

10591. RESOLUTION 12-38 - ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY'S 2013 OPERATING BUDGET

WHEREAS, Section 505 of the Trust Agreement, dated October 1, 1993, requires that The Delaware River and Bay Authority (the "Authority") adopt a budget for fiscal year; and

WHEREAS, the proposed operating expenses for FY2013, excluding the Airports division and Economic Development Facilities are \$73,624,648; and

WHEREAS, the budget includes funds for salaries and wages of Authority personnel, and materials and services for Authority activities; and

WHEREAS, for FY2013, principal and interest on outstanding bonds are projected at approximately \$23,677,828 in aggregate debt service; and

WHEREAS, the amount to be deposited to the credit of the Reserve Maintenance Fund with respect to Crossing Facilities shall be \$175,000 per month or \$2,100,000 for FY2013; and

WHEREAS, the projected revenue of the Authority for FY2013, excluding the Airports division and Economic Development facilities, is approximately \$120,482,276 resulting in a debt service coverage of 1.98x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,385,288; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$1,131,013; and

WHEREAS, the proposed operating budget for FY2013 has incorporated principles of activity-based budgeting, which allocate certain costs to individual divisions rather than a central administrative budget; and

WHEREAS, the Budget and Finance Committee has developed, reviewed, and approved the proposed 2013 Operating Budget and recommends its adoption to the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby adopts an operating budget (see Exhibit A attached hereto and incorporated by reference) of \$73,624,648 for the Bridge, Ferry, Food Services, Three Forts Crossing, Police, and Administration Divisions, and a budget of \$7,385,288 for the Airports division, a budget of \$1,131,013 for Economic Development facilities for a total of \$82,140,949 for FY2013, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2013 budget. The authority of the Executive Director to transfer funds within budget units set forth in Section 9 of Resolution 98-31 shall continue to apply to costs that have been moved from central

to divisional allocations in this budget, such as IT, HR, Finance, Engineering, Education and Communications expenses (see Exhibit B attached hereto and incorporated by reference).

A motion to approve Resolution 12-38 was made by Commissioner Traynor, seconded by Commissioner Wilson, and approved by a roll call vote of 10-0.

Resolution 12-38 Executive Summary Sheet

Resolution: Resolution 12-38 – Adoption of the Delaware River and Bay Authority’s 2013 Operating Budget

Committee: Budget & Finance

Committee Date: November 13, 2012

Board Date: November 13, 2012

Purpose of Resolution:

Resolution 12-XX formally authorizes funds for the fiscal year’s current operating expenses.

Background for Resolution:

The Authority has issued outstanding debt under a Trust Agreement dated October 1, 1993. Section 505 of the Agreement stipulates that the Authority covenants to adopt a final budget for each ensuing fiscal year. The budget is to address Current Expenses, Amounts Deposited into the Reserve Maintenance Fund, Revenue Projections and Compliance with the Covenant as to tolls, in Section 501 (a)(i).