PROPOSAL: That the DRPA Commission adopt an Operating Budget for the year 2014.

PURPOSE: To approve an Operating Budget consistent with anticipated revenues and as required by the 1998 Bond Indenture.

BACKGROUND: The proposed 2014 DRPA Operating Budgets, which are attached hereto, reflect the priorities of bridge operations, security, maintenance and safety. The Budgets were developed based on input from Department Chiefs, Directors and staff, and further refined through a formal review process led by the Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer, the Operating Budget Review Committee and the Finance Committee.

The operating budgets for all DRPA operations show an increase of $1,767,561 vs. the 2013 budget, resulting in a combined increase of 2.09%.

DRPA Operating Budget
The 2014 DRPA Operating Budget proposes total operating expenditures of $78,042,618 this represents an increase of $2,003,965 or a 2.64% increase compared to the 2013 approved budget. (The DRPA operating budget does not include the E-ZPass Customer Service Center, One Port Center and Ferry operations.)

Proposed operating budgets for One Port Center, E-ZPass Customer Service Center and Ferry operations are described below:

E-ZPass Customer Service Center
Proposed 2014 Operating Budget for the E-ZPass Customer Service Center (operated by ACS on behalf of the New Jersey ETC Group) is $6,263,228, representing a decrease of $165,372 or -2.57% from the 2013 approved budget. The decrease in the proposed budget is primarily
attributable to increased transaction costs and the destruction expense for returned transponders being completed in 2013.

One Port Center (OPC)
Proposed 2014 Operating Budget for One Port Center for 2014 is $1,770,086 which represents a decrease of $109,584 or -5.83% from the 2013 approved budget.

Ferry
Proposed 2014 Operating Budget for the Ferry is $100,903, representing an increase of $38,552 or 61.83% from the 2013 approved budget.

The operating budgets for all operations described above total $86,176,835 vs. a 2013 approved budget of $84,409,274. This represents a $1,767,561 increase in the operating budgets or a combined 2.09% increase for the aforementioned budgets. Total estimated DRPA revenues, including toll revenues, interest income and miscellaneous revenues, of approximately $299.0 million support these operations. (Note PATCO revenues are not included in this figure as they are shown in the 2014 PATCO Operating Budget Resolution).

The DRPA shall not expend funds in excess of this total authorization figure without a Resolution of the Board of Commissioners to increase said authorization.

<table>
<thead>
<tr>
<th>SUMMARY:</th>
<th>Amount for DRPA Operating Budget: $78,042,618</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Funds:</td>
<td>Revenue Fund, General Fund</td>
</tr>
<tr>
<td>Amount for E-ZPass Customer Service Center:</td>
<td>$6,263,228</td>
</tr>
<tr>
<td>Source of Funds:</td>
<td>Revenue Fund</td>
</tr>
<tr>
<td>Amount for One Port Center: $1,770,086</td>
<td>Source of Funds: General Fund</td>
</tr>
<tr>
<td>Amount for Ferry: $100,903</td>
<td>Source of Funds: General Fund</td>
</tr>
</tbody>
</table>
RESOLUTION

RESOLVED: That the 2014 DRPA Operating Budgets attached hereto are hereby approved;

FURTHER RESOLVED: That the DRPA shall not expend funds in excess of the total authorized 2014 Operating Budgets unless such Budgets have been amended by Resolution of the Board of Commissioners to increase said authorization.

SUMMARY: Amount for DRPA Operating Budget: $78,042,618
Source of Funds: Revenue Fund, General Fund
Amount for E-ZPass Customer Service Center: $6,263,228
Source of Funds: Revenue Fund
Amount for One Port Center: $1,770,086
Source of Funds: Revenue Fund
Amount for Ferry: $100,903