



DENTON COUNTY
TRANSPORTATION AUTHORITY

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

Board of Directors Work Session

October 26, 2017 | 1:30 p.m.

1. Routine Briefing Items
 - a. Staff Briefing on Monthly Financial Reports
 - i. Monthly Financial Statements for September 2017
 - ii. Capital Projects Budget Report for September 2017
 - iii. Monthly Sales Tax Receipts
 - iv. Quarterly Investment Report Q4 FY17
 - v. Quarterly Grants Update Q4 FY17
 - vi. Current Procurement Activities
 - b. Marketing and Communications
 - i. New Collateral Distribution
 - ii. Quarterly Metrics Report (EOY FY '17)
 - iii. September Public Meeting Report
 - iv. August 28 Service Change Recap Report
 - v. A-train Free Fare Zone Recap Report
 - vi. Lewisville Western Days Recap Report
 - vii. Monthly Media Report
 - viii. FY '17 End of Year Awards Report
 - c. Strategic Planning and Development
 - i. Departmental Administrative Update
 - ii. Regional Planning Initiatives Update
 - iii. Local Planning Update
 - iv. Business Development & Partnerships Update
 - v. Funding Opportunities Update
 - vi. Land Use Planning & Development
 - d. Capital Projects
 - i. Flood Damage Repairs Update
 - ii. Positive Train Control
 - e. Staff Briefing on Transit Operations Reports
 - i. Bus and Rail Operations
2. Items for Discussion
 - a. NCTCOG Mobility Transportation Plan 2045 Update

3. Committee Chair Report
 - a. Program Services (10/17/2017) Charles Emery, Interim Chair
 - b. Finance Committee (10/17/2017) Dave Kovatch, Chair
4. Discussion of Regular Board Meeting Agenda Items (October 26, 2017)
5. Convene Executive Session. The Board may convene the Work Session into Closed Executive Session for the following:
 - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Board of Directors Work Session 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 or the Regular Board Meeting Agenda.
 - 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.
6. Reconvene Open Session
 - a. Reconvene and Take Necessary Action on Items Discussed during Executive Session.
7. Discussion of Future Agenda Items
 - a. Board Member Requests
8. ADJOURN

Chair – Charles Emery
Vice Chair – Vacant

Secretary – Richard Huckaby
Treasurer – Dave Kovatch

Members – Skip Kalb, Tom Winterburn, Don Hartman,
George A. Campbell, Allen Harris, Carter Wilson, Connie White, Mark Miller, Dianne Costa
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 10/19/2017 at 9:59 AM.

Brandy Pedron, Administrative Assistant



Board of Directors Memo

October 26, 2017

Subject: Monthly Financial Statements

Background

The financial statements are presented monthly to the Board of Directors for acceptance. The reports presented for the period ending September 30, 2017 include the Statement of Change in Net Position, Statement of Net Position, and Capital Projects Fund. These reports provide a comparison of budget vs. actual for the fiscal year as of the current month. ***Amounts are preliminary and unaudited and may change as additional information is received that impacts fiscal year 2017.***

The following are major variances between year-to-date budget and year-to-date actuals, which are annotated on the Statement of Change in Net Position.

- **Note A:** Passenger Revenues – YTD unfavorable by (\$153k) due to lower than budgeted ridership. YTD rail ridership of 505k is 9% less than budgeted YTD ridership of 557k (\$97k reduced revenue). YTD ridership for Connect, Access, Frisco, Collin County Transit, and North Texas Express of 533k is 14% less than budgeted YTD ridership of 620k (\$56k reduced revenue). Total YTD bus ridership including UNT and NCTC riders is 2.5 million, which is 3% higher than budgeted ridership of 2.4 million.

		YTD FY17 Actual Ridership	YTD FY17 Budgeted Ridership	% Variance
Total Rail Ridership	(A)	504,958	557,043	- 9%
Connect, Access, Frisco, CCT, NTX	(A)	532,615	619,957	- 14%
UNT & NCTC	(B)	1,946,471	1,789,758	9%
Total Bus Ridership		2,479,086	2,409,715	3%
Total Ridership		2,984,044	2,966,758	1%

- (A) Passenger revenues are linked with these ridership statistics. Although Frisco & CCT service are contracted services, the passengers are responsible for a passenger fare as well.
- (B) These ridership numbers are shown for information purposes only and are not linked to passenger revenues.

- **Note B:** Contract Service Revenue – YTD unfavorable by (\$109k), due to lower than budgeted NCTC, Frisco, and Collin County Transit service (reduction of \$163k) and reduced fuel pass-through costs for UNT and NCTC (reduction of \$170k). Average billed fuel price/gallon of \$1.87 is 38% lower than the budgeted \$3.00/gallon. This unfavorable variance is partially offset by higher than budgeted UNT revenue hours (\$142k additional revenue) and an additional 1,263 service hours billed for special movements (\$77k additional revenue).
- **Note C:** Sales Tax Revenue – September sales tax revenue is not yet received and is accrued for the month based on budget. Sales tax generated in September will be received in November. The Sales Tax Report included in this agenda packet provides a more detailed Budget to Actual comparison of FY17 sales tax receipts collected through October.
- **Note D:** Federal/State Grants - Capital – YTD unfavorable by (\$4.4 million) mainly due to delayed expenses and corresponding reimbursements for fleet purchases, PTC, and the Lewisville Hike &

Bike Trail. The trail project is under TxDOT engineering review before it can proceed to the procurement phase.

	FY17 Budgeted Drawdowns	FY17 Actual Revenue	Variance
Bus O&M	\$ -	\$ 6,209	\$ 6,209
Bus Fleet Cameras	102,000	-	(102,000)
Bus Scheduling Software	184,000	-	(184,000)
Community Enhancements	-	(52,071)	(52,071)
Comp. Service Analysis	117,452	8,136	(109,316)
Data Analytics & Reporting	160,000	-	(160,000)
Fleet	2,380,000	997,062	(1,382,938)
Lewisville Hike & Bike Trail	1,541,534	55,505	(1,486,029)
Positive Train Control (PTC)	5,989,178	5,242,516	(746,662)
Safety/Security	112,248	-	(112,248)
Transit Enhancements	51,426	7,893	(43,533)
	\$ 10,637,838	\$ 6,265,250	\$ (4,372,588)

- Note E:** Federal/State Grants - Operating – YTD unfavorable by (\$1.8 million) mainly because expenses and corresponding reimbursements for FEMA projects have been delayed from the timing anticipated in the budget. These reimbursements will be requested in coming months as projects are closed out. Additionally, a portion of operating assistance reimbursements have not yet been drawn down as the grant is pending final completion by FTA.

	FY17 Budgeted Drawdowns	FY17 Actual Revenue	Variance
Bus PM	\$ 1,039,332	\$ 1,490,208	\$ 450,876
Rail PM	972,923	1,652,770	679,847
Operating Assistance	1,368,890	462,000	(906,890)
ADA Assistance	561,234	878,218	316,984
FEMA	2,527,425	(1,800)	(2,529,225)
VanPool	187,368	358,804	171,436
Printing	-	44,544	44,544
	\$ 6,657,172	\$ 4,884,744	\$ (1,772,428)

- Note F:** Insurance – YTD unfavorable by (\$60k) mainly attributable to insurance deductible payments for vehicle accidents (\$15k) and additional rail property insurance (\$18k) that were not anticipated in the budget as well as an adjustment (\$31k) for TML Workers Compensation insurance for FY15/16 that was paid in July.

Identified Need

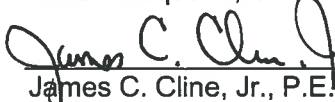
Provides the Board a review of DCTA's financial position and the agency's performance to budget.

Recommendation

Staff recommends acceptance.

Submitted by: Marisa Perry, CPA 
Controller

Final Review: 
Anna Mosqueda, CFO

Approval: 
James C. Cline, Jr., P.E., President

Denton County Transportation Authority
Change in Net Position
Month and Year to Date September 30, 2017
(Unaudited)

WS 1(a)i

Description	Month Ended September 30, 2017			Year to Date September 30, 2017			Annual Budget	
	Actual	Budget	Variance	Actual	Budget	Variance		
Revenue and Other Income								
Passenger Revenues	\$ 110,154	\$ 143,782	\$ (33,628)	\$ 1,292,725	\$ 1,446,008	\$ (153,283)	\$ 1,446,008	Note A
Contract Service Revenue	348,127	493,603	(145,476)	3,716,481	3,824,987	(108,506)	3,824,987	Note B
Sales Tax Revenue	2,240,282	2,416,215	(175,933)	26,723,572	25,624,601	1,098,971	25,624,601	Note C
Federal/State Grants - Capital	250,666	499,099	(248,433)	6,265,250	10,637,838	(4,372,588)	10,637,838	Note D
Federal/State Grants - Operating	2,038,040	1,027,495	1,010,545	4,884,744	6,657,172	(1,772,428)	6,657,172	Note E
Total Revenue and Other Income	4,987,269	4,580,194	407,075	42,882,772	48,190,606	(5,307,834)	48,190,606	
Operating Expenses								
Salary, Wages and Benefits	1,043,502	950,611	(92,891)	10,455,884	10,920,331	464,447	10,920,331	
Services	296,884	251,875	(45,009)	2,562,724	3,098,447	535,723	3,098,447	
Materials and Supplies	223,780	276,077	52,298	2,290,680	3,281,014	990,334	3,281,014	
Utilities	59,908	40,601	(19,307)	418,256	481,264	63,008	481,264	
Insurance, Casualties and Losses	131,816	127,726	(4,090)	1,599,587	1,539,494	(60,093)	1,539,494	Note F
Purchased Transportation Services	763,953	812,968	49,015	10,591,375	10,934,513	343,138	10,934,513	
Miscellaneous	16,277	26,736	10,459	197,978	381,655	183,677	381,655	
Leases and Rentals	9,368	25,840	16,471	243,649	306,776	63,127	306,776	
Depreciation	840,696	873,710	33,014	9,915,111	10,339,739	424,628	10,339,739	
Total Operating Expenses	3,386,185	3,386,144	(40)	38,275,244	41,283,233	3,007,989	41,283,233	
Income Before Non-Operating Revenue and Expense	1,601,085	1,194,050	407,035	4,607,528	6,907,373	(2,299,845)	6,907,373	
Non-Operating Revenues / (Expense)								
Investment Income	19,342	3,337	16,005	122,250	40,000	82,250	40,000	
Gain (Loss) Disposal of Assets	(702)	-	(702)	12,208	-	12,208	-	
Fare Evasion Fee	75	125	(50)	900	1,500	(600)	1,500	
Other Income - Miscellaneous	13,595	1,000,000	(986,405)	133,272	1,000,000	(866,728)	1,000,000	
Long Term Debt Interest/Expense	(91,534)	(91,538)	4	(1,098,106)	(1,098,412)	306	(1,098,412)	
Total Non-Operating Revenue / (Expense)	(59,225)	911,924	(971,149)	(829,477)	(56,912)	(772,565)	(56,912)	
Change in Net Position	\$ 1,541,860	\$ 2,105,974	\$ (564,114)	\$ 3,778,052	\$ 6,850,461	\$ (3,072,410)	\$ 6,850,461	

Denton County Transportation Authority
Statement of Net Position
As of September 30, 2017
(Unaudited)

	<u>September 30, 2017</u>	<u>August 31, 2017</u>	<u>Change</u>
Current Assets			
Operating Cash & Cash Equivalents	\$ 7,522,847	\$ 7,417,167	\$ 105,680
Reserves: Cash & Cash Equivalents	8,366,081	8,358,947	7,134
Reserves: Investments	1,992,513	1,990,016	2,497
Accounts & Notes Receivable	7,631,774	5,553,819	2,077,955
Prepaid Expenses	399,709	513,877	(114,167)
Inventory	124,124	22,516	101,608
Restricted Asset-Cash and Equivalents	1,603,413	3,936,964	(2,333,551)
Total Current Assets	<u>27,640,460</u>	<u>27,793,304</u>	<u>(152,844)</u>
Property, Plant and Equipment			
Land	17,394,147	17,394,147	-
Land Improvements	6,458,821	6,458,821	-
Machinery & Equipment	3,988,400	3,933,441	54,960
Leasehold Improvements	-	55,506	(55,506)
Vehicles	90,283,896	90,298,496	(14,600)
Computers & Software	1,284,485	1,330,676	(46,191)
Accumulated Depreciation	(57,617,123)	(56,982,610)	(634,513)
Total Property, Plant and Equipment	<u>61,792,628</u>	<u>62,488,478</u>	<u>(695,850)</u>
Capital Assets			
Intangible Assets	16,997,155	16,997,155	-
Other Capital Assets, Net	233,656,842	233,656,842	-
Construction in Progress	21,685,046	21,267,977	417,069
Total Capital Assets	<u>272,339,043</u>	<u>271,921,974</u>	<u>417,069</u>
Total Assets	<u><u>\$ 361,772,131</u></u>	<u><u>\$ 362,203,756</u></u>	<u><u>\$ (431,625)</u></u>
Liabilities			
Current Liabilities			
Accounts Payable	\$ 685,950	\$ 314,938	\$ 371,013
Salary, Wages, and Benefits Payable	650,384	744,872	(94,489)
Accrued Expenses Payable	669,520	771,726	(102,206)
Deferred Revenues	67,387	70,978	(3,591)
Interest Payable	-	457,672	(457,672)
Total Current Liabilities	<u>2,073,241</u>	<u>2,360,185</u>	<u>(286,944)</u>
Non-Current Liabilities			
Rail Easement Payable	1,200,000	1,200,000	-
Retainage Payable	666,323	707,864	(41,541)
Bonds Payable	28,740,000	30,385,000	(1,645,000)
Total Non-Current Liabilities	<u>30,606,323</u>	<u>32,292,864</u>	<u>(1,686,541)</u>
Total Liabilities	<u>32,679,564</u>	<u>34,653,049</u>	<u>(1,973,485)</u>
Net Position			
Net Investment in Capital Assets	305,686,488	305,686,488	-
Unrestricted	19,628,028	19,628,028	-
Change in Net Position	3,778,052	2,236,192	1,541,860
Total Equity	<u>329,092,567</u>	<u>327,550,707</u>	<u>1,541,860</u>
Total Liabilities and Equity	<u><u>\$ 361,772,131</u></u>	<u><u>\$ 362,203,756</u></u>	<u><u>\$ (431,625)</u></u>

Capital Projects Fund - DCTA
Budget vs. Actual
As of September 30, 2017
(Cash Basis)

Work Session 1a ii

	Original Budget	Revised Budget	September 2017 Expenses Booked	Life To Date	\$ Under/(Over) Budget	% of Budget (As of September 2017 Close)	Project % Complete (Operations)
ASSETS							
Fixed Assets							
1660 - Construction Work in Progress							
1 - G&A Capital Projects							
Total 10402 - Shoretel Phone System - CLOSED	45,000	88,610	-	88,609	1	100%	
Total 10601 - Data Analytics & Reporting	200,000	200,000	-	-	200,000	0%	
Total 10602 - Comprehensive Service Analysis	567,414	296,794	-	202,782	94,012	68%	
Total 10302 - Infrastructure Acquisition	1,900,000	2,900,000	15,178	128,936	2,771,064	4%	
Total 10604 - Safety & Security Assessment	250,000	250,000	-	25,000	225,000	10%	
Total 10605 - Project Management/Document Control	150,000	150,000	-	-	150,000	0%	5%
Total 10606 - Shared Use Mobility Study	123,428	123,428	-	-	123,428	0%	
Total 1 - G&A Capital Projects	3,235,842	4,008,832	15,178	445,328	3,563,504	11%	
5 - Bus Capital Projects							
Total 50205 - Denton COA Transit Enhancements - CLOSED	58,500	58,500	(4,660)	56,938	1,562	97%	
Total 50305 - IOMF Fuel Tanks	250,000	250,000	-	53,380	196,620	21%	10%
Total 50409 - Bus Fleet Cameras	149,500	149,500	-	-	149,500	0%	
Total 50410 - AVL Systems	200,000	200,000	-	100,648	99,352	50%	
Total 50507 - Fleet {2016}	1,250,000	1,250,000	2,880	1,176,249	73,751	94%	
Total 50510 - Fleet {2017}	1,550,000	1,885,000	-	-	1,885,000	0%	
Total 50601 - Scheduling Software (Bus)	250,000	250,000	-	28,125	221,875	11%	
Total 5 - Bus Capital Projects	3,708,000	4,043,000	(1,780)	1,415,340	2,627,660	35%	
6 - Rail Construction							
Total 61406.1 - Positive Train Control Implementation	-	16,720,141	42,433	12,030,254	4,689,887	72%	70%
Total 61708 - Lewisville Bike Trail	3,099,856	2,146,355	-	2,087,514	58,841	97%	97%
Total 61209 - Trinity Mills Crew Facility	250,000	310,000	-	302,063	7,937	97%	22%
Total 61210 - Station Landscaping	75,000	485,000	-	403,167	81,833	83%	
61713-1 - Rail Facility Flume Repair {2015 Flood}							
61713-1.01 - Operating Revenue	-	-	-	(87,059)	87,059	0%	
Total 61713-1 - Rail Facility Flume Repair {2015 Flood}	325,482	325,482	6,988	204,826	120,656	63%	100%
Total 61713-2 - Grade Crossing Replacements {2015 Flood}	2,157,760	2,157,760	20,549	1,916,217	241,543	89%	100%
61713-3 - Hebron Signal House {2015 Flood}							
61713-3.01 - Operating Revenue	-	-	-	(116,060)	116,060	0%	
Total 61713-3 - Hebron Signal House {2015 Flood}	122,000	122,000	-	109,699	12,301	90%	95%
Total 61713-4 - Ballast Undercutting {2015 Flood}	761,600	761,600	-	581,548	180,052	76%	100%
Total 61713-5 - Pockrus Page {2015 Flood}	623,000	623,000	1,489	118,994	504,006	19%	10%
Total 61714 - Rail Capital Maintenance	3,970,430	3,442,430	217,660	567,007	2,875,423	16%	16%
Total 61715 - Trail Safety Improvements	139,657	81,157	-	-	81,157	0%	
Total 61716 - Lewisville Bike Trail - Eagle Point Section	2,995,873	2,995,873	-	42,012	2,953,861	1%	3%
Total 61717 - Valley Ridge Crossing	1,000,000	1,000,000	260,101	260,101	739,899	26%	80%
Total 61605 - Brownfield Remediation	60,000	60,000	-	-	60,000	0%	
Total 61606 - Rail Crossing Study	73,000	73,000	-	-	73,000	0%	15%
Total Rail Construction Projects	15,653,658	31,303,798	549,219	18,623,402	12,680,396	59%	
Total 1660 - Construction Work in Progress	22,597,500	39,355,630	562,617	20,484,070	18,871,560	52%	

**Board of Directors Memo**

October 26, 2017

Subject: Sales Tax Report**Background**

Sales tax represents the single largest source of revenue for DCTA at 52.43% for FY17 budget. The annual sales tax revised budget for FY 2017 is \$25,624,601. Because of its importance in funding of DCTA's ongoing operations, the Board adopted a Budget Contingency Plan that outlines the Agency's response when declines in sales tax hit a specific target.

This month, receipts were unfavorable compared to budget by 6.44%. At revised budget, we increased sales tax by \$1M and the additional funds were allocated to the remaining months of the fiscal year which calculated to be \$200k additional for the months of July-November (sales tax received). The October allocation is for sales generated in the month of August and represents revenue for the eleventh month of FY 2017. Overall, the sales tax received for the agency reflects an increase of 5.07% year to date for FY17.


- Sales tax for sales generated at retail in the month of August and received in October was \$2,260,569.
- This represents a decrease of 6.44% or \$155,645 compared to budget for the month.
- Compared to the same month last year, sales tax receipts are \$131,694 or 6.19% higher.
- Member city collections for the month compared to prior year are as follows:
 - City of Lewisville up 4.39%
 - City of Denton up 4.75%
 - Highland Village up 12.05%

Need

Provides the Board of Directors a monthly status on Sales Tax collections.

Recommendation

For information only. No action required.

Final Review:

Anna Mosqueda,
CFO

Denton County Transportation Authority (DCTA)
Sales Tax Report
Budget to Actual and Previous Year Comparison

Sales Generated in Month of:	Received in Month of:	2016-2017 Year Budget	2016-2017 Year Actual	Variance Actual to Budget	CY Actual to CY Budget % Variance	2015-2016 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 1,969,968	\$ 1,978,638	\$ 8,670	0.44%	\$ 1,821,854	\$ 156,784	8.61%
November	January	\$ 1,969,968	\$ 2,170,262	\$ 200,294	10.17%	\$ 1,959,303	\$ 210,959	10.77%
December	February	\$ 2,462,460	\$ 2,793,331	\$ 330,871	13.44%	\$ 2,669,055	\$ 124,276	4.66%
January	March	\$ 1,723,722	\$ 1,908,263	\$ 184,541	10.71%	\$ 1,637,497	\$ 270,767	16.54%
February	April	\$ 1,723,722	\$ 2,006,450	\$ 282,727.60	16.40%	\$ 1,776,656	\$ 229,793	12.93%
March	May	\$ 2,216,214	\$ 2,408,823	\$ 192,609	8.69%	\$ 2,340,336	\$ 68,486	2.93%
April	June	\$ 1,969,968	\$ 1,987,159	\$ 17,191	0.87%	\$ 1,955,110	\$ 32,049	1.64%
May	July	\$ 2,169,968	\$ 2,219,119	\$ 49,151	2.27%	\$ 1,931,826	\$ 287,293	14.87%
June	August	\$ 2,416,214	\$ 2,588,897	\$ 172,683	7.15%	\$ 2,397,828	\$ 191,069	7.97%
July	September	\$ 2,169,968	\$ 2,063,481	\$ (106,487)	-4.91%	\$ 1,919,001	\$ 144,480	7.53%
August	October	\$ 2,416,214	\$ 2,260,569	\$ (155,645)	-6.44%	\$ 2,128,874	\$ 131,694	6.19%
September	November	\$ 2,416,215				\$ 2,281,816		
YTD Total		\$ 25,624,601	\$ 24,384,992	\$ 1,176,606	5.07%	\$ 24,819,156	\$ 1,847,652	8.20%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department

Prepared By: Denton County Transportation Authority Finance Department

October 20, 2017

Denton County Transportation Authority (DCTA)
Member Cities Sales Tax Report
Month Allocation is Received from Comptroller
Previous Year Comparison

City of Lewisville					
Sales Generated in Month of:	Received in Month of:	2015-2016 Year Actual	2016-2017 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,537,910	\$ 2,795,751	\$ 257,840	10.16%
November	January	\$ 2,541,494	\$ 2,867,155	\$ 325,661	12.81%
December	February	\$ 3,661,985	\$ 3,849,204	\$ 187,218	5.11%
January	March	\$ 2,441,184	\$ 2,709,531	\$ 268,347	10.99%
February	April	\$ 2,533,341	\$ 2,892,939	\$ 359,598	14.19%
March	May	\$ 3,373,295	\$ 3,480,828	\$ 107,533	3.19%
April	June	\$ 2,982,209	\$ 2,722,621	\$ (259,588)	-8.70%
May	July	\$ 2,781,814	\$ 3,113,597	\$ 331,783	11.93%
June	August	\$ 3,395,384	\$ 3,568,239	\$ 172,856	5.09%
July	September	\$ 2,802,579	\$ 2,800,265	\$ (2,314)	-0.08%
August	October	\$ 2,907,256	\$ 3,034,967	\$ 127,711	4.39%
September	November	\$ 3,105,183			
YTD Total		\$ 35,063,635	\$ 33,835,098	\$ 1,876,645	5.87%

City of Highland Village					
Sales Generated in Month of:	Received in Month of:	2015-2016 Year Actual	2016-2017 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 290,956	\$ 298,777	\$ 7,820	2.69%
November	January	\$ 301,727	\$ 313,524	\$ 11,796	3.91%
December	February	\$ 469,889	\$ 411,143	\$ (58,746)	-12.50%
January	March	\$ 264,553	\$ 255,642	\$ (8,910)	-3.37%
February	April	\$ 233,938	\$ 253,856	\$ 19,918	8.51%
March	May	\$ 330,255	\$ 328,214	\$ (2,041)	-0.62%
April	June	\$ 265,293	\$ 268,006	\$ 2,713	1.02%
May	July	\$ 288,202	\$ 307,851	\$ 19,650	6.82%
June	August	\$ 369,689	\$ 373,101	\$ 3,412	0.92%
July	September	\$ 271,812	\$ 273,047	\$ 1,235	0.45%
August	October	\$ 279,518	\$ 313,211	\$ 33,693	12.05%
September	November	\$ 329,430			
YTD Total		\$ 3,695,262	\$ 3,396,371	\$ 30,540	0.91%

City of Denton					
Sales Generated in Month of:	Received in Month of:	2015-2016 Year Actual	2016-2017 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,246,579	\$ 2,451,245	\$ 204,666	9.11%
November	January	\$ 2,342,199	\$ 2,918,947	\$ 576,747	24.62%
December	February	\$ 3,372,458	\$ 3,727,632	\$ 355,174	10.53%
January	March	\$ 1,869,754	\$ 2,397,941	\$ 528,187	28.25%
February	April	\$ 2,128,444	\$ 2,442,743	\$ 314,299	14.77%
March	May	\$ 2,842,993	\$ 3,099,631	\$ 256,638	9.03%
April	June	\$ 2,317,882	\$ 2,602,704	\$ 284,821	12.29%
May	July	\$ 2,405,495	\$ 2,729,539	\$ 324,044	13.47%
June	August	\$ 3,157,640	\$ 3,351,192	\$ 193,553	6.13%
July	September	\$ 2,260,102	\$ 2,734,634	\$ 474,531	21.00%
August	October	\$ 2,775,088	\$ 2,906,837	\$ 131,750	4.75%
September	November	\$ 3,026,800			
YTD Total		\$ 30,745,434	\$ 31,363,044	\$ 3,644,410	13.15%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
October 20, 2017

**All Transit Agencies
Monthly Sales and Use Tax Comparison Summary**

Transit	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	Payments YTD (Calendar)	Prior Year Payments YTD (Calendar)	% Change
Austin MTA	1.00%	\$18,588,273.44	\$17,742,058.64	4.76%	\$190,899,055.38	\$184,786,263.86	3.30%
Corpus Christi MTA	0.50%	\$2,394,858.51	\$2,497,074.90	-4.09%	\$26,188,657.24	\$26,402,636.84	-0.81%
Dallas MTA	1.00%	\$45,133,198.10	\$44,309,242.19	1.85%	\$473,069,713.03	\$452,908,573.85	4.45%
Denton CTA	0.50%	\$2,260,568.52	\$2,128,874.04	6.18%	\$22,406,353.97	\$20,715,486.13	8.16%
El Paso CTD	0.50%	\$3,415,153.26	\$3,260,273.24	4.75%	\$35,403,587.50	\$34,959,052.26	1.27%
Fort Worth MTA	0.50%	\$5,992,175.48	\$5,747,265.70	4.26%	\$61,497,291.12	\$57,296,178.27	7.33%
Houston MTA	1.00%	\$50,331,328.21	\$52,714,179.98	-4.52%	\$578,677,056.41	\$571,898,843.21	1.18%
Laredo CTD	0.25%	\$627,818.78	\$611,457.73	2.67%	\$6,414,633.36	\$6,310,380.36	1.65%
San Antonio ATD	0.25%	\$5,070,821.36	\$5,254,379.06	-3.49%	\$53,868,876.20	\$52,423,735.08	2.75%
San Antonio MTA	0.50%	\$11,203,569.66	\$11,554,844.62	-3.04%	\$118,857,263.26	\$115,286,771.66	3.09%
TOTALS		\$145,017,765.32	\$145,819,650.10	-0.55%	\$1,567,282,487.47	\$1,522,987,921.52	2.91%

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department
Prepared By: Denton County Transportation Authority Finance Department
October 20, 2017

FirstSouthwest
AssetManagement
A Hilltop Holdings Company.



Investment Portfolio Summary

Denton County Transportation Authority



For the Quarter Ended
September 30, 2017

Prepared by
FirstSouthwest Asset Management

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Certification Page
Executive Summary
Benchmark Comparison
Detail of Security Holdings
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Amortization and Accretion
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MARKET RECAP -SEPTEMBER 2017:

As September began the nation was focused on the devastation wrought by Hurricane Harvey along the Texas Gulf coast, followed quickly by fears of what Hurricane Irma would bring in Florida. But as Houston and the surrounding area began to dry out and Irma did less damage than initially feared, market focus shifted back to economic data, geopolitics, and the Fed. The August employment report showed nonfarm payrolls rose by just +156k in August, falling short of the +180k median forecast, while the previous two months were revised downward by a combined -41k. The unemployment rate climbed from 4.3% to 4.4% while average hourly earnings rose +0.1%, half the expected +0.2% gain, holding the year-over-year increase at a tepid +2.5%. The ISM manufacturing index climbed from 56.3 to 58.8, the highest level in more than six years. The non-manufacturing ISM survey showed the outlook for purchasing managers in the service sector had improved in August, rising from an 11-month low of 53.9 to 55.3. An unexpected decline in August retail sales and downward revisions to the previous two months indicate Americans tempered their spending during the summer months. Retail sales fell -0.2% in August, well below the +0.1% median forecast. The retail sales control group, used in GDP calculations, fell by -0.1% in August while July's original +0.6% showing was revised down to +0.3% suggesting weaker economic growth and refuting the notion that August's sluggishness could be blamed on Harvey. The August Consumer Price Index (CPI) rose +0.4% due in part to higher energy prices, while core CPI rose +0.2%, the biggest advance since February. On a year-on-year basis, the headline consumer inflation rate rose from +1.7% to +1.9%, while core CPI was unchanged at +1.7%. Energy prices are likely to move higher in September as the hurricane effects assert themselves. In fact, hurricane effects will be skewing a wide range of data in the coming months.

In other news, Congress came together long enough to pass a hurricane relief bill that included a continuing resolution to fund the government through mid-December, as well as a debt ceiling suspension that kicks the can down the road until the second quarter of 2018. North Korea detonated a hydrogen bomb estimated to be 10 times the strength of the nuclear bomb dropped on Hiroshima. This threat and the bombastic rhetoric between President Trump and Kim Jong-Un is ongoing. The FOMC's September meeting went exactly as expected with the Fed electing to hold the fed funds rate unchanged within a target range of 1.0% to 1.25% and also announcing a late October start date for the gradual reduction of its \$4.5 trillion portfolio. Somewhat surprisingly, the Fed dot plot continues to call for another 25 basis point rate hike before the end of this year, three more 25 basis point hikes in 2018, two in 2019 and one in 2020. The message from the FOMC was slightly more hawkish than markets had expected and the result was a sell-off in bonds that sent yields sharply higher through month end. The two-year Treasury note, after reaching a low of 1.27% in early September, closed the month at 1.49% while the ten-year went from 2.04% to 2.34%. Stock markets continued their march higher with all three of the major indices closing September at, or very near, record highs.


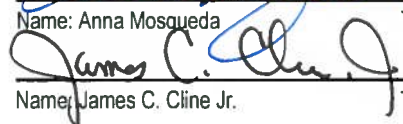
Denton County Transportation Authority
Investment Officers' Certification

For the Quarter Ended
September 30, 2017

This report is prepared for the **Denton County Transportation Authority** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

Officer Names and Titles:

	
Name: Anna Mosqueda	Title: Chief Financial Officer
	
Name: James C. Cline Jr.	Title: Chief Executive Officer

Account Summary

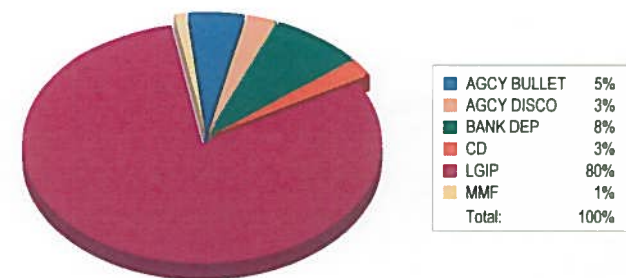
Allocation by Security Type

Beginning Values as of 06/30/17

Ending Values as of 09/30/17

Par Value	20,739,061.27	19,583,645.68
Market Value	20,733,077.05	19,580,158.41
Book Value	20,734,864.06	19,581,129.35
Unrealized Gain /(Loss)	(1,787.01)	(970.94)
Market Value %	99.99%	100.00%

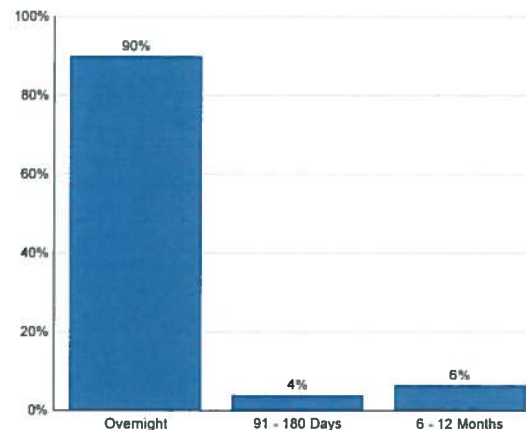
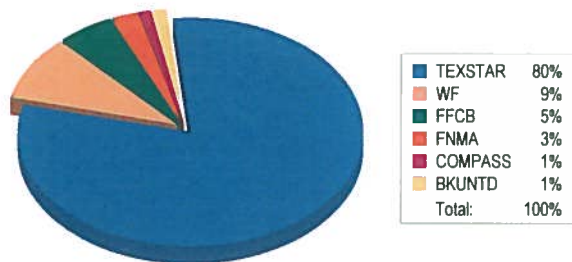
Weighted Avg. YTW	0.802%	0.967%
Weighted Avg. YTM	0.802%	0.967%



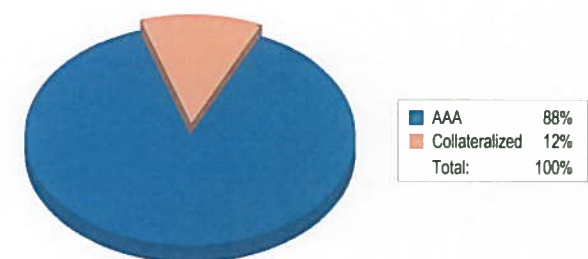
Allocation by Issuer

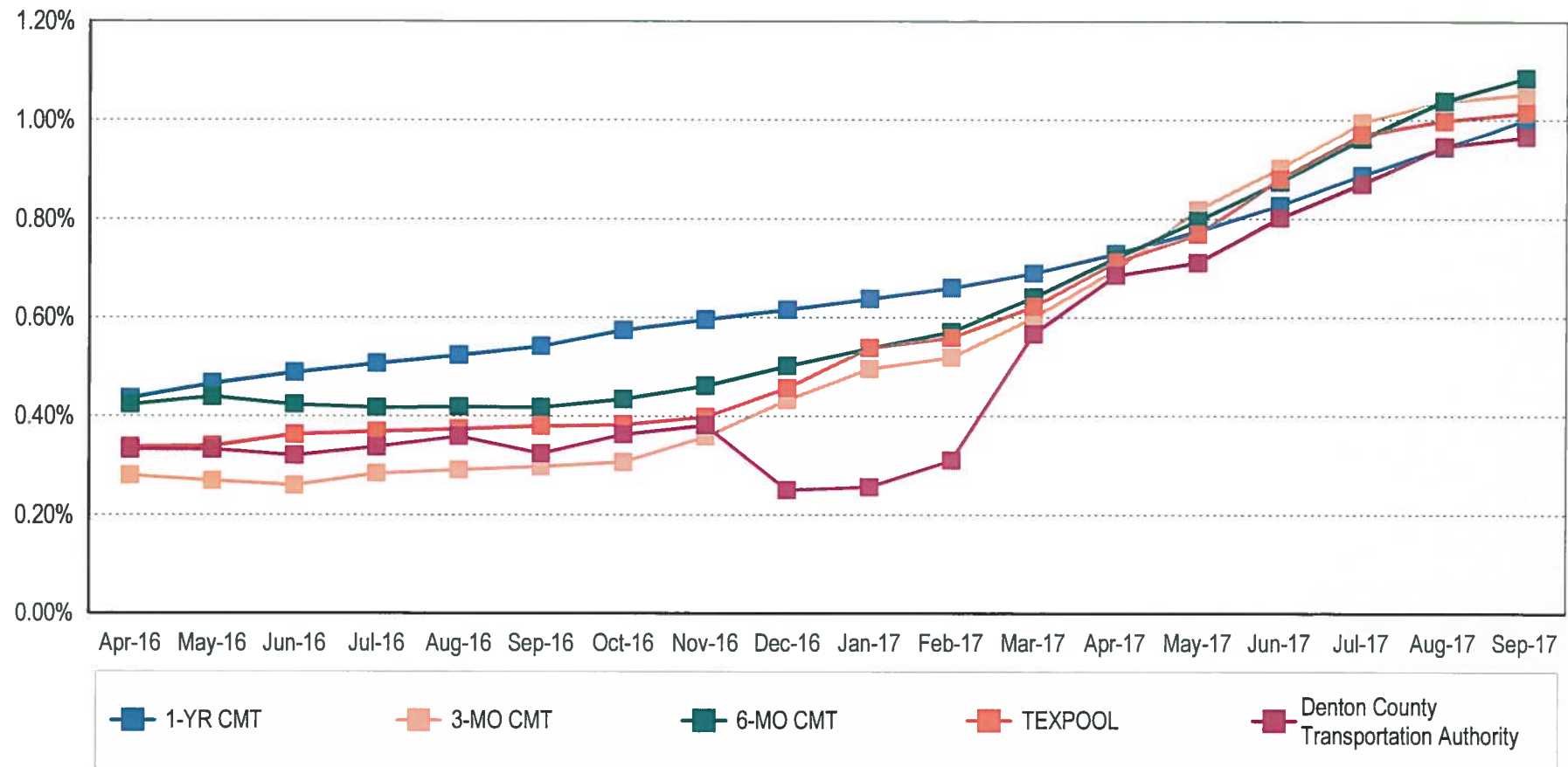
Maturity Distribution %

Credit Quality



Weighted Average Days to Maturity: 23





Note 1: CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

Note 2: Benchmark data for TexPool is the monthly average yield.

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
2011 Bond Fund																	
WF-MANA		BANK DEP	Wells Fargo Managed Rate					1,597,832.21	100.000	1,597,832.21	1,597,832.21	100.000	1,597,832.21	1		0.140	0.140
Total for 2011 Bond Fund								1,597,832.21	100.000	1,597,832.21	1,597,832.21	100.000	1,597,832.21	1		0.140	0.140
Bond Fund																	
TEXSTAR		LGIP	TexSTAR					5,580.33	100.000	5,580.33	5,580.33	100.000	5,580.33	1		1.038	1.038
Total for Bond Fund								5,580.33	100.000	5,580.33	5,580.33	100.000	5,580.33	1		1.038	1.038
Operating Fund																	
WF-SWEEP		MMF	Wells Fargo Sweep					239,819.07	100.000	239,819.07	239,819.07	100.000	239,819.07	1		0.000	0.000
Total for Operating Fund								239,819.07	100.000	239,819.07	239,819.07	100.000	239,819.07	1		0.000	0.000
Reserve Fund																	
TEXSTAR		LGIP	TexSTAR					8,366,080.83	100.000	8,366,080.83	8,366,080.83	100.000	8,366,080.83	1		1.038	1.038
313313SE9	04/13/17	AGCY DISCO	FFCB		01/24/18			500,000.00	99.166	495,829.17	498,322.92	99.658	498,290.00	116		1.059	1.059
20451PQM1	02/16/17	CD	BBVA Compass Bk CD	1.000	03/15/18			248,000.00	100.000	248,000.00	248,000.00	99.896	247,741.58	166		1.004	1.004
3135G0WJ8	06/14/17	AGCY BULET	FNMA	0.875	05/21/18			500,000.00	99.641	498,207.00	498,774.78	99.750	498,750.50	233		1.261	1.261
3133EDGW6	03/08/17	AGCY BULET	FFCB	1.300	06/11/18			500,000.00	100.139	500,695.00	500,385.97	99.999	499,997.00	254		1.188	1.188
066519DA4	03/29/17	CD	BankUnited CD	1.400	09/28/18			248,000.00	100.000	248,000.00	248,000.00	99.893	247,733.65	363		1.400	1.400
Total for Reserve Fund								10,362,080.83	99.949	10,356,812.00	10,359,564.50	99.966	10,358,593.56	43		1.065	1.065
Sales Tax Fund																	
TEXSTAR		LGIP	TexSTAR					7,378,333.24	100.000	7,378,333.24	7,378,333.24	100.000	7,378,333.24	1		1.038	1.038
Total for Sales Tax Fund								7,378,333.24	100.000	7,378,333.24	7,378,333.24	100.000	7,378,333.24	1		1.038	1.038

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
Total for Denton County Transportation Authority									19,583,645.68	99.973	19,578,376.85	19,581,129.35	99.982	19,580,158.41	23	0.967	0.967

CUSIP	Security Type	Security Description	06/30/17 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	09/30/17 Book Value	06/30/17 Market Value	09/30/17 Market Value	Change in Mkt Value
2011 Bond Fund											
WF-MANA	BANK DEP	Wells Fargo Managed Rate	1,958,452.90	0.00	(360,620.69)	0.00	0.00	1,597,832.21	1,958,452.90	1,597,832.21	(360,620.69)
Total for 2011 Bond Fund			1,958,452.90	0.00	(360,620.69)	0.00	0.00	1,597,832.21	1,958,452.90	1,597,832.21	(360,620.69)
Bond Fund											
TEXSTAR	LGIP	TexSTAR	1,515,985.37	683,420.67	(2,193,825.71)	0.00	0.00	5,580.33	1,515,985.37	5,580.33	(1,510,405.04)
Total for Bond Fund			1,515,985.37	683,420.67	(2,193,825.71)	0.00	0.00	5,580.33	1,515,985.37	5,580.33	(1,510,405.04)
Operating Fund											
WF-MANA	BANK DEP	Wells Fargo Managed Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WF-SWEEP	MMF	Wells Fargo Sweep	548,789.33	564,114.81	(873,085.07)	0.00	0.00	239,819.07	548,789.33	239,819.07	(308,970.26)
Total for Operating Fund			548,789.33	564,114.81	(873,085.07)	0.00	0.00	239,819.07	548,789.33	239,819.07	(308,970.26)
Reserve Fund											
TEXSTAR	LGIP	TexSTAR	8,344,645.79	21,435.04	0.00	0.00	0.00	8,366,080.83	8,344,645.79	8,366,080.83	21,435.04
WF-PREM	BANK DEP	Wells Fargo Premium Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
313313SE9	AGCY DISCO	FFCB 0.000 01/24/18	496,981.25	0.00	0.00	1,341.67	0.00	498,322.92	496,782.50	498,290.00	1,507.50
20451PQM1	CD	BBVA Compass Bk CD 1.000 03/15/18	248,000.00	0.00	0.00	0.00	0.00	248,000.00	247,611.63	247,741.58	129.95
3135G0WJ8	AGCY BULET	FNMA 0.875 05/21/18	498,297.21	0.00	0.00	477.57	0.00	498,774.78	498,285.00	498,750.50	465.50
3133EDGW6	AGCY BULET	FFCB 1.300 06/11/18	500,524.33	0.00	0.00	(138.36)	0.00	500,385.97	499,386.50	499,997.00	610.50
066519DA4	CD	BankUnited CD 1.400 09/28/18	248,000.00	0.00	0.00	0.00	0.00	248,000.00	247,950.15	247,733.65	(216.50)
Total for Reserve Fund			10,336,448.58	21,435.04	0.00	1,680.88	0.00	10,359,564.50	10,334,661.57	10,358,593.56	23,931.99
Sales Tax Fund											
TEXSTAR	LGIP	TexSTAR	6,375,187.88	1,938,596.08	(935,450.72)	0.00	0.00	7,378,333.24	6,375,187.88	7,378,333.24	1,003,145.36
Total for Sales Tax Fund			6,375,187.88	1,938,596.08	(935,450.72)	0.00	0.00	7,378,333.24	6,375,187.88	7,378,333.24	1,003,145.36

CUSIP	Security Type	Security Description	06/30/17 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	09/30/17 Book Value	06/30/17 Market Value	09/30/17 Market Value	Change in Mkt Value
<hr/>											
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Total for Denton County Transportation Authority			20,734,864.06	3,207,566.60	(4,362,982.19)	1,680.88	0.00	19,581,129.35	20,733,077.05	19,580,158.41	(1,152,918.64)

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
2011 Bond Fund									
WF-MANA	BANK DEP	Wells Fargo Managed Rate	0.00	616.95	616.95	0.00	0.00	0.00	616.95
Total for 2011 Bond Fund			0.00	616.95	616.95	0.00	0.00	0.00	616.95
Bond Fund									
TEXSTAR	LGIP	TexSTAR	0.00	3,800.71	3,800.71	0.00	0.00	0.00	3,800.71
Total for Bond Fund			0.00	3,800.71	3,800.71	0.00	0.00	0.00	3,800.71
Operating Fund									
Total for Operating Fund			0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserve Fund									
TEXSTAR	LGIP	TexSTAR	0.00	21,435.04	21,435.04	0.00	0.00	0.00	21,435.04
313313SE9	AGCY DISCO	FFCB 0.000 01/24/18	0.00	0.00	0.00	0.00	0.00	1,341.67	1,341.67
20451PQM1	CD	BBVA Compass Bk CD 1.000 03/15/18	924.05	625.10	1,229.81	0.00	319.34	0.00	625.10
3135G0WJ8	AGCY BULET	FNMA 0.875 05/21/18	486.11	1,093.75	0.00	0.00	1,579.86	477.57	1,571.32
3133EDGW6	AGCY BULET	FFCB 1.300 06/11/18	361.11	1,625.00	0.00	0.00	1,986.11	(138.36)	1,486.64
066519DA4	CD	BankUnited CD 1.400 09/28/18	894.16	875.13	0.00	0.00	1,769.29	0.00	875.13
Total for Reserve Fund			2,665.43	25,654.02	22,664.85	0.00	5,654.60	1,680.88	27,334.90
Sales Tax Fund									
TEXSTAR	LGIP	TexSTAR	0.00	17,328.76	17,328.76	0.00	0.00	0.00	17,328.76
Total for Sales Tax Fund			0.00	17,328.76	17,328.76	0.00	0.00	0.00	17,328.76
Total for Denton County Transportation Authority			2,665.43	47,400.44	44,411.27	0.00	5,654.60	1,680.88	49,081.32

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
Reserve Fund															
Income Payments															
08/15/17	08/15/17	20451PQM1	CD	BBVA Compass Bk CD	1.000	03/15/18				0.00	1,229.81	1,229.81			
Total for: Income Payments										0.00	1,229.81	1,229.81			

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
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Total for All Portfolios

Transaction Type	Quantity	Total Amount	Realized G/L	YTM	YTW
Total Income Payments	0.00	1,229.81			

CUSIP	Settle Date	Security Type	Security Description	Next Call Date	Purchase Qty	Orig Price	Original Cost	Amrt/Accr for Period	Total Amrt/Accr Since Purch	Remaining Disc / Prem	Book Value
Reserve Fund											
313313SE9	04/13/17	AGCY DISCO	FFCB 0.000 01/24/18		500,000.00	99.166	495,829.17	1,341.67	2,493.75	1,677.08	498,322.92
20451PQM1	02/16/17	CD	BBVA Compass Bk CD 1.000 03/15/18		248,000.00	100.000	248,000.00	0.00	0.00	0.00	248,000.00
3135G0WJ8	06/14/17	AGCY BULET	FNMA 0.875 05/21/18		500,000.00	99.641	498,207.00	477.57	567.78	1,225.22	498,774.78
3133EDGW6	03/08/17	AGCY BULET	FFCB 1.300 06/11/18		500,000.00	100.139	500,695.00	(138.36)	(309.03)	(385.97)	500,385.97
066519DA4	03/29/17	CD	BankUnited CD 1.400 09/28/18		248,000.00	100.000	248,000.00	0.00	0.00	0.00	248,000.00
Total for Reserve Fund					1,996,000.00		1,990,731.17	1,680.88	2,752.50	2,516.33	1,993,483.67
Total for Denton County Transportation Authority					1,996,000.00		1,990,731.17	1,680.88	2,752.50	2,516.33	1,993,483.67

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
Reserve Fund						
3135G0WJ8	AGCY BULET	FNMA 0.875 05/21/18	11/21/17	2,187.50	0.00	2,187.50
3133EDGW6	AGCY BULET	FFCB 1.300 06/11/18	12/11/17	3,250.00	0.00	3,250.00
313313SE9	AGCY DISCO	FFCB 0.000 01/24/18	01/24/18	0.00	500,000.00	500,000.00
20451PQM1	CD	BBVA Compass Bk CD 1.000 03/15/18	02/15/18	1,240.00	0.00	1,240.00
20451PQM1	CD	BBVA Compass Bk CD 1.000 03/15/18	03/15/18	190.24	248,000.00	248,190.24
066519DA4	CD	BankUnited CD 1.400 09/28/18	03/29/18	1,721.73	0.00	1,721.73
Total for Reserve Fund				8,589.47	748,000.00	756,589.47

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
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Total for All Portfolios

November 2017	2,187.50	0.00	2,187.50
December 2017	3,250.00	0.00	3,250.00
January 2018	0.00	500,000.00	500,000.00
February 2018	1,240.00	0.00	1,240.00
March 2018	1,911.97	248,000.00	249,911.97
Total Projected Cash Flows for Denton County Transportation Authorit	8,589.47	748,000.00	756,589.47



Asset Management Economic Summary — 3rd Quarter 2017

“The important thing to keep in mind is that Yellen and the Fed have long insisted that any actual changes in monetary policy will be data dependent, and the data they’re likely to have on hand in the coming months has been rendered unreliable by the hurricanes.”

		Fed Funds	3 mo T-bill	6 mo T-bill	2 yr T-note	5 yr T-note	10 yr T-note
Last	6/30/17	1.00%	1.01%	1.13%	1.38%	1.85%	2.31%
High			1.17%	1.19%	1.49%	1.95%	2.41%
Low			0.98%	1.07%	1.26%	1.63%	2.39%
End	9/30/17	1.00%	1.05%	1.19%	1.49%	1.94%	2.33%

Second-quarter annualized GDP growth, originally reported at +2.7%, was eventually revised upward to +3.1%. Third-quarter growth began on an even more promising note, tracking around +4.0% in late July, according to the Atlanta Fed's GDPNow measure. Unfortunately, three monster storms rewrote the economic story of the quarter, and in all likelihood clouded up growth for the next several quarters. Hurricane Harvey began innocently as an unnamed tropical wave on August 17th and within five days had mostly dissipated ...before regenerating and rapidly intensifying into a Category 4 hurricane that smashed into Rockport Texas on August 26th, packing winds of 130 mph. It was the first major hurricane to make landfall in the U.S. in 12 years and the strongest to hit Texas since Carla in 1961. But, as damaging as the winds were, it was severe flooding particularly in the Greater Houston area that drew the attention of the media. The 51 inches of rain poured on Cedar Bayou on the outskirts of Houston was a record high for a single storm in the continental United States. In a four-day period, the slow-moving storm dumped more than 20 trillion gallons of rain on Texas and Louisiana. ABC News pointed out that this massive deluge could meet New York City's water needs for five decades.

Hurricane Irma formed as a tropical wave on August 30th and within six days had strengthened to a monster Category 5 storm with maximum sustained winds of 185 mph, the second strongest Atlantic hurricane on record. After tearing through the Caribbean islands of Barbuda, Anguilla, St. Martin and the British Virgin Islands, Irma took aim at Miami, prompting the mandatory evacuation of 650,000 Dade County residents. The hurricane mercifully weakened before making landfall in the Florida Keys in the early morning hours of September 10th with winds of 130

mph. The path had veered enough to spare Miami a direct hit, but Tampa became the next target as the storm moved up the western Florida coast. By the time Irma reached Tampa, it had been downgraded to a Category 2 storm. And unlike Harvey, Irma passed through quickly, sparing Florida the biblical flooding that Greater Houston had endured.

The Houston Chronicle reported that Harvey had claimed the lives of 75 Texans, while deaths attributed to Irma had climbed to 72. Damage estimates were all over the board, but AccuWeather (on the high side) projected total Harvey damages at \$190 billion and Irma around \$100 billion. An estimated one million vehicles and 200,000 homes were damaged or destroyed, with 80% of the homes in Texas having no flood insurance. Standard homeowner policies cover damage from winds, but not from rain or flood waters. Many Houston area homes weren't located in high-risk flood zones, so few homeowners chose to, or were able to, add the high-priced additional coverage. Over 90% of flood insurance comes from the National Flood Insurance Program (NFIP), which was \$24 billion in debt *before* Harvey hit. When there's no coverage in place, the Federal Emergency Management Agency (FEMA) is supposed to assist in everything from cleanup and reconstruction to temporary housing and disaster-related medical expenses. By mid-September, FEMA had received nearly 750,000 applications for Harvey-related assistance and another 150,000 applications related to Irma. Within a week, FEMA's disaster relief fund was nearly depleted.

On September 20th, Hurricane Maria slammed the Commonwealth of Puerto Rico with 155 mph winds. The Category 4 storm, the strongest to hit the island in 80 years, completely severed the power grid and caused an estimated \$30 billion in damage, an extraordinary number roughly equivalent to 10% of its GDP. According to Bloomberg News, 80% of the island's agriculture crop was destroyed with virtually every remaining tree stripped of its leaves and bark. This U.S. territory that was already suffering greatly. CNN Money reported in May that only one in four Puerto Ricans have a full-time job, the poverty rate is over 40%, and economic growth has contracted in

seven of the last 10 years. Puerto Rico recently sought bankruptcy protection from \$74 billion in unpayable debt and before being crushed by Maria, took a major hit from Irma. What makes Puerto Rico unique, besides being broke and devastated, is that people born on the island are natural-born U.S. citizens; they pay U.S. taxes and receive Social Security, Medicare, and Medicaid but can't vote in national elections.

All this detail on the hurricane destruction is intended to show the urgency and related repair costs. Although insurance companies, as well as state and local governments, will take a severe financial hit, much of the responsibility will fall to the federal government. Texas Governor Abbott estimated Harvey damages at \$150 billion, but the state's \$10 billion "rainy day fund" won't be tapped until the legislature next meets in 2019. Congress quickly approved \$7.4 billion in HUD disaster-relief funds, but this will have to be shared with Puerto Rico and other areas of the country.

There's been endless debate about the effects the trio of storms will have on the economy. A common belief many years ago seemed to be that national disasters were positive for the economy as rebuilding provided stimulus dollars and boosted employment in cleanup, construction, and repair. Increases in GDP in the quarters following major disasters would seem to validate this, but the reality is while reconstruction is captured in the GDP calculation, the destruction itself is not. And, as Hoisington Investment Management's Chief Economist Lacy Hunt recently pointed out, hurricane rebuilding doesn't create a new income stream, it only restores the previously existing one. The ultimate effect is to weaken the economy both nationally and in the affected states.

It also further complicates the federal budget discussion. The elephant in the room for months has been the debt ceiling. The federal government was expected to run out of cash in early October unless the borrowing limit was raised. Despite the fact that the debt limit has been lifted or extended 84 times since 1917, the possibility of default becomes increasingly real as the deadline approaches. Fortunately, political posturing and any frantic negotiations were postponed in early September when President Trump surprised Republican leaders by negotiating a proposal with the Democrats to provide \$15 billion in emergency aid to Hurricane victims while suspending the debt ceiling until mid-December. This was a relief to the markets, contributing to a stock rally that seemingly knows no end. However, the debate itself isn't over, and the underlying issues are becoming more complicated by the day.

Next up is tax reform, and in late September President Trump unveiled his plan, which would reduce the corporate tax rate from 35% to 20%, collapse the number of individual tax brackets from seven to three, lower the highest rate from 39.6% to 35%, and raise the lowest from 10% to 12%. It also proposes to double the standard deduction to \$12,000 for individuals and \$24,000 for married couples, increase the child tax credit and create a brand new tax credit for non-child dependents. The alternative minimum tax and the estate tax (aka the "death tax") would also disappear under the plan. The cost, according to Republican number crunchers, is \$2.4 trillion over 10 years, and the intent is that it will be "revenue neutral." One of the targeted cuts is the municipal tax deduction, which would save the Federal government \$1.3 trillion over 10 years. Unfortunately, investors in muni bonds would require higher yields to compensate for the lack of tax benefit, which would in turn raise financing costs for state and local governments.

On the global front, President Trump and North Korean Leader Kim Jong-un traded a new round of verbal barbs in September after North Korea upped the ante by announcing it had successfully tested a hydrogen bomb. Oddly enough, the markets immediately dismissed the threat of a military conflict.

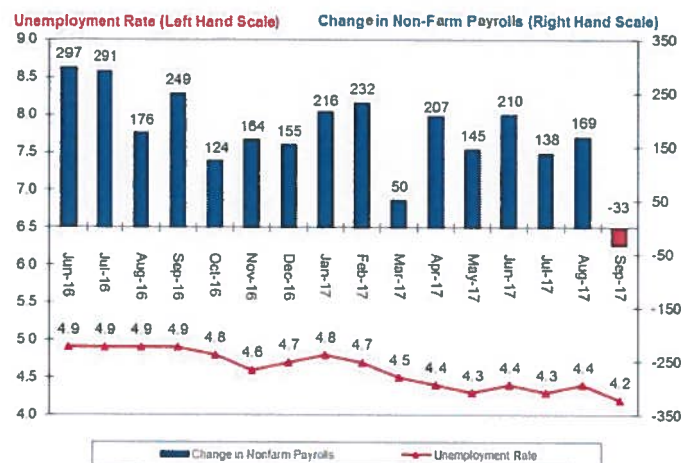
It was relatively calm in Europe for most of the quarter, but signs of future European instability emerged late last month. Although Angela Merkel easily won a fourth term as German Chancellor, a nationalist anti-immigration party took a significant number of seats. This is likely to lessen her effectiveness in forming and holding coalitions. And on September 30th, Spanish military police injured hundreds of Catalan citizens voting in a referendum declaring their independence from Spain. The vote was 90% in favor of leaving. Without going into great detail, this is another challenge to the long-term stability of the Eurozone.

For the time being, economies around the world are showing welcomed improvement. First-half GDP growth in the Eurozone was +2.0%, while Canada grew by +2.6%, Japan +1.6%, and China +6.8%. According to The Wall Street Journal, all 45 of the world's major economies are now expanding at the same time. This rare occurrence last happened in 2007. It's too early to measure third-quarter growth, but the indicators are bright. Germany's Purchasing Managers Index (PMI) topped the 60 mark in August, while Japan's PMI was the strongest in 10 years. European Central Bank economists are forecasting +2.2% GDP growth for the Eurozone in 2017. If this is indeed the case, it would be the highest European growth rate in a decade.

The markets seem to be embracing the good news and shrugging off the bad. Tax reform might not prove to be an easy task, but the discussion itself is another positive for the markets.

EMPLOYMENT

NONFARM PAYROLLS Total Change in Thousands



The September employment report was notable, being the first outright decline in nonfarm payrolls in 84 months. The business survey showed -33k fewer jobs reported in September, with revisions subtracting another -38k from previous months. As expected, the Bureau of Labor Statistics reported that “many employees in the areas affected by the hurricanes were likely off payrolls during the reference pay period for September.” Digging deeper into the reports revealed that 105k workers in food service and drinking establishments were unable to report for work. Since these employees earn an average of just \$15.55 per hour, compared to the overall average of \$26.55, extracting these individuals from the earnings calculation contributed to elevated labor costs during the month as September average hourly earnings rose by +0.5%, matching a nine-year high. The year-over-year earnings growth rate rose from +2.5% to +2.9%, equaling an eight-year high. Although the September wage increase doesn’t seem entirely legitimate given the hurricane’s intervention, the surge did manage to increase the probability of a Fed rate hike in December.

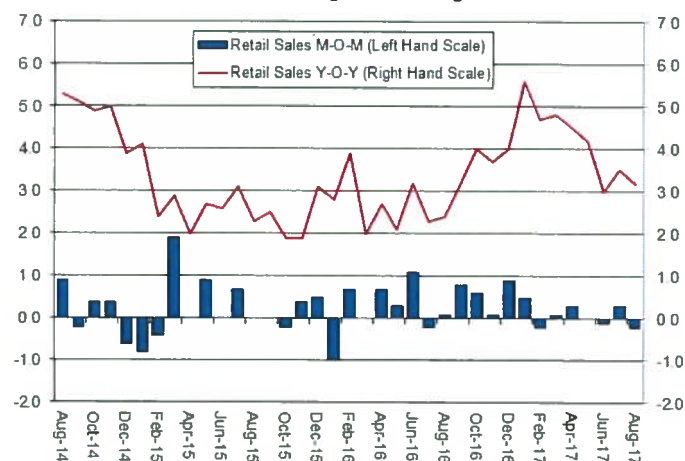
On the household side, the total labor force grew by +575k while a stunning +906k found work. Unlike in the company survey, the BLS cited “no discernable effect” from the hurricanes in the household survey. This surprisingly strong employment growth pushed headline unemployment from 4.4% to a 16-year low of 4.2%, while the U6 unemployment rate, which includes everyone who would supposedly accept a suitable full-time position if it

became available, dropped from 8.6% to a 10-year low of 8.3%, less than half of the post-recession high from October 2009. It’s getting hard to argue that there aren’t enough jobs available; the bigger question involves the quality of those jobs. In addition to the food and bar workers mentioned previously, CNN Money reported in May that 34% of the workforce is employed in the “gig economy.” For every freelance computer programmer or developer, there are several Uber and delivery drivers, personal shoppers, tutors, and dog-walkers, many of whom would much prefer a regular full-time job with benefits.

Although not all Fed members are on the same page, a majority publicly believe the low unemployment rate will eventually result in wage inflation, which will in turn drive overall prices higher. This is justification enough for future rate hikes, but a closer look at the labor market instills doubt. There are 102 million adult Americans currently without jobs, 17 million more than before the 2008 financial crisis began and 27 million more than in early 2000. And, if everyone working part-time for economic reasons and the reluctant gig workers were excluded, the number would presumably be much worse. The labor market is not in danger of overheating.

CONSUMER SPENDING

RETAIL SALES Percentage of Change



The Federal Reserve reported in September that American household net worth had increased by another \$1.7 trillion in the second quarter to a new record \$96.2 trillion. Predictably, the increase was entirely in stocks and home values, with stock portfolios and mutual funds rising \$1.1 trillion during the quarter and home prices up another \$600 billion. However, 80% of the stock market gains accrue to 10% of the population, and the gains in home prices are regional, with much of the country still below pre-recession levels.

Another impediment to potential consumers is a quiet and ominous rise in household debt. Aggregate household debt has risen for 12 consecutive quarters and as of the second quarter of 2017 was \$164 billion higher than the Q3 2008 pre-financial crisis peak. In August, total household borrowing reached \$12.7 trillion. Credit card and auto debt are at all-time highs, and delinquencies are on the increase in both cases. The New York Fed recently described the disturbing trend in credit card defaults as “a persistent upward movement not seen since 2009.”

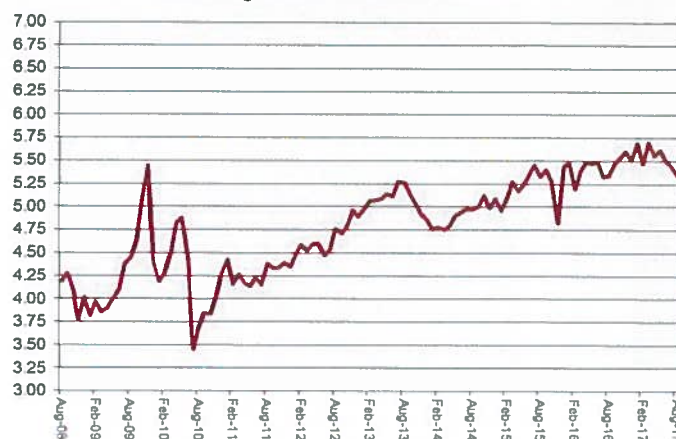
According to Bloomberg, the inflation-adjusted income for a majority of Americans is below the 1999 peak, and even the meager pick-up in earnings has been uneven. The top 20% of earners saw an inflation-adjusted increase of 27% from 1979 to 2016, while the bottom 20% experienced a 1% drop. Up to this point, many simply reduced savings and borrowed to make ends meet, but this option seems to be nearly exhausted.

The demise of brick and mortar stores continues, while e-commerce flourishes. More than 20 national brands have filed for bankruptcy so far this year, including RadioShack, Eastern Outfitters, Payless Shoes and Toys-R-Us, while Amazon posted second-quarter revenue of \$38 billion, up a whopping 25% from a year ago. But, this came at the expense of profit which plunged 77% to a minuscule \$0.40 a share. Although Amazon has been expanding its own brick and mortar footprint with fulfillment centers in cities throughout the U.S., the automation and expected efficiency of operation will ultimately translate into fewer overall retail sector jobs.

Retail sales fell -0.2% in August, much worse than the +0.1% median forecast, and large downward revisions to previous months showed consumers are still not spending at the brisk pace confidence measures have suggested. Auto sales fell -1.6% in August, continuing a severe industry downtrend. However, with an estimated half million cars flooded by the Harvey deluge (many brand new on dealer lots), vehicle sales should spike in the coming months. Likewise, building materials sales (which retreated in August) should jump later this year as cleanup and rebuilding commence. The retail sales control group, which excludes sales at auto dealers, gas stations, building materials stores and food services, fell by -0.1% in August. This is significant because the control group is used to calculate GDP, and the poor showing suggests weaker economic growth for the current quarter. The July advance was recalculated from +0.6% to +0.3%, and June from +0.3% to -0.1%. This indicates that the report's sluggishness can't be blamed entirely on Harvey.

HOUSING

HOME SALES
Existing Home Sales in Millions



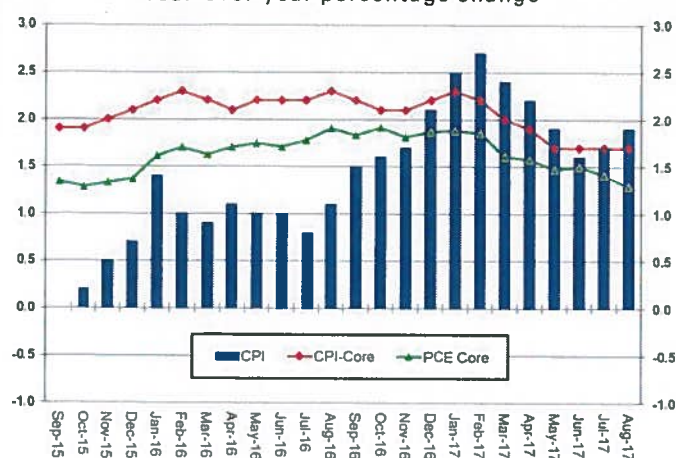
The housing recovery, although uneven, appears to be mostly complete. Excess inventory has cleared although investors and second-home buyers consumed a disproportionate share. Oddly enough, the problem now is a lack of available inventory, and overly cautious homebuilders aren't motivated enough to respond. New-home sales fell -3.4% in August to a 560k annual pace, the lowest level since December, while existing-home sales dropped another -1.7% in August to a 5.35 million unit annualized pace, a 12-month low. Real estate agents claim they would sell more if there was more to sell. The available supply of existing homes held steady at 4.2 months for the fourth consecutive report, well below the five-month tally considered normal.

The median new-home sales price fell from \$314k to \$300k in August, but is still up +0.4% from the same period last year. The median sales price on an existing home fell for the second straight month to \$253.5k but was still up +5.6% year-over-year. Housing starts fell by -0.8% in August to a 1.180k unit annualized rate, less than half of the rapid pace experienced during the bubble high back in 2006. August home sales and housing starts were clearly affected by the threat of hurricanes, and most of the future housing releases will be impacted one way or another. It's unlikely that any obvious benefit will show up in 2017.

INFLATION

The August Consumer Price Index (CPI) rose +0.4% due mostly to higher energy prices, while core CPI rose +0.2%, the biggest advance since February. On a year-over-year basis, headline CPI rose from +1.7% to +1.9%, while core CPI was unchanged at +1.7%. Energy prices are likely to move higher in September as the Hurricane effects assert themselves, but this

INFLATION INDICATORS
Year-over-year percentage change



upward movement is likely to stall and regress in future months. Interestingly, even Fed officials expect prices to moderate, adjusting their 2017 core inflation forecast downward from +1.7% to +1.5% at the September FOMC meeting. Assuming this proves to be the case, consumer inflation would fall below the Fed's +2.0% target for the fifth consecutive year. According to The Wall Street Journal, this has occurred just three times in the last century. If food, shelter and energy costs are excluded, prices on discretionary items are actually falling. This is puzzling Fed officials who may not be grasping the effects of automation and globalization on prices.

Committee members aren't as concerned with CPI as they are with the Personal Consumption Expenditures (PCE) index, but it's been six and a half years since this one was above +2.0%. The August year-over-year PCE core, at +1.3%, was the lowest in over two years. In theory, the next rate increase would boost the real fed funds rate above zero. A case could then be made that the Fed's job was complete. A few Fed officials seem to agree. A week before the September FOMC meeting, Minneapolis Fed President Neel Kashkari went as far as to say the Fed may have already harmed the economy through slower job growth, lower wage growth, and slower overall inflation. That same day, Fed Governor Lael Brainard, speaking at the New York Economics Club, said the Fed should pay careful attention to underlying inflation before raising rates again. And, during a panel discussion on the economy, Dallas Fed President Robert Kaplan said the FOMC can "afford in my judgment to be patient in removing accommodation." But, a majority of prominent committee members still expect to plow forward with another rate hike in December and three more in 2018 regardless of whether price pressures pick up. Boston Fed President Eric Rosengren believes unemployment is as low as can be and inflation will rise to 2% as soon as transitory factors pass

through the data, while New York Fed President Bill Dudley argued for more rate hikes, saying financial conditions are easy and it's been a long time since the last hike.

STOCKS

	DOW	S&P 500	NASDAQ
6/30/17	21,349	2,423	6,140
9/30/17	22,405	2,519	6,496
% Change for Q3-2017	+4.9%	+4.0%	+5.8%

Both the NASDAQ and S&P500 closed out the quarter at historic highs. Although the DOW didn't end September in record territory, it enjoyed its first eight-quarter win streak in 20 years and reached a new high on the first day of October. On the global front, the MSCI All Country World Share index punctuated the quarter with its 42nd record high of the year. Economists are generally split on whether the U.S. stock market still has value, but Americans in general are not. Margin debt is at all-time highs as investors feel increasingly comfortable borrowing to make bets and increase positions. The CBOE Volatility Index (VIX), often referred to as "the fear index," fell to its lowest close ever in the first week of October, while 65% of those responding to the September University of Michigan consumer sentiment survey expect the domestic stock market to appreciate over the next 12 months, the highest probability in the 15-year history of the series. Contrarians view such bullish sentiment as a red flag.

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ECONOMIC AND INTEREST RATE OUTLOOK

Long before the hurricanes struck, the chances of a rate hike announcement at the conclusion of the September 20th FOMC meeting were virtually zero, and by a unanimous vote, fed officials did indeed hold the overnight target rate steady within a range of 1.0% to 1.25%. Committee members also announced a late October start date for reduction of its \$4.5 trillion bond portfolio. \$10 billion per month doesn't seem like much, but it increases every quarter until it reaches \$50 billion per month by the end of next year; that's an annual runoff rate of \$600 billion by the end of 2018. This is an ambitious amount of supply for future investors to absorb. By draining the portfolio, the Fed is reducing the money supply at a time when the velocity of money is at its lowest point since 1945. This amplifies the effects of tightening. Obviously, nothing like this has been done before. At first glance, the increased supply indicates higher market yields, but as Dr. Lacy Hunt recently pointed out, the Fed has never tightened this late in an expansion cycle without causing a recession.

With several vocal Fed members questioning the wisdom of future rate increases in a low inflation environment at the same time the portfolio draining experiment launches, market participants were interested in any changes made to the Fed's interest rate projections or "dot plot." Somewhat surprisingly, the Fed didn't waiver, with 12 members calling for at least one 25 basis point hike on December 13th, and just four members expecting no change. Not only do Fed members collectively expect to raise rates by a quarter point in three months, but they also continue to expect three more 25 basis point hikes in 2018, two in 2019, and one in 2020. The normalized, or terminal, rate forecast (which has been gradually cut back over the years) was trimmed from 3.0% to 2.75%. It's worth noting that the Fed's interest rate projections may be quite different in 2018 when as many as five new Fed governors may have been appointed by President Trump.

The important thing to keep in mind is that Yellen and the Fed have long insisted that any actual changes in monetary policy will be data dependent, and the data they're likely to have on hand in the coming months has been rendered unreliable by the hurricanes. The Texas economy normally contributes around 9% of U.S. GDP, while Florida contributes about 5%. The Sunshine State also happens to have the highest personal consumption growth in the nation. Large portions of these two states stopped producing and took cover for days or weeks, before assessing damage and beginning a massive clean-up campaign. The funds to rebuild, in many cases, aren't readily available, suggesting the timeframe for recovery is uncertain. If it had just been Harvey, the amount of federal dollars required would have been staggering, but Irma and Maria will

also be competing for borrowed dollars which will add to the national debt and stir up the budget debate.

Still, there is reason for fourth quarter optimism. The construction and clean-up need is immediate. Anyone who is genuinely willing to work and is able to relocate, should find work. Auto inventories were bloated in early August and manufacturers had planned a series of layoffs and production cuts before the storms. With so many vehicles destroyed at once, inventory levels have normalized while short-term demand for vehicles has jumped. This was evident on the first day of the new quarter with the release of the September auto sales figures, which soared +15% to an annualized rate of 18.5 million units, the strongest pace since July 2005. Later that day, the ISM manufacturing index climbed from 58.8 to 60.8 in September, the highest since 2004 and the second highest reading in 30 years, while the non-manufacturing (service sector) ISM index jumped from 55.8 to 59.8, a 12-year high.

The global outlook, as mentioned previously, is uncharacteristically bright. The Organization for Economic Cooperation and Development (OECD) expects further expansion next year in 33 of the 45 largest economies tracked and forecasts overall growth of +3.5% for the year, compared to +3.2% in 2016. Of course, all of this growth is happening in an artificially low rate environment. At the end of September, an estimated \$8.5 trillion in government bonds around the world were still trading at negative yields as massive quantitative easing programs in Europe and Japan continued to snap up all the available supply. Whenever these central bank purchases end, expect yields to climb around the world, but so far the massive accommodation remains firmly in place.

One potential driver of U.S. growth on the horizon is tax reform, but simplifying the tax code isn't a simple process. It would involve eliminating long-standing and popular exemptions. Some of the more entrenched and costly exemptions are the home mortgage interest deduction, charitable contributions, employer-sponsored health insurance and state and local taxes. If it can't be revenue neutral ... and it probably won't be, Congress will have to be convinced that the increase in economic growth will offset the loss in tax revenue. The support for this idea is found in the Reagan, and to a lesser degree, the George W Bush tax cuts. However, federal debt as a percentage of GDP was just 30% when Reagan took office and 57% when George W. Bush was sworn in. With this ratio now at 105%, Trump tax cuts are likely to have a muted effect. History has proven repeatedly that debt clogs up the growth mechanism.

Scott McIntyre, CFA
Senior Portfolio Manager
October 6, 2017



Board of Directors Memo

October 26, 2017

Subject: WS 1(a)v Quarterly Grant Report

Grant Activities This Period

DCTA currently has 12 open FTA grants that provide reimbursements for various capital projects, rail and bus preventative maintenance, operating assistance and ADA paratransit service. The agency has also been awarded FEMA funds related to the floods in 2015. Total grant balance of awarded grants was \$12 million as of 9/30/2017. Of this total, \$4.2 million is obligated for Positive Train Control, \$3.3 million is obligated for the FY16 Program of Projects, \$2.2 million is FEMA funds, and \$178,200 from EPA for the Brownfields Assessment Grant. The grant funding sources include Federal Transit Administration (FTA), North Central Texas Council of Governments (NCTCOG), Texas Department of Transportation (TxDOT), EPA and FEMA.

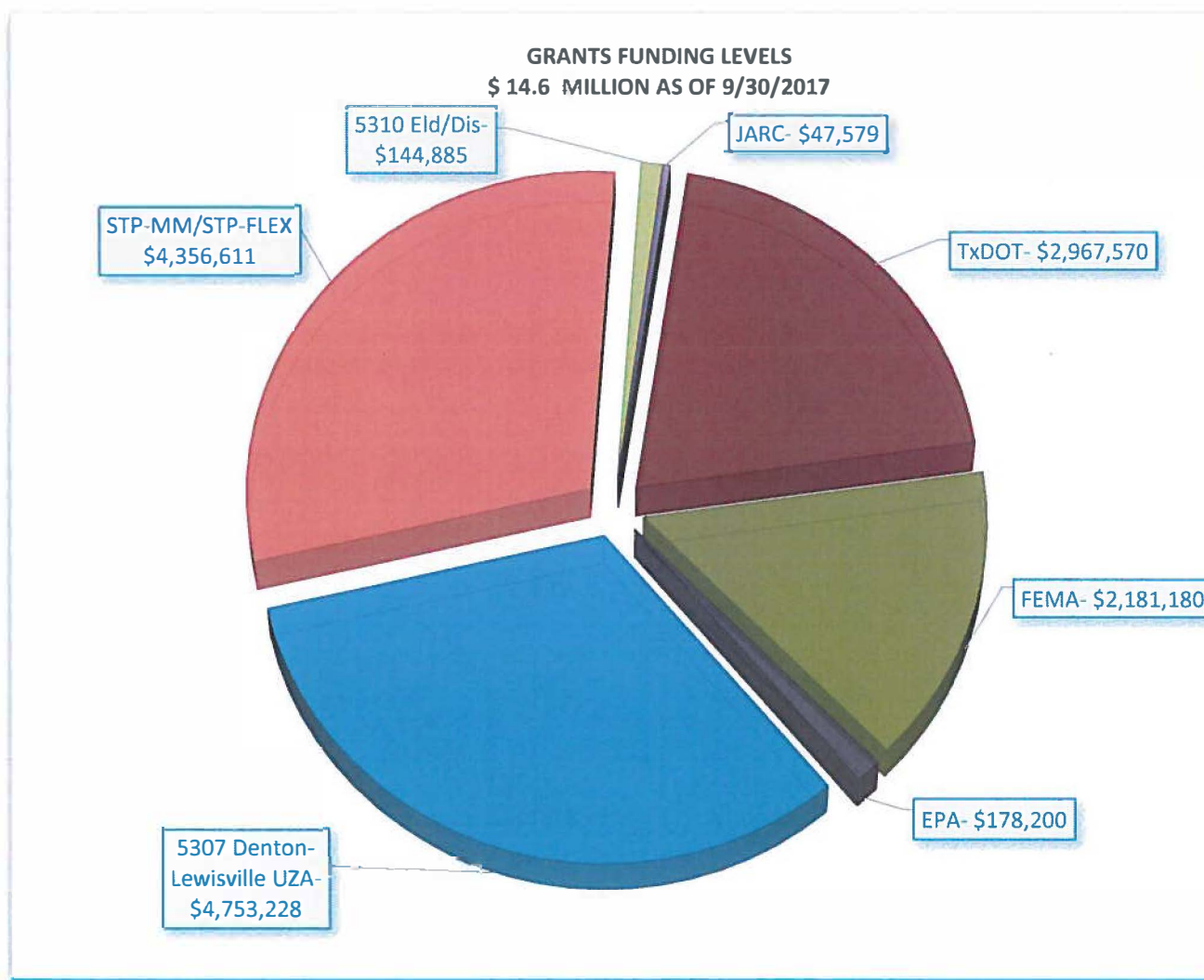
This quarter there were no grant applications submitted to the Board for approval.

Funding levels for active grants funding types are illustrated below.

2 Close out Grants

12 Active Grants

2 Obligated Funding



Program	(Prior Quarter) 3 rd Quarter Balance	4 th Quarter Balance	Grant Activity
Denton-Lewisville UZA (5307)	\$2,530,640	\$4,753,228	Fleet Replacement, Bus Shelters, Bus Radios, Signage, Preventative Maintenance.
STP-MM / STP-FLEX	\$5,821,464	\$4,356,611	Positive Train Control Implementation & Vanpool
Elderly Persons and Persons with Disabilities (5310)	\$39,491	\$144,885	Transit Capital Accessibility (lighting and ramps)
Job Access, Reverse Commute (JA/RC) (5316)	\$47,579	\$47,579	Route Planning Study
Bus and Bus Facilities (5339)	\$949,126	\$0	Fleet Replacement
TXDOT (FHWA)	\$3,023,076	\$2,967,570	A-train rail trail (Eagle Point Section & Phase I close-out)
FEMA	\$2,181,180	\$2,181,180	2015 Flood remediation projects
EPA	\$0	\$178,200	Brownfields Assessment
Total	\$14,537,050	\$14,629,253	

Obligated Funding

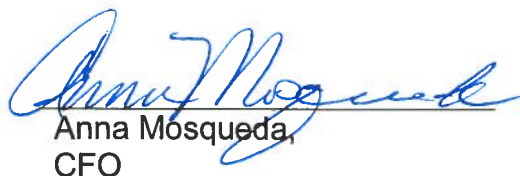
The 2016 Annual Program of Projects (POP) has been executed for a total of \$5.2 million. The project funding covers bus shelters, ADA, operating assistance, rail and bus preventative maintenance. This grant is executed.

The 2017 Annual Program of Projects (POP) will be submitted for FTA review and approval. The estimated project funding is: \$224,651 (Bus and Bus Facilities-5339) and \$5.7 million (Denton-Lewisville UZA-5307).

Other Grant Activity

FTA announced a competitive grant opportunity (totaling \$226.5 million) for the Grants for Buses and Bus Facilities Infrastructure Investment Program. This grant aims to improve the condition of bus infrastructure nationwide by funding the replacement and rehabilitation of buses and related facilities. DCTA submitted an application for funding three possible projects: Bus Operations and Maintenance Satellite "Lite" Facility, Intermodal Transportation Center (ITC): Bus Infrastructure, and Sam Rayburn Tollway: Express East-West Bus Service. The total amount requested is \$15 million.

Submitted By:


 Anna Mosqueda,
 CFO



Board of Directors Memo Subject:
Subject Item WS 1 (a) vi: Procurement Activities

October 26, 2017

Tire and Barrel Removal at Rail O&M

Request for bid documents were released for the removal and proper disposal of surficial tires and barrels ONLY in preparation for future subsurface exploration and possible remediation of the 46 acre site at the Rail O&M facility. Bids are due on October 27th and award is anticipated at the November board meeting.

Subsurface Investigation

Staff is developing the request for proposal documents for an environmental subsurface investigation of the 46 acre site at the Rail O&M facility. Solicitation documents are expected to release late October with award at the December board meeting. Costs related to the project will be reimbursed with grant funds at 100% from EPA up to \$178,200.

DBE Semi-Annual Reporting

Staff is compiling information regarding federal dollars spent during the period of April 1 through September 30. DCTA has a goal of 5% DBE participation on all federal dollars spent. The semi-annual report is due to FTA on December 1. Staff will update the Board at the December meeting.

Submitted
by:

A handwritten signature in blue ink, appearing to read "A. Forrester", is written over a horizontal line.

Athena Forrester, CPPO, CPPB
AVP of Procurement

Final
Review:

A handwritten signature in blue ink, appearing to read "Anna", is written over a horizontal line.

Anna Mosqueda, CFO



Board of Directors Memo

October 26, 2017

Subject: Marketing & Communications Update

NEW COLLATERAL DISTRIBUTION

- Lewisville Utility Bill Insert (August Distribution)
- *Note: The Q4 FY '17 Agency Performance Report will be handed out at the November 2017 board meeting*

QUARTERLY METRICS REPORT (EOY FY '17)

- **Brand Impressions**
 - Community Brand Impressions – up 2.3% YOY / up 677% compared to FY '15
 - Confirmed Impressions – up 61.6% YOY
- **Media Buy Impressions**
 - Online Confirmed Impressions – up 1.9% YOY / up 510% compared to FY '15
 - Print Impressions – up 36.9% YOY / up 721% compared to FY '15
- **Media Relations**
 - Media Placements – up .67% YOY (604) / up 32% compared to FY '15
 - Impressions – up 34.4% YOY / up 107% compared to FY '15
 - Publicity Value – up 53.6% YOY (\$1.2M)
- **Social Media**
 - Facebook Increase in Likes – up 32.7% YOY / up 187% compared to FY '15
 - Twitter Increase in Followers – up 24% YOY / up 72% compared to FY '15
- **DCTA Website**
 - **Traffic is Down YOY Overall**
 - Percentage of New Users and Return Users
 - Percentage of Pageviews and Sessions
 - Percentage of Average Number of Pageviews/Session
 - **Multiple Reasons for Decline**
 - Removing DCTA and Bot Traffic Pageviews/Sessions
 - Extensive Number of Pages on Website
 - Ability to Create New and Relevant Web Content
 - **FY '18 Improvement**
 - New Website – reduce pages and elevate content
 - Communications Intern – produce relevant content in real time
 - Social Media Support – will create more time to develop and implement strategy
- **DCTA Blog**
 - Unique Users – up 111% YOY
 - Return Users – up 67.6% YOY
 - Total Pageviews – up 21.9% YOY / up 132.7% compared to FY '15
 - Total Subscribers – up 54.3% YOY / up 1,700% compared to FY '15
- **Customer Service**
 - **Shortel**
 - Phone Calls Received – up 42.6% YOY / up 29% compared to FY '15
 - Abandoned Calls – Down 50% YOY
 - **GORequest**
 - Entries Per 10K – Up 3.5% YOY / up 11% compared to FY '15

- **Discount Pass Programs**
 - **Corporate Pass Program**
 - Total Sales – \$83,288
 - Direct Mail Impressions – up 128.5% YOY
 - Sales Kit Distribution – up 672% YOY
 - Website Pageviews – up 84% YOY
 - **Group Discount Program**
 - Total Sales – \$22,477 / up 85.4% YOY
 - Website Pageviews – up 98.8% YOY
 - **Non-Profit Discount Program**
 - Total Sales – \$6,913 / up 211% YOY
 - Website Pageviews – up 107% YOY

SEPTEMBER PUBLIC MEETING REPORT

- **Overview**
 - Bi-annual public meetings (April and September)
- **Goals and Objectives**
 - Solicit public input on the following topics:
 - FY '17 Program of Projects
 - Brownfield Remediation Project
 - Proposed Regional Fare Changes
 - FY '18 Budget Overview
 - Promotional A-train Free Fare Zones
 - DCTA Transit Tracker System
 - UNT Service Changes
 - Highland Village Connect Shuttle Flag Stops
 - Denton Connect Route 7 and 8 Changes
- **Timeline**
 - **Engagement Timeframe:** 8/28 – 9/29
 - **Meetings**
 - **Highland Village**
 - 9/12 at 6 p.m.
 - 8 Attendees
 - **Lewisville**
 - 9/18 at 5:30 p.m.
 - 18 Attendees
 - **Denton**
 - 9/21 at 5:30 p.m.
 - 11 Attendees
 - **Online Video**
 - 8/28 – 9/29
 - 494 Total Views
 - 404 Unique Views



DENTON COUNTY
TRANSPORTATION
AUTHORITY

DROP BY THE NEXT
OPEN HOUSE MEETING!

TOPICS: Proposed Regional Fare Changes, Program of Projects, FY'18 Budget, Service Changes

HIGHLAND VILLAGE CITY HALL
TUESDAY, SEPTEMBER 12, 2017, 6:00PM - 7:30PM
1000 HIGHLAND VILLAGE ROAD,
HIGHLAND VILLAGE, TX 75077

LEWISVILLE OLD TOWN CITY HALL
MONDAY, SEPTEMBER 18, 2017, 5:30PM - 7:00PM
151 WEST CHURCH STREET, LEWISVILLE, TX 75057

DOWNTOWN DENTON TRANSIT CENTER
THURSDAY, SEPTEMBER 21, 2017, 5:30PM - 7:00PM
604 EAST HICKORY STREET, DENTON, TX 76205

ONLINE
MONDAY, AUGUST 28, 2017 - FRIDAY, SEPTEMBER 22, 2017
RIDEICTA.NET
A digital presentation and an online comment form will be available.



Everyone is welcome to attend the open house meetings. Persons with hearing or sight interpretive service needs are asked to contact DCTA at least five (5) business days in advance of the specific meeting at 940.243.0077 or via email at dctainfo@dcta.net so that DCTA can accommodate requests.

DCTA staff will provide an Annual Program of Projects update. The public is encouraged to comment on the proposed transit projects funded by the Federal Transit Administration through the Fiscal Year 2017 Urbanized Area Formula Program. This opportunity for comment meets the federal requirement for public participation.

RideDCTA.net • 940.243.0077






HopOnBoardBlog.com • #RideDCTA

DROP BY OUR OPEN HOUSE MEETINGS!



LEWISVILLE

HIGHLAND VILLAGE

DENTON

ONLINE

LEARN MORE ➔

- **Campaign Tactics / Results**

- **Media Relations**
 - Stories – 14
 - Impressions – 2.77M
 - Publicity Value – \$41K
- **Email Marketing**
 - 2,589 Opened (1% open rate)
 - 1% Click Through Rate
- **Social Media**
 - Facebook – 3,965 Impressions / 31 Engagements
 - Twitter – 13,403 Impressions / 61 Engagements



- **Conclusion**

- Full Report Enclosed
- Successful partnership with cities to garner attendance
- Continually improve public meetings:
 - Enlarging the event footprint with signage, intentional traffic flow, etc.
 - Provide handouts that can serve as a take-a-way or a method for submitting feedback
 - Work with NCTCOG to coordinate around their transit public meetings to garner additional attendance

AUGUST 28, 2017 SERVICE CHANGE RECAP REPORT

- **Timing**
 - August 14, 2017 – September 30, 2017
- **Overview**
 - Create messaging and marketing materials for robust service changes
 - Communicate unplanned service change to passengers and community
 - Service changes included:
 - Denton Routes 7 and 8
 - UNT Service
 - Highland Village Flag Stops
 - A-train Free Fare Zone (results covered in separate report)
- **Campaign Tactics / Results**
 - **DCTA Website**
 - General Press Release (all aspects of service change)
 - 3,526 Pageviews / 1:45 Average Time on Page
 - Denton Route 7
 - 7,828 Pageviews / 2:46 Average Time on Page
 - Denton Route 8
 - 6,064 Pageviews / 3:15 Average Time on Page
 - UNT Service (Campus Shuttle Page)
 - 5,972 Pageviews / 1:58 Average Time on Page



DCTA
 DENTON COUNTY
 TRANSPORTATION
 AUTHORITY



THINGS YOU NEED TO KNOW ABOUT
August 28, 2017

1

Denton Connect Routes 7 and 8
 Both routes will have map and schedule changes.

2

University of North Texas Campus Shuttles
 All routes will be modified by creating two transit hubs on campus to facilitate a more walkable community.

3

A-train Free Fare Zones
 A pass will no longer be required for passengers travelling between the DDTC and MedPark Stations or between the Hebron and Trinity Mills Stations.*

4

Highland Village Flag Stops
 Highland Village Connect Shuttle will now offer additional pick-up locations along the existing route.

Learn more at RideDCTA.net.

RideDCTA.net • 940.243.0077

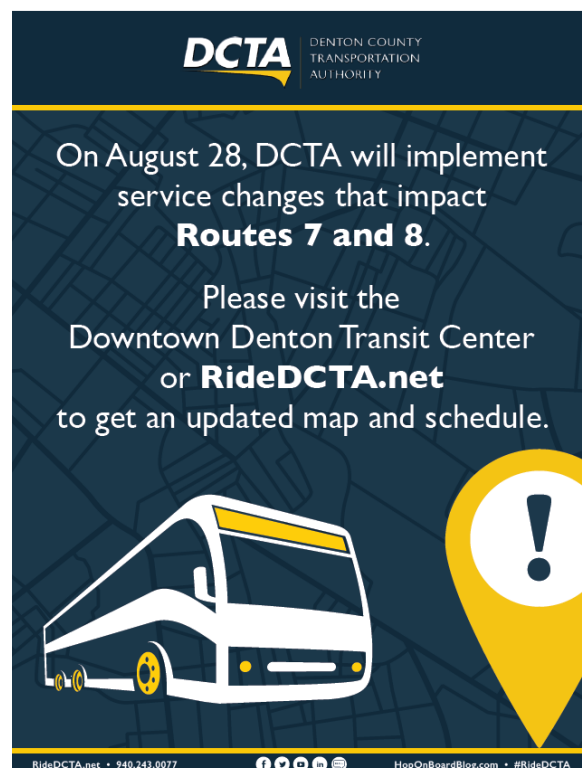





HopOnBoardBlog.com • #RideDCTA

*A-train Free Fare Zones are offered as an ongoing promotion.

- Highland Village Flag Stops
 - 1,211 Pageviews / 1:30 Average Time on Page
- **Email Marketing**
 - General Service Change Info – 8/14
 - 5,466 Sent / 1,636 Opened / 232 Click Throughs
 - UNT – 8/23
 - 515 Sent / 180 Opened / 38 Click Throughs
 - Highland Village Flag Stops – 8/24
 - 229 Sent / 53 Opened / 5 Click Throughs
 - General Service Change Info (Launch Day) – 8/28
 - 5,849 Sent / 1,288 Opened / 126 Click Throughs
- **Media Relations**
 - Total Stories – 3
 - Impressions – 420K
 - Publicity Value – \$19,000
- **Social Media**
 - Facebook (8/14 – 9/18) – 17,037 Impressions / 88 Engagements
 - Twitter (8/14 – 9/6) – 30,044 Impressions / 529 Engagements
- **Collateral and Signage**
 - Vehicle Decals
 - Shelter Posters
 - Windscreen Schedules
 - Hot Items Poster (DDTC)
 - Highland Village Flier
 - Route Guides (7 and 8)
 - Utility Bill Inserts (Denton, Highland Village and Lewisville)
 - Seat Drops
 - Stop Pole Notices
 - Standard Rider Alerts
 - Individual Websplashes
 - Individual Informative Pages on Website
 - Blog Posts
 - EnRoute News (passenger newsletter)
 - Wheels & Rails (DCTA employee newsletter)
- **Conclusion**
 - Successful implementation of messaging
 - Positive response from passengers
 - Engaging partnerships to assist with message dissemination



A-TRAIN FREE FARE ZONE RECAP REPORT

- **Timing**
 - August 14, 2017 – September 30, 2017
- **Overview**
 - Implementation of new “free fare zones” between the DDTC and MedPark and between Hebron and Trinity Mills stations
- **Goals and Objectives**
 - Drive A-train ridership – especially at MedPark and Hebron stations
 - Offer a promotional opportunity to encourage A-train ridership
- **Campaign Tactics / Results**
 - **DCTA Website**
 - August Service Change Webpage – 3,525 Pageviews
 - Individual Promotional Page – 129 Pageviews
 - **Email Marketing**
 - “Coming Soon” – 8/16
 - Sent – 5,509
 - Delivered – 5,412
 - Opened – 1,444
 - Clicked Through – 84
 - “Official Launch” – 8/30
 - Sent – 5,500
 - Delivered – 5,402
 - Opened – 1,216
 - Clicked Through – 59
 - **Media Relations**
 - Stories – 13
 - Impressions – 752K
 - Publicity Value – \$20K
 - **Social Media**
 - Facebook – 4,028 Impressions / 193 Engagements
 - Twitter – 7,847 Impressions / 137 Engagements
 - **Collateral and Signage**
 - Websplash
 - Webpage
 - Vehicle Decals
 - Rail Cards
 - DDTC Door Decals
 - Station Decals (DDTC, MedPark and Hebron)
 - Community Outreach
 - Apartment Coordination
 - Standard Rider Alerts
 - EnRoute News (passenger newsletter)
 - Wheels & Rails (DCTA employee newsletter)
 - Utility Bill Inserts
 - Blog Posts



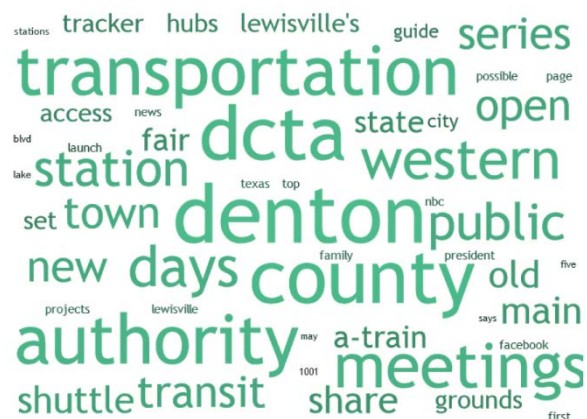
LEWISVILLE WESTERN DAYS RECAP REPORT

- **Overview**
 - Annual partnership with the City of Lewisville
 - Provide a paid sponsorship and complimentary event shuttle
- **Goals and Objectives**
 - Encourage people to ride the A-train and complimentary shuttle to the event
 - Increase brand awareness of DCTA's DCTA services
 - Support a local community initiative
- **Timeline**
 - September 29, 2017 – September 30, 2017
- **Campaign Tactics / Results**
 - Event Participation
 - Global Impressions – 26K
 - Confirmed Impressions – 2.2K
 - Email Address Collection – 607
 - Email Marketing – 9/13
 - 4,830 Sent / 1,207 Opened / 75 Click Throughs
 - Media Relations
 - Stories – 10
 - Impressions – 4.6M
 - Publicity Value – \$6K
 - Social Media (9/13 – 9/29)
 - Facebook – 2,122 Impressions / 29 Engagements
 - Twitter – 8,603 Impressions / 86 Engagements
- **Ridership**
 - Shuttle Riders – 967
- **Conclusion**
 - Repeat sponsorship and shuttle in FY '18
 - This is a great community partnership and the shuttle gives the community an opportunity to use our services; many for the first time
 - Continue to leverage social media to support the event sponsorship and shuttle



MONTHLY MEDIA REPORT (SEPTEMBER 2017)

- **Stories – 44**
- **Placements –**
- **Impressions – 13.57M**
- **Total Publicity Value – \$51K**
- **Sentiment Over Time – 88.6% Positive / 11.4% Neutral**
- **Coverage by Media Type**
 - Online – 56.8%
 - Community Newspaper – 18.2%
 - Trade / Industry Online – 6.8%
 - News / Business Online – 2.3%
 - Television – 6.8%
 - Blog – 2.3%
 - Social Networking Site – 2.3%
 - Radio Program – 4.5%



- **Share of Voice**
 - DCTA – 51.2%
 - DCTA Bus – 15.15%
 - DCTA Train – 33.7%

AWARDS REPORT

- **FY '17 End of Year Report**
 - **dotCOMM Awards (awarded in August 2017)**
 - Platinum Award for the Hop on Board blog launch
 - Gold Award for the A-train Fifth Birthday campaign
 - Gold Award for the GOREquest campaign
 - **SWTA Spotlight Awards (awarded in July 2017)**
 - Spotlight Award for the North Texas Xpress Bus Service launch campaign
 - Hit the Spot Award for the A-train vs I-35E marketing video
 - Hit the Spot Award for the #AskDCTA monthly series launch
 - **Videographer Awards (awarded in July 2017)**
 - Distinction Award for the brand marketing video
 - Honorable Mention for the General Safety video
 - **Hermes Creative Awards (awarded in April 2017)**
 - Platinum Award for the A-train Fifth Birthday campaign
 - Gold Award for the Highland Village News Services launch
 - Honorable Mention for the Corporate Pass Direct Mailer
 - **Stevie Awards – American Business Awards (awarded in May 2017)**
 - Bronze Award for the Corporate Pass Program sales kit
 - **Ragan Communications PR Daily Awards (awarded in April 2017)**
 - Honorable mention award for the A-train Fifth Birthday campaign
 - **Ragan Communications PR Daily Video Awards (awarded in March 2017)**
 - First Place for the How to Load Your Bike video
 - Honorable Mention for the General Safety video
 - **APTA AdWheel Marketing Awards (awarded in February 2017)**
 - First Place for the How to Load Your Bike video
 - First Place for the A-train Fifth Birthday campaign
 - **AVA Digital Awards Winner (awarded in January 2017)**
 - Platinum Award for the A-train Fifth Birthday campaign
 - Gold Award for the GOREquest campaign
 - Honorable Mention for the Brand Marketing video
- **FY '18 Awards**
 - **2017 Marcom Awards**
 - Platinum Award (First Place) – North Texas Xpress Marketing Campaign
 - Gold Award (Second Place) - #AskDCTA Launch
 - Honorable Mention – Bike Everywhere Challenge



THE AMERICAN
BUSINESS AWARDS™



A FEW THINGS COMING SOON!

- **November 2017**
 - Safety Campaign
 - Veteran's Free Ride Campaign
 - Holiday Schedule Communications
 - Access Brochure
 - Signage Audit
 - Social Media Increase Subscriber Strategy
- **December 2017**
 - Social Media Platform Audit
 - Community Awareness Campaign
- **January 2018**
 - January Service Change Campaign
 - Highland Village Services Campaign (Lyft Integration)



Approved by:

Nicole M. Recker

Nicole M. Recker
Vice President of Marketing & Communications

Marketing & Communications Metrics Overview
October 2017 Report (EOY FY '17)

BRAND IMPRESSIONS																					
Community Brand Impressions - Global Impressions				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	300K	26,002	20,500	-	-	-	-	724	50	102	88	2,030	2,820	52,316	-	Two major events were rained out in FY '15	
				FY '16	260K	1,951	672	12	628	140	581	200,711	3,430	4,640	20,904	130,644	33,009	397,322	↑ 659.5%		
				FY '17	400K	288	293	1,500	134	207	890	217,658	4,745	200	5,125	147,242	28,111	406,393	↑ 2.3%		
				FY '18																	
Community Brand Impressions - Confirmed Impressions				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Did not track with goal in FY '15
				FY '16	7.5K	618	152	12	202	20	208	1,634	180	555	104	216	9,209	13,110	-		
				FY '17	10K	413	133	189	134	207	147	9,593	3,470	125	73	2,806	3,891	21,181	↑ 61.6%		
				FY '18																	
MEDIA BUY IMPRESSIONS																					
Media Buy Impressions - Online/Confirmed Impressions				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	500K	-	-	-	-	106,962	7,139	7,139	239,892	404,790	386,908	7,700	1,154,215	2,314,745	-		
				FY '16	5M	1,127,702	8,188	7,541	813,292	812,671	857,212	1,057,696	1,225,166	1,212,833	2,225,942	2,231,636	2,281,446	13,861,325	↑ 498.8%		
				FY '17	15M	2,594,459	344,180	-	275,027	419,567	1,097,049	1,106,986	1,883,494	1,421,251	1,211,375	1,109,696	2,655,321	14,118,405	↑ 1.9%		
				FY '18																	
Media Buy Impressions - Online/Mobile Click Through Rate				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
For FY '17 - Took average of online and mobile CTR since they were reported separately				FY '15	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	Did not track with goal in FY '15 Took average of online/mobile for FY '16 #s
				FY '16	0.10%	0.10%	0.16%	0.21%	0.15%	0.16%	0.21%	0.29%	0.35%	0.30%	0.34%	0.37%	0.33%	0.25%	-		
				FY '17	>=.23	0.24%	0.10%	0.10%	0.14%	0.34%	0.32%	0.42%	0.31%	0.21%	0.17%	0.19%	0.18%	0.23%	↓ .08%		
				FY '18																	
Media Buy Impressions - Print Impressions				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	100K	-	-	-	68,000	72,200	79,024	89,145	-	21,486	230,555	147,235	726,418	1,434,063	-	Did not track until January 2015	
				FY '16	2M	326,664	-	-	172,020	80,036	98,751	356,397	286,911	273,183	222,078	37,500	6,743,211	8,596,751	↑ 499.5%		
				FY '17	1M	648,845	-	65,000	-	-	5,200	1,896,760	953,580	3,877,050	1,361,684	1,361,684	1,598,166	11,767,969	↑ 36.9%		
				FY '18																	
Media Buy Impressions - Direct Mail				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Did not track until FY '17	
				FY '16	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-			
				FY '17	175K	-	5,200	5,200	5,200	7,108	5,200	77,200	51,883	77,200	7,371	10,400	5,200	257,162	-		
				FY '18																	
MEDIA RELATIONS																					
Press Coverage - Media Placements				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	450	8	24	35	27	56	21	15	41	92	28	83	29	459	-		
				FY '16	300	52	71	48	26	15	36	49	46	34	121	57	45	600	↑ 30.7%		
				FY '17	350	30	49	85	50	28	145	36	31	67	14	25	44	604	↑ .67%		
				FY '18																	
Media Relations - Story Impressions				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	N/A	24,000,000	3,773,000	-	-	-	-	-	26,946,801	42,612,177	1,653,080	16,220,824	20,212,728	135,418,610	-	Old system did not track accurately Launched Cision in May 2015	
				FY '16	165M	22,992,694	39,691,115	37,582,650	5,431,995	6,912,187	3,047,073	6,639,343	31,672,535	7,331,629	28,677,451	9,105,902	9,791,146	208,875,720	↑ 54.2%		
				FY '17	165M	4,805,658	6,949,925	23,912,992	12,869,219	4,221,320	86,630,000	26,830,000	32,110,000	63,340,000	1,900,000	3,650,000	13,570,000	280,789,114	↑ 34.4%		
				FY '18																	
Media Relations - Publicity Value				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	\$460K	\$ 1,690	\$ 8,842	\$ 7,620	\$ 115,559	\$ 276,889	\$ 10,359	\$ 74,100	\$ 137,655	\$ 317,244	\$ 6,048	\$ 277,303	\$ 20,882	\$ 1,254,191	-		
				FY '16	\$1M	\$ 64,766	\$ 82,239	\$ 67,629	\$ 44,677	\$ 7,971	\$ 27,052	\$ 42,049	\$ 188,195	\$ 22,568	\$ 58,824	\$ 119,866	\$ 48,504	\$ 774,340	↓ 38.3%		
				FY '17	\$750K	\$ 33,602	\$ 24,437	\$ 66,812	\$ 50,650	\$ 69,656	\$ 506,000	\$ 184,000	\$ 31,000	\$ 120,000	\$ 1,000	\$ 51,000	\$ 51,000	\$ 1,189,157	↑ 53.6%		
				FY '18																	
SOCIAL MEDIA																					
Facebook - Increase in Likes				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	1.2K	32	36	100	10	49	-45	7	35	25	532	643	9	1,433	-	Decrease in March due to removal of inactive business pages	
				FY '16	3K	82	624	6	17	468	2	104	38	902	726	78	52	3,099	↑ 116.3%		
				FY '17	4K	39	27	479	526	374	218	416	430	274	775	295	258	4,111	↑ 32.7%		
				FY '18																	
Twitter - Increase in Followers				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	N/A	0	0	0	26	131	88	43	61	21	147	51	164	732	-	Did not track with goal until January 2015	
				FY '16	1K	35	122	27	34	133	38	45	27	154	199	185	16	1,015	↑ 38.7%		
				FY '17	1.2K	15	1	154	254	207	209	189	6	208	2	3	11	1,259	↑ 24%		
				FY '18																	
YouTube - Increase in Subscribers				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	
				FY '15	N/A	-	-	-	3	-	1	4	1	-	1	4	2	16	-	Launched in June 2014 Did not track with goal in FY '15 or FY '16 Started building content in June 2016	
				FY '16	N/A	-	-	-	-	1	-	-	-	3	1	(2)	4	7	↓ 56.3%		
				FY '17	45	1	2	0	2	1	3	0	1	1	3	4	2	20	↑ 185.7%		
				FY '18																	
LinkedIn - Increase in Followers				Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes	

	FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Launched in January 2014
	FY '16	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Did not track with goal in FY '15 or FY '16
	FY '17	50	4	3	4	5	5	6	6	5	4	6	4	6	58	-	-	-	Started building content in FY '17
	FY '18																		
RIDER ALERTS / EMAIL MARKETING																			
GovDelivery (Rider Alert System) - Total Subscribers	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Did not track with goal in FY '15 or FY '16
	FY '16	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Prior system - iContact (transferred 1,665)
	FY '17	3K	2,109	2,359	2,502	3,342	4,679	4,935	5,150	5,989	6,189	6,924	7,387	7,668	7,668	-	-	-	Launched GovDelivery in October 2016
	FY '18																		
Email Marketing Blasts	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '18																		Tested email blasts in FY '17 with great success
DCTA WEBSITE																			
DCTA Website - New Users	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	40.70%	36.60%	36.80%	37.90%	35.90%	37.20%	37.20%	40.40%	39.30%	39.50%	40.70%	39.70%	40%	-	-	-	Did not set a goal in FY '15 or FY '16
	FY '16	N/A	41.70%	36.50%	37.20%	46.20%	40.40%	42.10%	43.20%	46.30%	44.80%	48.10%	46.30%	44.80%	43%	↑ 11.9%	-	-	Launched new Google Analytics in January 2016
	FY '17	>40%	47%	38%	38%	40%	41%	45%	50%	42%	45%	44%	42%	42%	42.8%	↓ .7%	-	-	
	FY '18																		
DCTA Website - Return Users	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	59.3%	63.4%	63.2%	62.1%	64.1%	62.8%	62.8%	59.6%	60.7%	60.5%	59.3%	60.3%	62%	-	-	-	Did not set a goal in FY '15 or FY '16
	FY '16	N/A	58.3%	63.5%	62.8%	53.8%	59.6%	57.9%	56.8%	53.7%	55.2%	51.9%	53.7%	55.2%	57%	↓ 8.1%	-	-	Launched new Google Analytics in January 2016
	FY '17	>40%	53%	62%	62%	60%	59%	55%	50%	42%	45%	44%	59%	58%	54%	↓ 5.3%	-	-	
	FY '18																		
DCTA Website - Total Pageviews/Sessions	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
Reported Pageviews in FY '15 and FY '16	FY '15	1.4M	145,558	103,418	94,384	127,725	128,413	121,861	104,847	97,103	109,120	96,436	143,845	140,905	1,413,615	-	-	-	Launched new Google Analytics in January 2016
Reported Sessions in FY '17	FY '16	1.5M	154,739	92,196	90,244	85,177	92,453	97,754	92,437	90,615	87,439	80,840	122,405	121,878	1,208,177	↓ 14.5%	-	-	Decrease due to Removal of bot hits in Nov 2015
	FY '17	380K	44,806	30,489	27,342	33,671	30,591	37,501	38,236	31,987	30,393	28,510	38,418	43,879	415,823	↓ 65.5%	-	-	Decrease in FY '17 also due to change in tracking from pageviews to sessions
	FY '18																		
DCTA Website - Average Session Duration	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	3:21	3:11	3:04	3:19	3:11	3:07	3:11	2:59	2:56	3:17	3:34	3:21	2:56	-	-	-	Did not set a goal in FY '15 or FY '16
	FY '16	N/A	3:27	3:04	3:09	2:80	2:59	3:03	2:54	2:41	2:51	2:38	3:03	2:45	2:42	↓ 5.5%	-	-	Launched new Google Analytics in January 2016
	FY '17	>2:50	2:55	2:45	2:41	2:54	2:38	2:27	2:21	2:38	2:34	2:38	3:02	2:38	2:40	↓ .8%	-	-	January 2016 metrics show partial data
	FY '18																		
DCTA Website - Average # of Pages/Session	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	3.54	3.36	3.31	3.46	3.32	3.29	3.39	3.26	3.15	3.28	3.64	3.48	3.4	-	-	-	Did not set a goal in FY '15 or FY '16
	FY '16	N/A	3.6	3.19	3.26	3.19	3.16	3.2	3.05	2.91	2.97	2.82	3.11	2.83	3	↓ 11.8%	-	-	Launched new Google Analytics in January 2016
	FY '17	>=3	3	2.77	2.69	2.85	2.63	2.55	2.42	2.69	2.58	2.57	2.87	2.56	2.68	↓ 10.7%	-	-	
	FY '18																		
DCTA BLOG																			
Hop on Board Blog - Unique Users	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Did not set a goal in FY '15
	FY '16	N/A	-	-	-	1,071	136	173	335	257	468	324	243	169	3,176	-	-	-	WordPress data no longer available
	FY '17	3,750	150	193	337	1,150	497	312	523	160	244	1,571	259	1,340	6,736	↑ 112.1%	-	-	New Hop on Board Blog launched in January 2016
	FY '18																		
Hop on Board Blog - Return Users	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Did not set a goal in FY '15
	FY '16	N/A	-	-	-	217	37	39	45	38	67	51	45	38	577	-	-	-	WordPress data no longer available
	FY '17	600	29	29	43	147	118	66	122	31	39	104	45	194	967	↑ 67.6%	-	-	New Hop on Board Blog launched in January 2016
	FY '18																		
Hop on Board Blog - Total Pageviews	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	1.9K	-	-	-	-	320	273	181	226	331	276	285	2,658	4,550	-	-	-	WordPress data no longer available
	FY '16	3K	249	243	305	2,743	648	573	646	533	942	769	603	432	8,686	↑ 90.9%	-	-	New Hop on Board Blog launched in January 2016
	FY '17	9K	284	356	581	1,862	928	553	869	254	370	2,093	392	2,047	10,589	↑ 21.9%	-	-	
	FY '18																		
Hop on Board Blog - Bounce Rate	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	WordPress data no longer available
	FY '16	N/A	-	-	-	82.32%	58.29%	69.50%	62.73%	79.53%	81.03%	80.61%	73.82%	72.88%	73%	-	-	-	New Hop on Board Blog launched in January 2016
	FY '17	<75%	81.76%	78.12%	83.84%	85.22%	83.23%	80.79%	82.76%	81.42%	77.99%	90.14%	85.99%	85%	83%	↑ 13.7%	-	-	
	FY '18																		
Hop on Board Blog - Increase in Subscribers	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	1	1	1	-	-	-	-	-	-	-	-	-	3	-	-	-	WordPress data no longer available
	FY '16	N/A	-	-	-	24	3	1	1	3	-	-	2	1	35	↑ 1066.7%	-	-	New Hop on Board Blog launched in January 2016
	FY '17	75	-	-	1	33	6	-	1	1	1	2	-	9	54	↑ 54.3%	-	-	
	FY '18																		
CUSTOMER SERVICE																			
Shortel - Calls Received	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes		
	FY '15	N/A	5,197	4,256	4,738	5,039	5,713	5,033	4,620	4,453	5,185	4,624	5,353	5,263	59,474	-	-	-	Did not set a goal in FY '15

	FY '16	>50K	5,263	4,429	4,768	4,563	4,654	4,500	4,291	3,988	3,979	3,894	5,072	4,506	53,907	↓ 9.4%	Launched Shortel in late-September 2016
	FY '17	>50K	6,744	6,206	6,002	6,417	5,817	6,222	6,013	6,979	6,598	5,915	7,062	6,872	76,847	↑ 42.6%	
	FY '18																
Shortel - Abandoned Calls	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
	FY '15	<5%	2.20%	2%	2%	3%	3%	2%	2%	2%	2%	2%	3%	2%	2%	-	
	FY '16	<3%	2%	2%	1%	1%	1%	1%	2%	2%	2%	2%	2%	2%	2%	0%	
	FY '17	<3%	1%	1%	1%	1%	1%	2%	2%	2%	1%	1%	2%	2%	1%	↓ 50%	Improved our abandoned calls by 50% YOY
	FY '18																
GOREquest - Average Days for Closeout	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
	FY '15	<3.2	2.82	3.43	3.37	3.15	3.48	3.46	2.49	3.35	3.4	3.18	1.92	2.26	3.03	-	
	FY '16	<3.2	2.83	3.11	2.82	2.92	2.57	2.44	2.94	1.65	1.76	2.14	2.38	2.9	2.54	↓ 16.2%	
	FY '17	<3.2	1.68	2.09	3.13	2.23	2.95	4.02	3.09	8.02	6.78	5.87	4.28	3.06	3.93	↑ 54.7%	
	FY '18																
GOREquest - Total Entries per 10K	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
	FY '15	N/A	2.21	1.5	3.28	2.06	1.68	1.31	1.48	2.47	2.47	2.21	2.59	2	2.11	-	
	FY '16	>3	0.94	1.19	2.15	1.33	1.79	1.73	1.76	4.03	3.18	2.16	4.96	1.92	2.26	↑ 7.1%	
	FY '17	>=2	3.22	2.88	1.68	2.62	1.89	2.07	1.53	3.1	3.23	3.08	1.57	1.23	2.34	↑ 3.5%	
	FY '18																
TRANSIT TRACKER																	
DCTA Transit Tracker - Total Web Portal Hits	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
As compared to WMR in FY '15, FY '16 and FY '17	FY '15	N/A	-	-	-	11,423	37,749	61,755	37,689	29,612	34,131	37,310	35,356	34,389	319,414	-	Launched WMR in January 2015
	FY '16	400K	39,447	33,681	41,592	47,992	54,705	43,988	43,578	42,011	42,367	47,195	58,005	59,377	553,938	↑ 73.4%	
	FY '17	400K	49,641	43,937	41,725	71,725	41,729	47,074	43,429	43,569	36,324	36,124	46,996	33,919	536,192	↓ 3.2%	Launched Transit Tracker on September 18, 2017
	FY '18																
DCTA Transit Tracker - Total Mobile App Downloads	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
	FY '15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	FY '16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	FY '17	-	-	-	-	-	-	-	-	-	-	-	-	330	330	-	
	FY '18																
DCTA Transit Tracker - App Users	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
	FY '17	-	-	-	-	-	-	-	-	-	-	-	-	1,443	1,443	-	
	FY '18																
DCTA Transit Tracker - App Sessions	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
	FY '17	-	-	-	-	-	-	-	-	-	-	-	-	6,363	6,363	-	
	FY '18																
DCTA Transit Tracker - Total SMS/Texts	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
As compared to WMR in FY '15, FY '16 and FY '17	FY '15	N/A	-	-	-	1,047	1,977	3,564	4,840	3,375	3,983	4,645	1,702	9,431	34,564	-	Launched WMR in January 2015
	FY '16	50K	9,741	8,529	6,665	7,520	9,952	8,844	9,828	6,968	5,489	4,905	6,485	8,458	93,384	↑ 170.2%	
	FY '17	50K	8,228	7,612	5,712	5,712	6,763	7,165	6,636	5,661	3,924	3,019	4,219	7,070	71,721	↓ 23.2%	
	FY '18																
DCTA Transit Tracker - Total Calls (IVR)	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
As compared to WMR in FY '15, FY '16 and FY '17	FY '15	N/A	-	-	-	261	678	860	1,142	1,039	1,255	6,521	5,952	1,744	19,452	-	Launched WMR in January 2015
	FY '16	15K	1,996	1,792	1,786	7,836	2,085	2,207	2,639	1,959	1,747	1,790	1,695	2,347	29,879	↑ 53.6%	
	FY '17	15K	2,052	1,858	1,843	1,843	1,744	1,860	1,746	1,909	2,047	2,087	2,166	2,268	23,423	↓ 21.6%	
	FY '18																
DISCOUNT PASS PROGRAMS																	
Group - Ticket Sales	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
Launched 4.1.16 (FY '16)	FY '16	N/A	-	-	-	-	-	\$ 2,620	-	-	344	2,210	\$ 3,600	\$ 1,260	\$ 10,034	-	
	FY '17	\$10K	\$ 391	\$ 2,511	\$ 3,052	\$ 201	\$ 4,760	\$ 858	\$ 1,245	\$ 4,099	\$ 1,400	\$ 82	\$ 3,158	\$ 720	\$ 22,477	↑ 85.4%	
	FY '18																
Group - Website Pageviews	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
Launched 4.1.16 (FY '16)	FY '16	N/A	-	-	-	-	-	0	12	47	32	34	71	62	258	-	
	FY '17	250	79	28	27	25	34	46	37	49	53	49	37	49	513	↑ 98.8%	
	FY '18																
Non-Profit - Ticket Sales	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
Launched 4.1.16 (FY '16)	FY '16	N/A	-	-	-	-	-	\$ 289	\$ 289	-	350	-	\$ 484	\$ 810	\$ 2,222	-	
	FY '17	\$2K	\$ 190	-	\$ 56	\$ 4,725	\$ 135	\$ 146	-	\$ 338	\$ 1,012	\$ 266	-	\$ 45	\$ 6,913	↑ 211%	
	FY '18																
Non-Profit - Website Pageviews	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
Launched 4.1.16 (FY '16)	FY '16	N/A	-	-	-	-	-	0	26	54	48	49	94	67	338	-	
	FY '17	400	86	55	50	57	65	52	53	57	58	48	56	63	700	↑ 107%	
	FY '18																
Corporate Pass Program - Ticket Sales	Year	Goal	October	November	December	January	February	March	April	May	June	July	August	September	YTD	% YOY	Notes
Launched 4.1.16 (FY '16)	FY '16	N/A	-	-	-	-	-	0	-	-	-	-	-	-	-	-	
	FY '17	\$5K	\$ -	\$ 82,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,048	\$ -	\$ -	\$ -	\$ 83,288	-	

[illegible]

September 2017 Public Engagement Wrap Up

Engagement Area:

Cities of Highland Village, Lewisville and Denton

Engagement Objective:

Solicit public input on the following topics: FY17 Program of Projects, Brownfield Remediation Project, Proposed Regional Fare Changes, FY18 Budget Overview, Promotional Free Fare Zones, Transit Tracker System, UNT Service Changes, Highland Village Connect Shuttle Flag Stops, and Denton Connect Route 7 and 8 Changes.

Engagement Timeframe:

August 28 – September 29, 2017

Public Meetings

A series of open house meetings were held in DCTA's three member cities in September 2017. The meetings were open house style to give the attendees flexibility in their time of attendance and offered people time to peruse the proposals at their own pace. An online presentation and a dedicated webpage showcasing the information presented at the three meetings was hosted on RideDCTA.net with an available comment form.



DCTA DENTON COUNTY TRANSPORTATION AUTHORITY

DROP BY THE NEXT OPEN HOUSE MEETING!

TOPICS: Proposed Regional Fare Changes, Program of Projects, FY18 Budget, Service Changes

HIGHLAND VILLAGE CITY HALL
TUESDAY, SEPTEMBER 12, 2017, 6:00PM - 7:30PM
1000 HIGHLAND VILLAGE ROAD,
HIGHLAND VILLAGE, TX 75077

LEWISVILLE OLD TOWN CITY HALL
MONDAY, SEPTEMBER 18, 2017, 5:30PM - 7:00PM
151 WEST CHURCH STREET, LEWISVILLE, TX 75057

DOWNTOWN DENTON TRANSIT CENTER
THURSDAY, SEPTEMBER 21, 2017, 5:30PM - 7:00PM
604 EAST HICKORY STREET, DENTON, TX 76205

ONLINE
MONDAY, AUGUST 28, 2017 - FRIDAY, SEPTEMBER 22, 2017
RIDEICTA.NET
A digital presentation and an online comment form will be available.

Everyone is welcome to attend the open house meetings. Persons with hearing or sight interpretive service needs are asked to contact DCTA at least one (1) business day in advance of the specific meeting at 940.243.0077 or via email at dcinfo@dcta.net so that DCTA can accommodate requests.

DCTA staff will provide an Annual Program of Projects update. The public is encouraged to comment on the proposed transit projects funded by the Federal Transit Administration through the Fiscal Year 2017 Urbanized Area Formula Program. This opportunity for comment meets the federal requirement for public participation.

RideDCTA.net • 940.243.0077 [Facebook](https://www.facebook.com/dcta) [Twitter](https://twitter.com/dcta) [YouTube](https://www.youtube.com/dcta) [Instagram](https://www.instagram.com/dcta) HopOnBoardBlog.com • [fRideDCTA](https://www.facebook.com/dcta)



DCTA DENTON COUNTY TRANSPORTATION AUTHORITY

September 2017 Public Meetings

Proposed Regional Fare Changes • Program of Projects • Proposed FY18 Budget • Service Changes • Brownfield Remediation Project

HIGHLAND VILLAGE CITY HALL **TUESDAY, SEPT. 12**
6 P.M. - 7:30 P.M.

LEWISVILLE OLD TOWN CITY HALL **MONDAY, SEPT. 18**
5:30 P.M. - 7 P.M.

DENTON DDTC LOBBY **THURSDAY, SEPT. 21**
5:30 P.M. - 7 P.M.

Can't attend the meetings? Check out our digital presentation that will be available along with an online comment form Monday, August 28 through Friday, September 22 at RideDCTA.net.

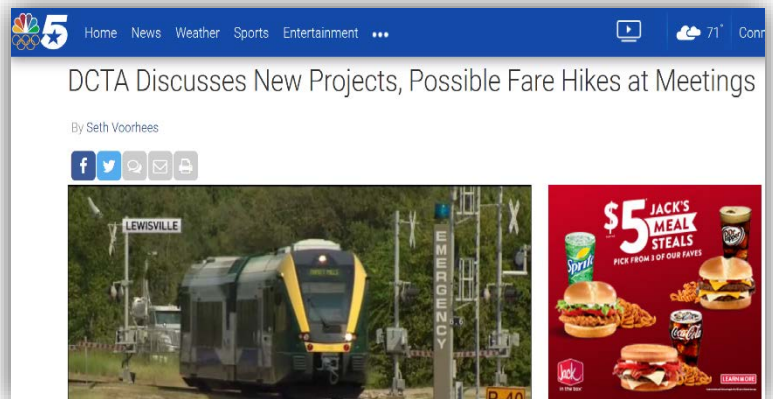
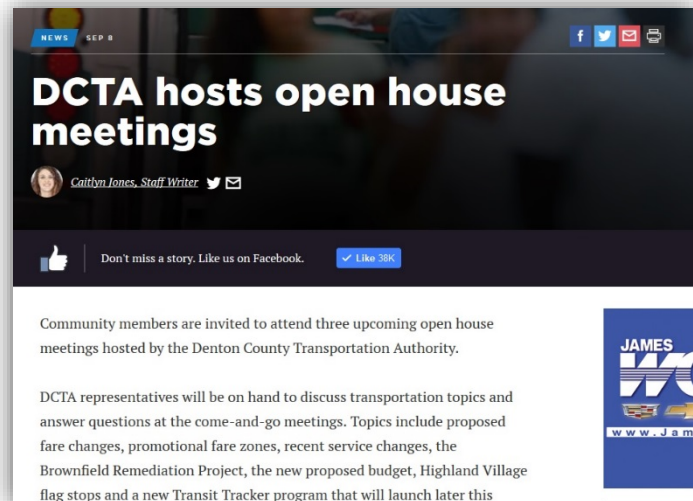
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Media/Community Relations

Meeting notices were posted on RideDCTA.net, Facebook and Twitter. Notices were posted on the vehicles. DCTA sent e-blasts to targeted audience segments. In addition, DCTA developed and distributed a news release to local media outlets to garner coverage.

Engagement Statistics

- Highland Village Open House
 - Highland Village City Hall
 - In conjunction with the regularly scheduled city council meeting and the boards and commissions meet and greet event.
 - Tuesday, September 12
 - 6 pm – 7:30
 - 8 individual interactions
- Lewisville Open House
 - Old Town City Hall
 - In conjunction with the regularly scheduled city council meeting.
 - Monday, September 18
 - 5:30 pm – 7 pm
 - 18 individual interactions
- Denton Open House
 - DDTC Lobby
 - Thursday, September 21
 - 5:30 pm – 7 pm
 - 11 individual interactions
- Online Video
 - Monday, August 28 – Friday, September 29
 - RideDCTA.net
 - 494 Total Video Views
 - 404 Unique Page Views
- Media Relations
 - 14 articles secured
 - 2,770,000 media impressions/reach
 - \$41,000 total publicity value
- Email Marketing
 - 2,589 total email opens
 - 15% open rate (average from two alerts)
 - 1% click-through rate (average from two alerts)
- Facebook
 - 3,965 total people reached and 31 total engagements
- Twitter
 - 13,403 total impressions and 61 total engagements



Comments

- **Highland Village Open House**
 - How will the bike trail be routed around the Highland Village Lewisville Lake Station?
- **Lewisville Open House**
 - I would like additional information on the rail trail construction.
 - What does the master plan for the trails in the area look like?
 - I am interested in service from the Old Town station to Plano near Legacy.
- **Denton Open House**
 - I would like expanded Saturday and Sunday service.
 - I think that there should be a stop on Mulberry right before Carroll.
 - What is DCTA doing to improve the safety along the hike and bike trail?
 - There should be a shelter at Fouts Field for all the students.
 - The Route 4 should go back to the old routing along University Drive so the Redwood/University stop could be added back, there is limited pedestrian access to the stops further south.
 - You should hold your public meetings at Our Daily Bread to catch those passengers.
 - The Access/reduced fare application is too long, it should be two pages instead of ten.
- **Online Feedback Form with Video/Presentation**
 - Route 6 is underutilized and could serve many more folks if it were altered to also serve UNT Discovery Park - 4,000 students, faculty and staff. We already know that the UNT Discovery Park shuttle service is over-crowded, that extra buses have to be assigned regularly to handle the over flow of riders, and that buses are often "standing room only" (a safety problem - imagine the injuries in an accident or hard stop). Many of these folks also ride the A-Train. Meanwhile Route 6 operates in the Evers Park neighborhood with almost no riders at all. Time to fix this please.

The Swiftly app often malfunctions with the DCTA Connect Buses 7 and 8. Often these buses are not displayed correctly on the app maps when they are on North Texas BLVD, Eagle ST, and Welch ST. I have missed the A-Train waiting for falsely displayed Route 7 and 8 buses that appear to be at the intersection of Eagle and Welch with projected arrival at Eagle and Mulberry in 2 to 5 minutes but they never actually arrive. Instead the ETA just keeps resetting. Something is wrong with Swiftly and the GPS feed from the 7 and 8 buses. Please fix it.

On the upside, DCTA has great equipment and great drivers who are out there doing a nice job on a regular basis.

- 1) I love that DCTA's routes and schedules are now on the Transit app;
- 2) I've really enjoyed the Citizens Advisory Team (CAT) meetings;
- 3) I'd like to see express bus service to/from the Lantana Golf Club to/from

Highland Village/Lewisville Lake Station on weekdays;

4) I'd like to see Sunday service for the A-Train and all Connect buses;

5) I'd like to see continued work with Flower Mound leaders in order to begin fixed route bus services there;

6) I'd like to see express bus service to/from Hebron Station to/from Flower Mound's Lakeside district;

7) I'd like to see express bus service to/from Hebron Station to/from DART's Northwest Plano Park & Ride;

8) I'd like to see express bus service to/from MedPark Station to/from TEXRail's Downtown Grapevine Station when TEXRail begins service, with a stop and designated park & ride at or near The Shops at Highland Village;

9) I'd like to see Route 6 extended to serve both North Lakes Park and Evers Park;

10) I'd like to see a new Route 9 created, running to/from the North Texas Fairgrounds to the shopping center behind Chili's at 35E @ Lillian Miller traveling along Carroll, Hickory/Oak, Elm/Locust, Eagle, Dallas, Teasley, Shady Oaks, Loop 288 and Lillian Miller;

11) I'd like to see a new Route 23 created, running to/from Hebron Station to/from Highland Village/Lewisville Lake Station traveling along Hebron/Round Grove, Valley, Corporate, Old Orchard, Main and Garden Ridge.

Board of Directors Memo

October 26, 2017

Subject: Strategic Planning & Development Update

DEPARTMENT ADMINISTRATIVE UPDATE

Director of Strategic Partnerships Position

- A new position has been created to assist in advancing the Agency's strategic planning efforts
- The Director of Strategic Partnerships position was posted and advertised in early September, interviews are in process and the intent is to have the position filled in November.

Texas Transportation Institute Agreement

- DCTA has executed a Master Agreement with TTI to execute a number of research projects
- In FY 18, the Strategic Planning & Development department will provide assistance with Agency Title VI process development as well as analysis required as part of fare change and service change processes
- Also in FY 18, DCTA expects to leverage the TTI agreement to conduct a Shared Use Mobility study and to analyze the Agency's current Long Range Service Plan as a preliminary step in updating the plan

DCTA Long Range Service Plan Update

- Our agency updates our Long Range Service Plan every five years.
- DCTA has submitted a request to NCTCOG to assist with updating forecasted numbers of our Long Range Service Plan as a UPWP project to NCTCOG for FY18-19

REGIONAL TRANSPORTATION PLANNING

Regional Trail Initiative

- A current NCTCOG initiative is the Regional Trail Veloweb which includes planning to connect the A-train Rail Trail from the Hebron Station to the DART Frankford Station
- This section of trail will involve coordination and collaboration between DCTA, NCTCOG, DART, as well as the cities of Carrollton and Lewisville
- A small task force consisting of representatives from all five agencies has been meeting regularly to outline an action plan including preliminary design which will likely require each entity to provide a small level of funding support.
- NCTCOG has developed a draft agreement for review which will include a financial commitment (under \$20,000) from each of the project participants for trail preliminary design
- An Agreement between DCTA and NCTCOG is expected to go to the DCTA Board of Directors for approval in November.

NCTCOG Mobility Transportation Plan 2045

- NCTCOG is currently testing the model network and conducting ridership forecasting for the three projects carrying over from the MTP 2040 plan. These projects are listed below:
 - A-train Extension (SB to Belt Line)
 - BNSF Rail Carrollton to Celina
 - I-35W Commuter Bus
- DCTA identified the following projects to be included in NCTCOG's travel demand modeling during the NCTCOG MTP 2045 process:
 - Rail/Commuter Bus US 380
 - Freight Bypass US 380/35W
 - Commuter Bus SRT-121
 - Commuter Rail 35W
 - A-train Extension (NB to 288/380)
- DCTA has submitted information regarding Transit Agency Asset Management Planning and Regional Targets, transit data edits and corridor revenue estimates with corresponding financial models
- NCTCOG will release a draft in January for review and comment and anticipates the MTP 2045 is go to the RTC for approval in April 2018.

NCTCOG Unified Planning Work Program (UPWP)

- The UPWP serves as a guide for regional transportation and air quality planning activities to be conducted in coordination with NCTCOG
- DCTA will work with the NCTCOG staff on the following planning initiatives in FY2018 and FY2019:
 - Long Range Service Plan Update
 - A-train Extension Feasibility Study
 - BNSF Projected Ridership Update
 - BNSF Commuter Rail Land Use Study
 - US 380/Parallel Rail Corridor Feasibility Study

Regional Corridor Travel Time Study & Congestion Level Study

- DCTA staff is conducting a Travel Time Study of a passenger's travel time along the I-35E corridor using transit compared to driving; pre-construction, during construction and post construction
- NCTCOG has access to a database of traffic data collected by traffic counters and driver's GPS and cellphones. The results are average traffic times across different lengths of major arterials at different times of day
- Upon completion of the I-35E corridor travel study, staff will conduct a travel time study for current congestion levels along DCTA's current corridors of interest:
 - I-35W
 - SRT 121
 - US 380
 - US 75
 - Dallas North Tollway

Commuter Bus Service Corridors

- DCTA has identified four corridors throughout Denton County that could benefit from commuter bus service; 35W, US 380, SRT 121/ FM 1171, and service to the DFW Airport

35W Corridor (North Texas Xpress)

- The North Texas Xpress was successfully launched in partnership with the FWTa along the 35W corridor with a Park & Ride opening at Presbyterian Hospital of Denton
- On July 13, the RTC approved the 2018-2019 CMAQ/STBG Funding Program which included a \$1M allocation to DCTA and FWTa for capital funding relating to the future 35W High Intensity Bus Service
- It is the intention of DCTA staff to work with the NCTCOG to have the 35W corridor "under consideration" status changed to "proposed" in the Mobility 2045 MTP

SRT-121 Transit Corridor

- Conversations continue with potential partners regarding the need for transit to serve employers along the SRT-121 corridor in The Colony, Frisco, McKinney, Toyota, JP Morgan Chase, Legacy West TMA, and Grandscape Development.
- DCTA staff is currently exploring all transit options to help address the labor force need along the corridor including TNC/taxi partnership, DCTA On-Demand and future commuter service
- DCTA is currently seeking funding mechanisms to help advance commuter service along this corridor
- On September 14, DCTA staff participated in Toyota's Employee Resource Fair in an effort to visit with the 6,000 employees on campus about the potential of commuter service along SRT-121
- The Colony Chamber of Commerce is hosting a job fair. DCTA has partnered with the chamber by assisting in connecting them with UNT, TWU and NCTC to help connect college students to employment opportunities

US 380 Transit Corridor

- As mentioned above, the US 380 corridor has been identified as a potential commuter bus service corridor for High Intensity Bus Service, but it could also be a candidate for Bus Rapid Transit (BRT) and eventually Commuter Rail
- DCTA has submitted a Feasibility Study request as a UPWP project to NCTCOG for FY18-19

A-train Extension

- The SB extension of the A-train corridor is in the NCTCOG 2040 Mobility Transportation Plan
- This corridor extension will make the most sense to do in conjunction with the buildout of the Cotton Belt Corridor which is in DART's plan for 2022
- DCTA has submitted a Feasibility Study request for the A-train NB & SB extension as a UPWP project to NCTCOG for FY18-19

Frisco Rail Corridor (BNSF)

- The BNSF rail corridor has been identified as a corridor of interest in the DCTA Long Range Service Plan, is included in the NCTCOG 2040 Mobility Transportation Plan and will carry over to the MTP 2045
- DCTA has begun preliminary planning of this corridor and has been meeting with potential stakeholders along the corridor, private sector partners and NCTCOG
- DCTA has submitted a request to NCTCOG to assist with updating and segmented ridership projections as well as conducting a land use study along the corridor using existing funding allocated to DCTA for the FY 2016-2017 UPWP

LOCAL TRANSPORTATION PLANNING

Innovative Transit Solutions

Federal Engagement

- Staff continues to stay engaged in conversations with the FTA and industry regarding technology-driven transit solutions as well as utilization of automated vehicles in transit
- DCTA has been named a “Friend of the FTA MOD Sandbox Program” and recently participated in the FTA’s two day workshop in D.C. regarding transit agency partnerships with TNCs
- Conversations continue with the FTA and other transit agencies involved in the Sandbox program

Regional Engagement

- DCTA staff participates in the quarterly NCTCOG Mobility On Demand Working Group to discuss best practices on implementing mobility on demand programs with private sector partners

Local Initiatives

- Staff is developing a Shared Use Mobility Action Plan scope of work for FY2018 in an effort to deploy innovative transit solutions while leveraging existing transit assets and producing a fully integrated system plan
- Staff has executed the new contract with Lyft and is currently developing new partnership programs involving subsidized discounts for selected trips
- DCTA staff is currently working with Lyft to develop a program similar to what is currently being provided by Uber for implementation in Highland Village in January 2018
- Additional near term programming opportunities with Lyft could include Frisco and UNT

Agency & Transit Advocacy Project

- DCTA has initiated a contract with Antero Group, a planning and engineering firm, to help the agency develop advocacy materials for transit in Denton County
- Antero held stakeholder interviews with local developers, DCTA member cities and Denton county based higher education institutions to gain insight and feedback on the challenges and opportunities for supporting transit in our region
- Deliverables are expected to be provided in late 2017 and will include infographics, case studies, talking points, user-friendly data and messaging strategies to allow DCTA and its partners better communicate the positive fiscal impacts, economic development and other benefits that result from dedicated support of transit investment
- The DCTA Communications and Marketing team will coordinate the development advocacy materials with the Antero Group to ensure a consistent branding and cohesive communication strategy
- DCTA intends to conduct a similar advocacy project for the business case of transit in Collin County and non-member communities along DCTA corridors of interest

Employee Demographic Study

- Staff is currently collecting and analyzing data on the characteristics of employees and potential employees in high growth areas of Denton and Collin Counties
- The purpose of the study is to use Census data and other sources to analyze potential ridership patterns and make a strong case for commuter service between Denton and Collin Counties
- Recent retail and manufacturing employment numbers are available at the County level from Federal sources, and additional Census data can be used to create income and housing profiles

BUSINESS DEVELOPMENT & PARTNERSHIPS

Toyota HQ Partnerships

- DCTA is engaged in conversations with various Toyota HQ departments at the regarding potential partnership opportunities between DCTA and Toyota
- Toyota has requested additional information from DCTA regarding current programs which will help define next steps for developing the new partnership
- DCTA is also engaged with Toyota Operations and will be meeting to discuss employee transit needs and potential DCTA transit solutions to meet those needs
- In September, DCTA staff participated in Toyota's Employee Resource Fair in an effort to visit with the 6,000 employees on campus about the potential of commuter service along SRT-121

The Colony

- Staff continues to visit with The Colony about future transportation options for their community
- The SRT-121 service will greatly benefit The Colony and its growing mixed use developments
- DCTA staff has suggested The Colony consider creating a Transit Management Association (TMA) to serve as a funding source for implementing transit solutions within their community
- DCTA is participating in discussions facilitated by the NCTCOG to provide assistance to The Colony staff as they explore the TMA option

City of Frisco

- Staff has incorporated agency dispatched taxi service into the current On-Demand service to assist in service area expansion, increased capacity capabilities and to improve operational efficiencies
- Staff level discussions regarding the exploration future transit solutions are ongoing
- DCTA is participating in discussions facilitated by the NCTCOG to provide assistance to Frisco staff as they explore the TMA option

McKinney Urban Transit District (MUTD)

- In June 2017, DCTA began contracted service within cities of the MUTD; McKinney, Melissa, Princeton and Lowry Crossing; Service in Celina is expected in October
- Staff level discussions with some cities have begun regarding the exploration future transit solutions
- Staff will present an update on current service and outline future options to the MUTD Board in November.

Mary Kay Manufacturing (Lewisville)

- Staff is working with representatives from Mary Kay to identify potential site specific shuttle service to their new facility currently under construction in Lewisville
- Mary Kay has a desire to leverage public transportation, but needs something a customized to meet the needs of their employees

Service Expansion within New Service Areas

- Staff continues being responsive to requests from non-member cities in Denton and Collin counties interested in exploring transit solutions to meet the current and future demands within their communities

FUNDING OPPORTUNITIES

Buses & Bus Facility Grant

- DCTA is currently developing a grant proposal in response to the federal Buses & Bus Facility funding opportunity
- The project being submitted contains the following components:
 - Bus Operations & Maintenance Facility "Lite" at Rail OMF
 - Bus Infrastructure Needs at Old Town Station
 - Fleet for Commuter Bus Service along SRT-121
- DCTA submitted the proposal on August 25 and expects awards to be announced later this year

NCTCOG Grant Review & Funding Cleanup

- In early September, DCTA submitted two funding requests for available CMAQ, JARC and Mobility Management funds
- One submitted request would help fund fleet and operational enhancements to the 35W corridor service
- The second request submitted would provide assistance to DCTA's technology enhancements including the provision seamless transportation services in Denton and Collin counties with multiple providers

LAND USE PLANNING & DEVELOPMENT

Downtown Denton Parking

- In coordination with the Union Pacific Railroad and the NCTCOG, DCTA is continues working with City of Denton staff to develop solutions addressing downtown parking shortages, aesthetics, noise mitigation and safety enhancements
- Staff level discussions regarding a potential joint partnership continue to assist in the resurfacing of the existing public lot at Exposition & Hickory and to construct additional surface parking

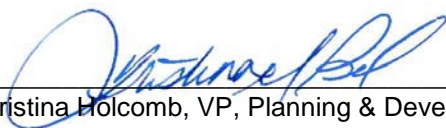
Additional Land Use Planning

- DCTA continues conversations with member cities in an effort to support respective city strategic plans which include historical neighborhood revitalization, transit oriented development, transportation thoroughfare planning, transit service enhancements and trail planning initiatives
- A more thorough report will be provided in closed executive session

ADDITIONAL PROJECTS

- | | |
|---|---|
| • Denton Development Code 2030 | • Infrastructure Development Planning |
| • Denton Small Area Planning Study | • Long-Range Agency Planning Efforts |
| • Lewisville Small Area Planning Studies | • State and Federal Legislative Initiatives |
| • Title VI Oversight & Plan Update | • Grant Funding Opportunities |
| • Long Range Service Plan Update | • TxDOT 35W Expansion Coordination |
| • Federal Legislative Contract Development | • High Intensity Bus Concept Development |
| • Huffines-Hebron Joint Development Project | |

Submitted by: _____


Kristina Holcomb, VP, Planning & Development



Board of Directors Memo
Subject: Capital Projects Update

October 26, 2017

Positive Train Control (PTC)

- Onboard and Wayside hardware installations are complete.
- Alstom test plans are under internal review before submission to the FRA.
- The FRA issued conditional approval of the test request.
- Critical next steps are for the FRA to grant approval to enter the testing phase. This requires FRA approval of Test Plan procedures and test plans.

Lewisville Hike and Bike Trail – Eagle Point Section

- TxDOT has requested additional environmental documentation because of the Corps of Engineer's property. The Engineering will take approximately 2 months.
- The letting date has moved to no earlier than mid-January, however, there is no risk to the TAP funds, which must be let May, 2018.

Flood Damage Repairs

Issue	FEMA Claim	Estimated DCTA Cost	Status
Replace flume at Pockrus Page	\$ 546,000*	\$182,000	Project is out for bid.

*Approved scope revision.

IOMF – Bus Fueling at the Rail Facility

- The City has approved the site plan and we have submitted for permit.

Valley Ridge Crossing

- Crossing is completed. Signal equipment at Cowen will be removed in November.

Trinity Mills Crew Room

- Work is scheduled to begin October 17th and complete by the end of December.

Final Review: 
Raymond Suarez

Board of Directors Memo

October 26, 2017

Subject: Transit Operations Report**SYSTEM ON-TIME PERFORMANCE**

- FY 2017 YTD “On Time Performance” (OTP) for the A-train is 98.12%
- FY 2017 YTD “On Time Performance” (OTP) system-wide for Bus is 93.79%.

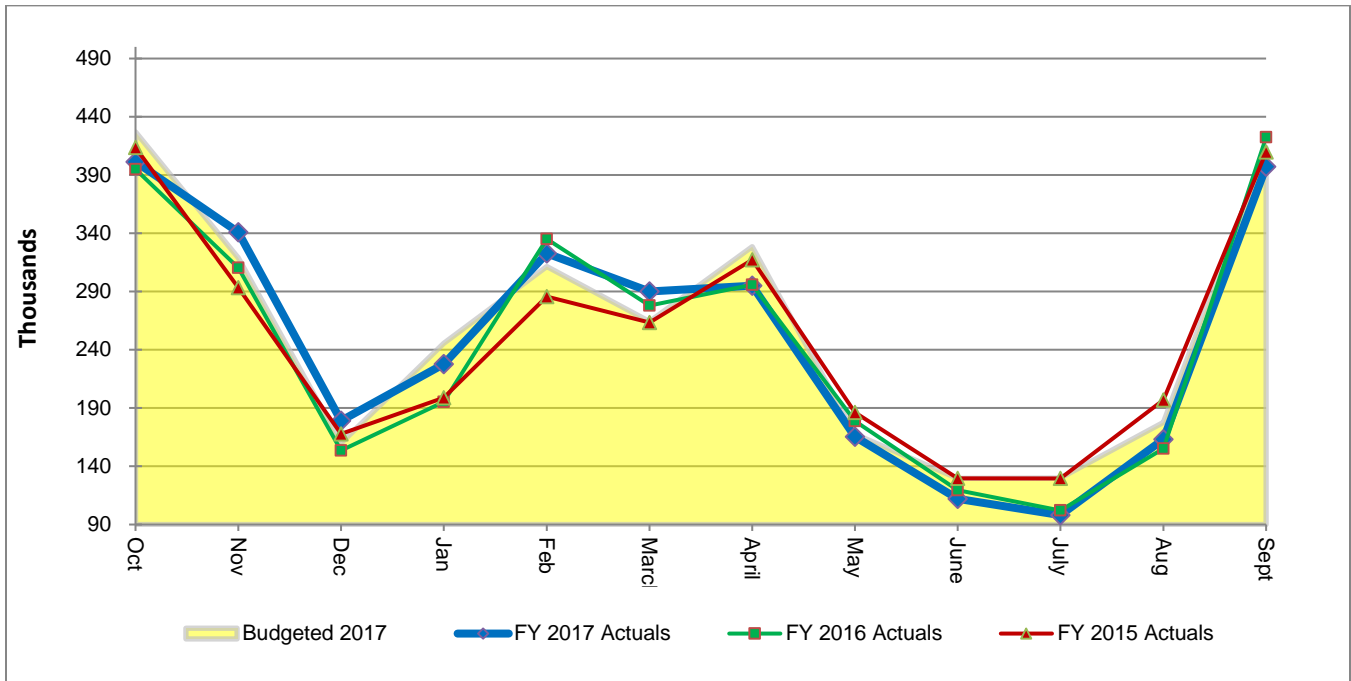
RIDERSHIP PERFORMANCE**Year to Date Change in Ridership by Service Type**

Service	% Change FY 2016 to FY 2017	Color Indicator	Notation No.
All Bus & Rail	1.74%	Green	1
Rail	-7.39%	Red	2
All Bus	3.82%	Green	
Connect	-11.64%	Red	2, 3
UNT	8.81%	Green	1
NCTC	-10.39%	Red	
Access	-4.51%	Green	
Frisco Demand Response	64.31%	Green	
Highland Village	60.56%	Green	

1. UNT ridership continues to exceed expectations and boost the overall system performance. UNT ridership YTD has increased 154,560 or 8.81%.
2. The YTD boardings decreased for Rail and Connect over the same period for the previous fiscal year. An APTA study states that for every 10% drop in gas prices there is a 1.8% drop in ridership. Over the past year there has been a 35% decrease in gas prices which equals a 6.3% drop in ridership. We are in the 2nd year of sustained low gas prices, which is making car ownership more competitive to mass transit, and it appears that consumer behavior is adjusting. This is consistent with national trends.
3. While Connect service continues to underperform from the previous year. During September, the YTD percent of change had gains reducing the overall decrease from 11.85% in August to 11.64% in September.

Color Key**Green** indicates positive performance**Yellow** indicates service that will be monitored by staff**Red** indicates poor performance and needs further research

Rail and All Bus: Total Boardings

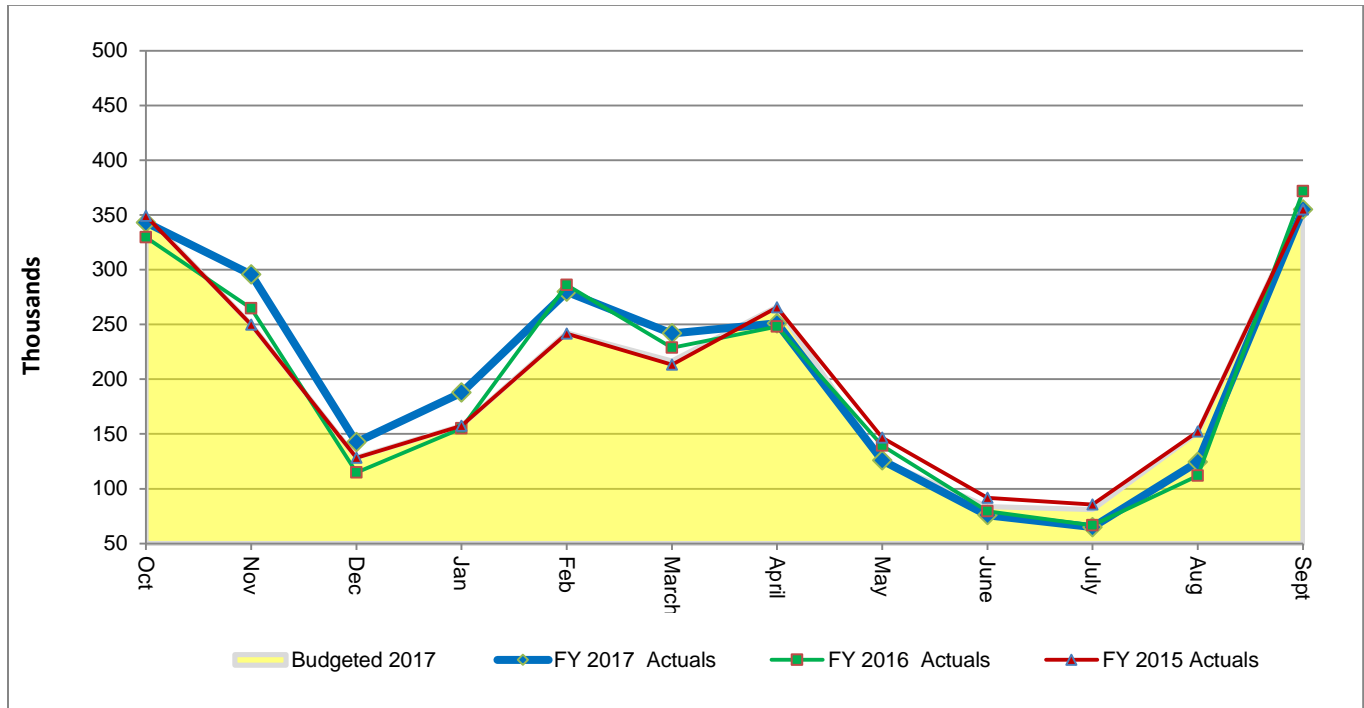


Note: Statistics include A-train, Connect, UNT, NCTC, Access, Connect RSVP, Highland Village Connect Shuttle, Highland Village Community On-Demand, Frisco Demand Response Service, North Texas Xpress Commuter, and special movement services. For display purposes, the Y axis origin has been modified.

Rail and All Bus: Total Boardings

- Total boardings for Rail and All Bus decreased 25,323 boardings or 6% in September 2017 compared to September 2016.
- YTD boardings for Rail and All Bus increased by 51,193 boardings or 1.74% compared to the same period the prior year.

All Bus: Total Boardings

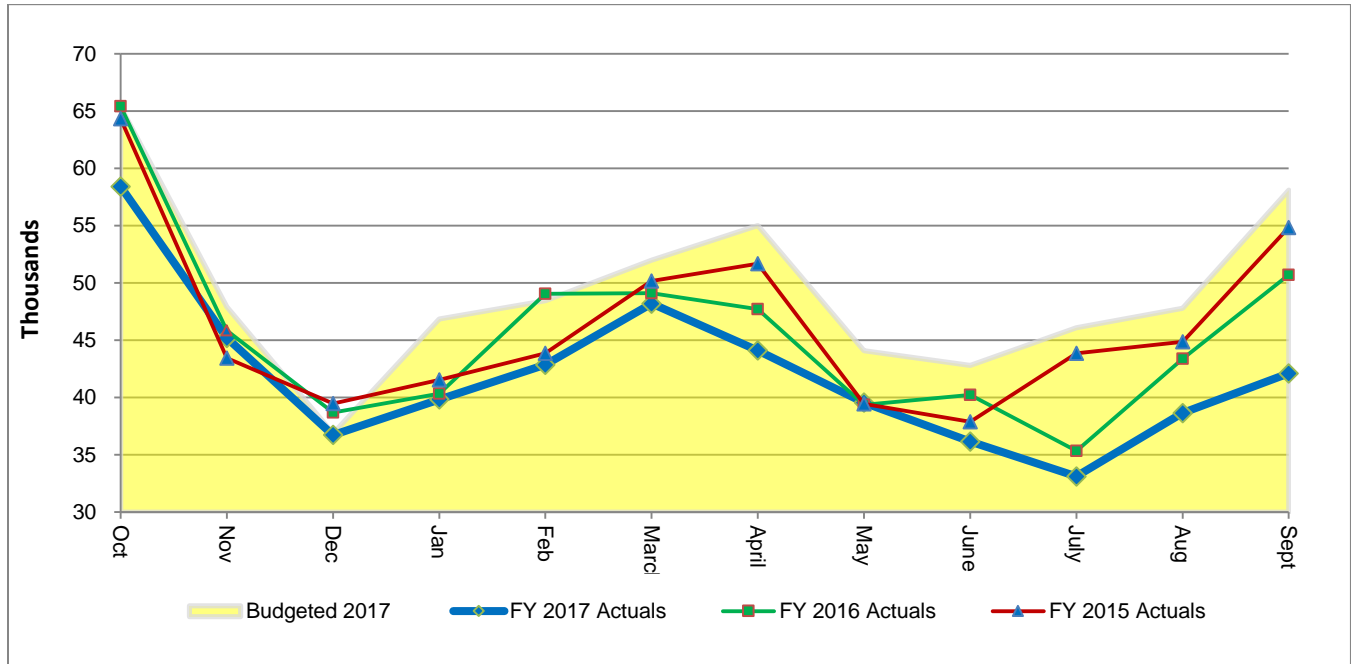


Note: Statistics include Connect, UNT, NCTC, Access, Connect RSVP, Highland Village Connect Shuttle, Highland Village Community On-Demand, Frisco Demand Response Service, North Texas Xpress Commuter and special movement services. For display purposes, the Y axis origin has been modified.

All Bus: Total Boardings

- Modifications to UNT Student Parking has resulted in changes to student travel patterns that is having a significant impact on Denton Connect route performance. UNT YTD boardings are up 154,560 or 8.81% while Connect is down 63,987 or 11.64%.
- In September, total boardings decreased by 16,727 or 4.5% compared to the same period last year. It should be noted that during this period 709 or 4.95% less revenue hours of service were provided than the previous year.
- YTD total for total bus, the increase in UNT boardings were offset by decrease in connect and other services for a total increase overall for the year of 91,544 or 3.82% compared to last year.

Rail: Total Boardings

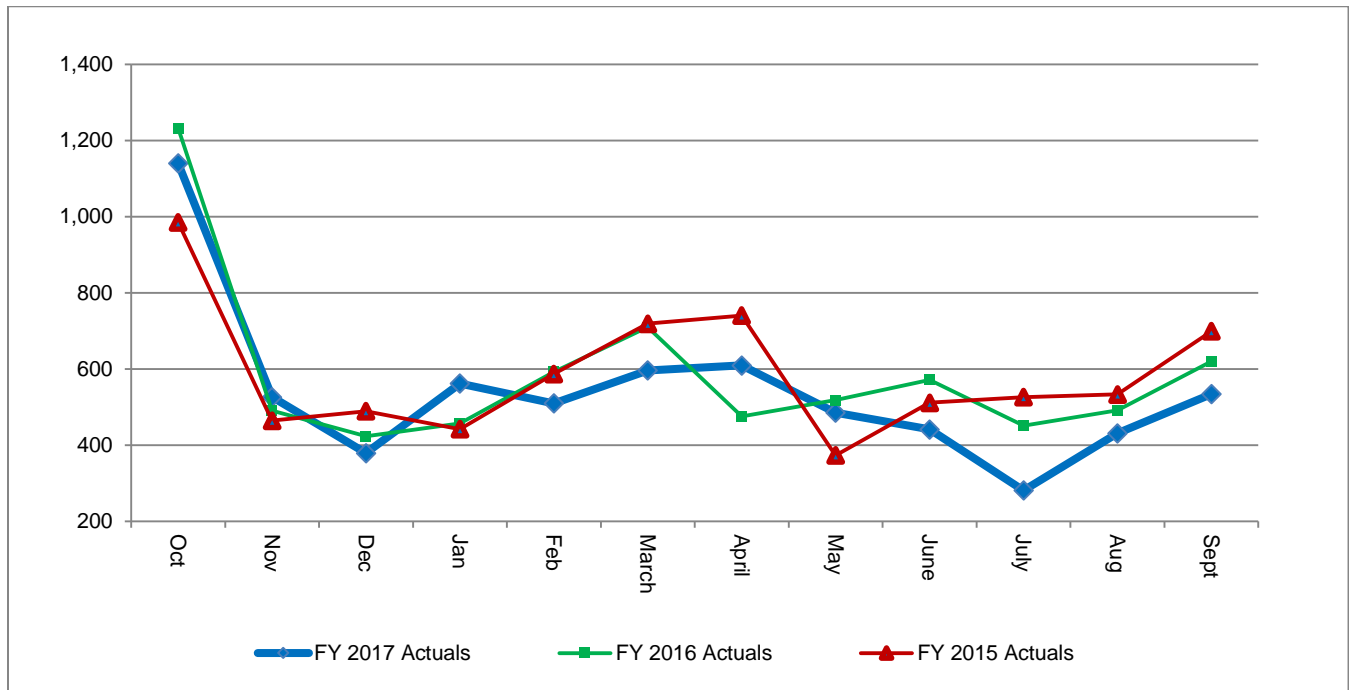


Note: For display purposes, the Y axis origin has been modified.

Rail: Total Boardings

- Total boardings for Rail decreased by 8,596 or 16.95% in September 2017 compared to September 2016. However, boardings decreased by 40,292 or 7.39% overall for the year as compared to the previous fiscal year. Ridership for TRE and DART rail are also down as compared to last year.

Rail: Saturday Average Boardings

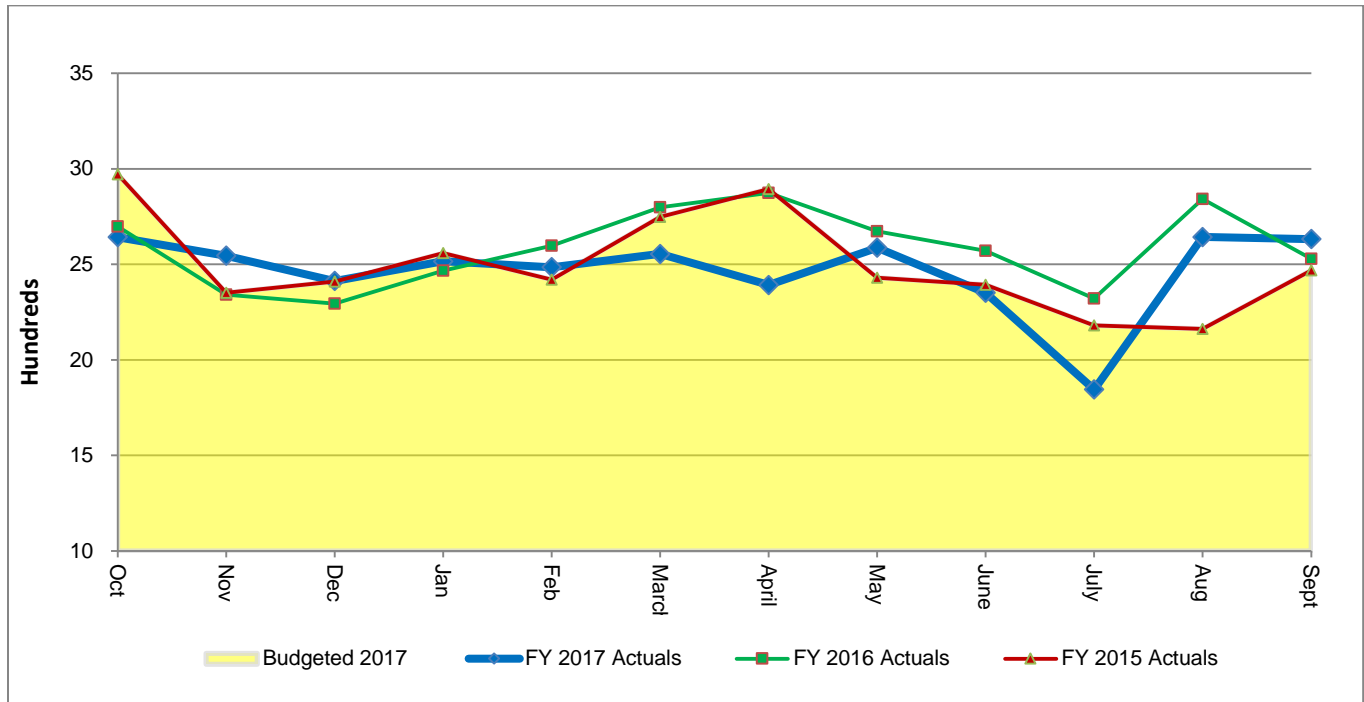


Note: For display purposes, the Y axis origin has been modified.

Rail: Saturday Average Boardings

- Average Saturday Boardings decreased by 86 or 13.84% in September 2017 compared to September 2016.
- For the year, Average Saturday Boardings decreased by 538 or 7.65% as compared to last year.

Access: Total Boardings

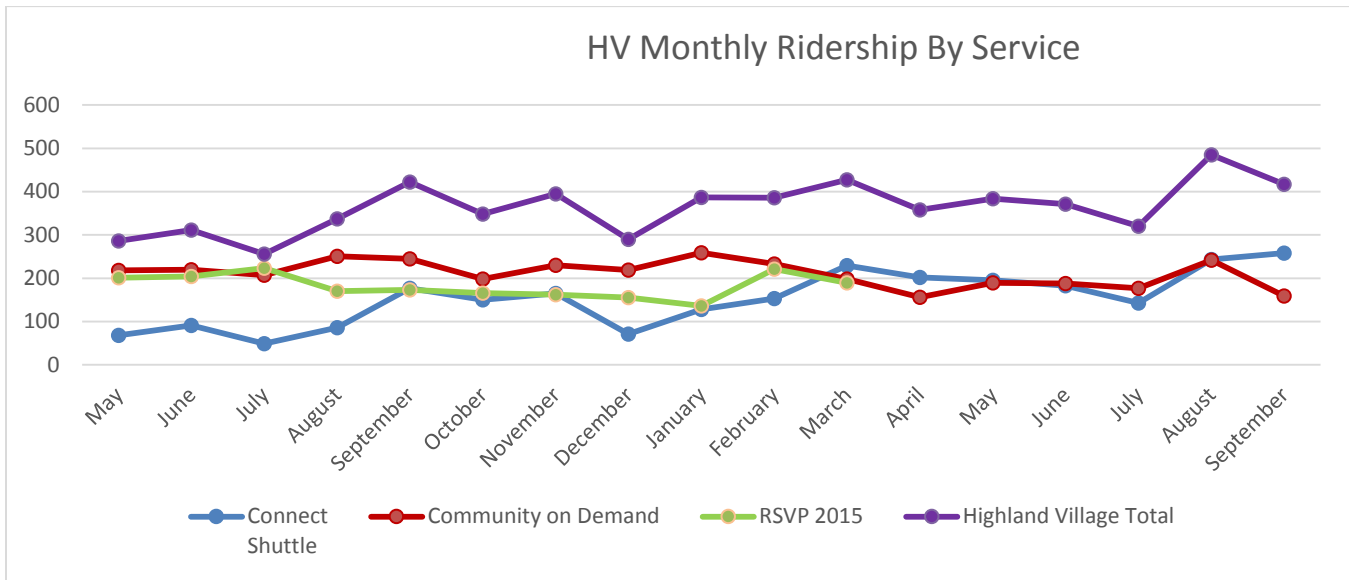


Note: For display purposes, the Y axis origin has been modified.

Access: Total Boardings

- In September, total boardings increased by 103 or 4.07% compared to the same period last year.
- YTD boardings have decreased by 1,398 or 4.51% compared to the same period last year.

Highland Village Service: Total Boardings



Highland Village Service: Total Boardings

- In April 2016, RSVP was replaced with the Highland Village Connect Shuttle and Community On-Demand services.
- YTD total boardings for Highland Village Community On-Demand increased by 122 boardings or 5.25% over total boardings for the same period the prior year.
- With the addition of the Highland Village Connect Shuttle, total boardings for Highland Village services increased by 2,242 or 96.39% compared to the same period the prior year.
- YTD total boardings for all Highland Village services increased 1,723 or 60.56% compared to the same period the prior year.

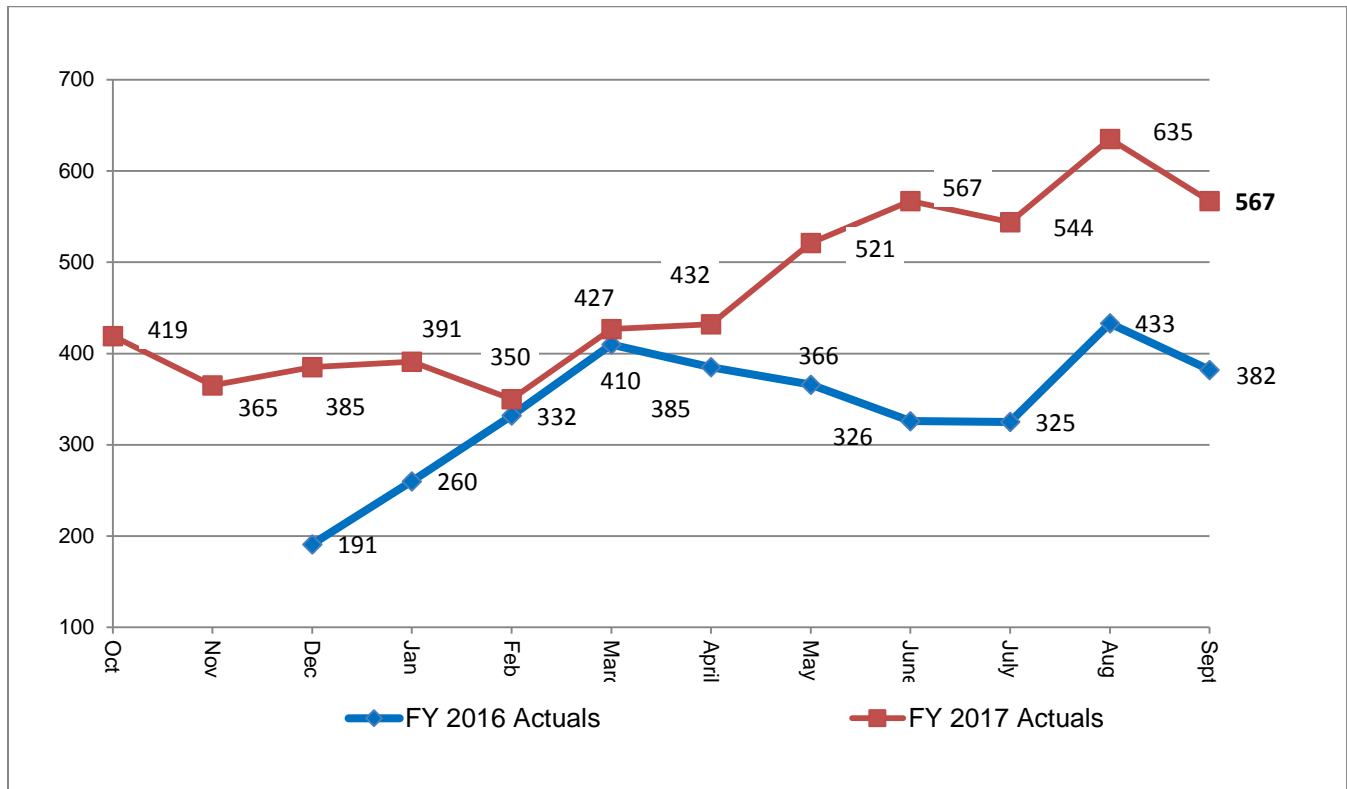
North Texas Xpress Commuter Services: Total Boardings

- Service was initiated on Monday, September 26, 2016.
- The North Texas Xpress is a joint service provided by DCTA and the Fort Worth Transportation Authority.
- Service is provided Monday through Friday from 6:15 am to 9:30 pm.
- North Texas Xpress ridership will be provided in table format (see below) until a full year of data is available for annual comparison purposes.

NORTH TEXAS XPRESS SUMMARY REPORT		
Month	Total	DCTA Apportionment
September	1659	830
August	1216	608
July	1002	501
June	966	483
May	1122	561
April	1148	574
March	1193	597
February	822	411
January	978	489
*December	861	430
November	985	492
October	948	474
September	72	36

*Boardings reflect revision from FWTa

Frisco Demand Response Service: Total Boardings



Frisco Demand Response Service: Total Boardings

- In September, total boardings increased by 185 or 48.4% compared to the same period last year.
- Total boardings have increased by 1,409 or 41.32% compared to the same period last year.
- Boardings for FY2017 increased 2,193 or 64.31% compared to FY2016.
- Staff worked with the City of Frisco to implement a Taxi Pilot Project, to add capacity to the existing service and expand the service area to include portions of Plano for medical trips.
- The Taxi Pilot Project was implemented on Monday, March 20. Since inception of the pilot, a total of 883 taxi trips have been provided.

Collin County Transit

- Service was initiated on June 1, 2017.
- Collin County Transit is a hybrid service provided on behalf of the McKinney Urban Transit District. Service is currently provided in the cities of McKinney, Melissa, Princeton, and Lowry Crossing.
- The service consists of primarily a taxi voucher program, with supplemental demand response service for those customers who are not able to utilize a taxi due to their mobility device.
- Service is provided Monday through Friday from 6:00 am to 6:00 pm.
- Collin County Transit ridership will be provided in table format (see below) until a full year of data is available for annual comparison purposes.

COLLIN COUNTY TRANSIT SUMMARY REPORT			
Month	Total	Taxi	Demand Response
September	321	320	1
August	274	272	2
July	150	150	0
June	97	91	6

SAFETY/SECURITY

- DCTA Rail Operations Injury-Free Workdays: 248
- DCTA Bus Operations Injury-Free Workdays: 50

MAINTENANCE

- **Right of Way:** DCTA contract operations (1st Transit & RGPC) reported a trespassing automobile was on the track at West Hundley Drive Crossing on September 19th. The vehicle was struck by A-train vehicle 111. No injuries were reported to rail passengers or crew. The driver of the trespassing vehicle was transported to the hospital as a precaution. The incident resulted in 9 trains being cancelled and a bus bridge from MedPark station to Highland Village/Lewisville Lake station was implemented to temporarily replace rail service between the two stations.
- **Signal/Communications:** DCTA contract operations (CTC) reported a signal outage on September 18th due to equipment failure which resulted in twelve train delays. On September 27th, there were several lightning strikes that caused two train delays. Repairs were made and there have been no further outages.
- **Stations:** DCTA contract operations (Rio Grande Pacific) continues to perform weekly safety inspections, which have not identified any major issues.
- **Rail Mechanical:** DCTA contract operations (First Transit) continues to perform weekly preventative maintenance and no major issues have been identified.

Final Review: 
Raymond Suarez, COO



Board of Directors Memo

October 17, 2017

Item: WS 3(a) Program Services Committee Chair Report

A meeting of the Program Services Committee was held at 12:07 p.m., October 17, 2017 at 1955 Lakeway Dr., Suite 260 Conference Room in Lewisville, TX.

In attendance were:

Committee Members: *Skip Kalb, George A. Campbell, Charles Emery – Interim Chair*
Board Members: *Mark Miller, Carter Wilson, Allen Harris, Dianne Costa, Dave Kovatch*
Absent: *Richard Huckaby, Connie White, Don Hartman, Tom Winterburn,*
DCTA Staff: *Jim Cline, Kristina Holcomb, Anna Mosqueda, Raymond Suarez, Nicole Recker, Brandy Pedron*

The following agenda items were presented for discussion at the Program Service committee meeting:

1. NCTCOG Regional Mobility 2045 Status Update
2. NCTCOG Regional Trail Project Update
3. Increasing Transit Ridership
 - a. Parking Management
 - b. Service Improvements
 - c. Serve New Markets
 - d. Transit Oriented Development
4. Departmental Updates
 - a. Business Case for Transit Project Update
 - b. Corridor Congestion & Travel Time Project
 - c. Marketing Discounts & Promotions
 - d. Service Change Updates
5. Adjourn - The meeting adjourned at 1:50 p.m.

Program Development Chair (Interim) – Charles Emery
Program Development Members – Skip Kalb, Mark Miller, Don Hartman, Carter Wilson,
 Allen Harris, George A. Campbell
Staff Liaison – Kristina Holcomb, Vice President, Planning & Development



Board of Directors Memo

October 26, 2017

Item: WS 3(b) Finance Committee Chair Report

The Finance Committee meeting and Special called Board of Directors meeting was held at 4:00 p.m., Tuesday, October 17, 2017 at 1955 Lakeway Dr., Suite 260 Conference Room in Lewisville, TX. The Finance Committee meeting was convened but the joint Special Called Board of Directors was not convened as there was not a quorum of the Board in attendance.

In attendance were:

Committee Members: Connie White, Tom Winterburn, Dave Kovatch

Board Members: Charles Emery

DCTA Staff: Anna Mosqueda, Amanda Riddle, Jim Cline, Nicole Recker, Raymond Suarez, Marisa Perry, Brandy Pedron

A copy of the Finance Committee agenda and Investment Policy handouts is included as "Attachment A" to this report. The Finance Committee reviewed and discussed the following agenda items:

Sales & Property Tax Geo Code Report

Early this year, staff began working with MuniServices to develop a geo-code area parallel to the A-train corridor. Since the initiation of the A-train project, there has been significant interest in being able to better quantify the specific economic impact of the A-train corridor on the area surrounding it. To that end, Finance and IT staff worked with MuniServices, established the geo-code area – ½ mile on either side of the A-train corridor -- for which data would be collected and identified all the tax ID's within that geo-coded area. As this sales tax data is collected, over time it will allow DCTA to monitor the composition, changes and performance of sales tax reporting entities in this area.

As staff was developing the sales tax portion of the project, it became apparent that another piece of valuable information would be to identify changes in property values within the same geo code area. Strategic Planning, IT and Finance Staff collected the property tax valuation data for parcels within the defined area.

The sales tax and property tax schedules were presented by Anna Mosqueda for preliminary discussion only to identify general data of interest to Finance Committee and format they felt would provide best information. This data still needs to be further refined but discussion was important to garner feedback from the Committee on best presentation format. Feedback from the Committee will be incorporated and schedules brought back for review and then will be updated annually. This will help provide both DCTA and its member communities specific information regarding changes in performance and composition of sales tax as well as property value changes within the defined area.

Discuss Format/Content of Agency Financial Ratios Report Card

Anna Mosqueda reviewed a sample financial ratios report card for discussion with the Finance Committee to solicit feedback regarding financial information and potential benchmark agencies they feel would be beneficial. The Committee provided feedback regarding revisions they would like to see. These will be incorporated and format further refined for follow-up discussion by the Finance Committee. This report card will provide annual financial information and ratios to the Finance Committee in a summary format. It is anticipated that this would be updated on an annual basis after completion of the annual audit and presented to the Finance Committee at one of its quarterly meetings.

Discuss FY18 Committee Calendar & Future Agenda Items

The committee briefly discussed possible future agenda items. At the quarterly Finance Committee meeting scheduled for January 2018, staff will present the FY17 audit and provide an update on proposed amendment to the to the current fare structure. The Committee consensus was that the budget workshop format used the last two years has been very productive and would be continued for the FY19 Budget process. Finance Committee decided to continue using the Monday 2-4pm timeslot and will also review the 2018 meeting calendar and further discuss topics that staff will bring back for review and discussion through-out next year.

Investment Policy

The DCTA Investment Policy was last adopted by the Board on October 27, 2016. DCTA contracts with First Southwest Asset Management, Inc. ("FSAM") for investment advisory services. The policy has been reviewed by FSAM to ensure that all the necessary language as required by the Act is present in the written DCTA Investment Policy document. The Finance Committee reviewed the changes recommended by FSAM and has forwarded this item to the Board for adoption in October.

The meeting adjourned at 4:50pm

Finance Committee

Chair – Dave Kovatch

Members – Richard Huckaby, Connie White, Tom Winterburn

Staff Liaison – Anna Mosqueda – CFO



Special Called Meeting of the DCTA Board of Directors
and the **Finance Committee**
of the DCTA Board of Directors
4:00 p.m., October 17, 2017
1955 Lakeway Drive, Suite 260 Conference Room
Lewisville, TX 75067

AGENDA

NOTICE IS HEREBY GIVEN that there will be a special called meeting of the DCTA Board of Directors and a meeting of the Finance Committee of the DCTA Board of Directors at the time and location above. The DCTA Board of Directors will not conduct its special called meeting if a quorum of the DCTA Board of Directors does not attend however the DCTA Finance Committee will conduct its meeting regardless of the presence of a quorum of the DCTA Board of the Directors. The DCTA Board of Directors and the Finance Committee of the DCTA Board of Directors will consider the following:

Welcome and Introductions

- 1) ITEMS FOR DISCUSSION
 - a. Sales & Property Tax Geo Code Report
 - b. Discuss Format/Content of Agency Financial Ratios Report Card
 - c. Discuss FY18 Committee Calendar & Future Agenda Items
- 2) DISCUSS AND TAKE ACTION ON RECOMMENDATION TO THE BOARD
 - a. Investment Policy
- 3) ADJOURN

Finance Committee
Chair – Dave Kovatch
Members – Richard Huckaby, Connie White, Tom Winterburn
Staff Liaison – Anna Mosqueda – CFO

The Denton County Transportation Authority meeting rooms are wheelchair accessible. Access to the building and special parking are available at the east 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 972-316-6032.

This notice was posted on 10/18/2017 at 9:08 AM.

Brandy Pedron, Administrative Assistant



Finance Committee Memo

October 17, 2017

Item 1(a): Sales & Property Tax Geo Code Report

Background

In September of 2015, DCTA entered into an agreement with MuniServices to provide:

- Sales tax compliance review to help enhance sales/use tax by detecting, documenting and correcting sales tax misallocations
- Sales and use tax analysis and reporting service (STARS) to provide specific analysis of DCTA's sales tax composition, changes and performance.
 - Three (3) geo area reports are included with the STARS package, this allows DCTA to designate a geo-code fenced area to provide a more focused analysis of sales tax data within a specifically designated area

The initial efforts with MuniServices were to get the sales tax compliance review and reporting process underway. This process is now in place and MuniServices has been monitoring and reporting results.

The next phase was to implement a geo code area to allow a focused analysis of sales tax data within a specific geo-coded area. Early this year, staff began working with MuniServices to develop a geo-code area parallel to the A-train corridor. Since the initiation of the A-train project, there has been significant interest in being able to better quantify the specific economic impact of the A-train corridor on the area surrounding it. To that end, Finance and IT staff worked with MuniServices, established the geo-code area – ½ mile on either side of the A-train corridor -- for which data would be collected and identified all the tax ID's within that geo-coded area. As this sales tax data is collected, over time it will allow DCTA to monitor the composition, changes and performance of sales tax reporting entities in this area.

As staff was developing the sales tax portion of the project, it became apparent that another piece of valuable information would be to identify changes in property values within the same geo code area. Strategic Planning, IT and Finance Staff collected the property tax valuation data for parcels within the defined area.

In June of 2017, Strategic Planning staff entered into an agreement with the Antero Group related to economic development research and community messaging. The project scope includes developing a business case to help inform DCTA communities regarding the value that transit and transit-oriented development can create for tax rolls, economic development and quality of life.

The Sales and Property Tax Geo Code area has been provided to the Antero Group for incorporation into their larger analysis as they determine.

Recommendation

The sales tax and property tax schedules presented today are only for discussion with the Finance Committee. This information will be further refined based on any feedback from the Finance committee and will be updated annually. This will help provide both DCTA and its member communities specific information regarding changes in performance and composition of sales tax within the defined area.

Submitted by: _____
 Anna Mosqueda, CFO



Finance Committee Memo

October 17, 2017

Item 1 (b): Discuss Format/Content of Agency Financial Ratios Report Card

Background

As DCTA matures as a regional transit provider monitoring key financial indicators and ratios will continue to grow in importance. The Finance Committee and Board has established high standards and expectations regarding financial transparency, adoption of sustainable budgets and associated long-range cashflow model.

In 2009 Finance staff did some preliminary work with First Southwest, the agency's Financial Advisory firm, to identify a format, general type of data and possible benchmark agencies. At that time due to the A-train construction project and the focus in completion and other agency top priorities, this effort was put on hold.

We bring this back for discussion with the Finance Committee to solicit feedback regarding financial information and potential benchmark agencies they feel would be beneficial. This would provide annual financial information and ratios to the Finance Committee in a summary format.

It is anticipated that this would be updated on an annual basis after completion of the annual audit and presented to the Finance Committee at one of its quarterly meetings.

Submitted by: _____
Anna Mosqueda, CFO



Finance Committee Memo

October 17, 2017

Item 1 (c): Discuss FY 18 Finance Committee Calendar & Future Agenda Items

Background

We bring this for discussion with the Finance Committee to solicit feedback regarding preliminary outline for Calendar year - Finance Committee Calendar and future agenda items of interest to the Committee and FY19 Budget calendar. This would help set the stage for the January meeting when the general FY19 Budget Calendar and related meetings are outlined.

Below are some possible agenda items provided merely to gauge interest and initiate dialogue:

- Overview of DCTA sales tax base, performance and projections – MuniServices
- Market update and future investment strategies – First Southwest Asset Management
- Discussion of Financial Ratios, performance, and benchmark agency comparisons
- DCTA Debt /Structure/Current Capacity – Fulbright & Jaworski – DCTA Bond Atty Firm
- Fare Structure – Proposed Modifications
- DBE Goal and updates on FTA guidance

- DCTA's Grant Funding and Reporting

- Proposed UNT Service Contract changes-implications for cashflow model

- DCTA Fleet Replacement Plan
- DCTA Facilities Maintenance Plan
- Ongoing Operational Impact of PTC

Submitted by: _____



Finance Committee Memo

October 16, 2017

Subject: 2(a) Review of Investment Policy

Background

It is the intent of DCTA to be in compliance with state and federal law. The Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act") governs investment of public funds at the state level. The Act requires that the Board of Directors review and adopt the Investment Policy annually.

It is the policy of the Denton County Transportation Authority (DCTA) that the administration and investment of its funds shall be handled in a manner that maintains the highest public trust. Investments shall be made that provide the maximum security of principal invested while meeting the daily cash flow needs of DCTA and conforming to all applicable state statutes governing the investment of public funds. While DCTA staff strives to maximize the yield on our investments, increasing the market yield-to-maturity is secondary to the requirements for safety and liquidity.

The last adoption by the Board of the DCTA Investment Policy was on October 27, 2016. DCTA contracts with First Southwest Asset Management, Inc. ("FSAM") for investment advisory services. The policy has been reviewed by FSAM to ensure that all the necessary language as required by the Act is present in the written DCTA Investment Policy document. Included for your reference is the letter from FSAM confirming their review of the investment policy and outlining the recommended changes.

In connection with investment transactions conducted between FSAM and DCTA, FSAM has provided as required under the Act a certification that they have reviewed the entity's investment policy. In addition, FSAM has provided to DCTA a copy of its current SEC Form ADV Part II, as required by Securities and Exchange Commission Regulation Section 275.204-3. These documents as well as the current FSAM approved broker/dealer list are available in the DCTA Finance Department.

Identified Need

This action is required to fulfill the legal requirements for an annual review and approval of the Investment Policy.

Recommendation

The policy is presented to the Finance Committee for review and discussion. Staff recommends the Finance Committee forward the Investment Policy to the Board to be placed on the October 2017 Board agenda along with the required Board Resolution for adoption.

Submitted by: _____
Anna Mosqueda, CFO

Approval: _____
James C. Cline, Jr., P.E., President



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Suite 1940
Austin, Texas 78701

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Scott McIntyre
Managing Director

Scott.mcintyre@hilltopsecurities.com

POLICY REVIEW

October 12, 2017

Ms. Anna Mosqueda
Chief Financial Officer
Denton County Transportation Authority
1955 Lakeway Drive, Suite 260
Lewisville, TX 75057

Dear Anna:

As requested, FirstSouthwest Asset Management, Inc. has performed a review of the Denton County Transportation Authority ("DCTA") written investment policy to determine compliance with the Texas Public Funds Investment Act (the "Act"), Texas Government Code, Chapter 2256. Our review was limited in scope, with the primary purpose being to evaluate conformity with the Act. We did not seek to ensure that all funds and procedures are addressed in the policy, nor have we reviewed compliance with the policy or internal controls of DCTA. Based upon our review, we have reached the following conclusion:

The Texas Legislature passed several bills into law in the 2017 legislative session which resulted in a number of changes to the Act, most notably allowing insured deposit accounts and ultra-short bond funds, and pardoning broker/dealers from the policy certification requirement. We recommend adding insured savings deposits as an eligible investment for DCTA. In addition, we recommend rewriting the policy certification language to exclude broker/dealers and expanding authorized financial dealers beyond "primary dealers." We don't recommend adding ultra-short bond funds at this time. The recommend changes are outlined below.

Section VIII. AUTHORIZED INVESTMENTS

Add new investment type - F. Interest bearing bank savings deposits issued by state and national banks or savings bank or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations).

Rationale: New PFIA permitted investment allows local governments to invest in insured savings accounts with banks. This is a safe, appropriate investment to add to policy.

Note: Interest bearing bank deposits shall be limited to no more than 25% of the total portfolio.

Section IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Amend first paragraph to read – All investments will be made through either DCTA's banking services bank or ~~a primary~~ an approved broker/dealer.

Rationale: The number of primary dealers has been cut in half over the years. Regional firms now offer equivalent, or in some cases superior value and service. This recommendation allows for regional and local firms to participate in the competitive bidding process.

Note: As investment managers, FSAM has long utilized regional brokers on behalf of its clients.

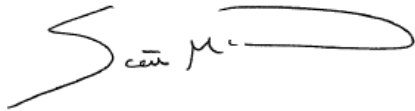
Amend the third paragraph to read – Every broker/dealer, investment pool, investment manager and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure they are familiar with the goals and objectives of DCTA's investment program. A representative of ~~the firm~~ investment pools and investment managers exercising discretion will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to DCTA.

Rationale: The Act was amended such that only investment pools and investment managers exercising discretion are required to sign the certification. Broker/dealers should still be provided with a copy of the policy in order for them to adhere to the FINRA "know your customer" requirement.

We believe the DCTA investment policy to be in full compliance with the Texas Public Funds Investment Act.

If you have any questions regarding this policy, please contact me at 1-800-575-3792 or directly at (512) 481-2009.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Scott McIntyre", with a stylized flourish at the end.

Scott McIntyre, CFA
Managing Director

Cc: Ms. Marisa Perry

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

I. POLICY STATEMENT

The Denton County Transportation Authority (DCTA) policy stipulates that the administration of its funds and the investment of those funds shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of DCTA. DCTA's investments will conform to all applicable state statutes governing the investment of public funds.

Effective cash management is essential to good fiscal management. Cash management is defined as the process of managing monies to ensure maximum cash availability. DCTA shall maintain a comprehensive cash management program which includes collection of accounts receivable; prudent investment of its available cash; disbursement of payments in accordance with invoice terms; compliance with Board Policy, and the management of bank depository services.

Receiving a market rate of interest will be secondary to the requirements for safety and liquidity. DCTA intends to be in compliance with local law and the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). Investment earnings will be used in a manner that best serves the interests of DCTA.

II. SCOPE

This investment policy applies to all the financial assets and funds of DCTA. However, this policy does not apply to the assets administered for the benefit of DCTA by outside agencies under deferred compensation programs.

DCTA may commingle its funds into one pooled investment fund for investment purposes for efficiency and maximum investment opportunity.

III. OBJECTIVES AND STRATEGY

DCTA's policy is that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety of principal, liquidity, diversification and yield. Investments are to be chosen in a manner which reflects diversity by market sector, type of credit, and length of maturity as best meets DCTA's requirements. The choice of high-grade government investments and high-grade money market instruments is designed to assure the marketability of those investments should liquidity needs arise. To best meet anticipated cash flow requirements, the weighted average maturity (WAM) of the overall portfolio may not exceed 18 months.

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

Safety of Principal

Safety of principal is the foremost objective. Investments of DCTA's cash shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The safety of principal is best achieved by limiting maximum maturities to two years or no further than expected project cash flow forecasts; limiting investment types to those specifically authorized by this policy; diversifying investments; and, monitoring credit ratings on selected investment types.

Liquidity

Investments will be based on a cash flow analysis of needs and will remain sufficiently liquid to satisfy all operating requirements which might be reasonably anticipated by the agency's cash flow model. The portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, the portfolio will include investments that offer same-day liquidity for those unanticipated situations. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

Diversification

The portfolio will be diversified by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage. Competitive bidding as defined in Section VIII of this policy will be used on each sale and purchase.

Yield

DCTA's investment portfolio shall be designed with the objective of attaining a market yield-to-maturity taking into account DCTA's risk constraints and the cash flow needs. Market yield-to-maturity may be defined as the rolling average yield of the current six-month Constant Maturity Treasury (CMT).

DCTA has selected the weighted-average yield-to-maturity as its preferred measure of investment performance. The weighted-average yield-to-maturity shall be calculated on a monthly basis by multiplying each individual security's yield-to-maturity at time of purchase by its book value, totaling the product of these calculations, and dividing by the total book value of the portfolio.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public fund deposits. All investments will be made in accordance with these statutes.

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

V. DELEGATION OF INVESTMENT AUTHORITY

The Chief Financial Officer, acting on behalf of DCTA, is designated as the Investment Officer and the President of DCTA is designated as the Alternate Investment Officer. The Investment Officer is responsible for investment management decisions and activities according to this Investment Policy. The Investment Officer is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the activities of the investment program which are consistent with this Investment Policy. The procedures will include reference to safekeeping; require and include Master Repurchase Agreements (as applicable); wire transfer agreements; banking services contracts; and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall regulate the activities of subordinate officials and staff. The Investment Officer shall designate in writing a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer and Alternate Investment Officer are not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established herein.

Authorization Resolution

A Resolution is established with this investment policy and attached hereto authorizing the Investment Officer to engage in investment transactions on behalf of DCTA. The persons authorized by the Resolution to transact business for DCTA are also authorized to approve wire transfers used in the process of investing.

VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. This standard states that:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.”

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

Limitation of Personal Liability

The Investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule in Section VI, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner to the Board of Directors and that appropriate actions are taken to control adverse market effects.

VII. INTERNAL CONTROLS

The Investment Officer shall establish a system of written internal controls which will be reviewed annually with the independent auditor of DCTA. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes or imprudent actions by employees of DCTA. Results of review of internal controls by the independent auditor shall be included in the annual audit.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of DCTA. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

VIII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Funds Investment Act:

A. Obligations of the United States Government, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), agencies and instrumentalities and government sponsored enterprises, excluding collateralized mortgage obligations (CMO's), not to exceed two years to stated maturity with the exception of project funds which may be invested in longer maturities but not to exceed forecasted expenditure dates;

B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, not to exceed two years to stated maturity. In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principal and interest of each CD insured by the Federal Deposit Insurance Corporation (FDIC) may be purchased through a broker that has its main office in Texas and is selected from a list adopted by the DCTA Board or a selected depository institution with its main office or branch office in Texas. This broker or depository shall act as the custodian for the various certificates on behalf of DCTA.

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

C. Repurchase agreements and reverse repurchase agreements as defined by the Act, not to exceed 180 days to stated maturity, provided an executed Master Repurchase Agreement is on file with DCTA and the counterparty bank or primary dealer. Flexible repurchase agreements used specifically for capital projects may extend beyond the 180 day stated limitation, but shall not exceed the expenditure plan of the projects;

D. No-load SEC-registered money market funds, each approved specifically before use by DCTA;-
~~and~~

E. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act.; ~~and-~~

F. Interest bearing bank savings deposits issued by state and national banks or savings bank or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations).

If additional types of securities are approved for investment by public funds by state statutes, none will be eligible for investment by DCTA until this policy has been amended and approved by the DCTA Board.

Competitive Bidding Requirements

All securities, including certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that DCTA is receiving fair market value/price for the investment.

Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by DCTA, shall be conducted on a delivery versus payment (DVP) basis.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

All investments will be made through either DCTA's banking services bank or ~~a primary-an approved broker/~~dealer. DCTA will review the list of authorized broker/dealers annually. A list of at least three broker/dealers will be maintained in order to assure competitive bidding.

Securities broker/dealers must meet and disclose certain criteria as determined by the Investment Officer including:

- A. an audited financial statement each year,
- B. proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of CRD number,
- C. proof of current registration with the State Securities Commission, and
- D. Completion of DCTA questionnaire.

DENTON COUNTY TRANSPORTATION AUTHORITY

INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

Every broker/dealer, investment pool, investment manager and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure they are familiar with the goals and objectives of DCTA's investment program. A representative of ~~the firm~~ investment pools and investment managers exercising discretion will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to DCTA.

DCTA may appoint one or more investment advisors to assist the financial staff in the management of DCTA funds. The investment advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an investment advisor. To be eligible for consideration, an investment advisor shall demonstrate knowledge of, and experience in, the management of public funds. An appointed investment advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy, and shall not have discretionary authority to transact business on behalf of DCTA.

If DCTA has contracted with a Registered Investment Advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of DCTA. ~~The advisor shall recommend broker selection criteria to DCTA's Investment Officer for approval.~~ The advisor shall annually present a list of its authorized broker/dealers to DCTA for review and likewise shall return a signed certification stating that the advisor has reviewed the DCTA investment policy and has implemented reasonable procedures and controls to preclude imprudent investment activities. The advisor shall obtain and document competitive bids and offers on all transactions and present these to DCTA as part of its trade documentation.

X. DIVERSIFICATION AND MATURITY LIMITATIONS

It is DCTA's policy to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

<u>Security Type</u>	<u>Max % of Portfolio</u>
U.S. Treasury obligations	100%
U.S. Government agencies and instrumentalities	Not to exceed 75%
Fully insured or collateralized CDs	Not to exceed 30%
Repurchase agreements	100%
Money Market Funds	50%
Local Government Investment Pools	
Liquidity Pools	100%
Maximum percent ownership of pool	Not to exceed 10%
<u>Interest Bearing Bank Savings Deposits</u>	<u>25%</u>

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not:

A. invest more than 20% of the portfolio for a period greater than one (1) year, or B. invest any portion of the portfolio for a period of greater than two (2) years.

XI. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery-versus-payment (DVP) basis and be held in safekeeping by either DCTA; an independent third party financial institution; or DCTA's designated banking services depository.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The third-party custodian shall be required to issue safekeeping receipts to DCTA listing each specific security, rate, description, maturity, CUSIP number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for DCTA or pledged to DCTA.

All securities pledged to DCTA for certificates of deposit or demand deposits shall be held by an independent third-party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Collateralization

Collateralization is required on time and demand deposits exceeding the FDIC insurance coverage of \$250,000, and on repurchase agreements.

To provide a level of additional security for all funds and to also anticipate any market changes, the collateralization level required will be 105% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

XII. PERFORMANCE EVALUATION AND REPORTING

A comprehensive quarterly investment report shall be prepared by the Investment Officer or Investment Advisor within ten (10) days following the fiscal quarter end and be presented to the DCTA Board the month following the fiscal quarter end. As required by the Texas Public Funds Investment Act, the report will:

- A. describe in detail the investment position of DCTA on the date of the report;
- B. be signed by the Investment Officer(s)
- C. contain a summary statement that presents:
 - a. beginning book and market value for the reporting period;

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

- b. ending book and market value for the reporting period; and
- c. fully accrued interest for the reporting period;
- D. state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- E. state the maturity date of each separately invested asset that has a maturity date;
- F. state the account or fund for which each investment security was purchased;
- G. compare the portfolio's performance to other benchmarks of performance; and
- H. state the compliance of the investment portfolio with DCTA Investment Policy, Investment Strategy, and the Public Funds Investment Act.

XIII. DEPOSITORIES

DCTA will designate one banking institution through a competitive process as its central banking services provider at least every five years. This institution will be used for normal banking services including disbursements, collections, and safekeeping of securities. Other banking institutions from which DCTA may purchase certificates of deposit will also be designated as a depository after providing their latest audited financial statements to DCTA.

XIV. TRAINING REQUIREMENT

The DCTA Investment Officer(s) shall attend at least one investment training session consisting of no less than 10 hours of instruction relating to investment responsibilities within twelve months of taking office or assuming duties, and subsequently shall receive a minimum of 10 eight (8) hours not less often than once in a two-year period that begins on the first day of the fiscal year and consists of the two consecutive years after that date, ~~and shall receive not less than ten hours of instruction relating to investment responsibilities.~~ The investment training session shall be provided by an independent source approved by the Board of Directors. See Attachment I for a list of Board approved independent investment training sources. Contingent upon Board approval, additional independent sources from which investment training may be obtained shall include a professional organization, an institute of higher learning, or any sponsor other than a business organization with whom DCTA may engage in an investment transaction. Such training shall include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

XV. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair the ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which personal business is conducted. Further disclosure shall also be made of any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of DCTA.

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

An Investment Officer of DCTA who has a personal business relationship with an organization seeking to sell an investment to DCTA shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to DCTA shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the DCTA Board of Directors.

XVI. SUBJECT TO AUDIT

A formal annual review of the investment reports will be performed by an independent auditor with the results reported to the Board. All collateral shall be subject to inspection and audit by the DCTA Treasurer or DCTA's independent auditors.

XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD

DCTA's Investment Policy shall be adopted annually by the Board of Directors. The policy and strategies shall be reviewed on an annual basis by the Board or a designated Committee of the Board. A written resolution approving that review, and suggested changes to the policy will be approved by the Board.

Previous Action:

Adopted: October 27, 2016

DENTON COUNTY TRANSPORTATION AUTHORITY
INVESTMENT POLICY (As adopted 10/27/16 – Red-lined)

Attachment 1

Board Approved Independent Investment Training Sources

1. Texas Municipal League (TML)
2. Government Finance Officers Association (GFOA)
3. Government Finance Officers Association of Texas (GFOAT)
4. North Central Texas Council of Governments
5. Texas Higher Education Coordinating Board