

**10889. RESOLUTION 14-43 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2015 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 FY2015, excluding the Airports division and Economic Development Facilities are \$72,963,800 and

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

WHEREAS, for FY2015, principal and interest on outstanding bonds are projected at approximately \$25,252,531 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 FY2015; and

WHEREAS, the projected revenue of the Authority for FY2015, excluding the Airports division and Economic Development facilities, is approximately \$120,056,000 resulting in a debt service coverage of 1.86x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,265,646; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$787,929; and

WHEREAS, the proposed operating budget for FY2015 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 2015 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 \$72,963,800 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$7,265,646 for the Airports division, a budget of \$787,929 for Economic Development facilities for a total of \$81,017,375 for FY2015, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2015 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 14-43 was made by Commissioner Lowe and seconded by Commissioner Smith. Resolution 14-43 was approved by a roll call vote of 9-0.

**DELAWARE RIVER & BAY AUTHORITY  
EXPENDITURE ANALYSIS  
BY DIVISION  
FOR THE PERIOD 2011-2015**

**EXHIBIT A**

	<b>2011</b>	<b>%</b>	<b>2012</b>	<b>%</b>	<b>2013</b>	<b>%</b>	<b>2014</b>	<b>%</b>	<b>2015</b>	<b>%</b>
	<b>Actual</b>	<b>+,-)</b>	<b>Actual</b>	<b>+,-)</b>	<b>Adopted</b>	<b>+,-)</b>	<b>Adopted</b>	<b>+,-)</b>	<b>Proposed</b>	<b>+,-)</b>
1 <b>Administration</b>	15,928,046	0.00	17,069,264	7.16	12,363,930	(27.57)	12,864,949	4.05	12,973,260	0.84
2 <b>Bridge</b>	19,417,740	0.00	18,904,543	(2.64)	20,863,038	10.36	20,451,898	(1.97)	20,898,358	2.18
3 <b>Ferry</b>	23,994,789	0.00	23,556,498	(1.83)	27,102,516	15.05	26,354,893	(2.76)	25,841,802	(1.95)
4 <b>Authority Police</b>	<u>8,039,020</u>	0.00	<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)
5 <b>Sub-Total</b>	67,379,595	0.00	67,769,865	0.58	68,749,628	1.45	68,462,458	(0.42)	68,488,773	0.04
6 <b>Food Services</b>	4,118,747	0.00	4,212,129	2.27	4,729,511	12.28	4,355,966	(7.90)	4,334,665	(0.49)
7 <b>Delaware City - Salem Ferry</b>	<u>89,987</u>	0.00	<u>112,319</u>	24.82	<u>145,509</u>	29.55	<u>135,863</u>	(6.63)	<u>140,362</u>	3.31
8 <b>Sub-Total</b>	71,588,328	0.00	72,094,312	0.71	73,624,648	2.12	72,954,287	(0.91)	72,963,800	0.01
9 <b>Airports Division</b>	5,925,934	0.00	6,244,251	5.37	7,385,288	18.27	7,149,303	(3.20)	7,265,646	1.63
10 <b>Economic Development</b>	1,111,103	0.00	1,060,178	(4.58)	1,131,013	6.68	1,130,942	(0.01)	787,929	(30.33)
11 <b>Total DRBA Budget</b>	<u>78,625,365</u>	0.00	<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)

**DELAWARE RIVER & BAY AUTHORITY  
EXPENDITURE ANALYSIS  
BY CATEGORY  
FOR THE PERIOD 2011-2015**

**EXHIBIT B**

	2011	%	2012	%	2013	%	2014	%	2015	%
	Actual	+,-)	Actual	+,-)	Adopted	+,-)	Adopted	+,-)	Proposed	+,-)
1 Salary & Wages	25,754,232	0.00	25,770,541	0.06	28,037,350	8.80	27,893,795	(0.51)	27,782,776	(0.40)
2 Benefits	27,268,755	0.00	27,738,627	1.72	27,206,641	(1.92)	26,158,858	(3.85)	25,299,167	(3.29)
3 Education & Training	126,044	0.00	165,268	31.12	225,500	36.44	285,400	26.56	333,055	16.70
4 Advertising & Market	755,624	0.00	761,636	0.80	867,800	13.94	1,007,500	16.10	1,060,000	5.21
5 Prof Fees & Services	1,051,523	0.00	1,054,953	0.33	775,448	(26.49)	1,049,782	35.38	1,110,842	5.82
6 Legal Fees	707,759	0.00	853,211	20.55	748,000	(12.33)	1,098,000	46.79	907,500	(17.35)
7 Office & Operating Exp.	1,518,694	0.00	1,358,168	(10.57)	1,608,942	18.46	1,760,833	9.44	2,969,830	68.66
8 Bridge Operations	2,239,917	0.00	2,475,797	10.53	2,425,249	(2.04)	2,509,451	3.47	2,636,967	5.08
9 Customer Service Ctr.	2,232,025	0.00	2,151,923	(3.59)	2,024,787	(5.91)	2,195,421	8.43	2,079,826	(5.27)
10 Bridge Painting	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00
11 Vessel Operations	3,438,098	0.00	3,516,757	2.29	3,810,370	8.35	3,540,502	(7.08)	3,416,641	(3.50)
12 Vessel Drydocking	543,816	0.00	264,554	(51.35)	150,000	(43.30)	150,000	0.00	150,000	0.00
13 Terminal Operations	2,938,923	0.00	3,343,825	13.78	3,821,404	14.28	3,412,742	(10.69)	3,156,783	(7.50)
14 Insurance	4,361,893	0.00	4,523,128	3.70	4,688,870	3.66	4,914,432	4.81	4,760,037	(3.14)
15 Utilities	3,282,691	0.00	2,978,269	(9.27)	3,325,588	11.66	3,143,316	(5.48)	3,071,951	(2.27)
16 Food Supplies	1,004,000	0.00	1,059,975	5.58	987,500	(6.84)	875,000	(11.39)	1,047,000	19.66
17 Novelty Items	401,372	0.00	382,109	(4.80)	437,500	14.50	239,500	(45.26)	235,000	(1.88)
<b>Total DRBA</b>	<b>78,625,365</b>	<b>0.00</b>	<b>79,398,741</b>	<b>0.98</b>	<b>82,140,949</b>	<b>3.45</b>	<b>81,234,532</b>	<b>(1.10)</b>	<b>81,017,375</b>	<b>(0.27)</b>

## **Resolution 14-43 Executive Summary Sheet**

**Resolution:** Resolution 14-43 – Adoption of the Delaware River and Bay Authority’s 2015 Operating Budget

**Committee:** Budget & Finance

**Committee Date:** November 18, 2014

**Board Date:** November 18, 2014

**Purpose of Resolution:**

Resolution 14-43 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).