

11445 RESOLUTION 18-42 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2019 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 FY2019, excluding the Airports division and Economic Development Facilities are \$80,253,871 and

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

WHEREAS, for FY2019, principal and interest on outstanding bonds are projected at approximately \$25,601,381.00 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 FY2019; and

WHEREAS, the projected revenue of the Authority for FY2019, excluding the Airports division and Economic Development facilities, is approximately \$132,620,000.00 resulting in a debt service coverage of 2.05x; and

WHEREAS, the proposed operating budget for the Airports division is \$8,029,493.00; and

WHEREAS, the proposed operating budget for the Economic Development facilities is \$711,932.00; and

WHEREAS, the proposed operating budget for FY2019 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 2019 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 \$80,253,871.00 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$8,029,493.00 for the Airports division, a budget of \$711,932.00 for Economic Development facilities for a total of \$88,995,296.00 for FY2019, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2019 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 2015-2019										
EXHIBIT A										
	2015	%	2016	%	2017	%	2018	%	2019	%
	Adopted	+,-	Adopted	+,-	Adopted	+,-	Adopted	+,-	Preliminary	+,-
Administration	\$ 12,973,260	0.84	\$ 13,362,171	3.00	\$ 14,776,824	10.59	\$ 15,642,682	5.86	\$ 16,151,001	3.25
Bridge	20,898,358	2.18	20,045,303	(4.08)	19,138,451	(4.52)	20,173,571	5.41	20,817,707	3.19
Ferry	25,841,802	(1.95)	25,975,302	0.52	25,676,817	(1.15)	25,648,465	(0.11)	26,438,029	3.08
Authority Police	8,775,353	(0.17)	9,561,822	8.96	9,893,020	3.46	10,381,674	4.94	10,814,995	4.17
Sub-Total	68,488,773	0.04	68,944,598	0.67	69,485,112	0.78	71,846,392	3.40	74,221,732	3.31
Food Services	4,334,665	(0.49)	5,248,477	21.08	5,931,389	13.01	5,984,508	0.90	5,906,681	(1.30)
Forts Ferry Crossing	140,362	3.31	126,562	(9.83)	145,337	14.83	120,681	(16.96)	125,458	3.96
Sub-Total	72,963,800	0.01	74,319,637	1.86	75,561,838	1.67	77,951,581	3.16	80,253,871	2.95
Airports Division	7,265,646	1.63	7,388,835	1.70	7,712,668	4.38	7,793,858	1.05	8,029,493	3.02
Economic Development	787,929	(30.33)	793,897	0.76	790,363	(0.45)	840,847	6.39	711,932	(15.33)
Total DRBA Budget	\$ 81,017,375	(0.27)	\$ 82,502,370	1.83	\$ 84,064,869	1.89	\$ 86,586,286	3.00	\$ 88,995,296	2.78

DELAWARE RIVER & BAY AUTHORITY
ALLOCATION OF ADMINISTRATIVE EXPENSES
BUDGET SUMMARY
FOR THE YEAR 2019

DEPARTMENT	Exhibit B							TOTAL
	ADMIN.	DMB	CMLF	POLICE	AIRPORTS	FOOD & RETAIL	FORTS FERRY	
EXECUTIVE DIRECTOR	1,602,542	134,179	165,012	71,404	50,731	87,676	4,759	2,116,303
HUMAN RESOURCES	2,025,517	-	119,980	14,500	-	-	-	2,159,997
EDUCATION & DEVELOPMENT	282,240	101,048	80,662	38,900	12,100	2,650	-	517,600
INFORMATION SERVICES	2,657,415	233,260	606,067	141,861	138,379	133,811	-	3,910,793
SAFETY	497,381	93,500	75,000	-	65,000	28,000	-	758,881
ELECTRONICS DEPARTMENT	900,904	193,220	189,794	57,875	62,200	7,000	-	1,410,993
FINANCE	2,062,794	1,681,770	1,429,184	220,996	472,900	91,555	18,997	5,978,196
ENGINEERING	712,871	1,054,034	262,422	-	88,422	-	12,000	2,129,749
TOTAL ADMINISTRATION:	10,741,664	\$ 3,491,011	\$ 2,928,121	\$ 545,536	\$ 889,732	\$ 350,692	\$ 35,756	18,982,512
INFRASTRUCTURE PRESERVATION:	-	400,000	270,000	-	100,000	-	-	770,000
GRAND TOTAL:	10,741,664	3,891,011	3,198,121	545,536	989,732	350,692	35,756	19,752,512

A motion to approve Resolution 18-42 was made by Commissioner Ransome, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 18-42 Executive Summary Sheet

Resolution: Resolution 18-42 – Adoption of the Delaware River and Bay Authority’s 2019 Operating Budget

Committee: Budget & Finance

Committee Date: November 20, 2018

Board Date: November 20, 2018

Purpose of Resolution:

Resolution 18-42 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).