

11714. _RESOLUTION 20-38 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2021 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 FY2021, excluding the Airports division and Economic Development Facilities are \$78,965,292 and

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

WHEREAS, for FY2021, principal and interest on outstanding bonds are \$31,901,781.26 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 FY2021; and

WHEREAS, the projected revenue of the Authority for FY2021, excluding the Airports division and Economic Development facilities, is approximately \$155,585,000 resulting in a debt service coverage of 2.40x; and

WHEREAS, the proposed operating budget for the Airports division is \$8,568,366; and

WHEREAS, the proposed operating budget for the Economic Development facilities is \$627,656; and

WHEREAS, the proposed operating budget for FY2021 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 2021 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 \$78,965,292 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$8,568,366 for the Airports division, a budget of \$627,656 for Economic Development facilities for a total of \$88,161,314 for FY2021, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2021 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 ED, DED, 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 Exhibits A & B attached hereto and incorporated by reference).

DELAWARE RIVER & BAY AUTHORITY											
EXPENDITURE ANALYSIS											
BY DIVISION											
FOR THE PERIOD 2017-2021											
EXHIBIT A											
		2017	%	2018	%	2019	%	2020	%	2021	%
		Adopted	+,-)	Adopted	+,-)	Adopted	+,-)	Adopted	+,-)	Proposed	+,-)
1	Administration	\$ 14,776,824	10.59	\$ 15,642,682	5.86	\$ 16,151,001	3.25	\$ 16,653,157	3.11	\$ 16,484,772	(1.01)
2	Bridge	19,138,451	(4.52)	20,173,571	5.41	20,817,707	3.19	21,390,095	2.75	21,447,528	0.27
3	Ferry	25,676,817	(1.15)	25,648,465	(0.11)	26,438,029	3.08	26,907,660	1.78	25,251,810	(6.15)
4	Authority Police	9,893,020	3.46	10,381,674	4.94	10,814,995	4.17	11,567,634	6.96	11,673,313	0.91
5	Sub-Total	69,485,112	0.78	71,846,392	3.40	74,221,732	3.31	76,518,546	3.09	74,857,423	(2.17)
6	Food Services	5,931,389	13.01	5,984,508	0.90	5,906,681	(1.30)	4,234,774	(28.31)	3,981,350	(5.98)
7	Forts Ferry Crossing	145,337	14.83	120,681	(16.96)	125,458	3.96	126,797	1.07	126,519	(0.22)
8	Sub-Total	75,561,838	1.67	77,951,581	3.16	80,253,871	2.95	80,880,117	0.78	78,965,292	(2.37)
9	Airports Division	7,712,668	4.38	7,793,858	1.05	8,029,493	3.02	8,284,620	3.18	8,568,366	3.42
10	Economic Development	790,363	(0.45)	840,847	6.39	711,932	(15.33)	714,159	0.31	627,656	(12.11)
11	Total DRBA Budget	\$ 84,064,869	1.89	\$ 86,586,286	3.00	\$ 88,995,296	2.78	\$ 89,878,896	0.99	\$ 88,161,314	(1.91)

DELAWARE RIVER & BAY AUTHORITY								
ALLOCATION OF ADMINISTRATIVE EXPENSES								
BUDGET SUMMARY								
FOR THE YEAR 2021								
EXHIBIT B								
DEPARTMENT	ADMIN.	DMB	CMLF	POLICE	AIRPORTS	FOOD & RETAIL	FORTS FERRY	TOTAL
EXECUTIVE DIRECTOR	\$ 1,662,493	\$ 50,200	\$ 5,000	\$ 2,500	\$ 12,500	\$ -	\$ -	\$ 1,732,693
DEPUTY EXECUTIVE DIRECTOR	680,137	-	150,025	-	202,475	-	-	1,032,637
HUMAN RESOURCES	1,908,276	-	184,118	16,000	-	-	-	2,108,394
EDUCATION & DEVELOPMENT	207,130	88,500	89,818	54,021	4,900	4,300	-	448,669
INFORMATION SERVICES	2,841,629	205,434	644,482	282,804	173,092	108,745	-	4,256,186
SAFETY	555,889	74,500	81,000	-	75,600	15,000	-	801,989
ELECTRONICS DEPARTMENT	975,170	196,420	222,539	66,500	93,700	7,400	-	1,561,729
FINANCE	1,791,211	1,884,712	1,626,417	252,910	570,184	100,555	21,828	6,247,817
ENGINEERING	699,738	1,319,137	348,359	-	102,932	-	12,500	2,482,666
TOTAL ADMINISTRATION:	\$ 11,321,673	\$ 3,818,903	\$ 3,351,758	\$ 674,735	\$ 1,235,383	\$ 236,000	\$ 34,328	\$ 20,672,780
INFRASTRUCTURE PRESERVATION:	-	500,000	135,000	-	365,000	-	-	1,000,000
GRAND TOTAL:	\$ 11,321,673	\$ 4,318,903	\$ 3,486,758	\$ 674,735	\$ 1,600,383	\$ 236,000	\$ 34,328	\$ 21,672,780

A motion to approve Resolution 20-38 was made by Commissioner Wilson, seconded by Commissioner Ratchford. A roll call vote was taken and there were (8) YES votes (Chairperson Lathem, Commissioner Decker, Commissioner Ford III, Commissioner Ratchford, Commissioner Faust, Commissioner Wilson, Commissioner Smith and Commissioner Ransome. (1) NO vote (Vice-Chairperson Hogan). While there were (8) votes in the affirmative, since there were not four affirmative votes from New Jersey, the motion FAILED.

Resolution 20-38 - Executive Summary Sheet

Resolution: Resolution 20-38 – Adoption of the Delaware River and Bay Authority’s 2021 Operating Budget

Committee: Budget & Finance

Committee Date: November 17, 2020

Board Date: November 17, 2020

Purpose of Resolution:

Resolution 20-28 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).