Special Obligation Refunding Bonds are not subject to early redemption. All other issues are redeemable prior to maturity at various amounts not in excess of 104% of principal.

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

These requirements are summarized as follows:

	December 31,	
	1975	1974
Bond Reserve	\$21,600,550	\$21,600,550
Bond Service	9,121,690	9,125,762
1972 Escrow	91,087,500	96,512,500
Debt Service Reserve	3,176,837	3,176,837
Debt Service	1,800,749	1,849,927
1974 Escrow	51,930,112	55,022,037

In addition, the several maintenance of revenues covenants established by the various Resolutions were exceeded by the Authority for the year ended December 31, 1975.

6. Pension plan:

The Authority participates in a money purchase pension plan administered by an agency of the Commonwealth of Pennsylvania which covers all permanent employees of the Authority. The non-represented employees of the Authority's wholly owned subsidiary are also covered by this plan. Contributions to the plan by the Authority and its subsidiary amounted to \$1,175,146 and \$873,207 in 1975 and 1974, respectively. The Authority's subsidiary also contributes to a union pension plan which covers its represented employees. Contributions totalling \$72,052 and \$51,169 in 1975 and 1974, respectively, were made to this plan. The excess, if any, of the actuarially computed value of vested benefits over the respective pension fund assets, was not available from the administrators of either plan.

DELAWARE RIVER PORT AUTHORITY
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEARS ENDED DECEMBER 31, 1975 AND 1974

7. Commitments and contingent liabilities:

As of December 31, 1975 the Authority had contractual commitments as follows:

	Revenue Fund	Construction Fund	General Fund	Total
Benjamin Franklin Bridge:				
Maintenance, building		\$ 32,290		\$ 32,290
Toll plaza modifications		3,041		3,041
Steel painting and concrete repairs	\$ 35,386			35,386
Replacement of suspender ropes	121,420			121,420
Other	7,930			7,930
Commodore Barry Bridge		629,070		629,070
Betsy Ross Bridge		3,382,191		3,382,191
Southern New Jersey Rapid Transit System:				
Rehabilitation of Franklin Square Station			\$ 678,650	678,650
Other			3,000	3,000
Southern New Jersey Rapid Transit System, first phase capital improvement program:				
Automatic fare collection equipment			891,539	891,539
Procurement of new rapid transit cars			13,825	13,825
Consulting engineer services			1,069,004	1,069,004
Ashland parking lot expansion			15,944	15,944
Lindenwold yard and mainline improvements			2,580,199	2,580,199
Station and concourse improvements (Locust Street)			605,934	605,934
Future extensions to Southern New Jersey Rapid Transit System Study				
	<u>\$164,736</u>	<u>\$4,046,592</u>	<u>\$5,910,311</u>	<u>\$10,121,639</u>

The current engineering estimate for the total cost of construction of the Commodore Barry and Betsy Ross Bridges aggregated approximately \$232,000,000 of which approximately \$225,900,000 has been incurred to date. The amount unearned or not billed under actual construction contracts for these facilities totals \$4,011,261.

The Authority has agreed to contribute \$1,500,000 to the State of New Jersey and \$3,375,000 to the Commonwealth of Pennsylvania for highway construction leading to certain of its facilities.

DELAWARE RIVER PORT AUTHORITY
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEARS ENDED DECEMBER 31, 1975 AND 1974

7. Commitments and contingent liabilities (continued):

In 1972, the Authority entered into a long-term lease agreement for the rental of toll collection equipment for approximately 63 toll lanes. The Agreement extends for a period of five years after the date on which all rental charges begin. The Lease remains in full force and effect for an additional two year period unless the Authority gives termination notice in writing at least 120 days prior to the expiration of the five period. The Lease contains an option to purchase clause.

Certain subway properties are leased from the City of Philadelphia. The lease expires December 31, 1997 and provides for rental payments of \$1 per year plus 9.6% of net profits of the Transit System. For the years ended December 31, 1975 and 1974, 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.

Minimum lease commitments under all noncancellable leases are as follows:

Year ending December 31,	Subway properties	Automatic toll collection equipment	Transit system fare collection equipment	Other	Total
1976	\$1	\$663,000	\$14,000	\$47,000	\$724,001
1977	1	718,000	14,000	39,000	771,001
1978	1	718,000	14,000	25,000	757,001
1979	1	598,000	14,000	14,000	626,001
1980	1				1
Five years ending December 31,					
1985	5				5
1990	5				5
1995	5				5
Years subsequent to 1995 (in total) 2					
					2

Rent expense for the years ended December 31, 1975 and 1974 amounted to \$666,000 and \$702,000, respectively.



DELAWARE RIVER PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 1975 AND 1974

7. Commitments and contingent liabilities (continued):

The Authority anticipates renewing or replacing annual office and equipment leases that expire in the normal course of business. Several office and equipment leases require the Authority to pay maintenance and certain operating expenses.

By decision dated November 12, 1975, the U.S. District Court of New Jersey upheld a directive of the Federal Highway Administrator that tolls on major bridge facilities operated by the Authority be lowered, which Order was effective December 1, 1975. This decision was appealed by the Authority, and arguments were presented before the Third Circuit Court of Appeals on February 5, 1976. As of February 20, 1976 a decision has not been rendered.

As a result of a fare increase effective April 16, 1972 the Authority's subsidiary, Port Authority Transit Corporation, has been engaged in a proceeding before the Interstate Commerce Commission regarding its current transit fare schedules. An Order issued February 19, 1975 by the Commission required fares be reduced to the pre-April 1972 schedules. This Order was subsequently stayed by the Commission pending adjudication by the Circuit Court of Appeals. On February 5, 1976, the President of the United States signed into law the "Railroad Revitalization and Regulatory Reform Act of 1976". The Corporation is of the opinion that the Act exempts it from further Interstate Commerce Commission fare regulation. The Commission and the Corporation have joined in a motion for dismissal of the suit, being moot under the foregoing exemption. The City of Philadelphia is opposing this motion.

Several companies involved in the construction of facilities have filed various claims against the Authority which are being negotiated. The Authority is also engaged in several land condemnation proceedings relating to acquisition of land for construction of facilities. Any payments which might be due upon settlement of construction claims or as a result of condemnation awards would be charged to investment in facilities.



A circular embossed seal of the Delaware River Port Authority is located at the bottom left of the page. The seal contains the text "DELAWARE RIVER PORT AUTHORITY" around the perimeter. Overlaid on the seal is a handwritten signature that appears to read "A. Card" and the initials "Cmg" below it.



DELAWARE RIVER PORT AUTHORITY

of Pennsylvania and New Jersey

HEADQUARTERS

Camden, N.J.
Bridge Plaza

REGIONAL OFFICES

Philadelphia
Public Ledger Building

New York
One Penn Plaza

Chicago
233 No. Michigan Avenue

Washington, D.C.
1725 K Street, N.W.

Pittsburgh
United States Steel Building

London
128 Mount Street

Antwerp
42 Moskoeylaan

Milan
Piazza Del Liberty 8

Bogota
Calle 38 — No. 8-12, Off. 401

Tokyo
World Trade Center Building

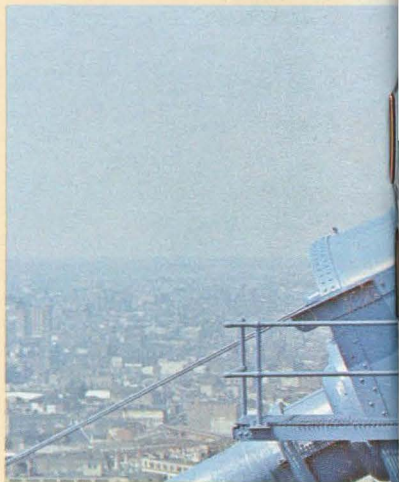
Hong Kong
Gloucester Building

Tehran
36 Elizabeth Blvd.

Produced by: Public Relations Division

Photos: Carlton Read

Design: Phyllis Altieri



DELAWARE RIVER
PORT AUTHORITY