

11329. RESOLUTION 17-55 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2018 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 FY2018, excluding the Airports division and Economic Development Facilities are \$77,951,581.00 and

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

WHEREAS, for FY2018, principal and interest on outstanding bonds are projected at approximately \$25,307,381.00 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 FY2018; and

WHEREAS, the projected revenue of the Authority for FY2018, excluding the Airports division and Economic Development facilities, is approximately \$129,795,000.00 resulting in a debt service coverage of 2.05x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,793,858.00; and

WHEREAS, the proposed operating budget for the Economic Development facilities is \$840,847.00; and

WHEREAS, the proposed operating budget for FY2018 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 2018 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 \$77,951,581.00 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$7,793,858.00 for the Airports division, a budget of \$840,847.00 for Economic Development facilities for a total of \$86,586,286.00 for FY2018, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2018 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 2014 - 2018
EXHIBIT A**

	2014	%	2015	%	2016	%	2017	%	2018	%
	Adopted	+,(-)	Adopted	+,(-)	Adopted	+,(-)	Adopted	+,(-)	Proposed	+,(-)
1 Administration	\$12,864,949	4.05	\$12,973,260	0.84	\$13,362,171	3.00	\$14,776,824	10.59	\$15,642,682	5.86
2 Bridge	20,451,898	(1.97)	20,898,358	2.18	20,045,303	(4.08)	19,138,451	(4.52)	20,173,571	5.41
3 Ferry	26,354,893	(2.76)	25,841,802	(1.95)	25,975,302	0.52	25,676,817	(1.15)	25,648,465	(0.11)
4 Authority Police	<u>8,790,718</u>	4.40	<u>8,775,353</u>	(0.17)	<u>9,561,822</u>	8.96	<u>9,893,020</u>	3.46	<u>10,381,674</u>	4.94
5 Sub-Total	68,462,458	(0.42)	68,488,773	0.04	68,944,598	0.67	69,485,112	0.78	71,846,392	3.40
6 Food Services	4,355,966	(7.90)	4,334,665	(0.49)	5,248,477	21.08	5,931,389	13.01	5,984,508	0.90
7 Forts Ferry Crossing	<u>135,863</u>	(6.63)	<u>140,362</u>	3.31	<u>126,562</u>	(9.83)	<u>145,337</u>	14.83	<u>120,681</u>	(16.96)
8 Sub-Total	72,954,287	(0.91)	72,963,800	0.01	74,319,637	1.86	75,561,838	1.67	77,951,581	3.16
9 Airports Division	7,149,303	(3.20)	7,265,646	1.63	7,388,835	1.70	7,712,668	4.38	7,793,858	1.05
10 Economic Developm	1,130,942	(0.01)	787,929	(30.33)	793,897	0.76	790,363	(0.45)	840,847	6.39
11 Total DRBA Budget	\$81,234,532	(1.10)	\$81,017,375	(0.27)	\$82,502,369	1.83	\$84,064,869	1.89	\$86,586,286	3.00

**DELAWARE RIVER & BAY AUTHORITY
ALLOCATED EXPENDITURES
FY 2018 PROPOSED
EXHIBIT B**

DEPARTMENT	ADMIN.	DMB	CMLF	POLICE	AIRPORTS	FOOD & RETAIL	FORTS FERRY	TOTAL
EXECUTIVE DIRECTOR	1,607,748	99,856	109,438	57,187	40,103	10,779	1,859	1,926,970
HUMAN RESOURCES	1,939,574	-	132,683	16,000	-	-	-	2,088,257
EDUCATION & DEVELOPMENT	367,740	190,948	190,962	99,200	42,200	17,150	-	908,200
INFORMATION SERVICES	2,327,437	312,074	554,632	225,161	75,185	161,985	-	3,656,474
OFFICE SERVICES	-	8,325	10,025	4,700	7,700	2,100	-	32,850
SAFETY	-	97,000	81,000	-	50,000	28,000	-	256,000
ELECTRONICS DEPARTMENT	887,825	195,800	212,046	39,875	64,400	7,000	-	1,406,946
FINANCE	2,041,636	1,875,834	1,465,527	206,023	498,293	85,929	15,499	6,188,741
ENGINEERING	678,546	614,282	267,014	-	85,014	-	12,000	1,656,856
TOTAL ADMINISTRATION:	<u>9,850,506</u>	<u>\$ 3,394,119</u>	<u>\$ 3,023,327</u>	<u>\$ 648,146</u>	<u>\$ 862,895</u>	<u>\$ 312,943</u>	<u>\$ 29,358</u>	<u>18,121,294</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>9,850,506</u>	<u>3,794,119</u>	<u>3,293,327</u>	<u>648,146</u>	<u>962,895</u>	<u>312,943</u>	<u>29,358</u>	<u>18,891,294</u>

A motion to approve Resolution 17-55 was made by Commissioner Van Sant, seconded by Commissioner Decker, and approved by a roll call vote of 10-0.

Resolution 17-55 Executive Summary Sheet

Resolution: Resolution 17-55 – Adoption of the Delaware River and Bay Authority’s 2018 Operating Budget

Committee: Budget & Finance

Committee Date: November 21, 2017

Board Date: November 21, 2017

Purpose of Resolution:

Resolution 17-55 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).