

11182. RESOLUTION 16-37(2) – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2017 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 each fiscal year; and

WHEREAS, the proposed operating expenses for FY2017, excluding the Airports division and Economic Development Facilities are \$75,561,838.00 and

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

WHEREAS, for FY2017, principal and interest on outstanding bonds are projected at approximately \$25,199,531.00 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 \$175,000.00 per month or \$2,100,000.00 for FY2017; and

WHEREAS, the projected revenue of the Authority for FY2017, excluding the Airports division and Economic Development facilities, is approximately \$127,221,000.00 resulting in a debt service coverage of 2.05x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,712,668.00; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$790,363.00; and

WHEREAS, the proposed operating budget for FY2017 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 2017 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 \$75,561,838.00 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$7,712,668.00 for the Airports division, a budget of \$790,363.00 for Economic Development facilities for a total of \$84,064,869.00 for FY2017, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2017 budget.

BE IT FURTHER RESOLVED that the Executive Director is authorized to exercise management discretion to transfer funds within a division, as well as, between divisions for such identified costs associated with ITS, HR, Finance, Engineering, Education, Communications and Infrastructure Preservation expenses as long as such transfer does not exceed the total expenditures of the Authority. (See Exhibit B attached hereto and incorporated by reference).

**DELAWARE RIVER BAY AUTHORITY
EXPEDITURE ANALYSIS
BY DIVISION
FOR THE PERIOD OF 2013 - 2017
EXHIBIT A**

		2013 Adopted	% +,-	2014 Adopted	% +,-	2015 Adopted	% +,-	2016 Adopted	% +,-	2017 Proposed	% +,-
1	Administration	12,363,930	(27.57)	12,864,949	4.05	12,973,260	0.84	13,362,171	3.00	14,776,824	10.59
2	Bridge	20,863,038	10.36	20,451,898	(1.97)	20,898,358	2.18	20,045,303	(4.08)	19,138,451	(4.52)
3	Ferry	27,102,516	15.05	26,354,893	(2.76)	25,841,802	(1.95)	25,975,302	0.52	25,676,817	(1.15)
4	Authority Police	8,420,144	2.19	8,790,718	4.40	8,775,353	(0.17)	9,561,822	8.96	9,893,020	3.46
5	Sub-Total	68,749,628	1.45	68,462,458	(0.42)	68,488,773	0.04	68,944,598	0.67	69,485,112	0.78
6	Food Services	4,729,511	12.28	4,355,966	(7.90)	4,334,665	(0.49)	5,248,477	21.08	5,931,389	13.01
7	Forts Ferry Crossing	145,509	29.55	135,863	(6.63)	140,362	3.31	126,562	(9.83)	145,337	14.83
8	Sub-Total	73,624,648	2.12	72,954,287	(0.91)	72,963,800	0.01	74,319,637	1.86	75,561,838	1.67
9	Airports Division	7,385,288	18.27	7,149,303	(3.20)	7,265,646	1.63	7,388,835	1.70	7,712,668	4.38
10	Economic Development	1,131,013	6.68	1,130,942	(0.01)	787,929	(30.33)	793,897	0.76	790,363	(0.45)
11	Total DRBA Budget	82,140,949	3.45	81,234,532	(1.10)	81,017,375	(0.27)	82,502,370	1.83	84,064,869	1.89

**DELAWARE RIVER & BAY AUTHORITY
ALLOCATED EXPENDITURES
FY 2017 PROPOSED
EXHIBIT B**

DEPARTMENT	ADMIN.	DMB	CMLF	POLICE	AIRPORTS	FOOD & RETAIL	FORTS FERRY	TOTAL
EXECUTIVE DIRECTOR	1,722,218	126,043	147,219	76,066	53,948	14,500	2,500	2,142,494
HUMAN RESOURCES	1,538,780	-	117,468	14,250	-	-	-	1,670,498
EDUCATION & DEVELOPMENT	355,040	208,800	185,010	100,100	42,700	16,550	-	908,200
INFORMATION SERVICES	2,118,074	247,300	689,955	319,350	58,100	122,050	-	3,554,829
OFFICE SERVICES	-	5,500	12,000	14,000	13,000	2,500	-	47,000
SAFETY	-	76,500	50,000	-	49,500	28,000	-	204,000
ELECTRONICS DEPARTMENT	862,395	187,750	205,125	31,500	138,200	7,000	-	1,431,970
FINANCE	2,048,487	1,895,581	1,460,848	206,023	498,293	85,929	15,499	6,210,660
ENGINEERING	615,159	610,771	202,562	-	78,561	-	12,000	1,519,053
TOTAL ADMINISTRATION:	<u>9,260,153</u>	<u>\$ 3,358,245</u>	<u>\$ 3,070,187</u>	<u>\$ 761,289</u>	<u>\$ 932,302</u>	<u>\$ 276,529</u>	<u>\$ 29,999</u>	<u>17,688,704</u>
INFRASTRUCTURE PRESERVATION:	<u>-</u>	<u>400,000</u>	<u>270,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>770,000</u>
GRAND TOTAL:	<u>9,260,153</u>	<u>3,758,245</u>	<u>3,340,187</u>	<u>761,289</u>	<u>1,032,302</u>	<u>276,529</u>	<u>29,999</u>	<u>18,458,704</u>

A motion to approve Resolution 16-37(2) was made by Commissioner Downes, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

Resolution 16-37(2) Executive Summary Sheet

Resolution: Resolution 16-37(2) – Adoption of the Delaware River and Bay Authority’s 2017 Operating Budget

Committee: Budget & Finance

Committee Date: November 15, 2016

Board Date: November 15, 2016

Purpose of Resolution:

Resolution 16-37(2) 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).