



DENTON COUNTY  
TRANSPORTATION AUTHORITY

1955 Lakeway Dr., # 260, Lewisville, Texas 75057  
972.221.4600 | RideDCTA.net

## **Board of Directors Regular Meeting**

**August 24, 2017 | 3:00 p.m.\***

*\*or immediately following Board Work Session  
scheduled at 1:30 p.m. on August 24, 2017*

CALL TO ORDER

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS

INVOCATION

WELCOME AND INTRODUCTION OF VISITORS

AGENCY AWARDS AND RECOGNITIONS

National Procurement Institute (NIP) – Achievement of Excellence in Procurement Award

### **1. CONSENT AGENDA**

- a. Approval of Minutes for the Board Work Session and Regular Meeting on July 27, 2017
- b. Acceptance of Monthly Financial Statements – July 2017
- c. Approve and Authorize the President to Execute a Contract with Irving Holdings for On-Call Taxi and Non-Emergency Transportation Services
- d. Rescind Award of Mobile Video Surveillance System

### **2. REGULAR AGENDA**

- a. Presentation and Discussion of Proposed FY 2018 Capital and Operating Budget
- b. Conduct Public Hearing on Proposed FY 2018 Capital and Operating Budget

### **3. Convene Executive Session. The Board may convene the Regular Board Meeting into Closed Executive Session for the following:**

- a. As Authorized by Section 551.071(2) of the Texas Government Code, the Work Session or the Regular Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
- b. As Authorized by Texas Government Code Section 551.072 Deliberation regarding Real Property: Discuss acquisition, sale or lease of real property related to long-range service plan within the cities of Denton, Lewisville, Highland Village, or the A-train corridor.

- c. As Authorized by Section 551.074 of the Texas Government Code  
Deliberation of Personnel: Discussion regarding Annual President's  
Performance Review.
- 4. Reconvene Open Session
  - a. Reconvene and Take Necessary Action on Items Discussed during  
Executive Session.
- 5. CHAIR REPORT
  - a. Discussion of Regional Transportation Issues
  - b. Discussion Legislative Issues
    - i. Regional
    - ii. State
    - iii. Federal
- 6. PRESIDENT'S REPORT
  - a. Budget Transfers
  - b. Regional Transportation Issues
- 7. REPORT ON ITEMS OF COMMUNITY INTEREST
  - a. Pursuant to Texas Government Section 551.0415 the Board of Directors  
may report on following items: (1) expression of thanks, congratulations,  
or condolences; (2) information about holiday schedules; (3) recognition of  
individuals; (4) reminders about upcoming DCTA and Member City events;  
(5) information about community events; and (6) announcements involving  
imminent threat to public health and safety.
- 8. ADJOURN

**Chair – Charles Emery**  
**Vice Chair – Paul Pomeroy**

**Secretary – Richard Huckaby**  
**Treasurer – Dave Kovatch**

**Members – Skip Kalb, Tom Winterburn, Don Hartman,**  
**George A. Campbell, Allen Harris, Carter Wilson, Connie White, Mark Miller**  
**President – Jim Cline**

The Denton County Transportation Authority meeting rooms are wheelchair accessible. Access to the building and special parking are available at the main entrance. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by emailing bpedron@dcta.net or calling Brandy Pedron at 972-221-4600.

This notice was posted on 8/18/2017 at 9:15 AM.

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Brandy Pedron, Administrative Assistant



Board of Directors

**Work Session Minutes**

The Board of Directors of the Denton County Transportation Authority convened the work session of the Board of Directors with Charles Emery, Chairman presiding at 1:33 p.m. on July 27, 2017 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

**Attendance**

**Small Cities**

Skip Kalb

**Large Cities**

Charles Emery, Lewisville, Chairman  
Paul Pomeroy, Highland Village,  
Vice-Chair  
Richard Huckaby, Denton, Secretary  
Tom Winterburn, Corinth  
Allen Harris, The Colony  
Josh Graham, Frisco Alternate

**Denton County Unincorporated**

Don Hartman (arrived at 1:47)  
George Campbell

**Board Members Absent**

Dave Kovatch, Denton County At Large,  
Treasurer  
Connie White, Small Cities  
Mark Miller, Flower Mound

**Legal Counsel**

Pete Smith

**DCTA Staff**

Jim Cline, President  
Kristina Brevard, Vice President  
Planning and Development  
Anna Mosqueda, Chief Financial Officer  
Nicole Recker, Vice President,  
Marketing and Communications  
Raymond Suarez, Chief Operating  
Officer

**Other Attendees**

Josh Graham, Frisco Alternate  
Marisa Perry, Controller  
Chrissy Nguyen, Senior Accountant  
Amanda Riddle, Budget Manager  
Athena Forrester, Senior Procurement  
Manager  
Selena Asire, Citizen/HNTB  
Cameron Koquemore, Citizen/HNTB  
David Smith, Citizen

Chairman, Charles Emery, called the meeting to order and announced the presence of a quorum.

1. Routine Briefing Items
  - a. Staff Briefing on Monthly Financial Reports – Anna Mosqueda, Chief Financial Officer reported on the following
    - i. Financial Statements for June 2017
    - ii. Capital Projects Budget Report for June 2017
    - iii. Monthly Sales Tax Receipts
    - iv. Quarterly Investment Report Q3 FY17
    - v. Current Procurement Activities
    - vi. Quarterly Grants Update Q3 FY17
  - b. Marketing and Communications – Nicole Recker, Vice President Marketing and Communications, reported on the following
    - i. New Collateral Overview
    - ii. Quarterly Marketing/Communications Metrics Report
    - iii. Bike to Work Challenge Recap Report
    - iv. FY17 Passenger Satisfaction Survey Results
    - v. Awards Update
  - c. Strategic Planning and Development – Kristina Brevard, Vice President Planning & Development, reported on the following
    - i. Regional Planning Initiatives Update
    - ii. Local Planning Update
    - iii. Business Development and Partnerships Update
  - d. Capital Projects – Raymond Suarez, Chief Operating Officer, gave an update on the following projects
    - i. Flood Damage Repairs Update
    - ii. Positive Train Control and Signal System Enhancements
  - e. Staff Briefing on Transit Operations Reports – Raymond Suarez, Chief Operating Officer, gave an update on ridership
    - i. Bus and Rail Operations
2. Items for Discussion – Jim Cline, President, lead a discussion on the City of Denton MOU and Electric Utility Easement expansion for the Teasley Lane property
  - a. City of Denton MOU and Electric Utility Easement for the Teasley Lane property
3. Committee Chair Report – Jim Cline, President, and Anna Mosqueda, Chief Financial Officer, gave an update of the Finance Committee Budget Workshop activities from the July 10, 2017 meeting
  - a. Finance Committee Budget Workshop (07/10/2017) Dave Kovatch, chair
4. Discussion of Regular Board Meeting Agenda Items (July 2017) – There was no discussion on this item

5. Convene Executive Session – The board did not meet in Executive Session
6. Discussion of Future Agenda Items – There was no discussion on this item
  - a. Board Member Requests
7. ADJOURN at 3:06 p.m.

The minutes of the July 27, 2017 work session meeting of the Board of Directors were passed, and approved by a vote on this 24<sup>th</sup> day of August, 2017.

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Charles Emery, Chairman

ATTEST

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Richard Huckaby, Secretary



Board of Directors

**Board Meeting Minutes**

The regular meeting of the Board of Directors of the Denton County Transportation at 3:17 p.m., July 27, 2017 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

**Attendance**

**Small Cities**

Skip Kalb

**Large Cities**

Charles Emery, Lewisville, Chairman

Paul Pomeroy, Highland Village,  
Vice-Chair

Richard Huckaby, Denton, Secretary

Tom Winterburn, Corinth

Allen Harris, The Colony

Josh Graham, Frisco Alternate

**Denton County Unincorporated**

Don Hartman

George Campbell

**Board Members Absent**

Dave Kovatch, Denton County At Large,  
Treasurer

Connie White, Small Cities

Mark Miller, Flower Mound

**Legal Counsel**

Pete Smith

**DCTA Staff**

Jim Cline, President

Kristina Brevard, Vice President  
Planning and Development

Anna Mosqueda, Chief Financial Officer

Nicole Recker, Vice President,

Marketing and Communications

Raymond Suarez, Chief Operating  
Officer

**Other Attendees**

Josh Graham, Frisco Alternate

Marisa Perry, Controller

Amanda Riddle, Budget Manager

Athena Forrester, Senior Procurement  
Manager

Dave Smith, Citizen

CALL TO ORDER –Chairman, Charles Emery, called the meeting to order and announced the presence of a quorum.

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS – led by George Campbell

INVOCATION – led by Charles Emery

WELCOME AND INTRODUCTION OF VISITORS – Jim Cline, President, welcomes citizen, Dave Smith

AGENCY AWARDS AND RECOGNITIONS – no awards or recognitions at this time

1. CONSENT AGENDA

- a. Approval of Minutes for the Board Work Session and Regular Meeting on June 22, 2017
- b. Acceptance of Financial Statements – June 2017
- c. Acceptance of Quarterly Investment Report – Q3 FY17
- d. Approve and Award Contract for Fleet Collision Repair and Painting Services to Spectrum Truck Painting and Big Wheels Body Shop
- e. Approve and Award Contract for Investment Advisory Services to First Southwest Asset Management
- f. Approve and Award Contract for Employee Benefits Broker Services to Holmes Murphy
- g. Approve and Award Agreement with Texas A&M Transportation Institute for Consulting Services
- h. Approve and Award Contract with Remix Software
- i. Authorize Purchase of Remanufactured Engines and Transmissions for TAPS Buses to Huffines Chevrolet
- j. Approve Operating/Capital Budget Revision for Rail Safety Crossing Study and authorize Task Order with Jacob's Engineering
  - Motion to approve the Consent Agenda items a - j was made by Paul Pomeroy. The motion was seconded by George Campbell. Motion passed unanimously.

2. REGULAR AGENDA

- a. Authorize President to negotiate and execute an MOU and Electric Utility Easement with the City of Denton
  - Motion to approve the President to negotiate and execute an MOU and Electric Utility Easement with the City of Denton was made by Skip Kalb. The motion was seconded by Allen Harris. Motion passed unanimously.

3. CONVENE EXECUTIVE SESSION – convened at 3:23 p.m.

- a. As Authorized by Section 551.071 of the Texas Government Code, the Regular Board Meeting convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice: Consultation with General Counsel for agenda items 5a regarding recent accidents.
- b. As Authorized by Section 551.072 of the Texas Government Code, the Regular Board Meeting convened into Closed Executive Session for the Purpose of Deliberation regarding Real Property: Discuss acquisition, sale or lease of real property related to long-range service plan within the cities of Denton, Lewisville, or Highland Village.

- c. As Authorized by Section 551.074 of the Texas Government Code, the Regular Board Meeting convened into Closed Executive Session for the Purpose of Deliberation of Personnel: Discussion regarding Annual President's Performance Review.
4. RECONVENE OPEN SESSION – reconvened at 4:35
  - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session
    - No action was taken
5. CHAIR REPORT – Charles Emery, Chairman, gave updates on the following
  - a. Discussion of Regional Transportation Issues
  - b. Discussion Legislative Issues
    - Regional
    - State
    - Federal
6. PRESIDENT'S REPORT – Jim Cline, President, provided information on the following items
  - a. Budget Transfers
  - b. Regional Transportation Issues
7. REPORT ON ITEMS OF COMMUNITY INTEREST – there was none at this time
  - a. Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.
8. ADJOURN – Adjourned at 4:36 PM

The minutes of the July 27, 2017 regular meeting of the Board of Directors were passed, and approved by a vote on this 24<sup>th</sup> day of August, 2017.

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Charles Emery, Chairman

ATTEST

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Richard Huckaby, Secretary





**Board of Directors Memo**

**August 24, 2017**

**Subject: 1(c) Approve and Authorize the President to execute Contract Irving Holdings for On-Call Taxi and Non-Emergency Transportation Services**

**Background**

A request for proposals was released on June 22<sup>nd</sup>, 2017, on BidSync for On-Call Taxi and Non-Emergency Transportation Services. Eighteen (18) suppliers viewed the solicitation documents.

On July 28, 2017, DCTA received three (3) proposals in response to our request for proposals:

1. Irving Holdings
2. East Pointe Holdings, Inc. dba TransTexas
3. Bubbl

Staff conducted a review and evaluation of the proposals received and staff is recommending the award for on-call taxi and non-emergency transportation services to Irving Holdings.

**Identified Need**

Public transit is undergoing a paradigm shift from a service oriented perspective to a more rider oriented perspective. This new paradigm is referred to as Mobility on Demand (MOD), and seeks to make public transit more accessible and appealing to its current and future customers by incorporating mobile technology and alternative transportation modes and/or models.

Partnering with a third party provider to implement demand response and on-demand services provides an opportunity for DCTA to enhance its existing services by improving connections to public transit to improve mobility for all customers.

As a result, DCTA seeks to provide new demand response and on-demand services through third party vendors to help provide transit options in low density areas, address the first/last mile connection, provide real time travel options to passengers and offer an alternative to site specific shuttles to local employment centers. These services will have the capability to be customized on unique community needs and will be requested of the vendors with the ability to be deployed within existing DCTA member cities or via service contracts with area cities and companies

**Financial Impact**

The initial contract will be for two (2) years with the option to extend for three (3) additional one (1) year terms. These services will be accomplished within existing and future budgets. Services deployed within DCTA non-member cities will be a direct pass through cost as part of a service contract with DCTA.

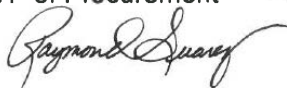
**Recommendation**

Staff recommends the Board approve the award of on-call taxi and non-emergency transportation services, and authorize the President to execute a contract with Irving Holdings.


Submitted by:

  
Athena Forrester, CPPO, CPPB  
AVP of Procurement

Final Review:

  
Raymond Suarez, COO

Approval:

  
James C. Cline, Jr., President



**Board of Directors Memo**

**August 24, 2017**

**Subject: 1(d) Rescind Award of Mobile Video Surveillance System**

**Background**

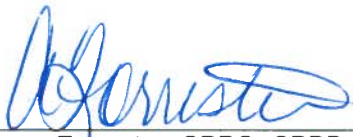
A request for proposals was issued on March 27, 2017, for a mobile video surveillance system for replacement of existing aging cameras and purchase of systems for existing and future fleet.


On May 3, 2017, DCTA received seven (7) proposals in response to our RFP. The Board awarded the contract to Seon System Sales, Inc. on the May 25, 2017 agenda.

Upon receipt of additional information, Staff conducted a subsequent review of the technical components on the proposed system. The review determined the system did not meet the requirements of the RFP.

**Recommendation**

Staff is requesting the Board rescind the award to Seon System Sales, Inc.

Submitted by:   
Athena Forrester, CPPO, CPPB  
AVP of Procurement

Final Review:   
Raymond Suarez, COO

Approval:   
James C. Cline, Jr., President



## Board of Directors Memo

August 24, 2017

**Subject:** 2(a) Presentation & Discussion of Proposed FY2018 Capital & Operating Budget

### **Background**

The Texas Transportation Code Chapter 460 requires the preparation of an annual budget for DCTA. The DCTA Board has adopted annual budget development and budget amendment procedures.

The proposed FY 2018 Budget was presented to the Finance Committee at its July Budget Workshop and incorporates their feedback. DCTA staff has prepared a balanced budget, where operating expenses and capital expenditures do not exceed current year revenues and undesignated fund balance/reserves. The proposed budget was also briefed to the Board at its July 27, 2017 meeting via the Finance Committee Chair Report. The information presented to the Finance Committee was incorporated in the Committee Chair Report.

The proposed FY 2018 Budget is submitted today to the Board of Directors, in accordance with requirements under Chapter 460 of the Texas Transportation Code and DCTA Board policy and procedures, for Board review and comment as well as citizen input. Notice of the public hearing was published in the Denton Record Chronicle on August 10<sup>th</sup>, 2017. The budget schedules were also available for viewing on the DCTA website.

Staff has worked very closely with the Finance Committee in the preparation of the FY18 Budget and presented a detailed review of the various components that comprise the DCTA capital and operating budget. The budget process was modified last year to make it more efficient and enabled the Finance Committee and Board to see the full impact of each component of the FY18 Operating & Capital Budget. In July, the Finance Committee held a budget workshop where all components of the FY18 budget were reviewed and discussed. This included the total operating and capital budget as well as the impact of the FY18 Proposed Budget on the cash flow model.

The Finance Committee is forwarding the proposed FY18 Budget to the Board of Directors for review and comment. The Board will hold a public hearing on the budget to allow for citizen input. Once information from both the Board and the public has been received, the FY18 Budget will be presented for final review and adoption by the Board at the September 28, 2017 Board meeting.

The proposed Budget contains revenue and expenditure assumptions for FY18, which include capital expenditures. Included as agenda back-up are the following exhibits:

- Exhibit A: Proposed Fiscal Year 2018 Budget (operating revenues and expenditures for proposed FY18 as compared to the FY17 Revised Budget).
- Exhibit B: Capital Improvement Plan with Proposed FY18 appropriation

- Exhibit C: Draft of the 5-year cash flow model. It incorporates the FY18 budget as proposed and provides the Board a view of the impact of the proposed FY18 budget on the cash flow model.

**Identified Need**

Review and discuss the proposed FY 2018 budget.

**Committee Review**

In addition to the budget workshop held in July, the Finance Committee reported its activities and discussions at the regular July Board meeting by way of the "Finance Committee Chair – Report to the Board". The Finance Committee included Board members Richard Huckaby, Connie White, Tom Winterburn, and Dave Kovatch serving as Committee Chair.

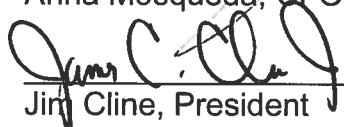
**Financial Impact**

This item is for comment and discussion and has no financial impact at this time.

**Recommendation**

Item is for discussion only. After presentation of the proposed budget and discussion by the Board, the Board will hold a public hearing to receive public input on the proposed budget.

Final Review:   
Anna Mosqueda, CFO

Approval:   
Jim Cline, President

# FY18 Budget Revenue Projections

RM 2(a) Exhibit A-1

<i>Bus Operations</i>				
Revenue Source	FY16 Actuals	FY17 Revised Budget	Actuals as of May 31, 2017	Proposed FY18 Budget
<b>Passenger Revenues</b>				
Connect	\$ 545,526	\$ 560,511	\$ 336,929	\$ 560,511
Frisco	6,051	-	3,183	4,831
Access	83,798	76,360	55,537	76,360
UNT	-	-	50,582	76,914
NCTC	-	-	-	-
McKinney	-	-	-	5,010
North Texas Express	-	-	1,824	2,589
Total Passenger Revenues	635,375	636,871	448,056	726,215
<b>Contract Services</b>				
Connect	\$ 57,000	\$ 49,000	\$ 8,000	\$ 57,000
Frisco	226,472	242,084	120,041	320,169
UNT	2,643,389	2,686,482	2,213,797	2,636,704
<i>UNT Fuel (Direct Pass Thru)</i>	<i>240,603</i>	<i>406,203</i>	<i>219,404</i>	<i>458,055</i>
NCTC	196,110	198,790	131,994	212,575
<i>NCTC Fuel (Direct Pass Thru)</i>	<i>20,082</i>	<i>67,428</i>	<i>14,015</i>	<i>72,670</i>
McKinney	-	175,000	-	344,990
Total Contract Services	3,383,656	3,824,987	2,707,251	4,102,163
<b>Total</b>	<b>\$ 4,019,030</b>	<b>\$ 4,461,858</b>	<b>\$ 3,155,307</b>	<b>\$ 4,828,378</b>
<i>Rail Operations</i>				
Revenue Source	FY16 Actuals	FY17 Revised Budget	Actuals as of May 31, 2017	Proposed FY18 Budget
Rail Farebox	\$ 771,096	\$ 809,137	\$ 498,170	\$ 738,510
<b>Total</b>	<b>\$ 771,096</b>	<b>\$ 809,137</b>	<b>\$ 498,170</b>	<b>\$ 738,510</b>
<i>G&amp;A</i>				
Revenue Source	FY16 Actuals	FY17 Revised Budget	Actuals as of May 31, 2017	Proposed FY18 Budget
Interest Income	\$ 59,364	\$ 40,000	\$ 59,122	\$ 78,000
Misc. Income/Fare Evasion	156,067	1,001,500	83,947	1,000
Sales Tax	24,658,546	25,624,601	17,384,613	26,649,585
Federal Operating Grants	5,056,450	6,657,172	2,652,011	5,410,737
Federal Capital Grants	5,530,798	9,096,305	3,814,900	7,666,528
State Operating Grants	73,596	-	-	-
State Capital Grants	238,832	1,541,533	-	2,114,696
Debt Issuance	-	-	-	-
<b>Total</b>	<b>\$ 35,773,653</b>	<b>\$ 43,961,111</b>	<b>\$ 23,994,593</b>	<b>\$ 41,920,546</b>
<b>TOTAL REVENUES</b>				
	<b>\$ 40,563,780</b>	<b>\$ 49,232,106</b>	<b>\$ 27,648,070</b>	<b>\$ 47,487,434</b>



**Denton County Transportation Authority  
Proposed Fiscal Year 2018 Budget  
(Including Depreciation)**

Description	FY16 Actuals	FY17 Original Budget	FY17 Revised Budget	Actuals as of May 31, 2017	FY18 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	Notes
<b>Revenue &amp; Other Income</b>								
Passenger Revenues (Bus Farebox)	635,374	636,871	636,871	448,056	726,215	89,344	14%	Majority of this increase is from the special movements billed to UNT (\$76,914) based on actuals to date. These additional revenue hours were not included in the FY17 budget. Decrease based on current ridership and revenues *NCTC: \$19,027 due to estimated 5% increase (as permitted by contract) plus additional service days/revenue hours *Frisco: \$78,085 increased to budget up to full contract amount *McKinney: \$169,990 added additional revenue to budget to full contract amount
Passenger Revenues (Rail Farebox)	771,096	809,137	809,137	498,170	738,510	(70,627)	-9%	
Contract Service Revenue	3,383,656	3,649,987	3,824,987	2,707,251	4,102,163	277,176	7%	
<b>Total Revenue &amp; Other Income</b>	<b>4,790,126</b>	<b>5,095,995</b>	<b>5,270,995</b>	<b>3,653,478</b>	<b>5,566,888</b>	<b>295,893</b>	<b>6%</b>	
<b>GENERAL &amp; ADMINISTRATIVE</b>								
Salary, Wages and Benefits	2,359,054	3,093,757	3,093,757	1,867,486	3,852,660	758,903	25%	Anticipated staffing plan to address core positions (\$700k). Detail position analysis and timing to be further vetted by Executive Staff in FY18
Services	1,463,825	1,574,450	1,586,200	727,671	1,981,760	395,560	25%	Professional Services have increased due to the following Expanded Level Projects that have been included: *\$25k - Archives & Records Management Strategic Plan; *\$200k in Strategic Planning Initiatives & consulting services *\$100k - CyberSecurity (Phase I) to address the risks outlined by the cybersecurity assessment completed in FY17
Materials and Supplies	188,138	118,982	110,982	26,336	139,404	28,422	26%	ELP for Wireless Replacements at DCTA Facilities \$14,500 as well as more laptops in this replacement cycle compared to prior year
Utilities	18,633	27,600	27,600	11,966	28,800	1,200	4%	Based on current year actuals
Insurance, Casualties and Losses	12,665	13,598	13,598	8,720	13,938	340	3%	
Purchased Transportation Services	205,025	187,368	187,368	86,580	187,368	-	0%	
Miscellaneous	145,056	312,560	308,810	100,135	299,218	(9,592)	-3%	
Leases and Rentals	118,682	123,981	123,981	87,598	120,393	(3,588)	-3%	
Depreciation	-	28,333	28,333	-	112,870	84,537	298%	Based on current project schedules
Subtotal - G&A	4,511,079	5,480,630	5,480,630	2,916,492	6,736,411	1,255,781	23%	
<b>BUS SERVICES</b>								
Salary, Wages and Benefits	6,561,277	7,623,917	7,511,317	4,775,549	8,160,925	649,608	9%	*Assumes an 8% increase in health benefits and higher participation= \$70,438 increase *Highland Village Service: -HV Shuttle: 7,964 revenue hours = \$212,874 increase -HV Community On-Demand: 4,231 revenue hours = \$70,952 increase *Denton COA: 14,489 revenue hours = \$298,249 increase
Services	734,429	755,541	831,931	434,247	1,029,958	198,027	24%	*\$32k additional for new security contract *Expanded Level Request for a more robust payroll system - \$31k increase in service fees *Expanded Level Request for ReMix Fixed-Route Scheduling Software \$50k *\$71k increase for Swiftly (\$60k) & RouteMatch (\$11k) software.
Materials and Supplies	1,263,323	2,161,725	2,313,365	1,018,213	2,330,569	17,204	1%	Fuel budgeted at \$3.00/gallon
Utilities	149,200	164,620	164,620	77,607	142,320	(22,300)	-14%	Based on current year actuals
Insurance, Casualties and Losses	335,085	316,956	320,636	233,318	488,468	167,832	52%	Due to an increase in fleet to 117 which includes additional 12 TAPS buses and 8 small vehicles purchased in FY17. Workers Comp also increased by 15% as a result of the FY17 re-rate based on increased number of employees and claims history
Purchased Transportation Services	-	-	155,000	2,416	334,341	179,341	116%	*\$60k increase for Frisco service *\$120k increase to McKinney service based on a full-year of service
Miscellaneous	25,284	58,100	58,100	14,867	108,563	50,463	87%	To address anticipated service requirements for NTX service (\$55,367)
Leases and Rentals	37,361	43,308	180,587	85,994	143,279	(37,308)	-21%	Anticipate returning 2 leased vehicles to FWTA
Depreciation	-	2,262,289	2,262,289	1,259,308	2,178,040	(84,249)	-4%	
Subtotal - Bus Services	9,105,959	13,386,456	13,797,845	7,901,520	14,916,464	1,118,619	8%	
<b>RAIL SERVICES</b>								
Salary, Wages and Benefits	295,641	315,252	315,252	215,176	324,864	9,612	3%	
Services	400,496	276,155	327,001	344,336	353,450	26,449	8%	Increase of \$19,200 for monthly Atmos Energy expenses (Facilities Maintenance)
Materials and Supplies	584,921	1,118,667	878,667	496,760	1,131,967	253,300	29%	Fuel budgeted at \$2.75/gallon (400,000 gallons for rail); Increase in fuel total as compared to FY17 Revised Budget due to the transfer of savings to Bus Parts for needed engine/transmission replacements
Utilities	237,063	289,044	289,044	140,833	289,044	-	0%	
Insurance, Casualties and Losses	502,230	523,640	1,205,260	791,228	1,224,376	19,116	2%	
Purchased Transportation Services	10,461,267	9,375,986	9,444,366	6,376,842	9,191,633	(252,733)	-3%	Based on FY18 rail contract & DART ILA
Miscellaneous	14,170	14,745	14,745	10,363	15,545	800	5%	
Leases and Rentals	2,207	2,208	2,208	1,472	2,208	-	0%	
Depreciation	-	8,049,118	8,049,118	5,397,604	8,388,963	339,845	4%	
Subtotal - Rail Services	12,497,995	19,964,815	20,525,661	13,774,613	20,922,050	396,390	2%	
<b>Total Operating Expenses</b>	<b>26,115,033</b>	<b>38,831,900</b>	<b>39,804,136</b>	<b>24,592,626</b>	<b>42,574,925</b>	<b>2,770,790</b>	<b>7%</b>	
<b>Income Before Non-operating Revenue &amp; Exp</b>	<b>(21,324,907)</b>	<b>(33,735,905)</b>	<b>(34,533,141)</b>	<b>(20,939,148)</b>	<b>(37,008,037)</b>			
<b>Non-Operating Revenues / (Expense)</b>								
Investment Income	59,364	40,000	40,000	59,122	78,000	38,000	95%	
Non-Operating Revenues / (Expense)	156,067	1,500	1,001,500	83,948	1,000	(1,000,500)	-100%	FY17 Revised Budget included \$1M for Valley Ridge Crossing reimbursement to be received from the city
Sales Tax Revenue	24,658,546	24,624,601	25,624,601	17,384,613	26,649,585	1,024,984	4%	Assumes a 4% increase from FY17 Revised Budget
Federal Grants & Reimbursements	10,587,249	15,360,732	15,753,476	6,466,911	13,077,265	(2,676,211)	-17%	Majority of grants are directly related to capital projects and the corresponding timelines. In FY18 there is a reduction of \$2.5M related to the PTC project schedule.
State Grants & Reimbursements	312,428	2,844,087	1,541,533	-	2,114,696	573,163	37%	Includes FEMA, TxDOT funding for the Eagle Point Hike & Bike Trail
Long Term Debt Interest/Expense	(1,156,229)	(1,098,412)	(1,098,412)	(731,969)	(1,008,084)	90,328	-8%	Based on current debt schedule
<b>Total Non-Operating Revenue / (Expense)</b>	<b>34,617,424</b>	<b>41,772,508</b>	<b>42,862,698</b>	<b>23,262,624</b>	<b>40,912,462</b>	<b>(1,950,236)</b>	<b>-5%</b>	
<b>Change in Net Position</b>	<b>13,292,517</b>	<b>8,036,603</b>	<b>8,329,557</b>	<b>2,323,477</b>	<b>3,904,425</b>			
<b>Net Position - Beginning of Year:</b>					<b>15,225,158</b>			
<b>Net Position - End of Year:</b>					<b>19,129,583</b>			
<i>Transfer to Capital Projects</i>					<b>(15,633,998)</b>			
<b>Net Position After Capital Project Transfer</b>					<b>3,495,585</b>			

Capital Improvement Plan

Project Name	Project Number	Project Budget	Project LTD thru FY 2015	FY 2016 Actuals	FY 2017 Revised	FY 2018	FY 2019	FY 2020	Anticipated Project Total (Thru 2020)
<b>Bus Services</b>									
Bus Operations & Maintenance Facility	50301	11,497,555	11,329,265	75,626	6,751				11,411,642
Scheduling Software	50601	250,000		20,000	115,000	115,000			250,000
Transit Enhancements (2015-2016)	50204	165,000	4,601	137,432	22,967				165,000
Bus Fleet Cameras	50409	149,500			149,500				149,500
Fleet (2016)	50507	1,250,000			1,250,000				1,250,000
Fleet (2017)	50510	1,885,000				1,474,076			1,474,076
AVL Systems	50410	200,000			200,000				200,000
IOMF Fuel Tanks - Lewisville	50305	740,000			250,000	490,000			740,000
Denton COA Transit Enhancements	50205	58,500			58,500				58,500
<i>Fleet (2018)</i>	<i>NEW</i>	<i>3,003,580</i>				<i>3,003,580</i>			<i>3,003,580</i>
<i>*Future Fleet</i>							2,400,000	2,500,000	4,900,000
<i>*Fleet Farebox</i>							600,000		600,000
<b>Rail Services</b>									
Positive Train Control Preparation	61406	1,346,527	1,346,527						1,346,527
Positive Train Control Implementation	61406.1	16,720,141		6,594,741	7,486,472	2,638,928			16,720,141
Lewisville Bike Trail	61708	2,146,355	1,978,419	67,935	56,155	38,263			2,140,773
T. Mills Crew Facility	61209	310,000	32,528	37,176	240,296				310,000
Station Landscaping	61210	485,000	25,455	365,746	93,799				485,000
Rail Mobilization (2015)	61604	1,174,779		1,201,987	(27,208)				1,174,779
Rail Facility Flume Repair (2015 Flood)	61713.1	325,482		56,282	269,200				325,482
Grade Crossing Replacements (2015 Flood)	61713.2	2,157,760		62,706	2,095,054				2,157,760
Hebron Signal House (2015 Flood)	61713.3	122,000		98,627	23,373				122,000
Ballast Undercutting (2015 Flood)	61713.4	761,600		21,198	740,402				761,600
Pockrus Page (2015 Flood)	61713.5	623,000		34,260	294,370	294,370			623,000
Rail Capital Maintenance	61714	3,575,430			378,492	2,967,927	2,500,000	2,500,000	8,346,419
Trail Safety Improvements	61715	81,157				81,157			81,157
Lewisville Bike Trail - Eagle Point Section	61716	2,995,873		40,176	300,000	2,655,697			2,995,873
Valley Ridge Crossing	61717	1,000,000			1,000,000				1,000,000
Dispatch System	61408	150,000			150,000				150,000
<i>Brownfield Remediation</i>	<i>NEW</i>	<i>325,000</i>			<i>60,000</i>	<i>325,000</i>			<i>385,000</i>
<i>Rail Safety Improvements</i>	<i>NEW</i>	<i>200,000</i>				<i>200,000</i>	<i>200,000</i>	<i>200,000</i>	<i>600,000</i>
<b>G&amp;A</b>									
Data Analytics & Reporting	10601	200,000				200,000			200,000
Comprehensive Service Analysis	10602	420,222	76,210	119,695	224,317				420,222
Shortel Phone System	10402	88,610		75,107	13,503				88,610
Lewisville Facilities Study	10301	100,000		79,065	20,935				100,000
Safety & Security Assessment	10604	250,000			250,000		200,000		450,000
Infrastructure Acquisition	10302	3,900,000			2,900,000	1,000,000			3,900,000
Project Management / Document Control	10605	150,000			150,000	150,000	150,000	150,000	600,000
<b>TOTAL</b>		<b>\$ 58,808,071</b>	<b>\$ 14,793,006</b>	<b>\$ 9,087,760</b>	<b>\$ 18,771,877</b>	<b>\$ 15,633,998</b>	<b>\$ 6,050,000</b>	<b>\$ 5,350,000</b>	<b>\$ 69,686,641</b>



	Audited 2016*	Revised 2017	Proposed 2018	2019	2020	2021	2022	2023	TOTAL FY 2016 - FY 2023
<b>OPERATING REVENUES</b>									
<i>Beginning Fund Balance:</i>	\$ 25,789,446	\$ 21,958,790	\$ 15,225,158	\$ 12,455,457	\$ 11,922,196	\$ 12,846,591	\$ 14,212,586	\$ 16,243,678	
Bus Operating Revenue	\$ 4,019,030	\$ 4,461,858	\$ 4,828,378	\$ 4,958,705	\$ 5,166,144	\$ 5,304,846	\$ 5,447,545	\$ 5,594,361	39,780,866
Rail Operating Revenue	771,096	809,137	738,510	745,895	827,944	836,223	844,585	853,031	6,426,421
<b>NON-OPERATING REVENUES</b>									
Sales Tax Revenue	24,658,546	25,624,601	26,649,585	27,715,568	28,824,191	29,977,159	31,176,245	32,423,295	227,049,191
Formula Grants (Operating)	4,826,472	2,603,496	5,177,112	5,765,515	6,241,517	5,336,096	4,981,394	4,420,959	39,352,562
Interest Income-Non RTRFI Funds	59,364	40,000	78,000	37,366	35,767	38,540	42,638	48,731	380,406
Misc. Revenue	156,067	1,001,500	1,000	1,500	1,500	1,500	1,500	1,500	1,166,067
Restricted RTRFI Interest Income									-
<b>Total Revenues</b>	<b>34,490,575</b>	<b>34,540,592</b>	<b>37,472,585</b>	<b>39,224,550</b>	<b>41,097,063</b>	<b>41,494,364</b>	<b>42,493,907</b>	<b>43,341,877</b>	<b>314,155,513</b>
<b>OPERATING EXPENSES</b>									
Bus Operating Expense	9,105,959	11,535,556	12,738,424	13,081,396	13,537,944	14,005,762	14,513,753	15,017,862	103,536,656
Rail Operating Expense	12,497,995	12,476,543	12,533,087	13,462,835	13,752,143	14,219,230	14,572,363	14,973,997	108,488,193
G&A Operating Expense	4,511,079	5,452,296	6,623,542	6,748,937	6,748,210	6,981,013	7,226,139	7,477,285	51,768,501
<b>NON-OPERATING EXPENSES</b>									
Non-Operating (Income) / Expense									-
<b>Total Expenses</b>	<b>26,115,033</b>	<b>29,464,395</b>	<b>31,895,053</b>	<b>33,293,168</b>	<b>34,038,297</b>	<b>35,206,005</b>	<b>36,312,256</b>	<b>37,469,143</b>	<b>263,793,349</b>
<b>NET INCOME</b>	<b>8,375,542</b>	<b>5,076,197</b>	<b>5,577,532</b>	<b>5,931,382</b>	<b>7,058,766</b>	<b>6,288,359</b>	<b>6,181,651</b>	<b>5,872,734</b>	<b>50,362,163</b>
<b>CAPITAL OUTLAY</b>									
Bus Capital Expenditure	582,161	487,718	250,000	-	-	-	-	-	1,319,879
Bus Fleet Replacement Expense	1,705,352	1,250,000	4,477,650	2,400,000	2,500,000	2,300,000	2,000,000	3,100,000	19,733,002
Professional Services / Technology Improvements	293,867	723,755	465,000	150,000	150,000	150,000	150,000	150,000	2,232,622
Stadler Fleet (Vehicles)	189,557	-	-	-	-	-	-	-	189,557
Right of Way	-	-	81,157	-	-	-	-	-	81,157
Rail Capital Expenditure (LV Hike & Bike)	108,112	356,155	2,693,960	-	-	-	-	-	3,158,226
Rail Capital Expenditure (Community Enhancements)									-
HV Parking Expansion									-
Rail Station Improvements	421,237	334,095	-	-	-	-	-	-	755,332
Rail MOW	34,914	-	-	-	-	-	-	-	34,914
Rail MOE	464,869	-	-	-	-	-	-	-	464,869
Single Car Operations / Shunt Enhancement	(122,767)	-	-	-	-	-	-	-	(122,767)
Re-Railing Equipment									-
Rail Capital Maintenance	371,714	378,492	2,967,927	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	16,218,133
Disaster Recovery - 2015 Floods	273,738	3,422,398	294,370	-	-	-	-	-	3,990,506
Rail Mobilization	1,201,987	122,792	-	-	-	-	-	-	1,324,779
Positive Train Control	6,594,741	7,486,472	2,638,928	-	-	-	-	-	16,720,141
Infrastructure Acquisition		2,900,000	1,000,000	-	-	-	-	-	3,900,000
Valley Ridge Crossing		1,000,000	-	-	-	-	-	-	1,000,000
Safety & Security	-	250,000	-	-	-	-	-	-	250,000
Rail Safety Improvements			200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
<b>Approved Capital Requests</b>									
<i>Fleet Farebox Replacement</i>				600,000					600,000
<i>Brownfield Remediation</i>		60,000	325,000						385,000
<i>TSA Security (Phase I)</i>				200,000					200,000
<i>OMF Fuel Tanks (Additional)</i>			240,000						240,000
									-
<b>Total Capital Outlay</b>	<b>12,119,481</b>	<b>18,771,880</b>	<b>15,633,998</b>	<b>6,050,000</b>	<b>5,350,000</b>	<b>5,150,000</b>	<b>4,850,000</b>	<b>5,950,000</b>	<b>73,875,359</b>
<b>CAPITAL SOURCES</b>									
New Money (Debt Issuance)									-
RTRFI/RTC Funds	3,011,743	5,989,178	3,499,079						12,500,000
FEMA Reimbursements	303,574	2,293,801	233,625						2,831,000
Formula Grants (Capital)	2,757,887	1,422,485	6,282,145	2,350,341	1,994,998	3,023,498	3,503,748	4,192,248	25,527,350
<b>Total Capital Sources</b>	<b>6,073,204</b>	<b>9,705,464</b>	<b>10,014,849</b>	<b>2,350,341</b>	<b>1,994,998</b>	<b>3,023,498</b>	<b>3,503,748</b>	<b>4,192,248</b>	<b>40,858,350</b>
<b>DEBT SERVICE</b>									
2008 Issue (ST) Debt Service									
2009 Refunding (ST) Debt Service	3,593,387	1,713,687	1,717,600	1,714,697	1,715,209	1,713,925	1,715,845	1,715,771	15,600,121
2011 Contractual Obligations	1,572,842	1,029,725	1,010,484	1,050,287	1,064,160	1,081,937	1,088,462	1,104,048	9,001,945
<b>Total Debt Service</b>	<b>5,166,229</b>	<b>2,743,412</b>	<b>2,728,084</b>	<b>2,764,984</b>	<b>2,779,369</b>	<b>2,795,862</b>	<b>2,804,307</b>	<b>2,819,819</b>	<b>24,602,066</b>
Internal Debt Service Coverage:	1.62	1.85	2.04	2.15	2.54	2.25	2.20	2.08	
<i>Outstanding Bond Principal as of September 30th (End of Fiscal Year)</i>	\$ 30,385,000	\$ 28,740,000	\$ 27,020,000	\$ 25,230,000	\$ 23,360,000	\$ 21,405,000	\$ 19,370,000	\$ 17,245,000	
Audit Adjustment	\$ (993,693)								
<b>Ending Fund Balance:</b>	<b>21,958,790</b>	<b>15,225,158</b>	<b>12,455,457</b>	<b>11,922,196</b>	<b>12,846,591</b>	<b>14,212,586</b>	<b>16,243,678</b>	<b>17,538,841</b>	
<i>Less Restricted RTRFI Interest Income</i>	-	-	-	-	-	-	-	-	
<i>Less Required Fund Balance (O&amp;M Reserve Policy):</i>	6,528,758	7,366,099	7,973,763	8,323,292	8,509,574	8,801,501	9,078,064	9,367,286	
<i>Less Sales Tax Stabilization Fund</i>	739,756	768,738	799,488	831,467	864,726	899,315	935,287	972,699	
<i>Less Fuel Stabilization Fund</i>	72,582	450,000	450,000	450,000	450,000	450,000	450,000	450,000	
<i>Less Capital/Infrastructure</i>	3,961,050	2,000,000	2,000,000	2,000,000	2,000,000	3,000,000	5,000,000	6,000,000	
<b>Net Available Fund Balance</b>	<b>10,656,643</b>	<b>4,640,321</b>	<b>1,232,206</b>	<b>317,437</b>	<b>1,022,291</b>	<b>1,061,770</b>	<b>780,327</b>	<b>748,856</b>	