

11035. RESOLUTION 15-44 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2016 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 FY2016, excluding the Airports division and Economic Development Facilities are \$74,319,635.00 and

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

WHEREAS, for FY2016, principal and interest on outstanding bonds are projected at approximately \$25,345,531.00 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 FY2016; and

WHEREAS, the projected revenue of the Authority for FY2016, excluding the Airports division and Economic Development facilities, is approximately \$121,944,784.00 resulting in a debt service coverage of 1.88x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,388,837.00; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$793,897.00; and

WHEREAS, the proposed operating budget for FY2016 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 2016 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 \$74,319,635.00 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$7,388,837.00 for the Airports division, a budget of \$793,897.00 for Economic Development facilities for a total of \$82,502,369.00 for FY2016, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2016 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
EXPENDITURE ANALYSIS
BY DIVISION
FOR THE PERIOD 2012-2016**

EXHIBIT A

	2012 Actual	%	2013 Adopted	%	2014 Adopted	%	2015 Adopted	%	2016 Proposed	%
		+,(-)		+,(-)		+,(-)		+,(-)		+,(-)
1 Administration	17,069,264	7.16	12,363,930	(27.57)	12,864,949	4.05	12,973,260	0.84	13,362,171	3.00
2 Bridge	18,904,543	(2.64)	20,863,038	10.36	20,451,898	(1.97)	20,898,358	2.18	20,045,303	(4.08)
3 Ferry	23,556,498	(1.83)	27,102,516	15.05	26,354,893	(2.76)	25,841,802	(1.95)	25,975,302	0.52
4 Authority Police	<u>8,239,560</u>	2.49	<u>8,420,144</u>	2.19	<u>8,790,718</u>	4.40	<u>8,775,353</u>	(0.17)	<u>9,561,822</u>	8.96
5 Sub-Total	67,769,865	0.58	68,749,628	1.45	68,462,458	(0.42)	68,488,773	0.04	68,944,598	0.67
6 Food Services	4,212,129	2.27	4,729,511	12.28	4,355,966	(7.90)	4,334,665	(0.49)	5,248,477	21.08
7 Forts Ferry Crossing	<u>112,319</u>	24.82	<u>145,509</u>	29.55	<u>135,863</u>	(6.63)	<u>140,362</u>	3.31	<u>126,562</u>	(9.83)
8 Sub-Total	72,094,312	0.71	73,624,648	2.12	72,954,287	(0.91)	72,963,800	0.01	74,319,637	1.86
9 Airports Division	6,244,251	5.37	7,385,288	18.27	7,149,303	(3.20)	7,265,646	1.63	7,388,835	1.70
10 Economic Development	1,060,178	(4.58)	1,131,013	6.68	1,130,942	(0.01)	787,929	(30.33)	793,897	0.76
11 Total DRBA Budget	<u>79,398,741</u>	0.98	<u>82,140,949</u>	3.45	<u>81,234,532</u>	(1.10)	<u>81,017,375</u>	(0.27)	<u>82,502,370</u>	1.83

DELAWARE RIVER & BAY AUTHORITY
ALLOCATED EXPENDITURES
FY 2016 PROPOSED
EXHIBIT B

<u>Department</u>	<u>Admin.</u>	<u>DMB</u>	<u>CMLF</u>	<u>Police</u>	<u>Food & Retail</u>	<u>Forts Ferry</u>	<u>Airport</u>	<u>Total</u>
Executive Director	1,883,485	191,332	250,916	129,706	25,073	2,500	84,169	2,567,181
Human Resources	1,388,209	-	115,278	13,750	-	-	-	1,517,237
Education & Dev.	245,600	143,000	171,400	119,000	23,600	-	58,700	761,300
IT	1,868,262	219,800	675,264	226,350	79,500	-	29,400	3,098,576
Office Services	-	5,500	12,000	14,000	2,500	-	7,500	41,500
Safety	-	-	-	-	-	-	-	-
Finance	1,958,494	2,070,050	1,607,499	220,849	93,996	17,520	531,567	6,499,975
Engineering	567,331	558,297	157,305	-	-	9,900	77,096	1,369,929
Electronics	<u>753,715</u>	<u>193,850</u>	<u>184,436</u>	<u>41,500</u>	<u>7,000</u>	<u>-</u>	<u>27,500</u>	<u>1,208,001</u>
Total Administration:	8,665,096	3,381,829	3,174,098	765,155	231,669	29,920	815,932	17,063,699
Infrastructure Preservation:	<u>-</u>	<u>400,000</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>800,000</u>
Grand Total:	<u>8,665,096</u>	<u>3,781,829</u>	<u>3,474,098</u>	<u>765,155</u>	<u>231,669</u>	<u>29,920</u>	<u>915,932</u>	<u>17,863,699</u>

A motion to approve Resolution 15-44 was made by Commissioner Wilson and seconded by Commissioner Dorn. Resolution 15-44 was approved by a roll call vote of 11-0.

Resolution 15-44 Executive Summary Sheet

Resolution: Resolution 15-44 – Adoption of the Delaware River and Bay Authority’s 2016 Operating Budget

Committee: Budget & Finance

Committee Date: November 17, 2015

Board Date: November 17, 2015

Purpose of Resolution:

Resolution 15-44 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).