



*Denton County Transportation Authority*

**1955 Lakeway Dr., # 260**

**Lewisville, Texas 75057**

*(972) 221-4600*

*RideDCTA.net*

**Board of Directors**

**Work Session**

**August 27, 2015**

**1:30 p.m.**

1. Routine Briefing Items
  - a. Financial Reports
    - i. Financial Statements
    - ii. Capital Projects Report
    - iii. Sales Tax Report
    - iv. TX Comptroller's Leadership Circle Transparency Award
    - v. Procurement Report
    - vi. Triennial Review Update
  - b. Marketing and Communications
    - i. Marketing and Communications Initiatives
    - ii. Marketing and Communications Metrics
    - iii. Customer Service Metrics
    - iv. Public Meeting Update
  - c. Capital Projects Update
    - i. GTW Integration
    - ii. Lewisville Bike Trail
    - iii. Positive Train Control (PTC)
    - iv. Station Improvements
    - v. Rail Facility Drainage
  - d. Transit Operations
    - i. Rail Operations
    - ii. Bus Operations
  - e. Strategic Planning / Development
    - i. Priority Projects Update
    - ii. Outreach Efforts
2. Items for Discussion
  - a. Rail Operations and Maintenance Interlocal Agreement
  - b. Legislative Update
  - c. Review Agency Performance Report Metrics

3. Committee Chair Reports
  - a. Finance Committee (08/17/2015) Dave Kovatch, chair
  - b. Program Services Committee (08/18/2015) Paul Pomeroy, chair
4. Discussion of Regular Board Meeting Agenda Items (August 2015)
5. Convene Executive Session
  - a. As Authorized by Section 551.071(2) of the Texas Government Code, the Work Session or the Regular Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
  - b. As authorized by Texas Government Code section 551.071 consultation with General Counsel regarding pending litigation Cause No 2011-30066-211; URS Corporation v. Denton County Transportation Authority; 211th District Court, Denton County, Texas.
  - c. 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, or Highland Village.
  - d. As Authorized by Section 551.074 the Texas Government Code Deliberation of Personnel of Discussion regarding Annual President's Performance Review.
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

**Board of Directors  
Regular Meeting**

August 27, 2015

3:00 p.m.\*

*\*or immediately following Board Work Session*

CALL TO ORDER

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS

INVOCATION

WELCOME AND INTRODUCTION OF VISITORS

1. CONSENT AGENDA
  - a. Approval of Minutes Board Meeting July 23, 2015
  - b. Acceptance of Financial Reports – July

- c. Approve Resolution 15-09 updating ICMA-RC Primary Contact
  - d. Award of Purchase and Installation of Generator
  - e. Approve Task Order No. 8 to HNTB for Surveying Services
  - f. Award of Signal System Enhancements
  - g. Award of Agreement for Sales and Use Tax Review
2. REGULAR AGENDA
- a. Presentation and Discussion of Proposed FY2016 Capital & Operating Budget
  - b. Conduct Public Hearing on Proposed FY2016 Capital & Operating Budget
3. CHAIR REPORT
- a. Discussion of Regional Transportation Issues
  - b. Discussion Legislative Issues
    - i. Regional
    - ii. State
    - iii. Federal
4. PRESIDENT'S REPORT
- a. Budget Transfers
  - b. Regional Transportation Issues
5. REPORT ON ITEMS OF COMMUNITY INTEREST
- a. Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.
6. ADJOURN

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

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

**Members – Skip Kalb, Doug Peach, Jim Robertson, Daniel Peugh,**  
**Don Hartman, George A. Campbell, Allen Harris, Carter Wilson**  
**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 [rcomer@dcta.net](mailto:rcomer@dcta.net) or calling Rusty Comer at 972-221-4600.

This notice was posted on 8/21/2015 at 8:56 AM.

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Rusty Comer, Public Information Coordinator



## Board of Directors Memo

August 27, 2015

### **Subject: Monthly Financial Reports**

#### **Background**

The financial statements are presented monthly to the Board of Directors for acceptance. The reports presented for the period ending July 31, 2015 include the Statement of Change in Net Assets, Statement of Net Assets, and Capital Projects Fund. These reports provide a comparison of budget vs. actual for the fiscal year as of the current month.

The following are major variances which are annotated on the Statement of Change in Net Assets, Statement of Net Assets, and Capital Projects Fund:

#### **Statement of Changes in Net Assets:**

- **Note A:** Passenger Revenues – YTD unfavorable by (\$12k). YTD actual rail ridership of 456k is 6% below budgeted ridership of 486k, offset by slightly higher than budgeted bus ridership.
- **Note B:** Contract Service Revenue – YTD unfavorable by (\$356k) due to an invoice adjustment for UNT services and because actual fuel usage and price are lower than budgeted. Billed usage was 135,299 gallons compared to budgeted 143,473 gallons, down 6%.
- **Note C:** Sales Tax Revenue – July sales tax revenue is not yet received and is accrued for the month based on budget. Sales tax generated in July will be received in September. The Sales Tax Report included in this agenda packet provides a more detailed Budget to Actual comparison of FY15 sales tax receipts collected through August.
- **Note D:** Federal/State Grants-Capital – YTD unfavorable by (\$736k) is due to a delay in vendor invoicing for the Lewisville Hike & Bike Trail. As expenses for this project are incurred, reimbursements will be requested.
- **Note E:** Federal/State Grants-Operating – YTD favorable by \$448k is attributable to additional grant funds available for bus operating assistance.
- **Note F:** Salary, Wages & Benefits – YTD favorable by \$629k primarily due to savings in salaries (\$181k) and health insurance costs (\$356k) as compared to the projected budget.
- **Note G:** Services – YTD favorable by \$663k due to delays in expenses for legal fees (\$84k), advertising (\$82k), finance and HR consulting (\$110k), transit planning support (\$25k), marketing professional services and printing (\$239k), IT training and consulting (\$26k), and bandwidth upgrade (\$37k). These expenses will be incurred in the coming months.
- **Note H:** Materials and Supplies – YTD favorable by \$1.1 million mainly due to a delay in expenses for bandwidth, phone system, and content management supplies (\$88k) and bus maintenance parts and tires (\$109k). Bus operations fuel is \$609k under budget primarily because YTD fuel prices averaged \$2.28/gallon compared to \$4.00/gallon budgeted. Rail operations fuel is \$197k under budget as YTD fuel prices averaged \$2.09/gallon.

**Capital Projects Fund**

- The Capital Projects Fund schedule provides budget to actual comparisons for DCTA bus and rail capital projects. It provides information on a life-to-date basis for approved projects.

**Identified Need**


Provides the Board a review of DCTA's financial position and 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 Assets**  
**Month and Year to Date July 31, 2015**  
**(Unaudited)**

Item 1(a)i

Description	Month Ended July 31, 2015			Year to Date July 31, 2015			Annual Budget	
	Actual	Budget	Variance	Actual	Budget	Variance		
<b>Revenue and Other Income</b>								
Passenger Revenues	112,195	113,225	(1,030)	1,224,851	1,237,168	(12,317)	1,515,377	Note A
Contract Service Revenue	(29,016)	129,220	(158,236)	2,341,863	2,697,743	(355,880)	3,259,635	Note B
Sales Tax Revenue	1,859,454	1,688,016	171,438	18,881,669	18,389,326	492,343	22,180,196	Note C
Federal/State Grants - Capital	271,939	363,550	(91,611)	2,509,518	3,245,386	(735,868)	5,355,112	Note D
Federal/State Grants - Operating	277,959	260,000	17,959	4,402,310	3,954,680	447,630	4,653,518	Note E
<b>Total Revenue and Other Income</b>	<b>2,492,531</b>	<b>2,554,011</b>	<b>(61,480)</b>	<b>29,360,211</b>	<b>29,524,303</b>	<b>(164,092)</b>	<b>36,963,838</b>	
<b>Operating Expenses</b>								
Salary, Wages and Benefits	652,990	740,068	87,078	6,957,009	7,586,252	629,243	9,119,994	Note F
Services	167,112	158,534	(8,577)	1,181,997	1,845,175	663,178	2,160,534	Note G
Materials and Supplies	218,816	303,011	84,195	2,156,483	3,257,033	1,100,550	3,916,524	Note H
Utilities	66,570	37,112	(29,458)	358,429	377,924	19,495	452,149	
Insurance, Casualties and Losses	63,579	65,549	1,970	644,577	646,924	2,346	778,013	
Purchased Transportation Services	831,737	832,558	822	8,199,820	8,298,472	98,651	9,963,588	
Miscellaneous	44,711	15,318	(29,393)	148,987	225,401	76,414	255,476	
Leases and Rentals	10,449	8,934	(1,516)	113,258	189,338	76,080	207,205	
Depreciation	760,400	789,805	29,405	7,768,946	7,923,830	154,884	9,503,440	
<b>Total Operating Expenses</b>	<b>2,816,364</b>	<b>2,950,889</b>	<b>134,526</b>	<b>27,529,507</b>	<b>30,350,348</b>	<b>2,820,841</b>	<b>36,356,923</b>	
<b>Income Before Non-operating Revenue and Expense</b>	<b>(323,833)</b>	<b>(396,878)</b>	<b>73,045</b>	<b>1,830,704</b>	<b>(826,045)</b>	<b>2,656,749</b>	<b>606,915</b>	
<b>Non-Operating Revenues / (Expense)</b>								
Investment Income	2,094	2,750	(656)	19,781	27,500	(7,719)	33,000	
Gain (Loss) Disposal of Assets	(1,850)	-	(1,850)	(51,905)	-	(51,905)	-	
Fare Evasion Fee	-	525	(525)	1,200	5,250	(4,050)	6,300	
Other Income - Miscellaneous	3,997	-	3,997	132,821	-	132,821	-	
Long Term Debt Interest/Expense	(100,992)	(100,992)	0	(1,011,167)	(1,009,916)	(1,251)	(2,721,899)	
<b>Total Non-Operating Revenue / (Expense)</b>	<b>(96,750)</b>	<b>(97,717)</b>	<b>966</b>	<b>(909,270)</b>	<b>(977,166)</b>	<b>67,896</b>	<b>(2,682,599)</b>	
<b>Change in Net Assets</b>	<b>(420,583)</b>	<b>(494,595)</b>	<b>74,012</b>	<b>921,434</b>	<b>(1,803,211)</b>	<b>2,724,645</b>	<b>(2,075,684)</b>	

**Denton County Transportation Authority**  
**Statement of Net Assets**  
**As of July 31, 2015**  
**(Unaudited)**

	<u>July 31, 2015</u>	<u>June 30, 2015</u>	<u>Change</u>
<b>Current Assets</b>			
Cash & Cash Equivalents	7,848,486	10,528,930	(2,680,444)
Investments	9,083,345	7,005,272	2,078,074
Accounts & Notes Receivable	5,615,623	5,714,181	(98,558)
Prepaid Expenses	454,118	517,697	(63,579)
Inventory	16,050	26,135	(10,084)
Restricted Asset-Cash and Equivalents	5,463,281	4,782,475	680,806
<b>Total Current Assets</b>	<u>28,480,904</u>	<u>28,574,690</u>	<u>(93,786)</u>
<b>Property, Plant and Equipment</b>			
Land	16,228,337	16,228,337	-
Land Improvements	5,706,114	5,706,114	-
Machinery & Equipment	1,909,358	1,909,358	-
Leasehold Improvements	55,506	55,506	-
Vehicles	88,480,238	88,592,120	(111,882)
Computers & Software	257,804	257,804	-
Accumulated Depreciation	(36,577,008)	(35,918,489)	(658,518)
<b>Total Property, Plant and Equipment</b>	<u>76,060,349</u>	<u>76,830,749</u>	<u>(770,400)</u>
<b>Capital Assets</b>			
Intangible Assets	16,997,155	16,997,155	-
Other Capital Assets, Net	230,821,306	230,821,306	-
Construction in Progress	11,456,574	10,685,305	771,269
<b>Total Capital Assets</b>	<u>259,275,035</u>	<u>258,503,766</u>	<u>771,269</u>
<b>Total Assets</b>	<u><u>363,816,288</u></u>	<u><u>363,909,205</u></u>	<u><u>(92,917)</u></u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	117,971	-	117,971
Salary, Wages, and Benefits Payable	492,474	466,963	25,511
Accrued Expenses Payable	3,226,616	3,047,317	179,299
Deferred Revenues	61,373	72,779	(11,406)
Interest Payable	403,966	302,975	100,992
<b>Total Current Liabilities</b>	<u>4,302,401</u>	<u>3,890,034</u>	<u>412,367</u>
<b>Non-Current Liabilities</b>			
Rail Easement Payable	1,400,000	1,500,000	(100,000)
Retainage Payable	1,527,506	1,512,207	15,299
Bonds Payable	33,475,000	33,475,000	-
<b>Total Non-Current Liabilities</b>	<u>36,402,506</u>	<u>36,487,207</u>	<u>(84,701)</u>
<b>Total Liabilities</b>	<u><u>40,704,907</u></u>	<u><u>40,377,241</u></u>	<u><u>327,666</u></u>
<b>Net Assets</b>			
Invested in Capital Assets	304,221,470	304,221,470	-
Unrestricted Retained Earnings	17,968,477	17,968,477	-
Change in Net Assets	921,434	1,342,017	<b>(420,583)</b>
<b>Total Equity</b>	<u>323,111,381</u>	<u>323,531,965</u>	<u>(420,583)</u>
<b>Total Liabilities and Equity</b>	<u><u>363,816,288</u></u>	<u><u>363,909,205</u></u>	<u><u>(92,917)</u></u>

## Budget vs. Actual

As of July 31, 2015

(Cash Basis)

	Original Budget	Revised Budget	July 2015 Expenses Booked	Life To Date	\$ Under/(Over) Budget	% of Budget (As of July 2015 Close)
<b>ASSETS</b>						
Fixed Assets						
1660 - Construction Work in Progress						
<b>1 - G&amp;A Capital Projects</b>						
Total 10401 - Cloud Hybrid Backup Solution	35,000	35,000	-	-	35,000	0%
Total 10601 - COGNOS Report Application	200,000	200,000	-	-	200,000	0%
Total 10602 - Comprehensive Service Analysis	567,414	567,414	28,119	50,422	516,992	9%
Total 10603 - Legal Support	226,753	226,753	723	11,341	215,413	5%
<b>Total 1 - G&amp;A Capital Projects</b>	<b>1,029,167</b>	<b>1,029,167</b>	<b>28,842</b>	<b>61,763</b>	<b>967,404</b>	<b>6%</b>
<b>5 - Bus Capital Projects</b>						
Total 50203 - Passenger Amenities (2015)	53,483	53,483	-	-	53,483	0%
Total 50204 - Transit Enhancements (2015-16)	165,000	165,000	-	-	165,000	0%
Total 50301 - Bus O&M Facility	8,142,667	11,497,555	-	11,329,269	168,286	99%
Total 50303 - DDTC	373,282	373,282	-	18,483	354,799	5%
Total 50406 - Where's My Ride - CLOSED	940,485	940,485	6,264	922,873	17,612	98%
Total 50505 - Fleet Replacement (2015)	395,000	1,634,000	-	62,000	1,572,000	4%
Total 50506 - Bus Engines/Transmissions - CLOSED	150,000	150,000	(5,799)	150,978	(978)	101%
Total 50408 - Bus Radios	137,457	120,870	-	74,868	46,002	62%
Total 50601 - Scheduling Software (Bus)	250,000	250,000	-	-	250,000	0%
<b>Total 5 - Bus Capital Projects</b>	<b>10,607,374</b>	<b>15,184,675</b>	<b>465</b>	<b>12,558,471</b>	<b>2,626,204</b>	<b>83%</b>
<b>6 - Rail Construction</b>						
Total 61401 - Fare Collection Systems	569,000	733,104	14,000	663,943	69,161	91%
Total 61406 - Positive Train Control	16,997,441	22,902,951	45,720	1,319,360	21,583,591	6%
Total 61707 - Community Enhancements - CLOSED	752,708	752,708	9,058	752,708	0	100%
Total 61708 - Lewisville Bike Trail	3,099,856	3,099,856	310,730	1,763,339	1,336,517	57%
Total 60701 - Passenger Information	56,214	96,821	-	61,411	35,410	63%
Total 61711 - Rail MOW - CLOSED	150,000	150,000	-	76,517	73,483	51%
Total 61712 - Rail MOE	585,000	1,302,627	77,546	722,278	580,349	55%
Total 61503 - Rail Single Car Operations	101,800	101,800	-	26,221	75,579	26%
Total 61504 - Re-Railing Equipment - CLOSED	121,000	121,000	72,600	121,000	-	100%
Total 61505 - GTW Wheel Work	915,041	915,041	-	-	915,041	0%
Total 61604 - Rail Mobilization (2015)	2,119,517	2,119,517	-	-	2,119,517	0%
Total 61209 - Trinity Mills Crew Facility	250,000	250,000	2,851	32,169	217,831	13%
Total 61210 - Station Landscaping	75,000	485,000	-	-	485,000	0%
Total 61407 - Shunt Enhancement	141,000	141,000	-	-	141,000	0%
Total 61104 - Rail Drainage Improvement	250,000	500,000	8,601	80,221	419,779	16%
Total 61713 - Disaster Recovery - 2015 Floods	1,000,000	1,000,000	200,856	209,729	790,271	21%
<b>Total Rail Construction Projects</b>	<b>27,183,577</b>	<b>34,671,425</b>	<b>741,962</b>	<b>5,828,895</b>	<b>28,842,530</b>	<b>17%</b>
<b>Total 1660 - Construction Work in Progress</b>	<b>38,820,118</b>	<b>50,885,267</b>	<b>771,269</b>	<b>18,449,129</b>	<b>32,436,138</b>	<b>36%</b>





## Board of Directors Memo

August 27, 2015

### Subject: Sales Tax Report

#### Background

As a reminder, the Board adopted FY 2015 Revised Budget in May and increased the revenue budget for sales tax revenues to recognize sales tax generated in the Month of February and received in April. The variance to budget on the DCTA sales tax schedule now reflects the adopted revised sales tax revenue budget.

Sales tax represents the single largest source of revenue for DCTA at 59.9% for FY15 budget. The annual Sales Tax budget for FY 2015 is \$22,180,195. 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 favorable compared to budget. The August allocation is for sales generated in the month of June and represents revenue for the ninth month of FY 2015.

- Sales tax for sales generated at retail in the month of June and received in August was \$2,104,122.88.
- This represents an increase of 8.87% or \$171,438 compared to budget for the month.
- Receipts are favorable 2.95% year-to-date compared to revised budget.
  - This month reflects the FY15 revised sales tax budget which recognized actual increases thru the months of October-February receipts.
- Compared to the same month last year, sales tax receipts were \$95,948 or 4.78% more than budgeted.
- Member city collections for the month compared to prior year are as follows:
  - City of Lewisville up 2.50%
  - City of Denton up 8.07%
  - Highland Village down 7.06%


#### 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:	2014-2015 Year Budget	2014-2015 Year Actual	Variance Actual to Budget	CY Actual to CY Budget % Variance	2013-2014 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 1,945,700	\$ 1,945,700	\$0	0.00%	\$ 1,646,959	\$ 298,741	18.14%
November	January	\$ 1,765,520	\$ 1,765,520	\$0	0.00%	\$ 1,582,022	\$ 183,498	11.60%
December	February	\$ 2,433,456	\$ 2,433,456	\$0	0.00%	\$ 2,173,929	\$ 259,526	11.94%
January	March	\$ 1,742,381	\$ 1,742,381	\$0	0.00%	\$ 1,570,510	\$ 171,871	10.94%
February	April	\$ 1,566,805	\$ 1,566,805	\$0	0.00%	\$ 1,278,211	\$ 288,594	22.58%
March	May	\$ 1,891,517	\$ 2,074,176	\$ 182,659	9.66%	\$ 1,957,442	\$ 116,734	5.96%
April	June	\$ 1,683,191	\$ 1,803,955	\$ 120,764	7.17%	\$ 1,777,141	\$ 26,814	1.51%
May	July	\$ 1,740,055	\$ 1,757,537	\$ 17,482	1.00%	\$ 1,756,564	\$ 973	0.06%
June	August	\$ 1,932,685	\$ 2,104,123	\$ 171,438	8.87%	\$ 2,008,175	\$ 95,948	4.78%
July	September	\$ 1,688,016				\$ 1,719,163		
August	October	\$ 1,793,480				\$ 1,838,588		
September	November	\$ 1,997,389				\$ 2,058,382		
<b>YTD Total</b>		<b>\$ 22,180,195</b>	<b>\$ 17,193,653</b>	<b>\$ 492,343</b>	<b>2.95%</b>	<b>\$ 21,367,086</b>	<b>\$ 1,442,700</b>	<b>9.16%</b>

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
 Prepared By: Denton County Transportation Authority Finance Department  
 August 21, 2015

**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:	2013-2014 Year Actual	2014-2015 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 2,412,800	\$ 2,532,839	\$ 120,038	4.98%
November	January	\$ 2,283,269	\$ 2,404,460	\$ 121,191	5.31%
December	February	\$ 3,094,980	\$ 3,407,084	\$ 312,104	10.08%
January	March	\$ 2,250,821	\$ 2,479,995	\$ 229,174	10.18%
February	April	\$ 1,476,738	\$ 2,194,340	\$ 717,603	48.59%
March	May	\$ 2,828,191	\$ 2,920,317	\$ 92,126	3.26%
April	June	\$ 2,569,274	\$ 2,570,323	\$ 1,049	0.04%
May	July	\$ 2,570,909	\$ 2,441,318	\$ (129,590)	-5.04%
June	August	\$ 2,797,425	\$ 2,867,226	\$ 69,800	2.50%
July	September	\$ 2,472,024			
August	October	\$ 2,546,174			
September	November	\$ 2,872,745			
<b>YTD Total</b>		<b>\$ 30,175,351</b>	<b>\$ 23,817,902</b>	<b>\$ 1,533,494</b>	<b>6.88%</b>

City of Highland Village					
Sales Generated in Month of:	Received in Month of:	2013-2014 Year Actual	2014-2015 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 242,975	\$ 268,275	\$ 25,299	10.41%
November	January	\$ 271,909	\$ 283,432	\$ 11,523	4.24%
December	February	\$ 415,312	\$ 441,441	\$ 26,130	6.29%
January	March	\$ 240,189	\$ 249,723	\$ 9,534	3.97%
February	April	\$ 231,225	\$ 220,832	\$ (10,393)	-4.49%
March	May	\$ 323,839	\$ 319,961	\$ (3,879)	-1.20%
April	June	\$ 269,705	\$ 275,169	\$ 5,464	2.03%
May	July	\$ 288,253	\$ 317,874	\$ 29,621	10.28%
June	August	\$ 356,088	\$ 330,952	\$ (25,136)	-7.06%
July	September	\$ 271,361			
August	October	\$ 261,084			
September	November	\$ 342,547			
<b>YTD Total</b>		<b>\$ 3,514,486</b>	<b>\$ 2,707,659</b>	<b>\$ 68,165</b>	<b>2.58%</b>

City of Denton					
Sales Generated in Month of:	Received in Month of:	2013-2014 Year Actual	2014-2015 Year Actual	Variance Actual to Prior Year	CY Actual to PY Actual % Variance
October	December	\$ 1,858,283	\$ 2,345,573	\$ 487,290	26.22%
November	January	\$ 1,802,476	\$ 2,197,657	\$ 395,181	21.92%
December	February	\$ 2,657,999	\$ 3,020,338	\$ 362,339	13.63%
January	March	\$ 1,877,525	\$ 2,109,216	\$ 231,691	12.34%
February	April	\$ 1,940,004	\$ 1,852,968	\$ (87,036)	-4.49%
March	May	\$ 2,488,428	\$ 2,678,550	\$ 190,122	7.64%
April	June	\$ 2,077,345	\$ 2,152,181	\$ 74,836	3.60%
May	July	\$ 2,003,488	\$ 2,107,901	\$ 104,413	5.21%
June	August	\$ 2,482,262	\$ 2,682,604	\$ 200,342	8.07%
July	September	\$ 1,922,509			
August	October	\$ 2,317,928			
September	November	\$ 2,634,728			
<b>YTD Total</b>		<b>\$ 26,062,974</b>	<b>\$ 21,146,987</b>	<b>\$ 1,959,178</b>	<b>10.21%</b>

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
Prepared By: Denton County Transportation Authority Finance Department  
August 21, 2015

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

Transit	Current Rate	Net Payment This Period	Comparable Payment Prior Year	% Change	2015 Payments To Date	2014 Payments To Date	% Change
Houston MTA	1.00%	\$ 66,518,512.32	\$ 62,578,079.81	6.30%	\$ 485,421,735.85	\$ 461,375,231.22	5.21%
Dallas MTA	1.00%	\$ 50,050,436.94	\$ 44,667,887.12	12.05%	\$ 350,353,701.19	\$ 322,700,578.00	8.57%
Austin MTA	1.00%	\$ 20,138,970.75	\$ 17,431,844.13	15.53%	\$ 140,981,560.84	\$ 130,020,435.62	8.43%
San Antonio MTA	0.50%	\$ 12,977,740.96	\$ 12,463,906.86	4.12%	\$ 92,115,846.92	\$ 88,334,452.18	4.28%
San Antonio ATD	0.25%	\$ 5,967,563.79	\$ 5,598,580.52	6.59%	\$ 41,486,933.86	\$ 40,013,074.53	3.68%
Fort Worth MTA	0.50%	\$ 6,100,830.95	\$ 5,452,022.24	11.90%	\$ 43,302,965.72	\$ 41,579,162.34	4.15%
El Paso CTD	0.50%	\$ 3,839,453.78	\$ 3,536,225.24	8.57%	\$ 27,611,156.35	\$ 26,404,414.80	4.57%
Corpus Christi MTA	0.50%	\$ 3,478,012.41	\$ 3,153,474.85	10.29%	\$ 23,360,443.54	\$ 22,813,242.12	2.40%
Denton CTA	0.50%	\$ 2,104,122.88	\$ 2,008,174.59	4.78%	\$ 15,247,953.29	\$ 14,103,994.53	8.11%
Laredo CTD	0.25%	\$ 731,677.52	\$ 675,877.63	8.26%	\$ 5,431,505.51	\$ 5,225,020.86	3.95%
<b>TOTALS</b>		<b>\$ 171,907,322.30</b>	<b>\$ 157,566,072.99</b>	<b>9.10%</b>	<b>\$ 1,225,313,803.07</b>	<b>\$ 1,152,569,606.20</b>	<b>6.31%</b>

Sources: Texas Comptroller of Public Accounts and DCTA Finance Department  
Prepared By: Denton County Transportation Authority Finance Department  
August 21, 2015



**Board of Directors Memo**

August 27, 2015

**Subject: TX Comptroller's Leadership Circle Transparency Award**

The Comptroller of Public Accounts launched the Texas Comptroller Leadership Circle program in December 2009 to recognize local governments across Texas that are striving to meet a high standard for financial transparency online. This program spotlights those local governments that are:

- opening their books to the public
- providing clear, consistent pictures of spending
- sharing information in a user-friendly format that lets taxpayers easily drill down for more detail.

DCTA has earned the Platinum Award for 2015 which is the highest honor and is reserved for entities that meet an even higher standard of financial transparency. The agency scored 22 points out of a possible 23 points.

Staff will highlight the Financial Transparency section of the DCTA website at the Board of Directors meeting and review the added features.

Submitted by:   
Amanda Riddle, Budget Manager

Final Review:   
Anna Mosqueda, CFO



**Board of Directors Memo**

August 27, 2015

**Subject: Procurement Status Report**

**Compensation Study**

Proposals for a firm to complete a Classification Compensation Study were received on July 6<sup>th</sup>. The study will review the current compensation, pay ranges and structure compared to the market. The contract was below \$25,000 and was awarded administratively on August 10<sup>th</sup>.

**Automotive Parts**

A request for bid was released on August 10<sup>th</sup> for the purchase of new and remanufactured automotive parts for the DCTA fleet. The bid closes on September 2<sup>nd</sup> and award anticipated at the October meeting.

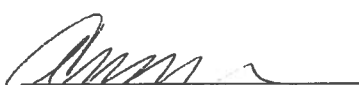
**Enhanced Automatic Train Control E-ATC, Rail Safety Improvements**

A procurement was released on August 6<sup>th</sup> for proposals for the enhancing the onboard equipment and wayside signal system to protect against over speed operation, switches improperly lined, train to train collision, and incursion into a work zone. Proposals are due on September 15, with award anticipated at the September Board meeting.

**Broker of Record**

Proposals for a Broker of Record to acquire DCTA's Excess Railroad Liability Insurance were received on July 31st. The Broker shall work closely with DCTA to develop bid requests to secure excess insurance for the DCTA's insurable risks. This will be a three (3) year agreement commencing on August 14<sup>th</sup>. Staff has selected McGriff, Seibels & Williams of Texas, Inc.

Submitted by:   
Athena Forrester, Senior Procurement Manager

Final Review:   
Anna Mosequeda, CFO



**Board of Directors Memo**

August 27, 2015


**Subject: Triennial Review Update**

The FTA's Triennial Review site visit was conducted on July 8 and 9. This process involved DCTA and contractor staff members from across the organization. The reviews visited DCTA maintenance facilities and administrative offices. Seventeen (17) review areas were audited as part of the review process and a Procurement Enhanced Review Module was conducted during the same two day period.

There were five (5) findings in the 15 review areas: ADA, Procurement, and Satisfactory continuing Control, Half Fare and EEO. DCTA received the draft letter which was released on August 7 and had ten (10) work days to respond with corrective actions. At the time of this memo, the final response or proposed corrective action plans were in the process of being submitted to FTA. The responses and proposed corrective action plans will be reviewed by FTA and a final report will be issued on September 11. All corrective actions will require approval by FTA and implementation by no later than December 11.

Three (3) of the 5 have already been addressed by submittal of appropriate or corrected policy or document- American with Disabilities Act, Satisfactory Continuing Control, and Equal Employment Opportunity plan A proposed corrective action plan was submitted for Procurement and Half Fare. Below is a summary of the findings:.

Review Area	Deficiencies	
	Code	Description
Americans with Disabilities Act (ADA)	D-73	ADA complementary paratransit service deficiencies
	D-316	Insufficient no-show policy
Procurement	D-558	Contract administration system not implemented
Satisfactory Continuing Control	D-99	Failure to comply with property disposal requirements
Half Fare	D-103	Information incomplete for half fares in general
Equal Employment Opportunity (EEO)	D-144	Failure to obtain EEO plans from subrecipients/contractors

Submitted by:   
Anna Mosqueda, CFO

# Board of Directors Memo

August 27, 2015

## Subject: Marketing & Communications Update

### MAIN MESSAGES:

#### Where's My Ride Social Media Campaign:

- Facebook campaign to drive awareness of Where's My Ride and increase Facebook Likes to meet annual goal
- Timeframe: July 13, 2015 – July 25, 2015
- Mixture of static and video geo-targeted advertisements
- 50,906 impressions and 336 Likes from campaign (slightly above industry average)

#### Additional Community Outreach

- Currently expanding our community outreach efforts through partnerships and events
- New senior marketing specialist has enabled us to be more strategic and effective with our outreach efforts
- Lewisville Western Days will allow DCTA to make a huge impact
- Expect to see an increase in community brand impressions throughout the remainder of FY '15
- Trending indicates that the annual goal of 300,000 community brand impressions will not be met (specifically due to the severe rain at the Denton Arts & Jazz Festival and the cancellation of Celebrate Highland Village)

#### Highland Village Balloon Festival Participation

- Provided two shuttles (Friday and Saturday) as well as had a booth at the event
- Assisted with the marketing of the event and shuttle services
  - o Facebook – 1,375 Impressions / 15 Post Likes / 11 Post Shares
  - o Twitter – 3,515 Impressions / 21 Total Engagements (retweets, favorites, click throughs, etc.)
  - o Media Relations – 5 Placements / 297,016 Impressions / \$468.29 Total Publicity Value
  - o Shuttles – Carried 95 Passengers (up 14.45% from 2014)
- Booth Activities
  - o 1,225 On-on-One Interactions
  - o 300+ Comprehensive Operational Analysis Surveys Completed (online and paper)
  - o 72 Raffle Entries

#### Awards

- APTA AdWheel Awards / Eligible for Grand Prize at APTA 2015 Annual Meeting in October
  - o First Place – I-35E Construction Marketing NBC 5 Digital Ad Campaign (2014)
  - o First Place – DCTA Facebook Page Revamp (2014)
  - o First Place – Valentine's Day #BeMine Campaign (2015)

MARKETING & COMMUNICATIONS INITIATIVES		
Category	Initiative	Important Dates
Brand Planning	Brand Standards Manual	Planning Phase
	RFP for Promotional Item Vendor	Planning Phase
Marketing Campaigns	GO Request Marketing Campaign	Planning Phase
	Commuter Marketing Campaign	Planning Phase – Slated for FY '16
	Where's My Ride Campaign	Execution Phase
	Summer Sales/Summer Youth Pass Campaign	Execution Phase – Ends Aug. 21
Collateral Development	EnRoute News July/August Issue	Development Phase
	GO Request Collateral	Development Phase
	Campus Connections Brochure	Development Phase
	Brand Rail Cards and Hot Items Posters	Execution Phase
	Go Guide Revisions	Execution Phase – Slated for Aug. 24
Public/Media Relations	2015 Passenger Satisfaction Survey Results Communications	Development/Review Phase
	Photo and Film Guidelines	Development Phase



	Media Relations/Crisis Communications Procedures	Development Phase
	Cision Metrics Review	Development Phase
	Award Nominations: Marcom Award Nominations PRSA Fort Worth Worthy Award Nominations SWTA Marketing Spotlight Award Nominations PRSA Dallas Pegasus Award Nomination	Development Phase Development Phase Submitted Submitted
	August Service Change Announcement	Execution Phase
	August Public and Stakeholder Meeting Announcement	Execution Phase
	Proactive Pitching	Ongoing
	PR Calendar of Activities	Ongoing
	Social Media	Social Media Practices Guidelines
Where's My Ride Social Campaign		Execution Phase
Discover A-train Wash Feature		Execution Phase
Places to Go Creative		Execution Phase
Executive Social Media Plan (Jim Cline Posts)		Ongoing
Editorial Calendar Execution (Social and Video)		Ongoing
Internal Communications	Monthly Messaging Map	Ongoing
	Monthly Staff Meeting Presentation	Ongoing
Community Relations	UNT Shuttle Driver Specialty T-shirts	Development Phase
	Nationstar Mortgage Health Fair (Convergence & Solutionstar)	Development Phase
	TWU Annual Part-time Job Fair	Planning Phase
	NCTC Welcome Back Bash (Corinth & Flower Mound Campuses)	Planning Phase
	UNT International Resource Fair	Completed
	Lewisville Genesis Cares Back to School Health & Resource Fair	Completed
	Lake Dallas Back to School Health & Resource Fair	Completed
	Member City Involvement	Ongoing
Events	State Fair of Texas	Planning Phase
	Lewisville Western Days Festival	Planning Phase
	Highland Village Balloon Festival	Completed
Public Involvement	Public Meeting Standard Operating Procedures	Development Phase
	Overnight Parking Policy	Development Phase
	Public and Stakeholder Meetings: Lewisville – August 18 Highland Village – August 19	Development Phase
Customer Service	Review of Customer Service Initiatives	Planning Phase
	Customer Service Audit	Planning Phase
Regional Initiatives	Go Pass 2.0	Ongoing
	NCTCOG Casual Carpool Application	Ongoing
	NCTCOG Air North Texas	Ongoing
	NCTCOG MyRideNCT	Ongoing

MARKETING & COMMUNICATIONS METRICS					
Activity	Metric	Annual Goal	Monthly	YTD	Goal Met
<b>Brand Impressions</b>					
Community Brand Impressions*	Confirmed Impressions	300,000	88	48,109	
Media Buy Impressions**	Online/Confirmed Impressions	500,000	386,908	1,275,930	✓
	Print/Confirmed Impressions	100,000	230,555	601,410	✓
<b>Media Relations</b>					
Press Coverage	Articles About DCTA	450 Placements	28	388	
Media Impressions^	Articles About DCTA	New Metric/No Goal	1,653,080	71,212,058	N/A
Publicity Value^^	Articles About DCTA	\$460,000	\$6,048	\$937,854	✓
Headline Highlights	DCTA Looks at Cost of Repairs DCTA to Get System on Own DCTA Releases Survey Results DCTA Cancels Saturday Service for Independence Day				N/A

Major Media Outlets	Dallas Morning News; Mass Transit Magazine; Denton Record-Chronicle; Lewisville Leader				
<b>Social Media</b>					
Facebook Likes	Total Likes	6,500	532	5,762	
Twitter Followers	Total Followers	3,500	147	3,215	
DCTA Blog	Confirmed Impressions	1,900	276	2,150	✓
	Top Referring Sites	Google, Facebook, Twitter			N/A
<b>Website Results</b>					
Website Impressions	Pageviews	1.4M	96,436	1,128,865	
Top 5 Referring Sites	DART, Bing, UNT, City of Denton, and Yahoo				N/A
<b>Go Pass</b>					
New Downloads	Total Count	160,000	12,212	149,474	
Tickets Sold	Total Count	16,000	1,781	19,947	✓

<b>CUSTOMER SERVICE</b>					
Activity	Metric	Annual Goal	Monthly	YTD	Goal Met
Provide Excellent Customer Service	Calls Answered	>95%	98%	98%	✓
	Abandoned Calls	<5%	2%	2%	✓
Where's My Ride	Total Hits***	100,000	37,310	249,669	✓
	SMS (Texts)	10,000	4,645	23,431	✓
	Calls	2,000	1,316	6,521	✓
Go Request	Avg. Days/Closeout	<3.5	3.02	3.18	✓
	Total Entries/10K	>3	3.16	2.21	
	Complaints/10K	<5	2.39	1.34	✓
	Types of Submittals	Complaint – 27; Compliment – 1; Problem – 4; Question – 7; Suggestion – 2			N/A

**Footnote:**

*^Media Impressions – This is a new metric to report. This number indicates the total number of individuals impacted through media relations efforts whether online or in print.*

*^^Publicity Value – Publicity values are calculated generalizations based on the average cost per impression. Tracking publicity rates provides consistent and rational publicity values for print, online and broadcast/radio hits, regardless of availability or validity of a published ad rate. NOTE: Current PR monitoring software just started reporting publicity value January 2015.*

*\*Community Brand Impressions – This is the total number of individuals impacted through events, fairs and sponsorships. This total is a mixture in-person and branding impressions (i.e. those who saw our logo on event signage, etc.).*

*\*\*Media Buy Impressions – This is the number of individuals who see DCTA online advertisements. They may not click through the ad, but they were served the ad.*

*\*\*\*Where's My Ride "hits" track all visits to the site. Total hits reported are not unique visitors.*

Approved by: \_\_\_\_\_  
 Nicole M. Recker, Vice President of  
 Marketing & Communications

**Board of Directors Memo**

August 27, 2015

**Subject: Capital Projects Update****GTW Implementation**

- Track circuit modifications between North Lake and South Med are complete.
- Board authorization to award a contract is being requested in support of real-time shunt monitoring and track circuit modifications in support of single car operations and PTC,

**Lewisville Hike/Bike Trail**

- The trail is substantially complete and can be used by the public at this time.
- The vinyl coated safety fence will be completed in next two to three weeks.

**Positive Train Control (PTC)**

- An Enhanced Automatic Train Control (E-ATC) solicitation is currently out for bid.
- Bid closing is expected in mid September, 2015.

**Rail OMF Drainage**

- The contractor has completed all tree and soil removal. Concrete work began on August 11<sup>th</sup>.
- If the dry weather persists, the contractor expects to be complete in September.

**Station Enhancement (Trinity Mills Station)**

- DART will construct the facility. DCTA will reimburse DART through an ILA. The projected cost is within project budget. Completion is expected by end of 2015.
- The temporary facility has been delivered and set up in the parking lot directly across the street from the station.

**Transit Enhancements**

- Shelters and benches delivery has been a delayed due the lack of some aluminum products. We are awaiting a new delivery date from the manufacturer.
- An RFP for transit construction services to provide for as-needed installation of shelters, benches, accessible pads and lighting is in progress.
- Installation of the first four locations will begin in the City of Denton in October.

**Flood Damage repairs**

- A capital project has been established in the amount of \$1M. The FEMA kickoff meeting occurred on August 20, 2015. We have 60 days for this date to submit all claims.

Final Review:

  
Raymond Suarez, COO

**Subject: Transit Operations Report**

**SYSTEM ON-TIME PERFORMANCE**

- FY 2015 YTD, “On Time Performance” (OTP) for the A-train was 99.13%
- FY 2015 YTD “On Time Performance” (OTP) for Connect service was 95.22%.

**RIDERSHIP PERFORMANCE**

**Year to date change in ridership by service type**

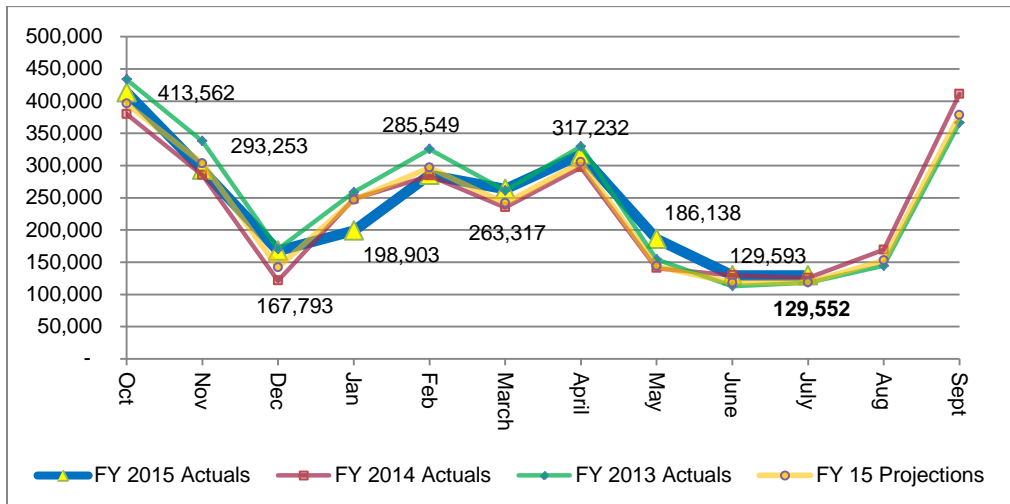
Service	% Change FY 2014 to FY 2015	Color Indicator	Notation No.
All Bus & Rail	5.90%	Green	1
Rail	-1.36%	Yellow	2
All Bus	8.35%	Green	1
Connect	0.67%	Green	
UNT	10.03%	Green	3
NCTC	24.04%	Green	4
Access	4.58%	Green	5
Connect RSVP	-26.55%	Red	6

1. YTD ridership is up over last year primarily due to continued growth in UNT. In addition, extra bus service (special movements) increased ridership in June and July.
2. In June, heavy rains and flooding impacted rail service which temporarily suspended service.
3. YTD UNT ridership continues to trend upward.
4. NCTC overall growth is attributed to the expansion of NCTC service in September 2014.
5. Access service continues to grow due to an increase in ADA qualified people.
6. Connect RSVP continues to decline which is likely due to additional parking available at HV/LL station, and the inability to make same day reservations.

**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

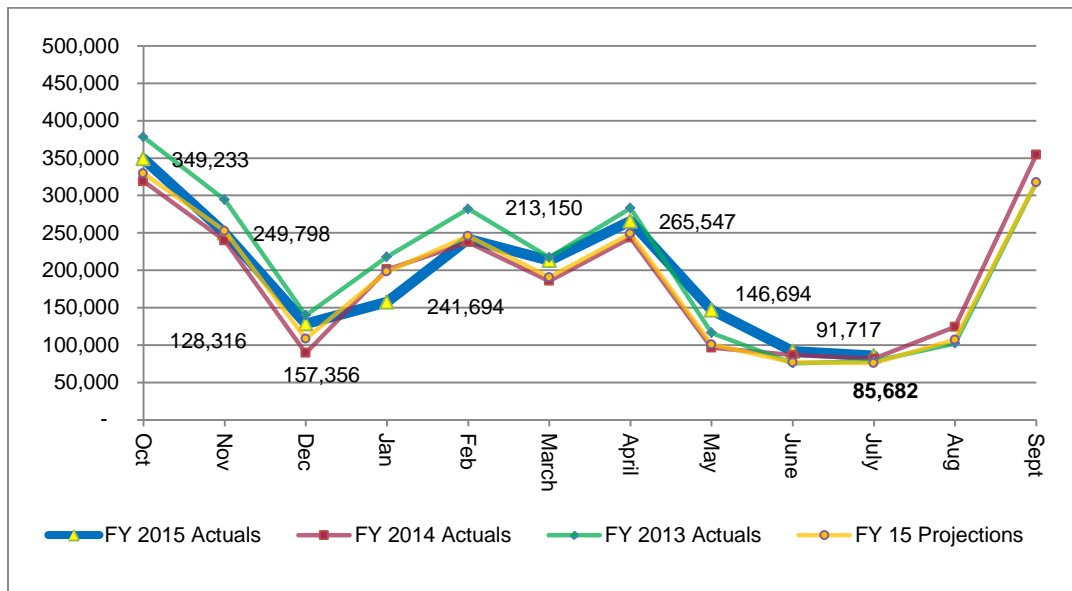


Note: Statistics include A-train, Connect, UNT, NCTC, Access, Connect RSVP, and special movement services.

### Rail and All Bus: Total Boardings

- YTD ridership continues to trend upward compared to the same period in FYs 2013 and 2014.

### All Bus: Total Boardings

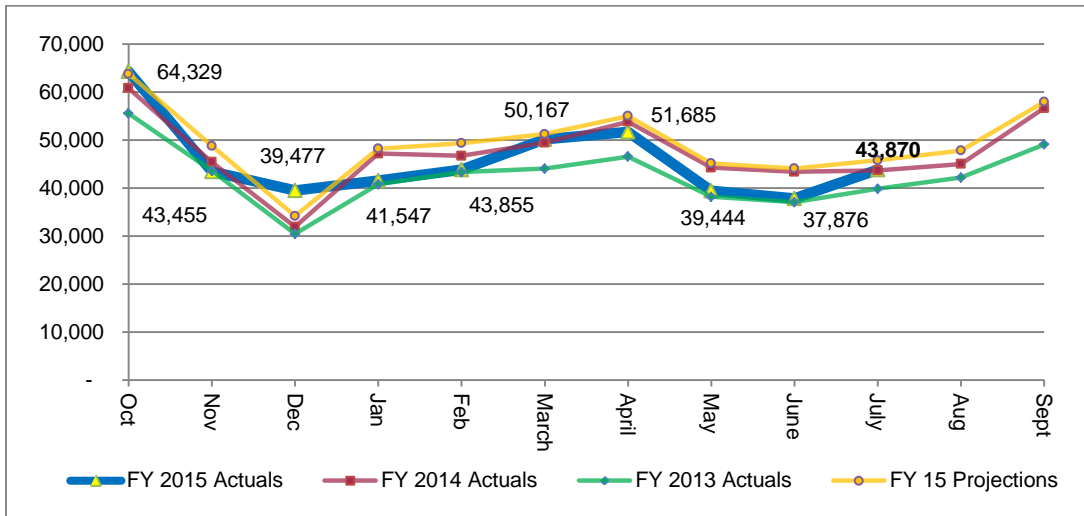


Note: Statistics include Connect, UNT, NCTC, Access, Connect RSVP, and special movement services.

### All Bus: Total Boardings

- Growth in UNT ridership is the primary driver of total bus growth.
- Extra service (special movements) for UNT commencement and orientations and the bus bridge (to replace A-train service temporarily) in June and July contributed to the growth in ridership.

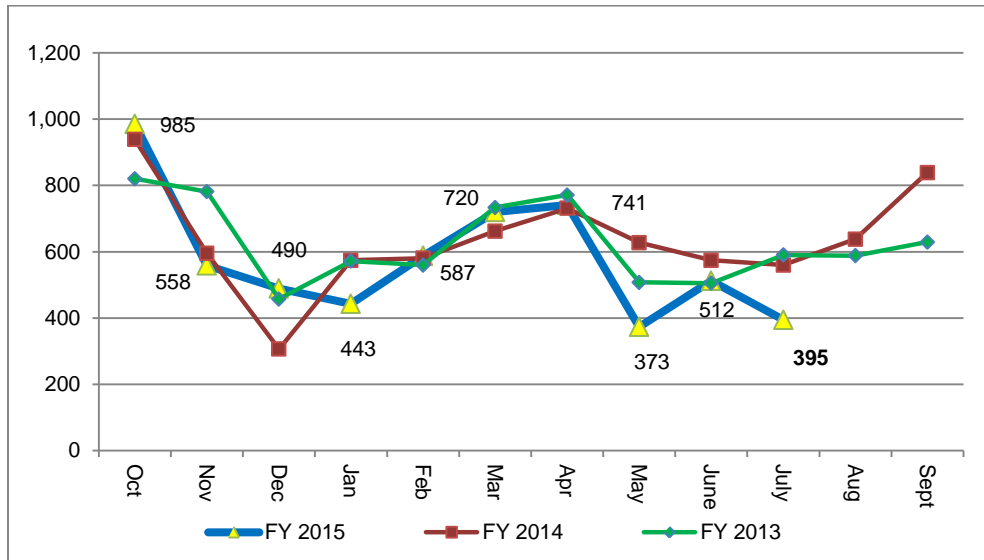
### Rail: Total Boardings



### Rail: Total Boardings

- YTD overall boardings are still recovering from service disruptions in June and also inclement weather earlier this calendar year.

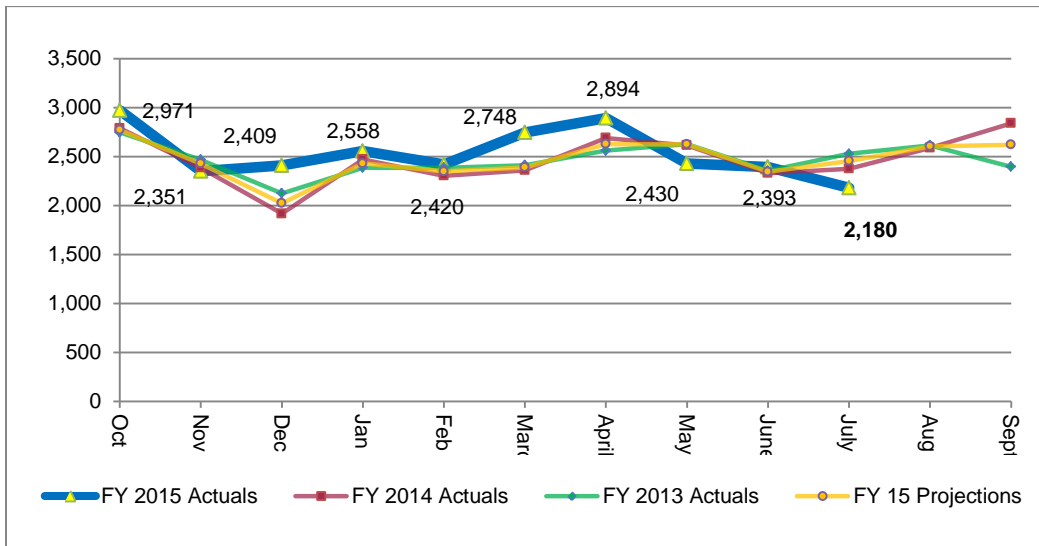
### Rail: Saturday Average Boardings



### Rail: Saturday Average Boardings

- YTD, boardings continue to decline due to inclement weather and July's holiday occurring on a Saturday.

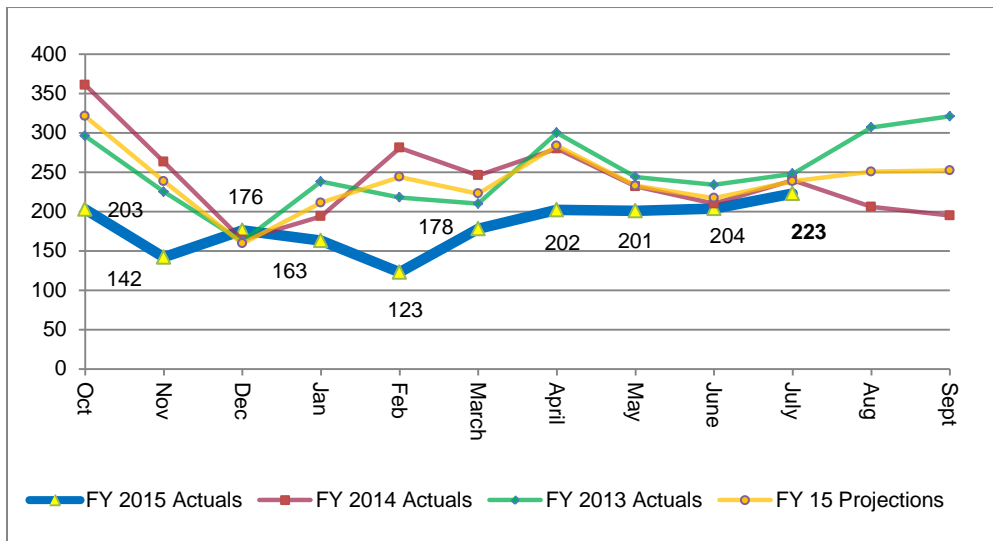
### Access: Total Boardings



### Access: Total Boardings

- In July, access boardings declined for the first time in this fiscal year. Hot weather and vacations in July may explained reversal. However, YTD boardings continue to increase more than projected due to more people becoming eligible for this service.

### Connect RSVP: Total Boardings



### Connect RSVP: Total Boardings

- Connect RSVP continues to underperform (-26.55% YTD) likely due to more parking availability at HV/LL station, and the inability to make same day reservations. This service is being evaluated as part of the comprehensive planning currently underway for HV/Lewisville routes.


**SAFETY/SECURITY**

- DCTA Rail Operations Injury-Free Workdays: 1,190
- DCTA Bus Operations Injury-Free Workdays: 33
- On July 20, 2015, a vehicle became stuck on the track at Eagle Point road. The vehicle was removed and did not affect operations.

**MAINTENANCE**

- **Right of Way:** Routine daily inspections are being performed by the contractor.
- **Signal/Communications:** There were no issues in the month of July.
- **Stations:** DCTA contract operations (HTSI) continues to perform weekly safety inspections, which have not identified any major issues.
- **Rail Mechanical:** DCTA contract operations (HTSI) reported one mechanical failure in July. On July 21, 2015 vehicle 106 was delayed because of an event recorder (Teloc) failure on car #106. The issue is being resolved with the vehicle manufacturer.

Final Review:

  
Raymond Suarez, COO



**PRIORITY PROJECTS**

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***SERVICE PLANNING: “Shaping Our Future”***

Lewisville & Highland Village Service Review & Analysis

- A Comprehensive Operational Analysis (COA) is being conducted for the Lewisville and Highland Village service area.
- The COA includes; ridership data collection, community outreach, analysis of existing service, Title VI analysis and service gap analysis.
- The COA will result in service recommendations may include; route realignments, interlinings and extensions, revised service hours and frequency, reduction of non-productive service, new routes, innovative last-mile connections, as well as passenger amenity and bus stop improvements.
- Market analysis of Lewisville and Highland Village has been conducted by Nelson-Nygaard.
- On-board surveys as well as boarding and alighting surveys were conducted the week of June 15.
- Community meetings and focus groups have been conducted on August 18<sup>th</sup> and 19<sup>th</sup>.
- Study results will be shared at DCTA’s regularly scheduled public meetings in September.

Denton Service Review & Analysis

- A Comprehensive Operational Analysis (COA) will be conducted for the Denton service area in the Fall.
- Nelson-Nygaard will leverage data from UNT’s Parking & Transportation Master Plan

Regional Express Corridor Preliminary Planning

- Staff has received support from NCTCOG and DCTA Board of Directors to move forward with the continued development of the Regional Express Corridors
- The Regional Express Corridor Service Preliminary Plan is being shared with partners and potential partners through a series of meetings with member and non-member cities as well as potential private sector partners

***DEVELOPMENT***

Downtown Denton Parking

- Working with city staff to develop potential parking shortage solutions
- It is the goal of staff to develop solutions which will also address downtown aesthetics, noise mitigation and enhance safety measures
- City staff hosted an on-site visit for NCTCOG and DCTA staff to discuss potential solutions and possible funding mechanisms.

New Funding Mechanisms: TIGER Grant

- Transportation Investment Generating Economic Recovery (TIGER)
- The project submitted for funding is the regional express corridor between Highland Village and The Colony and includes on-call software, fleet, an intermodal transit center and a light duty bus maintenance facility.
- NCTCOG is supportive of DCTA’s project and is working to secure a port of funding for this project and has committed \$6.8 Million to the project, contingent on the TIGER award.
- The grant application was submitted for the “East/West Bus and Rail Connector Project” on June 3.

**UNT Parking & Transportation Master Plan**

- UNT is conducting their planning study to identify campus parking and transportation needs and solutions
- DCTA is playing an active role in this effort through participation in stakeholder meetings and through active engagement on the planning committee
- The study is expected to be completed in December 2015 with a final report provided in January 2016
- DCTA staff will be incorporating feedback and findings from this study into the Comprehensive Operational Analysis for the Denton service area planned for later this year

**Additional Projects**

- NCTCOG Mobility 2040 Plan
- SPAN Partnership
- NCTCOG Fleet Asset Transfer
- Grant Strategy Development
- UNT Contract Preparation & Development
- NCTC Contract Renewal
- TxDOT 35W Expansion
- Technology Application Research for Flex Service
- Regional and Flex Fleet Purchase Research
- TWU Comprehensive Master Plan
- Title VI Analysis
- Update DCTA's Long Range Service Plan
- Coordinate DCTA's rail expansion vision into NCTCOG 2040 Plan

**OUTREACH EFFORTS**

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**Recent Activities**

7/24 Frisco Transportation Focus Group  
 7/24 Surface Transportation Technical Committee  
 7/27 Precinct 3 Task Force  
 7/27 Downtown Denton Parking Project Planning Meeting  
 7/28 Unity in Communities Luncheon  
 7/29 COA Status Update, Highland Village  
 7/30 COA Status Update, Lewisville  
 8/5 TRTC  
 8/6 NCTCOG Funding Strategy Discussion  
 8/9-8/12 APTA Multimodal Planning Conference  
 8/13 UNT Contract Discussion  
 8/13-8/16 Highland Village Balloon Festival  
 8/18 NCTCOG TOD Working Group: Innovative TOD Funding Options  
 8/18 COA Public Outreach Community Meeting, Lewisville  
 8/19 COA Public Outreach Community Meeting, Highland Village  
 8/19 COA Stakeholder Luncheon, Lewisville  
 8/25 SPAN Partnership Discussion w/NCTCOG

**Upcoming Activities**

8/28 Surface Transportation Technical Committee  
 9/4 RTC New Member Orientation  
 9/11 Northwest Metroport Chamber of Commerce Legislative Breakfast

Submitted by:




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 Kristina Brevard, VP, Planning & Development



**Item: WS 3(a) Finance Committee Chair Report**

The Finance Committee meeting and Special called Board of Directors meeting was held at 2:00 p.m., Monday, August 17, 2015 at 1955 Lakeway Dr., Suite 260 Conference Room in Lewisville, TX

In attendance were:

Committee Chair: Dave Kovatch

Committee Members: George Campbell

Board Members: Paul Pomeroy, Charles Emery

Absent: Jim Robertson, Allen Harris, Richard Huckaby, Daniel Peugh

DCTA Staff: Anna Mosqueda, Amanda Riddle, Jim Cline, Jeff Bennett, Robin Durham, Kristina Brevard, Nicole Recker

A complete copy of the Finance Committee agenda packet and handouts is included as “Attachment A” to this report. The following agenda items were discussed:

**Discuss Fiscal Year 2016 Budget**

- Please refer to “Attachment A” for the following schedules that the Finance Committee reviewed and discussed:
  - FY16 Operating & Capital Budget Presentation
  - FY16 Projected Revenues
  - Proposed FY16 Change in Net Assets (Without Depreciation)
  - Proposed FY16 Change in Net Assets (With Depreciation)
  - FY16 Expanded Level / Capital Project Lists
  - FY16 Capital Improvement Plan
  - Cash Flow Model
  
- Reviewed the following items that were revised based on direction given to staff at the July 21<sup>st</sup> Finance Committee meeting:
  - Sales tax projected at 4% in proposed FY16 budget
  - Bus fuel rate reduced to \$3.50/gallon (from \$4.00) based on historical actuals and EIA (Energy Information Administration) projections.
  - Rail fuel rate reduced to \$3.25/gallon (from \$4.00)
  - Rail Purchased Transportation – operations provided committee with variance explanations between FY15 and FY16 components. Operations will provide line item detail as support.
    - Car Mile rate went up 51 cents per mile compared to FY 15 because vehicles are now out of warranty and contractor will be responsible for all repair
    - Right of Way maintenance also increased due to contractor being responsible for all repair
    - PTC costs were added to FY16 contract that were not a requirement in the FY 15 contract
    - Capital items that were in the FY15 contract were shifted to Vehicle and Right of Way maintenance
    - Additional cost included for excess rail liability annual premiums

- Capital Budget Revisions:
  - Stadler Spare Parts reduced to \$150k
  - ABB Stadler Spare Parts added at \$276k
  - Flood Disaster Recovery added at \$500k in FY16 (\$1M in FY15)
- Committee direction to staff at August 17<sup>th</sup> Meeting:
  - Discussed Vanpool Program
    - Current FTA grant will be depleted in FY15 and covered 50% of the lease and fuel expense. New NCTCOG grant to continue this program will only reimburse 50% lease expense. Fuel is no longer eligible. DCTA will cover 50% of fuel cost and vanpool riders will continue to cover 50%.
    - Evaluate program options in FY16 for implementation in FY17 for reducing DCTA 50% fuel subsidy.
    - Vanpool fuel rate to be adjusted to \$3.50/gallon (from \$4.13) so it is in line with operations fuel projections.
    - Vanpool contract terms to be distributed to Board
  - Staff will provide line-item detail regarding the \$1.6M increase for Rail O&M Purchased Transportation
  - Operations staff will provide flood damage estimate report on a monthly basis to Board

#### **Enhanced Automatic Train Control (E-ATC) Rail Safety Enhancements Update**

- Jim provided an update on the status of the Enhanced Automatic Train Control (E-ATC) Rail Safety Enhancements project as well as deadlines related to the procurement (proposals due back September 15<sup>th</sup>).

#### **2015 Leadership Circle Award – Platinum Level for Texas Transparency**

- DCTA was awarded Platinum level for the 2015 Leadership Circle Award for 2015 from the Texas Comptroller. DCTA had received Silver in the past but made improvements to the website and received top honors.

#### **Forward to the Board:**

The committee forwarded the FY16 Operating & Capital budget to the Board for review and Public Hearing at the scheduled Board meeting August 27, 2015.

The meeting adjourned at 3:36pm

#### **Finance Committee**

**Chair** – Dave Kovatch

**Members** –George Campbell, Allen Harris, Richard Huckaby, Jim Robertson, Daniel Peugh

**Staff Liaison** – Anna Mosqueda – CFO



Special Called Meeting of the DCTA Board of Directors  
and the **Finance Committee**  
of the DCTA Board of Directors  
**2:00 p.m., August 17, 2015**  
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. Discussion of Proposed Fiscal Year 2016 Budget
    - i. Revenue Projections
    - ii. Operating & Capital Expenditures
    - iii. Review Cash Flow Model
- 2) Enhanced Automatic Train Control (E-ATC) Rail Safety Enhancements Update
- 3) 2015 Leadership Circle Award – Platinum Level for Texas Transparency
- 4) FORWARD TO BOARD
  - a. Recommendation for Proposed Fiscal Year 2016 Operating and Capital Budget
- 5) ADJOURN

### Finance Committee

**Chair** – Dave Kovatch

**Members** – Richard Huckaby, George Campbell, Allen Harris, Daniel Peugh, Jim Robertson

**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 [rdurham@dcta.net](mailto:rdurham@dcta.net) or calling Robin Durham at 972-221-4600.

This notice was posted on 8/14/2015 at 2:14 PM.

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Robin Durham, Administrative Assistant

OPERATING REVENUES	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL FY 2015 - FY 2023
<b>Beginning Fund Balance:</b>	\$ 20,655,595	\$ 16,505,972	\$ 14,079,414	\$ 9,779,164	\$ 9,918,044	\$ 11,892,960	\$ 13,271,145	\$ 18,099,335	\$ 18,049,809	
Bus Operating Revenue	\$ 3,895,151	\$ 3,931,918	\$ 4,036,511	\$ 4,144,108	\$ 4,254,798	\$ 4,437,520	\$ 4,555,362	\$ 4,676,585	\$ 4,801,291	38,733,245
Rail Operating Revenue	879,860	874,678	883,425	892,259	901,182	1,000,312	1,010,315	1,020,418	1,030,622	8,493,070
<b>NON-OPERATING REVENUES</b>										
Sales Tax Revenue	22,180,196	23,067,404	23,990,100	24,949,704	25,947,692	26,985,600	28,065,024	29,187,625	30,355,130	234,728,474
Formula Grants (Operating)	4,653,518	4,643,442	4,620,481	7,340,095	6,102,105	7,434,543	8,235,679	7,887,659	7,334,033	58,251,556
Interest Income-Non RTRFI Funds	33,000	20,000	42,238	29,337	29,754	35,679	39,813	54,298	54,149	338,270
Misc. Revenue	6,300	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,300
<b>Total Revenues</b>	<b>31,648,025</b>	<b>32,538,942</b>	<b>33,574,255</b>	<b>37,357,003</b>	<b>37,237,031</b>	<b>39,895,153</b>	<b>41,907,693</b>	<b>42,828,085</b>	<b>43,576,726</b>	<b>340,562,914</b>
<b>OPERATING EXPENSES</b>										
Bus Operating Expense	10,024,178	9,939,842	10,243,828	10,623,884	11,002,203	11,390,742	11,788,045	12,210,101	12,637,661	99,860,484
Rail Operating Expense	12,452,741	14,209,448	14,093,212	14,483,589	14,698,234	15,909,192	15,542,278	16,222,723	16,336,102	133,947,519
G&A Operating Expense	4,376,567	4,918,342	5,063,829	5,230,393	5,401,503	5,578,594	5,761,717	5,952,743	6,149,890	48,433,578
<b>NON-OPERATING EXPENSES</b>										
Non-Operating (Income) / Expense										-
<b>Total Expenses</b>	<b>26,853,486</b>	<b>29,067,632</b>	<b>29,400,869</b>	<b>30,337,865</b>	<b>31,101,940</b>	<b>32,878,529</b>	<b>33,092,040</b>	<b>34,385,566</b>	<b>35,123,654</b>	<b>282,241,581</b>
<b>NET INCOME</b>	<b>4,794,539</b>	<b>3,471,310</b>	<b>4,173,386</b>	<b>7,019,139</b>	<b>6,135,091</b>	<b>7,016,624</b>	<b>8,815,653</b>	<b>8,442,519</b>	<b>8,453,072</b>	<b>58,321,333</b>
<b>CAPITAL OUTLAY</b>										
Bus Capital Expenditure	1,419,600	681,914								2,101,514
Fleet Replacement Expense		2,884,000	1,750,000	1,030,000	2,633,050	1,215,000	425,000	990,000	1,800,000	12,727,050
Professional Services / Technology Improvements	300,903	495,000								795,903
Right of Way	-	139,657								139,657
Rail Capital Expenditure (LV Hike & Bike)	2,450,518									2,450,518
Rail Capital Expenditure (Community Enhancements)	268,780									268,780
HV Parking Expansion	31,073									31,073
Rail Station Improvements	626,861	191,300								818,161
Rail MOW	590,795									590,795
Rail MOE	2,079,819									2,079,819
Single Car Operations / Shunt Enhancement	220,631									220,631
Re-Railing Equipment	121,000									121,000
Rail Capital Maintenance		1,171,000	3,970,430	4,330,999	745,000	2,293,971	745,000	5,156,388	2,696,623	21,109,411
Disaster Recovery - 2015 Floods	1,000,000	500,000								1,500,000
Rail Mobilization	2,119,517									2,119,517
Positive Train Control	347,878	3,208,488	7,486,472	9,694,960						20,737,797
<b>Total Capital Outlay</b>	<b>11,577,375</b>	<b>9,271,359</b>	<b>13,206,902</b>	<b>15,055,959</b>	<b>3,378,050</b>	<b>3,508,971</b>	<b>1,170,000</b>	<b>6,146,388</b>	<b>4,496,623</b>	<b>67,811,626</b>
<b>CAPITAL SOURCES</b>										
New Money (Debt Issuance)				5,500,000						5,500,000
RTRFI/RTC Funds		1,952,557	5,989,177	4,558,265						12,500,000
Formula Grants (Capital)	5,355,112	4,157,358	1,487,500	875,500	2,238,093	1,032,750	361,250	841,500	1,530,000	17,879,062
<b>Total Capital Sources</b>	<b>5,355,112</b>	<b>6,109,915</b>	<b>7,476,677</b>	<b>10,933,765</b>	<b>2,238,093</b>	<b>1,032,750</b>	<b>361,250</b>	<b>841,500</b>	<b>1,530,000</b>	<b>35,879,062</b>
<b>DEBT SERVICE</b>										
2008 Issue (ST) Debt Service										-
2009 Refunding (ST) Debt Service	1,716,492	1,718,387	1,713,687	1,717,590	1,714,697	1,715,209	1,713,925	1,715,845	1,715,771	15,441,603
2011 Contractual Obligations (Vehicles)	751,945	763,955	770,183	775,785	785,761	794,955	808,366	815,838	827,527	7,094,315
2011 Contractual Obligations (PTC)	253,463	254,081	259,542	264,691	264,526	269,205	273,571	272,624	276,521	2,388,224
2018 Contractual Obligations (PTC)	-	-	-	-	255,233	382,850	382,850	382,850	602,850	2,006,633
<b>Total Debt Service</b>	<b>2,721,900</b>	<b>2,736,423</b>	<b>2,743,412</b>	<b>2,758,066</b>	<b>3,020,217</b>	<b>3,162,219</b>	<b>3,178,712</b>	<b>3,187,157</b>	<b>3,422,669</b>	<b>26,930,775</b>
Gross Sales Tax Coverage:	8.15	8.43	8.74	9.05	8.59	8.53	8.83	9.16	8.87	
Internal Debt Service Coverage:	1.76	1.27	1.52	2.54	2.03	2.22	2.77	2.65	2.47	
<b>Year End Audit Adjustment</b>										
<b>Ending Fund Balance:</b>	<b>16,505,972</b>	<b>14,079,414</b>	<b>9,779,164</b>	<b>9,918,044</b>	<b>11,892,960</b>	<b>13,271,145</b>	<b>18,099,335</b>	<b>18,049,809</b>	<b>20,113,589</b>	
Less Restricted RTRFI Interest Income	-	-	-	-	-	-	-	-	-	
Less Required Fund Balance (O&M Reserve Policy):	6,713,372	7,266,908	7,350,217	7,584,466	7,775,485	8,219,632	8,273,010	8,596,392	8,780,913	
Less Sales Tax Stabilization Fund	665,406	692,022	719,703	748,491	778,431	809,568	841,951	875,629	910,654	
Less Fuel Stabilization Fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Less Capital/Infrastructure	638,664	2,000,000	1,000,000	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
<b>Net Available Cash</b>	<b>8,438,530</b>	<b>4,070,484</b>	<b>659,244</b>	<b>535,087</b>	<b>1,289,045</b>	<b>2,191,944</b>	<b>6,934,375</b>	<b>6,527,789</b>	<b>8,372,022</b>	

# FY16 Budget Revenue Projections

<i>Bus Operations</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
<b>Passenger Revenues</b>				
Connect	\$ 532,120	\$ 554,147	\$ 412,351	\$ 591,052
Access	87,309	81,369	65,601	77,179
UNT	4,189	-	30,918	-
NCTC	20	-	-	-
Total Passenger Revenues	623,637	635,516	508,871	668,232
<b>Contract Services</b>				
Connect	\$ 49,000	\$ 57,000	\$ 8,000	\$ 49,000
UNT	2,424,306	2,437,919	1,948,458	2,473,267
<i>UNT Fuel (Direct Pass Thru)</i>	<i>480,030</i>	<i>624,124</i>	<i>279,992</i>	<i>524,822</i>
NCTC	87,222	79,317	118,417	162,956
<i>NCTC Fuel (Direct Pass Thru)</i>	<i>20,831</i>	<i>61,276</i>	<i>16,013</i>	<i>53,642</i>
Total Contract Services	3,061,389	3,259,636	2,370,879	3,263,687
<b>Total</b>	<b>\$ 3,685,026</b>	<b>\$ 3,895,152</b>	<b>\$ 2,879,750</b>	<b>\$ 3,931,919</b>
<i>Rail Operations</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
Rail Farebox	\$ 831,113	\$ 879,861	\$ 603,786	\$ 874,678
<b>Total</b>	<b>\$ 831,113</b>	<b>\$ 879,861</b>	<b>\$ 603,786</b>	<b>\$ 874,678</b>
<i>G&amp;A</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
Interest Income	\$ 21,100	\$ 33,000	\$ 17,687	\$ 20,000
Fare Evasion Fee	3,750	6,300	1,200	1,500
Sales Tax	21,367,086	22,180,196	17,022,215	23,067,404
Federal Operating Grants	3,410,607	4,653,518	4,080,751	4,643,442
Federal Capital Grants	3,614,583	2,939,149	1,135,904	6,109,915
State Operating Grants	-	-	43,600	-
State Capital Grants	648,939	2,415,963	1,101,675	-
Debt Issuance	-	-	-	-
<b>Total</b>	<b>\$ 29,066,065</b>	<b>\$ 32,228,126</b>	<b>\$ 23,403,032</b>	<b>\$ 33,842,261</b>
<b>TOTAL REVENUES \$ 33,582,204 \$ 37,003,139 \$ 26,886,567 \$ 38,648,858</b>				

<i>Ridership</i>	<i>FY14 Actuals</i>	<i>FY15 Budget</i>	<i>YTD June 2015</i>	<i>FY16 Budget</i>
<i>Bus</i>	<i>2,259,168</i>	<i>2,251,596</i>	<i>1,843,505</i>	<i>2,296,627</i>
<i>Rail</i>	<i>568,338</i>	<i>591,398</i>	<i>411,835</i>	<i>603,226</i>



**Denton County Transportation Authority**  
**Proposed Fiscal Year 2016 Budget**  
*(Excluding Depreciation)*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	Notes
<i>**Comparison is between the FY15 Revised Budget and the FY16 Proposed Budget**</i>								
<b>Revenue &amp; Other Income</b>								
Passenger Revenues (Bus Farebox)	623,638	635,516	635,516	508,871	668,231	32,715	5%	
Passenger Revenues (Rail Farebox)	831,113	879,860	879,860	603,786	874,678	(5,182)	-1%	A-train ridership projected to increase; Avg fare rate for FY16 is \$1.45, a slight reduction from FY15 at \$1.49.
Contract Service Revenue	3,061,389	3,259,635	3,259,635	2,370,879	3,263,687	4,052	0%	Based on UNT & NCTC contract rate. Includes fuel pass thru as well.
<b>Total Revenue &amp; Other Income</b>	<b>4,516,140</b>	<b>4,775,011</b>	<b>4,775,011</b>	<b>3,483,535</b>	<b>4,806,596</b>	<b>31,585</b>	<b>1%</b>	
<b>GENERAL &amp; ADMINISTRATIVE</b>								
Salary, Wages and Benefits	1,866,671	2,197,088	2,138,360	1,590,526	2,643,498	505,138	24%	Assumes a 3.5% merit increase (\$45k); a 10% benefit increase; full year of TCDRS 2:1 match (\$40k); Pay Plan Review (\$25k); Includes a full year for Data Analyst position (added July 2015) and the following new positions - 1) System Planner, 2) Senior Transit Manager, 3) PT Community Relations Coordinator which is a \$250k increase in FY16
Services	1,279,218	1,497,029	1,444,613	520,447	1,412,474	(32,139)	-2%	
Materials and Supplies	100,781	216,864	246,313	100,072	262,282	15,969	6%	
Utilities	12,888	60,353	60,353	20,485	54,240	(6,113)	-10%	Based on actuals
Insurance, Casualties and Losses	11,271	11,309	11,309	8,875	11,626	317	3%	
Purchased Transportation Services	-	-	159,175	115,950	206,550	47,375	30%	Projected growth of vanpool program - DCTA's portion of the lease expense is covered by grant funds.
Miscellaneous	110,764	203,667	213,667	76,254	219,694	6,027	3%	
Leases and Rentals	311,708	102,777	102,777	96,636	107,976	5,199	5%	
<b>Subtotal - G&amp;A</b>	<b>3,693,300</b>	<b>4,289,087</b>	<b>4,376,567</b>	<b>2,529,246</b>	<b>4,918,340</b>	<b>541,773</b>	<b>12%</b>	
<b>BUS SERVICES</b>								
Salary, Wages and Benefits	5,531,281	6,701,745	6,701,745	4,501,961	6,463,161	(238,584)	-4%	Assumes non-union 3% merit increase; Bus operators average wage rate to \$16.28 (increase from \$15.36 in FY15); Decrease in health benefits for FY16 due to benefit plan changes made in FY15
Services	400,697	546,831	546,831	390,281	714,150	167,319	31%	\$20k Secret Shopper Program & \$4k Language Line services (compliance with Title VI); \$31k for Bus O&M Facility Maintenance; \$35k for Annual Environmental Compliance Services; \$43k for UNT 3rd party maintenance for aged fleet; \$34k for IT Solutions (Routematch support, license, cloud hosting)
Materials and Supplies	1,627,759	2,352,874	2,352,874	1,084,541	2,242,584	(110,290)	-5%	Fuel budgeted at \$3.50/gallon (400,000 gallons)
Utilities	124,094	112,520	112,520	99,531	176,732	64,212	57%	Phone expenses were not included in FY15 - FY16 budgets reflect current expenses.
Insurance, Casualties and Losses	267,847	272,618	272,618	209,448	289,255	16,637	6%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	7,337	35,370	35,370	14,705	47,960	12,590	36%	Additional training & development for operations staff included in the FY16 budget
Leases and Rentals	39,667	2,220	2,220	4,517	6,000	3,780	170%	Canon copier lease - avg \$500/per month currently
<b>Subtotal - Bus Services</b>	<b>7,998,683</b>	<b>10,024,178</b>	<b>10,024,178</b>	<b>6,304,983</b>	<b>9,939,842</b>	<b>(84,336)</b>	<b>-1%</b>	
<b>RAIL SERVICES</b>								
Salary, Wages and Benefits	260,617	275,024	279,891	211,532	287,591	7,700	3%	
Services	257,527	145,391	169,091	104,157	298,160	129,069	76%	\$33k for gate & HVAC maintenance needed at the Rail O&M Facility; \$96k for new annual landscaping agreement
Materials and Supplies	1,163,199	1,591,037	1,317,337	753,054	1,301,000	(16,337)	-1%	Fuel at \$3.25/gallon at 400,000 gallons for FY16; \$60 reduction in Parts due to a one-time expense in FY15 for WMR & Card Quest Spare Parts; \$70k reduction for Small Tools & Supplies - Stadler post-warranty parts are in Rail Capital Maintenance
Utilities	279,836	279,276	279,276	171,843	280,389	1,113	0%	
Insurance, Casualties and Losses	496,869	494,089	494,089	362,676	499,334	5,245	1%	
Purchased Transportation Services	9,632,780	9,853,076	9,804,412	7,252,134	11,427,074	1,622,662	17%	Based on the estimated cost of implementing contract with Herzog • Car Mile rate went up 51 cents per mile compared to FY 15 because vehicles are now out of warranty and contractor will be responsible for all repair • Right of Way maintenance also increased due to contractor being responsible for all repair • PTC costs were added to FY16 contract that were not a requirement in the FY 15 contract • Capital items that were in the FY15 contract were shifted to Vehicle and Right of Way maintenance • Increased insurance expense
Miscellaneous	5,504	6,438	6,438	13,317	13,693	7,255	113%	APTA Commuter Rail Safety Management \$7k that was an un-budgeted expense in FY15
Leases and Rentals	1,104	102,207	102,207	1,655	102,207	-	0%	
<b>Subtotal - Rail Services</b>	<b>12,097,436</b>	<b>12,746,538</b>	<b>12,452,741</b>	<b>8,870,368</b>	<b>14,209,448</b>	<b>1,756,707</b>	<b>14%</b>	
<b>Total Operating Expenses</b>	<b>23,789,419</b>	<b>27,059,803</b>	<b>26,853,486</b>	<b>17,704,597</b>	<b>29,067,630</b>	<b>2,214,144</b>	<b>8%</b>	
<b>Income Before Non-operating Revenue &amp; Exp</b>	<b>(19,273,280)</b>	<b>(22,284,792)</b>	<b>(22,078,475)</b>	<b>(14,221,062)</b>	<b>(24,261,034)</b>			
<b>Non-Operating Revenues / (Expense)</b>								
Investment Income	21,100	33,000	33,000	17,687	20,000	(13,000)	-39%	Based on current interest rates and lower cash balances
Non-Operating Revenues / (Expense)	81,520	6,300	6,300	79,968	1,500	(4,800)	-76%	Based on trending fare evasion collections
Sales Tax Revenue	21,367,086	21,347,080	22,180,196	17,022,215	23,067,404	887,208	4%	Based on a 4% increase which is reflected in the current cash flow model
Federal Grants & Reimbursements	7,025,190	16,617,500	7,592,667	4,903,768	10,753,357	3,160,690	42%	\$2.5M is related to PTC schedule for FY16; Federal grants include all grants that have been awarded and are tied directly to capital projects scheduled.
State Grants & Reimbursements	648,939	2,358,300	2,415,963	1,145,275	-	(2,415,963)	-100%	Previous state grants for TxDOT funded capital projects scheduled to be completed in FY15
Debt Issuance	-	5,500,000	-	-	-	-		
Long Term Debt Interest/Expense	(1,451,364)	(2,721,899)	(2,721,899)	(910,175)	(1,156,422)	1,565,477	-58%	In FY16, budgeting only the interest payments related to current debt issue - the principal payments are a reduction to long term debt liability account and not recorded as an expense. Principal payments are reflected in the cash flow model.
<b>Total Non-Operating Revenue / (Expense)</b>	<b>27,692,472</b>	<b>43,140,281</b>	<b>29,506,227</b>	<b>22,258,738</b>	<b>32,685,839</b>	<b>3,179,612</b>	<b>11%</b>	
<b>Change in Net Position</b>	<b>8,419,192</b>	<b>20,855,489</b>	<b>7,427,752</b>	<b>8,037,676</b>	<b>8,424,805</b>			
<b>Net Position - Beginning of Year:</b>					<b>16,505,972</b>			
<b>Net Position - End of Year:</b>					<b>24,930,777</b>			
<i>Transfer to Capital Projects</i>					<b>(9,271,359)</b>			
<b>Net Position After Capital Project Transfer</b>					<b>15,659,418</b>			



**Denton County Transportation Authority**  
**Proposed Fiscal Year 2016 Budget**  
*(Including Depreciation)*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	
<b>Revenue &amp; Other Income</b>								
Passenger Revenues (Bus Farebox)	623,638	635,516	635,516	508,871	668,231	32,715	5%	
Passenger Revenues (Rail Farebox)	831,113	879,860	879,860	603,786	874,678	(5,182)	-1%	
Contract Service Revenue	3,061,389	3,259,635	3,259,635	2,370,879	3,263,687	4,052	0%	
<b>Total Revenue &amp; Other Income</b>	<b>4,516,140</b>	<b>4,775,011</b>	<b>4,775,011</b>	<b>3,483,535</b>	<b>4,806,596</b>	<b>31,585</b>	<b>1%</b>	
<b>GENERAL &amp; ADMINISTRATIVE</b>								
Salary, Wages and Benefits	1,866,671	2,197,088	2,138,360	1,590,526	2,643,498	505,138	24%	
Services	1,279,218	1,497,029	1,444,613	520,447	1,412,474	(32,139)	-2%	
Materials and Supplies	100,781	216,864	246,313	100,072	262,282	15,969	6%	
Utilities	12,888	60,353	60,353	20,485	54,240	(6,113)	-10%	
Insurance, Casualties and Losses	11,271	11,309	11,309	8,875	11,626	317	3%	
Purchased Transportation Services	-	-	159,175	115,950	206,550	47,375	30%	
Miscellaneous	110,764	203,667	213,667	76,254	219,694	6,027	3%	
Leases and Rentals	311,708	102,777	102,777	96,636	107,976	5,199	5%	
Depreciation	(1,778)	-	-	-	33,333	33,333	-	
Subtotal - G&A	3,691,522	4,289,087	4,376,567	2,529,246	4,951,674	575,107	13%	
<b>BUS SERVICES</b>								
Salary, Wages and Benefits	5,531,281	6,701,745	6,701,745	4,501,961	6,463,161	(238,584)	-4%	
Services	400,697	546,831	546,831	390,281	714,150	167,319	31%	
Materials and Supplies	1,627,759	2,352,874	2,352,874	1,084,541	2,242,584	(110,290)	-5%	
Utilities	124,094	112,520	112,520	99,531	176,732	64,212	57%	
Insurance, Casualties and Losses	267,847	272,618	272,618	209,448	289,255	16,637	6%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	7,337	35,370	35,370	14,705	47,960	12,590	36%	
Leases and Rentals	39,667	2,220	2,220	4,517	6,000	3,780	170%	
Depreciation	1,240,087	1,783,882	1,783,882	1,223,731	1,917,896	134,014	8%	
Subtotal - Bus Services	9,238,770	11,808,060	11,808,060	7,528,714	11,857,738	49,678	0%	
<b>RAIL SERVICES</b>								
Salary, Wages and Benefits	260,617	275,024	279,891	211,532	287,591	7,700	3%	
Services	257,527	145,391	169,091	104,157	298,160	129,069	76%	
Materials and Supplies	1,163,199	1,591,037	1,317,337	753,054	1,301,000	(16,337)	-1%	
Utilities	279,836	279,276	279,276	171,843	280,389	1,113	0%	
Insurance, Casualties and Losses	496,869	494,089	494,089	362,676	499,334	5,245	1%	
Purchased Transportation Services	9,632,780	9,853,076	9,804,412	7,252,134	11,427,074	1,622,662	17%	
Miscellaneous	5,504	6,438	6,438	13,317	13,693	7,255	113%	
Leases and Rentals	1,104	102,207	102,207	1,655	102,207	-	0%	
Depreciation	7,637,028	7,719,558	7,719,558	5,784,815	8,029,976	310,418	4%	
Subtotal - Rail Services	19,734,464	20,466,096	20,172,299	14,655,183	22,239,424	2,067,125	10%	
<b>Total Operating Expenses</b>	<b>32,664,756</b>	<b>36,563,243</b>	<b>36,356,926</b>	<b>24,713,143</b>	<b>39,048,836</b>	<b>2,691,910</b>	<b>7%</b>	
<b>Income Before Non-operating Revenue &amp; Exp</b>	<b>(28,148,617)</b>	<b>(31,788,232)</b>	<b>(31,581,915)</b>	<b>(21,229,608)</b>	<b>(34,242,240)</b>	<b>-</b>	<b>-</b>	
<b>Non-Operating Revenues / (Expense)</b>								
Investment Income	21,100	33,000	33,000	17,687	20,000	(13,000)	-39%	
Non-Operating Revenues / (Expense)	81,520	6,300	6,300	79,968	1,500	(4,800)	-76%	
Sales Tax Revenue	21,367,086	21,347,080	22,180,196	17,022,215	23,067,404	887,208	4%	
Federal Grants & Reimbursements	7,025,190	16,617,500	7,592,667	4,903,768	10,753,357	3,160,690	42%	
State Grants & Reimbursements	648,939	2,358,300	2,415,963	1,145,275	-	(2,415,963)	-100%	
Debt Issuance	-	5,500,000	-	-	-	-	-	
Long Term Debt Interest/Expense	(1,451,364)	(2,721,899)	(2,721,899)	(910,175)	(1,156,422)	1,565,477	-58%	
<b>Total Non-Operating Revenue / (Expense)</b>	<b>27,692,472</b>	<b>43,140,281</b>	<b>29,506,227</b>	<b>22,258,738</b>	<b>32,685,839</b>	<b>3,179,612</b>	<b>11%</b>	
<b>Change in Net Position</b>	<b>(456,145)</b>	<b>11,352,049</b>	<b>(2,075,688)</b>	<b>1,029,130</b>	<b>(1,556,401)</b>	<b>-</b>	<b>-</b>	
<b>Net Position - Beginning of Year:</b>						<b>16,505,972</b>		
<b>Net Position - End of Year:</b>						<b>14,949,571</b>		
<i>Transfer to Capital Projects</i>						<i>(9,271,359)</i>		
<b>Net Position After Capital Project Transfer</b>						<b>5,678,212</b>		

### FY16 Expanded Level Projects / Capital

Project Name	Department	Total Project Expense	Grant Funded	Expense Classification
<b><u>Staffing</u></b>				
PT Community Relations Coordinator	Marketing	\$ 16,625		Operating
System Planner	Planning	\$ 86,000		Operating
Senior Transit Manager	Operations	\$ 93,014		Operating
Dispatcher {FTE Impact Only}	Bus Operations	\$ -		Operating
	<b>Subtotal</b>	<b>\$ 195,639</b>		
<b><u>Facilities Maintenance</u></b>				
Bus O&M Facility Maintenance {Annual}	Operations	\$ 66,000		Operating
Rail O&M Facility Maintenance {One-Time}	Rail Operations	\$ 33,649		Operating
Landscaping Maintenance {Annual}	Rail Operations	\$ 96,000		Operating
	<b>Subtotal</b>	<b>\$ 195,649</b>		
<b><u>Capital {New}</u></b>				
Shortel Phone System Implementation	IT	\$ 45,000		Capital
Bus Fleet Cameras	Bus Operations	\$ 149,500	Yes (80/20)	Capital
Trail Safety Improvements	Rail Operations	\$ 139,657	Yes (80/20)	Capital
Rail Capital Maintenance (Herzog Contract)	Rail Operations	\$ 745,000		Capital
Stadler Spare Parts	Rail Operations	\$ 150,000		Capital
ABB Stadler Spare Parts	Rail Operations	\$ 276,000		Capital
Disaster Recovery Efforts	Rail Operations	\$ 500,000		Capital
Fleet {2016}	Bus Operations	\$ 1,250,000	Yes (85/15)	Capital
	<b>Subtotal</b>	<b>\$ 3,255,157</b>		
<b><u>Capital {Roll-Over}</u></b>				
Fleet {2015}	Bus Operations	\$ 1,634,000	Yes (85/15)	Capital
Comprehensive Service Analysis	Planning	\$ 367,414	Yes (80/20)	Capital
Transit Enhancements	Operations	\$ 165,000	Yes (80/20)	Capital
Bus Scheduling Software	Bus Operations	\$ 250,000	Yes (80/20)	Capital
COGNOS	Finance	\$ 200,000	Yes (80/20)	Capital
Trinity Mills Crew Facility	Operations	\$ 191,300	Yes (80/20)	Capital
PTC	Rail Operations	\$ 3,208,488	Yes (80/20)	Capital
	<b>Subtotal</b>	<b>\$ 6,016,202</b>		
<b>GRAND TOTAL</b>		<b>\$ 9,662,647</b>		

\*FEMA/Insurance Reimbursements

\*Total cost estimate reduced by \$1M based on industry feedback

Capital Improvement Plan

Project Name	Project Number	Project Budget	Project LTD thru FY 2014	FY 2015 Projection	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Anticipated Project Total (Thru 2020)
<b>Bus Services</b>										
Bus Operations & Maintenance Facility	50301	11,497,555	11,328,630	167,825						11,496,455
Fleet Replacement {2015}	50505	1,634,000	-	-	1,634,000					1,634,000
DDTC	50303	373,282	12,597	360,685						373,282
Bus Radios	50408	120,870	2,332	118,538						120,870
Scheduling Software	50601	250,000			250,000					250,000
Passenger Amenities {2015}	50203	53,483		53,483						53,483
Transit Enhancements {2015-2016}	50204	165,000			165,000					165,000
<i>Bus Fleet Cameras</i>	<i>NEW</i>	<i>149,500</i>			<i>149,500</i>					<i>149,500</i>
<i>Fleet {2016}</i>	<i>NEW</i>	<i>1,250,000</i>			<i>1,250,000</i>	<i>1,750,000</i>	<i>1,030,000</i>	<i>2,633,050</i>	<i>1,215,000</i>	<i>7,878,050</i>
<b>Rail Services</b>										
Passenger Information	60701	96,821	57,670	39,150						96,820
Positive Train Control	61406	21,902,951	1,165,153	347,878	3,208,488	7,486,472	9,694,960			21,902,951
Lewisville Bike Trail	61708	3,099,856	649,338	2,450,518						3,099,856
Rail Maintenance of Equipment	61712	1,302,627	137,849	1,164,778						1,302,627
Rail Single Car Operations	61503	101,800	22,169	79,631						101,800
GTW Wheel Work	61505	915,041		915,041						915,041
Shunt Enhancement	61407	141,000		141,000						141,000
T. Mills Crew Facility	61209	250,000		58,700	191,300					250,000
Station Landscaping	61210	485,000		485,000						485,000
Rail Drainage Improvement	61104	500,000		500,000						500,000
Rail Mobilization {2015}	61604	2,119,517		2,119,517						2,119,517
<i>Disaster Recovery</i>	<i>61713</i>	<i>1,500,000</i>		<i>1,000,000</i>	<i>500,000</i>					<i>1,500,000</i>
<i>Rail Capital Maintenance</i>	<i>NEW</i>	<i>745,000</i>			<i>745,000</i>	<i>3,970,430</i>	<i>4,330,999</i>	<i>745,000</i>	<i>2,293,971</i>	<i>12,085,400</i>
<i>Stadler Spare Parts</i>	<i>NEW</i>	<i>150,000</i>			<i>150,000</i>					<i>150,000</i>
<i>ABB Stadler Spare Parts</i>	<i>NEW</i>	<i>276,000</i>			<i>276,000</i>					<i>276,000</i>
<i>Trail Safety Improvements</i>	<i>NEW</i>	<i>139,657</i>			<i>139,657</i>					<i>139,657</i>
<b>G&amp;A</b>										
COGNOS Report Writing Application	10601	200,000			200,000					200,000
Comprehensive Service Analysis	10602	567,414		200,000	367,414					567,414
Legal Support	10603	226,753		226,753						226,753
Cloud Hybrid Backup Solution	10401	35,000		35,000						35,000
<i>Shortel Phone System</i>	<i>NEW</i>	<i>45,000</i>			<i>45,000</i>					<i>45,000</i>
<b>TOTAL</b>		<b>\$ 50,293,127</b>	<b>\$ 13,375,738</b>	<b>\$ 3,953,518</b>	<b>\$ 9,271,359</b>	<b>\$ 13,206,902</b>	<b>\$ 15,055,959</b>	<b>\$ 3,378,050</b>	<b>\$ 3,508,971</b>	<b>\$ 68,260,476</b>
<b>Sources of Funding</b>										
Federal / State Grants					\$ 4,157,358	\$ 1,487,500	\$ 875,500	\$ 2,238,093	\$ 1,032,750	\$ 9,791,201
New Debt Issuance (PTC)					\$ -	\$ -	\$ 5,500,000	\$ -	\$ -	\$ 5,500,000
RTC Funds					\$ 1,952,557	\$ 5,989,177	\$ 4,558,266	\$ -	\$ -	\$ 12,500,000
DCTA Funding					\$ 3,161,444	\$ 5,730,225	\$ 4,122,193	\$ 1,139,957	\$ 2,476,221	\$ 16,630,040
<b>TOTAL</b>					<b>\$ 9,271,359</b>	<b>\$ 13,206,902</b>	<b>\$ 15,055,959</b>	<b>\$ 3,378,050</b>	<b>\$ 3,508,971</b>	<b>\$ 44,421,241</b>



Special Called Meeting of the DCTA Board of Directors  
and the **Program Services Committee** of the DCTA Board of Directors  
**12:00 PM, Tuesday, August 18, 2015**

MINUTES

Attendance

**Board / Committee Members**

Charles Emery  
George A. Campbell  
Paul Pomeroy  
Dave Kovatch  
Don Hartman  
Carter Wilson  
Skip Kalb  
Doug Peach

**Staff**

Jim Cline  
Anna Mosqueda  
Kristina Brevard  
Nicole Recker

Call to order at 12:07 p.m. by Paul Pomeroy. Convene the Program Services Committee  
Call to order at 12:07 p.m. by Charles Emery. Convene Meeting of the Board of Directors.

1) ITEMS FOR INFORMATION / DISCUSSION

a) Projects Update

- Elvio Bruno and Cindee Myers with Huffines Properties and Sherri Collison with TBG, Inc. briefed the committee on the proposed improvements around the Hebron Station.
- Kristina Brevard gave an update on the Comprehensive Operational Analysis (Highland Village & Lewisville). The stop level data collection and the onboard passenger surveys are complete. Kristina Brevard shared the information compiled by Nelson Nygaard with the committee. The public involvement process is now underway with an online survey that will be available through September 15, 2015, two open house meetings on August 18 and 19, and stakeholder luncheon to take place August 19, 2015. The Denton Comprehensive Operational Analysis will begin this fall.
- Kristina Brevard briefed the committee on the activities with North Central Texas Council of Governments (NCTCOG) including the 2040 Mobility Transportation Plan, a fleet acquisition from Special Programs for Aging Needs (SPAN) through NCTCOG and a potential partnership with SPAN to assist with serving non-member cities.
- Kristina Brevard informed the committee on Congestion Management Air Quality (CMAQ) funds which are now available from NCTCOG for capital project for new service in a new area. As well as Transportation Development Credits (TDC) from NCTCOG to be able to use in lieu of 20% matching funds.
- Kristina Brevard explained to the committee that the regional express corridor planning is still underway and awaiting news back about the TIGER Grant application.
- Kristina Brevard briefed the committee on the potential land uses for areas around the Rail Operations and Maintenance Facility.

b) Review of DCTA Services

- Jim Cline gave an update on operations projects including: flood disaster response and the progress with FEMA, the drainage project, trail construction, and the rail operations and maintenance agreement, Positive Train Control (PTC), and single car operations.

2) RAIL FACILITY TOUR WITH SPECIAL GUESTS

- Lt. General Joe Weber, Executive Director of Texas Department of Transportation

3) ADJOURN 2:36 p.m.

- Motion to adjourn made by Paul Pomeroy. 2nd by Charles Emery.

**Program Development Chair** – Paul Pomeroy

**Program Development Members** – Skip Kalb, Doug Peach, Don Hartman, Carter Wilson, Jim Robertson

**Staff Liaison** – Kristina Brevard, Vice President of Planning & Development



1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057  
Ph: (972) 221-4600 Fax: (972) 221-4601

Denton County Transportation Authority  
Board of Directors  
Work Session and Board Meeting Minutes

## Work Session Minutes

The Board of Directors of the Denton County Transportation Authority convened the work session of the Board of Directors with Chairman Charles Emery presiding at 1:31 p.m. July 23, 2015 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

### Attendance

#### Small Cities

Skip Kalb

#### Large Cities

Charles Emery, Lewisville, Chairman  
Paul Pomeroy, Highland Village, Vice-Chair  
Richard Huckaby, Denton, Secretary  
Carter Wilson, Frisco  
Daniel Peugh, Corinth (arrived 2:46 p.m.)  
Jim Robertson, Flower Mound

#### Denton County Unincorporated

Don Hartman  
George A. Campbell

#### Denton County at Large

Dave Kovatch, *Treasurer*

#### Board Members Absent

Allen Harris, The Colony  
Doug Peach, Little Elm

#### Legal Counsel

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

1. Routine Briefing Items
  - a. Agency Performance Report
    - Jim Cline passed out the current agency report card and he and the executive team lead a discussion on the items therein.
  - b. Financial Reports – Anna Mosqueda presented financial information
    - i. Financial Statements
    - ii. Capital Projects Report
    - iii. Sales Tax Report

Pete Smith, General Counsel

#### DCTA Staff

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

#### Others in Attendance

Athena Forrester - Senior Procurement Manager  
Michael Chinn – Transit Management of Denton County  
Jim Owen – Transit Management of Denton County  
Connie White, Trophy Club

- iv. Quarterly Investment Report
  - v. Quarterly Grants Report
  - vi. Procurement Report
- c. Marketing and Communications – Nicole Recker reported on these items
    - i. Marketing and Communications Initiatives
    - ii. Marketing and Communications Metrics
    - iii. Customer Service Metrics
  - d. Capital Projects Update – Raymond Suarez presented information on the following topics
    - i. GTW Integration
    - ii. Lewisville Bike Trail
    - iii. Positive Train Control (PTC)
    - iv. Station Improvements
    - v. Rail Facility Drainage
  - e. Transit Operations – Raymond Suarez provided an update
    - i. Rail Operations
    - ii. Bus Operations
  - f. Strategic Planning / Development – Kristina Brevard provided an update
    - i. Priority Projects Update
    - ii. Outreach Efforts
2. Convene Executive Session (from Work Session item 5a-c) at 2:48 p.m.
- a. As Authorized by Section 551.071(2) of the Texas Government Code, the Work Session or the Regular Board Meeting may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the General Counsel on any Agenda Item Listed Herein.
  - b. Work session item: Rail Operations and Maintenance Interlocal Agreement and regular agenda item: Discussion and approval of authorization for CEO to negotiate and execute an agreement for operations and maintenance services to include excess rail liability for DCTA Rail with Herzog Transit Services or other vendor(s), for continuity of service, in the event CEO is unable to negotiate an Interlocal agreement with DART and the Fort Worth Transportation Authority.
  - c. 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, or Highland Village.
3. Reconvene Open Session 3:24 p.m.
- No action was taken as result of executive session

<Break 3:24 p.m. – 3:30 p.m.>

- Charles Emery recognized the contribution of former Board Member Bill Walker and in appreciation presented Bill Walker's wife and family with a picture and a plaque honoring his service.

4. Items for Discussion
  - a. Preliminary Triennial Review Update
    - Anna Mosqueda gave an update on the Triennial Review process and the findings that DCTA incurred and the plans to resolve these findings.
  - b. Rail Operations and Maintenance Interlocal Agreement
    - Jim Cline briefed the board on the current status of the interlocal agreement with DART.
  - c. Legislative Update
    - Jim Cline gave a legislative update on positive train control (PTC) and other current legislative items.
  
5. Committee Chair Reports
  - a. Finance Committee (06/30/2015 & 7/21/2015) Dave Kovatch, chair
    - Anna Mosqueda gave an overview of the Finance Committee meetings.
    - Anna Mosqueda informed the board that we are looking at rescheduling the next Finance Committee meeting.
  
6. Discussion of Regular Board Meeting Agenda Items (May 2015)
  - There was no discussion of regular meeting items.
  
7. Discussion of Future Agenda Items
  - a. Board Member Requests – none

Work session was adjourned at 3:46 p.m.





1955 Lakeway Drive, Suite 260  
Lewisville, Texas 75057

Denton County Transportation Authority  
Board of Directors  
Work Session and Board Meeting Minutes

## Board Meeting Minutes

The regular meeting of the Board of Directors of the Denton County Transportation Authority was convened with Chairman Charles Emery presiding at 3:47 p.m. July 23, 2015 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

### Attendance

#### Small Cities

Skip Kalb

#### Large Cities

Charles Emery, Lewisville, Chairman  
Paul Pomeroy, Highland Village, Vice-Chair  
Richard Huckaby, Denton, Secretary  
Carter Wilson, Frisco  
Daniel Peugh, Corinth (arrived 2:46 p.m.)  
Jim Robertson, Flower Mound

#### Denton County Unincorporated

Don Hartman  
George A. Campbell

#### Denton County at Large

Dave Kovatch, *Treasurer*

#### Board Members Absent

Allen Harris, The Colony  
Doug Peach, Little Elm

#### Legal Counsel

Pete Smith, General Counsel

#### DCTA Staff

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

#### Others in Attendance

Athena Forrester - Senior Procurement  
Manager  
Michael Chinn – Transit Management of  
Denton County  
Jim Owen – Transit Management of Denton  
County  
Connie White, Trophy Club

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

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS – Charles Emery

INVOCATION – Skip Kalb

WELCOME AND INTRODUCTION OF VISITORS – Jim Cline introduced Connie White as a new board member representing Trophy Club and Jim Owen with Transit Management of Denton County.

## 1. CONSENT AGENDA

- a. Approval of Minutes Board Meeting June 25, 2015
- b. Acceptance of Financial Reports – May and June
- c. Acceptance of Quarterly Investment Report
- d. Authorize President to award and purchase handheld radios
- e. Authorize the president to execute contracts for landscape maintenance and improvements.
- f. Approve lease agreement for portable restroom facilities at the Trinity Mills Station.
- g. Approve agreement for Network Connectivity for DCTA Facilities via Right of Way Fiber.
  - Motion to approve Consent Agenda Items 1a-g made by Richard Huckaby. 2<sup>nd</sup> by Jim Robertson opposed. Motion carried unanimously.

## 2. REGULAR AGENDA

- a. Approval of the DBE goal for FY16, 17 and 18 and approval of resolution 15-08
  - Anna Mosqueda and Athena Forrester detailed the DBE goal background and the proposed change to the goal.
  - Motion to approve the DBE goal for FY16, 17 and 18 and to approve resolution 15-08 made by Paul Pomeroy. 2<sup>nd</sup> by Skip Kalb. Motion carried with nine members in favor and one member (Mr. Robertson) voting in opposition.
- b. Discussion and approval of authorization for CEO to negotiate and execute an agreement for operations and maintenance services to include excess rail liability for DCTA Rail with Herzog Transit Services or other vendor(s), for continuity of service, in the event CEO is unable to negotiate an Interlocal agreement with DART and the Fort Worth Transportation Authority.
  - Jim Cline described the issues that lead up to the need for this approval.
  - Motion to authorize the CEO to negotiate and execute an agreement for operations and maintenance services made by Daniel Peugh. 2<sup>nd</sup> by Don Hartman. Motion carried unanimously.
- c. Approve revisions to Access Policy
  - Jim Cline explained the need to update the Access Policy per the Triennial Review findings.
  - Motion to approve the revisions to the Access Policy made by Daniel Peugh. 2<sup>nd</sup> by George A. Campbell. Motion carried unanimously.

## 1. CHAIR REPORT – Charles Emery gave an update on these issues as well as the RTC meeting

- a. Discussion of Regional Transportation Issues
- b. Discussion Legislative Issues
  - i. Regional
  - ii. State
  - iii. Federal

## 2. PRESIDENT'S REPORT – Jim Cline provided information on the following items

- a. Budget Transfers – none were required

- b. Regional Transportation Issues
3. REPORT ON ITEMS OF COMMUNITY INTEREST
- a. Pursuant to Texas Government Section 551.0415 the Board of Directors may report on following items: (1) expression of thanks, congratulations, or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming DCTA and Member City events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.
- Jim Cline updated the board on the requirements to Video Tape board meetings.
4. ADJOURN 4:05 p.m.
- Motion to adjourn made by Skip Kalb. 2nd by George A. Campbell. Motion carried unanimously.

The minutes of the July 23, 2015 meeting of the Board of Directors were passed, and approved by a vote on this 27<sup>th</sup> day of August, 2015.

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Charles Emery, Chairman

ATTEST

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Richard Huckaby, Secretary



**Board of Directors Memo**

**August 27, 2015**

**Subject: 1(c) Approve Resolution 15-09 Authorizing Title Change to ICMA-RC Program Plan Coordinator**

**Background**

In October 2010 the Board approved participation in ICMA-RC Voluntary 457b retirement program for DCTA employees. At the time the program was implemented the Management Specialist was designated as the Program Plan Coordinator. Due to DCTA staffing changes it is necessary for the Board to approve a title change to designate the Program Plan Coordinator.

DCTA provides this voluntary retirement program option for staff as an additional benefit through ICMA-RC. ICMA-RC manages assets for over 900,000 local and state government employees in more than 8,000 plans. DCTA employees participate on a voluntary basis through pre-tax payroll deduction.

**Identified Need**

ICMA-RC requires Board action via resolution to implement a title change to the position designated as Program Plan Coordinator.

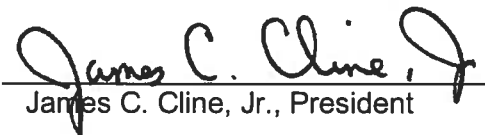
**Financial Impact**

None

**Recommendation**

Staff recommends that the Board approve the resolution authorizing the title change to the Program Plan Coordinator from Management Specialist to Chief Financial Officer.

Submitted by:   
Anna Mosqueda, CFO

Approved by:   
James C. Cline, Jr., President

**Board of Directors Memo**

August 27, 2015

**Subject: Award of Purchase and Installation of Generator for the Bus O&M Facility****Background**

A request for bids was released on July 10<sup>th</sup> for the purchase and installation of a stand-by diesel generator with automatic transfer switch for the Bus O&M facility.

On August 4th, 2015 DCTA received four (4) bids in response to our RFB:

1. Prater Electric dba Jeffries Electric LLC
2. Dal-Ec Construction
3. KE Industrial
4. Humphrey & Associates

Staff conducted a review and evaluation of the bids received and is recommending award to Prater Electric dba Jeffries Electric LLC.

**Identified Need**

The Bus Operations and Maintenance Facility was completed in 2014. The initial design did not include provision for a stand-by generator. Staff has since become aware of the need for DCTA to assist the citizens of Denton County in many types of emergencies, when public utilities may not be available to run the fuel system and maintenance equipment. Sufficient funds remain in the grant to fund this installation.

**Financial Impact**

Expenditures for the purchase and installation of the generator are reimbursed by FTA funds at 80% from State of Good Repair grant funds. Anticipated expenses for this purchase are \$68,255.


**Recommendation**

Staff recommends the Board approve the award to Prater Electric dba Jeffries Electric LLC as outlined above and authorize the President to execute a contract.

Submitted by:

  
Athena Forrester, Purchasing Manager

Approval:

  
Raymond Suarez, COO

**Board of Directors Memo****August 27, 2015****Subject: 1(e) Approve Task Order No. 8 to HNTB for Surveying Services****Background**

As part of DCTA's Passenger Amenities Project, DCTA plans to install additional bus shelters at various locations within the City of Denton. DCTA is required to submit a site plan of each location accompanied with ground survey per the City of Denton's requirements.

**Identified Need**

A scope of services and fees has been negotiated with HNTB to provide topographic services for the proposed bus shelter locations in Denton.

**Financial Impact**

The fee for the services is \$45,940 and will be paid for with operating funds.

**Recommendation**

Staff recommends the Board of Directors authorize the President to execute the task order with HNTB in the amount not-to-exceed \$45,940.06

Submitted by:

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

Athena Forrester  
Senior Procurement Manager

Approval:

A handwritten signature in black ink, appearing to read "Raymond Suarez", written over a horizontal line.

Raymond Suarez, COO

**Board of Directors Memo**

August 27, 2015

**Subject: Award of Contract for Signal System Enhancements****Background**

A request for proposals was released on July 10<sup>th</sup> for a means of enhancing the signal system to ensure track circuit detection of a single DMU to support its PTC implementation and single car operations. To accomplish this, DCTA requires installation of track circuit modifications involving a Track Circuit Monitoring System (TCMS), alterations to the existing GE Vital Harmon Logic Controller (VHLC) and ElectroCode 5 (EC5) equipment, fiber optic cable, and network connectivity to support data communications between all field locations and the office.

On August 12th, one (1) proposal was received in response to the RFP:

1. CTC, Inc.

Staff conducted a review and evaluation of the proposal and is recommending award to CTC, Inc.

**Identified Need**

The enhancements are required to address issues that have been experienced with single car operations. In early operations, single car trains would not reliability shunt the track the result of which could yield an unsafe condition. This issue has not been seen with two car operations. In the interest of safety, supporting the upcoming Positive Train Control implementation, and supporting single car operations, a means to continuously monitor track shunting and cause the signal system to revert to a safe condition must be added to the existing signal system.

**Financial Impact**

Expenditures for the project will be reimbursed by FTA funds at 80% Anticipated expenses for this purchase will not exceed \$900,000.

**Recommendation**

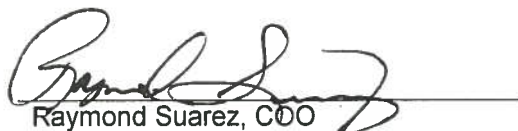
Staff recommends the Board approve the award to CTC, Inc, as outlined above and authorize the President to execute a contract.

Submitted by:



Athena Forrester, Senior Procurement  
Manager

Approval:



Raymond Suarez, COO

**Board of Directors Memo**

August 27, 2015

**Subject: 1 (g) Award of Contract for Sales and Use Tax Review****Background**

A request for proposals was released on June 17<sup>th</sup> to perform a review of DCTA's sales/use tax remittances and other related information in an effort to ensure that DCTA is receiving all the sales taxes to which it may be entitled.

On July 14th, two (2) proposals was received in response to the RFP:

1. MuniServices, LLC
2. Sales Tax Assurance.

Staff conducted a review and evaluation of the proposal and is recommending award to MuniServices, LLC. The contract will begin on September 1 and continue for three (3) years with the option to renew for two (2) additional one (1) year terms.

**Identified Need**

Work to be performed includes identifying any misallocations, reporting errors, or other factors causing DCTA to receive less than the proper amount of taxes due. Consultant will be asked to document and report findings and to perform any necessary analysis and other work that will help ensure that DCTA is realizing all of the sales tax revenue to which it is entitled. Sales tax forecasting services will also be included and included in the service.

**Financial Impact**

Expenditures for the project will be reimbursed from monies identified and collected from the Texas Comptroller. Anticipated expenses are based on a commission rate of 25% of the monies collected for two (2) years. MuniServices will also provide STARS reporting for an annual fee of \$15k and is included in the operating budget.

**Recommendation**

Staff recommends the Board approve the award to MuniServices, LLC, as outlined above and authorize the President to execute a contract.

Submitted by:

  
Athena Forrester, Senior Procurement  
Manager

Approval:

  
Anna Mosqueda, CFO





## Board of Directors Memo

August 27, 2015

**Subject:** 2(a) Presentation & Discussion of Proposed FY2016 Capital & Operating Budget

### **Background**

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

The proposed FY 2016 budget presented combines information and feedback from several months of review by the Finance Committee. DCTA staff has prepared a balanced budget, where operating expenses and capital expenditures do not exceed current year revenues and reserve balances. It is submitted to the Board of Directors, in accordance with requirements under Chapter 460 of the Texas Transportation Code and DCTA policy and procedures, for Board review and comment as well as citizen input. Notice of the public hearing was published in the Denton Record Chronicle on August 20<sup>th</sup>, 2015.

Staff has been working very closely over the past months with the Finance Committee in the preparation of the FY16 Budget and in detail review of the many components of the budget. Staff presented the FY2016 goals along with the proposed revenue projections at the Finance Committee meeting in June. In July, the total operating and capital budget as well as the cash flow model impact of the FY16 Proposed Budget were presented to the Finance Committee for review and comment. A benefits presentation was also completed for the committee in July. Finally, in August, the committee reviewed the overall FY16 budget which incorporated previous Finance Committee requests into the budget.

The Finance Committee is forwarding the proposed FY16 Budget to the Board of Directors for review and comment. The Board will also hold a public hearing on the budget to allow for citizen input. Once information from both the Board and the public has been received, the FY16 Budget will be presented for final review and adoption by the Board at the September 24, 2015 Board meeting.

The proposed Budget contains revenue and expenditure assumptions for FY16, which include capital expenditures. Included as agenda back-up are the following exhibits:

- Exhibit A: Operating Revenues and Expenditures for proposed FY16 as compared to the FY15 Revised Budget.
- Exhibit B: Capital Improvement Plan
- Exhibit C: Draft summary of the 5-year cash flow model. It incorporates the FY16 budget as proposed and provides the Board a view of the impact of the proposed FY16 budget on the long range cash flow model.

**Identified Need**

Review and discuss the proposed FY 2016 budget.

**Committee Review**

In addition to meetings in June, July and August, the Finance Committee, reported its activities and discussions at the regular Board meetings by way of the "Finance Committee Chair – Report to the Board". The Finance Committee included Board members Richard Huckaby, George Campbell, Allan Harris, Jim Robertson, Daniel Peugh and Dave Kovatch serving as Committee Chair.

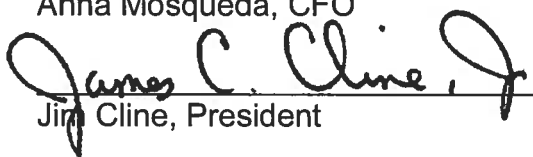
**Financial Impact**

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

**Recommendation**

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

Final Review:   
\_\_\_\_\_  
Anna Mosqueda, CFO

Approval:   
\_\_\_\_\_  
Jim Cline, President

# FY16 Budget Revenue Projections

Regular Meeting 2a - Exhibit A

<i>Bus Operations</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
<b>Passenger Revenues</b>				
Connect	\$ 532,120	\$ 554,147	\$ 412,351	\$ 591,052
Access	87,309	81,369	65,601	77,179
UNT	4,189	-	30,918	-
NCTC	20	-	-	-
Total Passenger Revenues	623,637	635,516	508,871	668,232
<b>Contract Services</b>				
Connect	\$ 49,000	\$ 57,000	\$ 8,000	\$ 49,000
UNT	2,424,306	2,437,919	1,948,458	2,473,267
<i>UNT Fuel (Direct Pass Thru)</i>	<i>480,030</i>	<i>624,124</i>	<i>279,992</i>	<i>524,822</i>
NCTC	87,222	79,317	118,417	162,956
<i>NCTC Fuel (Direct Pass Thru)</i>	<i>20,831</i>	<i>61,276</i>	<i>16,013</i>	<i>53,642</i>
Total Contract Services	3,061,389	3,259,636	2,370,879	3,263,687
<b>Total</b>	<b>\$ 3,685,026</b>	<b>\$ 3,895,152</b>	<b>\$ 2,879,750</b>	<b>\$ 3,931,919</b>
<i>Rail Operations</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
Rail Farebox	\$ 831,113	\$ 879,861	\$ 603,786	\$ 874,678
<b>Total</b>	<b>\$ 831,113</b>	<b>\$ 879,861</b>	<b>\$ 603,786</b>	<b>\$ 874,678</b>
<i>G&amp;A</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
Interest Income	\$ 21,100	\$ 33,000	\$ 17,687	\$ 20,000
Fare Evasion Fee	3,750	6,300	1,200	1,500
Sales Tax	21,367,086	22,180,196	17,022,215	23,067,404
Federal Operating Grants	3,410,607	4,653,518	4,080,751	4,643,442
Federal Capital Grants	3,614,583	2,939,149	1,135,904	6,109,915
State Operating Grants	-	-	43,600	-
State Capital Grants	648,939	2,415,963	1,101,675	-
Debt Issuance	-	-	-	-
<b>Total</b>	<b>\$ 29,066,065</b>	<b>\$ 32,228,126</b>	<b>\$ 23,403,032</b>	<b>\$ 33,842,261</b>
<b>TOTAL REVENUES</b>	<b>\$ 33,582,204</b>	<b>\$ 37,003,139</b>	<b>\$ 26,886,567</b>	<b>\$ 38,648,858</b>

<i>Ridership</i>	<i>FY14 Actuals</i>	<i>FY15 Budget</i>	<i>YTD June 2015</i>	<i>FY16 Budget</i>
<i>Bus</i>	<i>2,259,168</i>	<i>2,251,596</i>	<i>1,843,505</i>	<i>2,296,627</i>
<i>Rail</i>	<i>568,338</i>	<i>591,398</i>	<i>411,835</i>	<i>603,226</i>

**Denton County Transportation Authority**  
**Proposed Fiscal Year 2016 Budget**  
*(Excluding Depreciation)*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	Notes
<i>**Comparison is between the FY15 Revised Budget and the FY16 Proposed Budget**</i>								
<b>Revenue &amp; Other Income</b>								
Passenger Revenues (Bus Farebox)	623,638	635,516	635,516	508,871	668,231	32,715	5%	
Passenger Revenues (Rail Farebox)	831,113	879,860	879,860	603,786	874,678	(5,182)	-1%	A-train ridership projected to increase; Avg fare rate for FY16 is \$1.45, a slight reduction from FY15 at \$1.49.
Contract Service Revenue	3,061,389	3,259,635	3,259,635	2,370,879	3,263,687	4,052	0%	Based on UNT & NCTC contract rate. Includes fuel pass thru as well.
<b>Total Revenue &amp; Other Income</b>	<b>4,516,140</b>	<b>4,775,011</b>	<b>4,775,011</b>	<b>3,483,535</b>	<b>4,806,596</b>	<b>31,585</b>	<b>1%</b>	
<b>GENERAL &amp; ADMINISTRATIVE</b>								
Salary, Wages and Benefits	1,866,671	2,197,088	2,138,360	1,590,526	2,643,498	505,138	24%	Assumes a 3.5% merit increase (\$45k); a 10% benefit increase; full year of TCDRS 2:1 match (\$40k); Pay Plan Review (\$25k); Includes a full year for Data Analyst position (added July 2015) and the following new positions - 1) System Planner, 2) Senior Transit Manager, 3) PT Community Relations Coordinator which is a \$250k increase in FY16
Services	1,279,218	1,497,029	1,444,613	520,447	1,412,474	(32,139)	-2%	
Materials and Supplies	100,781	216,864	246,313	100,072	239,700	(6,613)	-3%	
Utilities	12,888	60,353	60,353	20,485	54,240	(6,113)	-10%	Based on actuals
Insurance, Casualties and Losses	11,271	11,309	11,309	8,875	11,626	317	3%	
Purchased Transportation Services	-	-	159,175	115,950	206,550	47,375	30%	Projected growth of vanpool program - DCTA's portion of the lease expense is covered by grant funds.
Miscellaneous	110,764	203,667	213,667	76,254	219,694	6,027	3%	
Leases and Rentals	311,708	102,777	102,777	96,636	107,976	5,199	5%	
<b>Subtotal - G&amp;A</b>	<b>3,693,300</b>	<b>4,289,087</b>	<b>4,376,567</b>	<b>2,529,246</b>	<b>4,895,758</b>	<b>519,191</b>	<b>12%</b>	
<b>BUS SERVICES</b>								
Salary, Wages and Benefits	5,531,281	6,701,745	6,701,745	4,501,961	6,463,161	(238,584)	-4%	Assumes non-union 3% merit increase; Bus operators average wage rate to \$16.28 (increase from \$15.36 in FY15); Decrease in health benefits for FY16 due to benefit plan changes made in FY15
Services	400,697	546,831	546,831	390,281	714,150	167,319	31%	\$20k Secret Shopper Program & \$4k Language Line services (compliance with Title VI); \$31k for Bus O&M Facility Maintenance; \$35k for Annual Environmental Compliance Services; \$43k for UNT 3rd party maintenance for aged fleet; \$34k for IT Solutions (Routematch support, license, cloud hosting)
Materials and Supplies	1,627,759	2,352,874	2,352,874	1,084,541	2,242,584	(110,290)	-5%	Fuel budgeted at \$3.50/gallon (400,000 gallons)
Utilities	124,094	112,520	112,520	99,531	176,732	64,212	57%	Phone expenses were not included in FY15 - FY16 budgets reflect current expenses.
Insurance, Casualties and Losses	267,847	272,618	272,618	209,448	289,255	16,637	6%	
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	7,337	35,370	35,370	14,705	47,960	12,590	36%	Additional training & development for operations staff included in the FY16 budget
Leases and Rentals	39,667	2,220	2,220	4,517	6,000	3,780	170%	Canon copier lease - avg \$500/per month currently
<b>Subtotal - Bus Services</b>	<b>7,998,683</b>	<b>10,024,178</b>	<b>10,024,178</b>	<b>6,304,983</b>	<b>9,939,842</b>	<b>(84,336)</b>	<b>-1%</b>	
<b>RAIL SERVICES</b>								
Salary, Wages and Benefits	260,617	275,024	279,891	211,532	287,591	7,700	3%	
Services	257,527	145,391	169,091	104,157	298,160	129,069	76%	\$33k for gate & HVAC maintenance needed at the Rail O&M Facility; \$96k for new annual landscaping agreement
Materials and Supplies	1,163,199	1,591,037	1,317,337	753,054	1,301,000	(16,337)	-1%	Fuel at \$3.25/gallon at 400,000 gallons for FY16; \$60 reduction in Parts due to a one-time expense in FY15 for WMR & Card Quest Spare Parts; \$70k reduction for Small Tools & Supplies - Stadler post-warranty parts are in Rail Capital Maintenance
Utilities	279,836	279,276	279,276	171,843	280,389	1,113	0%	
Insurance, Casualties and Losses	496,869	494,089	494,089	362,676	499,334	5,245	1%	
Purchased Transportation Services	9,632,780	9,853,076	9,804,412	7,252,134	11,427,074	1,622,662	17%	Based on the estimated cost of implementing contract with Herzog • Car Mile rate went up 51 cents per mile compared to FY 15 because vehicles are now out of warranty and contractor will be responsible for all repair • Right of Way maintenance also increased due to contractor being responsible for all repair • PTC costs were added to FY16 contract that were not a requirement in the FY 15 contract • Capital items that were in the FY15 contract were shifted to Vehicle and Right of Way maintenance • Increased insurance expense
Miscellaneous	5,504	6,438	6,438	13,317	13,693	7,255	113%	APTA Commuter Rail Safety Management \$7k that was an un-budgeted expense in FY15
Leases and Rentals	1,104	102,207	102,207	1,655	102,207	-	0%	
<b>Subtotal - Rail Services</b>	<b>12,097,436</b>	<b>12,746,538</b>	<b>12,452,741</b>	<b>8,870,368</b>	<b>14,209,448</b>	<b>1,756,707</b>	<b>14%</b>	
<b>Total Operating Expenses</b>	<b>23,789,419</b>	<b>27,059,803</b>	<b>26,853,486</b>	<b>17,704,597</b>	<b>29,045,048</b>	<b>2,191,562</b>	<b>8%</b>	
<b>Income Before Non-operating Revenue &amp; Exp</b>	<b>(19,273,280)</b>	<b>(22,284,792)</b>	<b>(22,078,475)</b>	<b>(14,221,062)</b>	<b>(24,238,452)</b>			
<b>Non-Operating Revenues / (Expense)</b>								
Investment Income	21,100	33,000	33,000	17,687	20,000	(13,000)	-39%	Based on current interest rates and lower cash balances
Non-Operating Revenues / (Expense)	81,520	6,300	6,300	79,968	1,500	(4,800)	-76%	Based on trending fare evasion collections
Sales Tax Revenue	21,367,086	21,347,080	22,180,196	17,022,215	23,067,404	887,208	4%	Based on a 4% increase which is reflected in the current cash flow model
Federal Grants & Reimbursements	7,025,190	16,617,500	7,592,667	4,903,768	10,753,357	3,160,690	42%	\$2.5M is related to PTC schedule for FY16; Federal grants include all grants that have been awarded and are tied directly to capital projects scheduled.
State Grants & Reimbursements	648,939	2,358,300	2,415,963	1,145,275	-	(2,415,963)	-100%	Previous state grants for TxDOT funded capital projects scheduled to be completed in FY15
Debt Issuance	-	5,500,000	-	-	-	-		
Long Term Debt Interest/Expense	(1,451,364)	(2,721,899)	(2,721,899)	(910,175)	(1,156,422)	1,565,477	-58%	In FY16, budgeting only the interest payments related to current debt issue - the principal payments are a reduction to long term debt liability account and not recorded as an expense. Principal payments are reflected in the cash flow model.
<b>Total Non-Operating Revenue / (Expense)</b>	<b>27,692,472</b>	<b>43,140,281</b>	<b>29,506,227</b>	<b>22,258,738</b>	<b>32,685,839</b>	<b>3,179,612</b>	<b>11%</b>	
<b>Change in Net Position</b>	<b>8,419,192</b>	<b>20,855,489</b>	<b>7,427,752</b>	<b>8,037,676</b>	<b>8,447,387</b>			
<b>Net Position - Beginning of Year:</b>					<b>16,505,972</b>			
<b>Net Position - End of Year:</b>					<b>24,953,359</b>			
<i>Transfer to Capital Projects</i>					<b>(9,271,359)</b>			
<b>Net Position After Capital Project Transfer</b>					<b>15,682,000</b>			

**Denton County Transportation Authority**  
**Proposed Fiscal Year 2016 Budget**  
*(Including Depreciation)*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
<b>Revenue &amp; Other Income</b>							
Passenger Revenues (Bus Farebox)	623,638	635,516	635,516	508,871	668,231	32,715	5%
Passenger Revenues (Rail Farebox)	831,113	879,860	879,860	603,786	874,678	(5,182)	-1%
Contract Service Revenue	3,061,389	3,259,635	3,259,635	2,370,879	3,263,687	4,052	0%
						-	
<b>Total Revenue &amp; Other Income</b>	<b>4,516,140</b>	<b>4,775,011</b>	<b>4,775,011</b>	<b>3,483,535</b>	<b>4,806,596</b>	<b>31,585</b>	<b>1%</b>
<b>GENERAL &amp; ADMINISTRATIVE</b>							
Salary, Wages and Benefits	1,866,671	2,197,088	2,138,360	1,590,526	2,643,498	505,138	24%
Services	1,279,218	1,497,029	1,444,613	520,447	1,412,474	(32,139)	-2%
Materials and Supplies	100,781	216,864	246,313	100,072	239,700	(6,613)	-3%
Utilities	12,888	60,353	60,353	20,485	54,240	(6,113)	-10%
Insurance, Casualties and Losses	11,271	11,309	11,309	8,875	11,626	317	3%
Purchased Transportation Services	-	-	159,175	115,950	206,550	47,375	30%
Miscellaneous	110,764	203,667	213,667	76,254	219,694	6,027	3%
Leases and Rentals	311,708	102,777	102,777	96,636	107,976	5,199	5%
Depreciation	(1,778)	-	-	-	33,333	33,333	
Subtotal - G&A	3,691,522	4,289,087	4,376,567	2,529,246	4,929,092	552,525	13%
<b>BUS SERVICES</b>							
Salary, Wages and Benefits	5,531,281	6,701,745	6,701,745	4,501,961	6,463,161	(238,584)	-4%
Services	400,697	546,831	546,831	390,281	714,150	167,319	31%
Materials and Supplies	1,627,759	2,352,874	2,352,874	1,084,541	2,242,584	(110,290)	-5%
Utilities	124,094	112,520	112,520	99,531	176,732	64,212	57%
Insurance, Casualties and Losses	267,847	272,618	272,618	209,448	289,255	16,637	6%
Purchased Transportation Services	-	-	-	-	-	-	0%
Miscellaneous	7,337	35,370	35,370	14,705	47,960	12,590	36%
Leases and Rentals	39,667	2,220	2,220	4,517	6,000	3,780	170%
Depreciation	1,240,087	1,783,882	1,783,882	1,223,731	1,917,896	134,014	8%
Subtotal - Bus Services	9,238,770	11,808,060	11,808,060	7,528,714	11,857,738	49,678	0%
<b>RAIL SERVICES</b>							
Salary, Wages and Benefits	260,617	275,024	279,891	211,532	287,591	7,700	3%
Services	257,527	145,391	169,091	104,157	298,160	129,069	76%
Materials and Supplies	1,163,199	1,591,037	1,317,337	753,054	1,301,000	(16,337)	-1%
Utilities	279,836	279,276	279,276	171,843	280,389	1,113	0%
Insurance, Casualties and Losses	496,869	494,089	494,089	362,676	499,334	5,245	1%
Purchased Transportation Services	9,632,780	9,853,076	9,804,412	7,252,134	11,427,074	1,622,662	17%
Miscellaneous	5,504	6,438	6,438	13,317	13,693	7,255	113%
Leases and Rentals	1,104	102,207	102,207	1,655	102,207	-	0%
Depreciation	7,637,028	7,719,558	7,719,558	5,784,815	8,029,976	310,418	4%
Subtotal - Rail Services	19,734,464	20,466,096	20,172,299	14,655,183	22,239,424	2,067,125	10%
						-	
<b>Total Operating Expenses</b>	<b>32,664,756</b>	<b>36,563,243</b>	<b>36,356,926</b>	<b>24,713,143</b>	<b>39,026,254</b>	<b>2,669,328</b>	<b>7%</b>
<b>Income Before Non-operating Revenue &amp; Exp</b>	<b>(28,148,617)</b>	<b>(31,788,232)</b>	<b>(31,581,915)</b>	<b>(21,229,608)</b>	<b>(34,219,658)</b>		
<b>Non-Operating Revenues / (Expense)</b>							
Investment Income	21,100	33,000	33,000	17,687	20,000	(13,000)	-39%
Non-Operating Revenues / (Expense)	81,520	6,300	6,300	79,968	1,500	(4,800)	-76%
Sales Tax Revenue	21,367,086	21,347,080	22,180,196	17,022,215	23,067,404	887,208	4%
Federal Grants & Reimbursements	7,025,190	16,617,500	7,592,667	4,903,768	10,753,357	3,160,690	42%
State Grants & Reimbursements	648,939	2,358,300	2,415,963	1,145,275	-	(2,415,963)	-100%
Debt Issuance	-	5,500,000	-	-	-	-	
Long Term Debt Interest/Expense	(1,451,364)	(2,721,899)	(2,721,899)	(910,175)	(1,156,422)	1,565,477	-58%
<b>Total Non-Operating Revenue / (Expense)</b>	<b>27,692,472</b>	<b>43,140,281</b>	<b>29,506,227</b>	<b>22,258,738</b>	<b>32,685,839</b>	<b>3,179,612</b>	<b>11%</b>
<b>Change in Net Position</b>	<b>(456,145)</b>	<b>11,352,049</b>	<b>(2,075,688)</b>	<b>1,029,130</b>	<b>(1,533,819)</b>		
<b>Net Position - Beginning of Year:</b>					<b>16,505,972</b>		
<b>Net Position - End of Year:</b>					<b>14,972,153</b>		
<i>Transfer to Capital Projects</i>					<i>(9,271,359)</i>		
<b>Net Position After Capital Project Transfer</b>					<b>5,700,794</b>		

**Capital Improvement Plan**

Project Name	Project Number	Project Budget	Project LTD thru FY 2014	FY 2015 Projection	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Anticipated Project Total (Thru 2020)
<b>Bus Services</b>										
Bus Operations & Maintenance Facility	50301	11,497,555	11,328,630	167,825						11,496,455
Fleet Replacement {2015}	50505	1,634,000	-	-	1,634,000					1,634,000
DDTC	50303	373,282	12,597	360,685						373,282
Bus Radios	50408	120,870	2,332	118,538						120,870
Scheduling Software	50601	250,000			250,000					250,000
Passenger Amenities {2015}	50203	53,483		53,483						53,483
Transit Enhancements {2015-2016}	50204	165,000			165,000					165,000
<i>Bus Fleet Cameras</i>	<i>NEW</i>	<i>149,500</i>			<i>149,500</i>					<i>149,500</i>
<i>Fleet {2016}</i>	<i>NEW</i>	<i>1,250,000</i>			<i>1,250,000</i>	<i>1,750,000</i>	<i>1,030,000</i>	<i>2,633,050</i>	<i>1,215,000</i>	<i>7,878,050</i>
<b>Rail Services</b>										
Passenger Information	60701	96,821	57,670	39,150						96,820
Positive Train Control	61406	21,902,951	1,165,153	347,878	3,208,488	7,486,472	9,694,960			21,902,951
Lewisville Bike Trail	61708	3,099,856	649,338	2,450,518						3,099,856
Rail Maintenance of Equipment	61712	1,302,627	137,849	1,164,778						1,302,627
Rail Single Car Operations	61503	101,800	22,169	79,631						101,800
GTW Wheel Work	61505	915,041		915,041						915,041
Shunt Enhancement	61407	141,000		141,000						141,000
T. Mills Crew Facility	61209	250,000		58,700	191,300					250,000
Station Landscaping	61210	485,000		485,000						485,000
Rail Drainage Improvement	61104	500,000		500,000						500,000
Rail Mobilization {2015}	61604	2,119,517		2,119,517						2,119,517
<i>Disaster Recovery</i>	<i>61713</i>	<i>1,500,000</i>		<i>1,000,000</i>	<i>500,000</i>					<i>1,500,000</i>
<i>Rail Capital Maintenance</i>	<i>NEW</i>	<i>745,000</i>			<i>745,000</i>	<i>3,970,430</i>	<i>4,330,999</i>	<i>745,000</i>	<i>2,293,971</i>	<i>12,085,400</i>
<i>Stadler Spare Parts</i>	<i>NEW</i>	<i>150,000</i>			<i>150,000</i>					<i>150,000</i>
<i>ABB Stadler Spare Parts</i>	<i>NEW</i>	<i>276,000</i>			<i>276,000</i>					<i>276,000</i>
<i>Trail Safety Improvements</i>	<i>NEW</i>	<i>139,657</i>			<i>139,657</i>					<i>139,657</i>
<b>G&amp;A</b>										
COGNOS Report Writing Application	10601	200,000			200,000					200,000
Comprehensive Service Analysis	10602	567,414		200,000	367,414					567,414
Legal Support	10603	226,753		226,753						226,753
Cloud Hybrid Backup Solution	10401	35,000		35,000						35,000
<i>Shortel Phone System</i>	<i>NEW</i>	<i>45,000</i>			<i>45,000</i>					<i>45,000</i>
<b>TOTAL</b>		<b>\$ 50,293,127</b>	<b>\$ 13,375,738</b>	<b>\$ 3,953,518</b>	<b>\$ 9,271,359</b>	<b>\$ 13,206,902</b>	<b>\$ 15,055,959</b>	<b>\$ 3,378,050</b>	<b>\$ 3,508,971</b>	<b>\$ 68,260,476</b>
<b>Sources of Funding</b>										
Federal / State Grants					\$ 4,157,358	\$ 1,487,500	\$ 875,500	\$ 2,238,093	\$ 1,032,750	\$ 9,791,201
New Debt Issuance (PTC)					\$ -	\$ -	\$ 5,500,000	\$ -	\$ -	\$ 5,500,000
RTC Funds					\$ 1,952,557	\$ 5,989,177	\$ 4,558,266	\$ -	\$ -	\$ 12,500,000
DCTA Funding					\$ 3,161,444	\$ 5,730,225	\$ 4,122,193	\$ 1,139,957	\$ 2,476,221	\$ 16,630,040
<b>TOTAL</b>					<b>\$ 9,271,359</b>	<b>\$ 13,206,902</b>	<b>\$ 15,055,959</b>	<b>\$ 3,378,050</b>	<b>\$ 3,508,971</b>	<b>\$ 44,421,241</b>

OPERATING REVENUES	2015	2016	2017	2018	2019	2020	2021
<b>Beginning Fund Balance:</b>	\$ 20,655,595	\$ 16,505,972	\$ 14,101,996	\$ 9,824,951	\$ 9,987,725	\$ 11,986,973	\$ 13,389,853
Bus Operating Revenue	\$ 3,895,151	\$ 3,931,918	\$ 4,036,511	\$ 4,144,108	\$ 4,254,798	\$ 4,437,520	\$ 4,555,362
Rail Operating Revenue	879,860	874,678	883,425	892,259	901,182	1,000,312	1,010,315
<b>NON-OPERATING REVENUES</b>							
Sales Tax Revenue	22,180,196	23,067,404	23,990,100	24,949,704	25,947,692	26,985,600	28,065,024
Formula Grants (Operating)	4,653,518	4,643,442	4,620,481	7,340,095	6,102,105	7,434,543	8,235,679
Interest Income-Non RTRFI Funds	33,000	20,000	42,306	29,475	29,963	35,961	40,170
Misc. Revenue	6,300	1,500	1,500	1,500	1,500	1,500	1,500
<b>Total Revenues</b>	<b>31,648,025</b>	<b>32,538,942</b>	<b>33,574,323</b>	<b>37,357,141</b>	<b>37,237,240</b>	<b>39,895,435</b>	<b>41,908,049</b>
<b>OPERATING EXPENSES</b>							
Bus Operating Expense	10,024,178	9,939,842	10,243,828	10,623,884	11,002,203	11,390,742	11,788,045
Rail Operating Expense	12,452,741	14,209,448	14,093,212	14,483,589	14,698,234	15,909,192	15,542,278
G&A Operating Expense	4,376,567	4,895,760	5,040,692	5,206,636	5,377,380	5,554,181	5,737,121
<b>NON-OPERATING EXPENSES</b>							
Non-Operating (Income) / Expense							
<b>Total Expenses</b>	<b>26,853,486</b>	<b>29,045,050</b>	<b>29,377,732</b>	<b>30,314,108</b>	<b>31,077,817</b>	<b>32,854,116</b>	<b>33,067,444</b>
<b>NET INCOME</b>	<b>4,794,539</b>	<b>3,493,892</b>	<b>4,196,591</b>	<b>7,043,033</b>	<b>6,159,423</b>	<b>7,041,320</b>	<b>8,840,606</b>
<b>CAPITAL OUTLAY</b>							
Bus Capital Expenditure	1,419,600	681,914					
Fleet Replacement Expense		2,884,000	1,750,000	1,030,000	2,633,050	1,215,000	425,000
Professional Services / Technology Improvements	300,903	495,000	-	-	-	-	-
Right of Way	-	139,657	-	-	-	-	-
Rail Capital Expenditure (LV Hike & Bike)	2,450,518	-	-	-	-	-	-
Rail Capital Expenditure (Community Enhancements)	268,780						
HV Parking Expansion	31,073						
Rail Station Improvements	626,861	191,300					
Rail MOW	590,795						
Rail MOE	2,079,819						
Single Car Operations / Shunt Enhancement	220,631						
Re-Railing Equipment	121,000						
Rail Capital Maintenance		1,171,000	3,970,430	4,330,999	745,000	2,293,971	745,000
Disaster Recovery - 2015 Floods	1,000,000	500,000					
Rail Mobilization	2,119,517						
Positive Train Control	347,878	3,208,488	7,486,472	9,694,960			
<b>Total Capital Outlay</b>	<b>11,577,375</b>	<b>9,271,359</b>	<b>13,206,902</b>	<b>15,055,959</b>	<b>3,378,050</b>	<b>3,508,971</b>	<b>1,170,000</b>
<b>CAPITAL SOURCES</b>							
New Money (Debt Issuance)				5,500,000			
RTRFI/RTC Funds		1,952,557	5,989,177	4,558,265			
Formula Grants (Capital)	5,355,112	4,157,358	1,487,500	875,500	2,238,093	1,032,750	361,250
<b>Total Capital Sources</b>	<b>5,355,112</b>	<b>6,109,915</b>	<b>7,476,677</b>	<b>10,933,765</b>	<b>2,238,093</b>	<b>1,032,750</b>	<b>361,250</b>
<b>DEBT SERVICE</b>							
2008 Issue (ST) Debt Service							
2009 Refunding (ST) Debt Service	1,716,492	1,718,387	1,713,687	1,717,590	1,714,697	1,715,209	1,713,925
2011 Contractual Obligations (Vehicles)	751,945	763,955	770,183	775,785	785,761	794,955	808,366
2011 Contractual Obligations (PTC)	253,463	254,081	259,542	264,691	264,526	269,205	273,571
2018 Contractual Obligations (PTC)	-	-	-	-	255,233	382,850	382,850
<b>Total Debt Service</b>	<b>2,721,900</b>	<b>2,736,423</b>	<b>2,743,412</b>	<b>2,758,066</b>	<b>3,020,217</b>	<b>3,162,219</b>	<b>3,178,712</b>
Gross Sales Tax Coverage:	8.15	8.43	8.74	9.05	8.59	8.53	8.83
Internal Debt Service Coverage:	1.76	1.28	1.53	2.55	2.04	2.23	2.78
Year End Audit Adjustment							
<b>Ending Fund Balance:</b>	<b>16,505,972</b>	<b>14,101,996</b>	<b>9,824,951</b>	<b>9,987,725</b>	<b>11,986,973</b>	<b>13,389,853</b>	<b>18,242,996</b>
Less Restricted RTRFI Interest Income	-	-	-	-	-	-	-
Less Required Fund Balance (O&M Reserve Policy):	6,713,372	7,261,263	7,344,433	7,578,527	7,769,454	8,213,529	8,266,861
Less Sales Tax Stabilization Fund	665,406	692,022	719,703	748,491	778,431	809,568	841,951
Less Fuel Stabilization Fund	50,000	72,582	72,582	72,582	72,582	72,582	72,582
Less Capital/Infrastructure	638,664	2,000,000	1,000,000	1,000,000	2,000,000	2,000,000	2,000,000
<b>Net Available Cash</b>	<b>8,438,530</b>	<b>4,076,130</b>	<b>688,233</b>	<b>588,125</b>	<b>1,366,506</b>	<b>2,294,174</b>	<b>7,061,603</b>



Denton County Transportation Authority

**DCTA**

Your Future Is Riding On Us.



# Board of Directors

August 27, 2015

# Today's Agenda

- FY16 Proposed Budget
  - Cash Flow Model
  - Revenue Projections
  - Operating Budget
    - Base-line Budget Assumptions
    - Expanded Level Projects
  - Capital Projects

# Proposed FY16 Revenues

## Operating – Bus

- Bus ridership projected at 2,296,627 (2 % increase)
- Connect Avg. Fare \$.95
- UNT contract rate \$49
- NCTC contract rate \$40.76 (5% increase)
- Fuel at \$3.50 – direct pass thru

<i>Bus Operations</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
<b>Passenger Revenues</b>				
Connect	\$ 532,120	\$ 554,147	\$ 412,351	\$ 591,052
Access	87,309	81,369	65,601	77,179
UNT	4,189	-	30,918	-
NCTC	20	-	-	-
<b>Total Passenger Revenues</b>	<b>623,637</b>	<b>635,516</b>	<b>508,871</b>	<b>668,232</b>
<b>Contract Services</b>				
Connect	\$ 49,000	\$ 57,000	\$ 8,000	\$ 49,000
UNT	2,424,306	2,437,919	1,948,458	2,473,267
<i>UNT Fuel (Direct Pass Thru)</i>	<i>480,030</i>	<i>624,124</i>	<i>279,992</i>	<i>524,822</i>
NCTC	87,222	79,317	118,417	162,956
<i>NCTC Fuel (Direct Pass Thru)</i>	<i>20,831</i>	<i>61,276</i>	<i>16,013</i>	<i>53,642</i>
<b>Total Contract Services</b>	<b>3,061,389</b>	<b>3,259,636</b>	<b>2,370,879</b>	<b>3,263,687</b>
<b>Total</b>	<b>\$ 3,685,026</b>	<b>\$ 3,895,152</b>	<b>\$ 2,879,750</b>	<b>\$ 3,931,919</b>

# Proposed FY16 Revenues

## Operating – Rail

<i>Rail Operations</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
Rail Farebox	\$ 831,113	\$ 879,861	\$ 603,786	\$ 874,678
<b>Total</b>	<b>\$ 831,113</b>	<b>\$ 879,861</b>	<b>\$ 603,786</b>	<b>\$ 874,678</b>

- Rail ridership projected at 603,226 (2 % increase)
- Average Fare \$1.45 – current average (\$1.49 was budgeted in FY15)

# Proposed FY16 Revenues Non-Operating

<i>G&amp;A</i>				
Revenue Source	FY14 Actuals	FY15 Budget	Actuals as of June 30, 2015	Proposed FY16
Interest Income	\$ 21,100	\$ 33,000	\$ 17,687	\$ 20,000
Fare Evasion Fee	3,750	6,300	1,200	1,500
Sales Tax	21,367,086	22,180,196	17,022,215	23,067,404
Federal Operating Grants	3,410,607	4,653,518	4,080,751	4,643,442
Federal Capital Grants	3,614,583	2,939,149	1,135,904	6,109,915
State Operating Grants	-	-	43,600	-
State Capital Grants	648,939	2,415,963	1,101,675	-
Debt Issuance	-	-	-	-
<b>Total</b>	<b>\$ 29,066,065</b>	<b>\$ 32,228,126</b>	<b>\$ 23,403,032</b>	<b>\$ 33,842,261</b>

- Sales Tax @ 4% for Proposed FY16

# Proposed FY16 Revenues

## Grants – Capital Detail

<b>Capital Project</b>	<b>Project (J/L) #</b>	<b>Grant - Funding Source</b>	<b>TOTAL</b>
Bus Scheduling Software	50601	TX-90-Y127	\$ 200,000
Fleet {2015}	50505	TX-90-X884	\$ 315,229
		TX-90-X941	\$ 279,633
		TX-34-0015	\$ 741,338
PTC	61406	TX-90-X941	\$ 614,233
		TX-95-X079 (RTC Funds)	\$ 1,952,557
T. Mills Crew Facility	61209	TX-90-Y127	\$ 200,000
COGNOS	10601	TX-90-Y127	\$ 160,000
Comp Service Analysis	10602	TX-90-Y127	\$ 40,000
		COG / New Freedom	\$ 73,596
		TX-37-X110	\$ 107,611
Transit Enhancements	50204	COG - Mobility Seniors	\$ 67,061
		TX-57-X051	\$ 64,831
Fleet {2016}	*New*	TX-34-0015	\$ 125,258
		5339 - FY15 POP	\$ 937,242
*NEW* Safety/Security	*New*	5307 - FY15 POP	\$ 98,000
Bus Fleet Cameras	\$ 149,500	TX-90-Y127	\$ 102,000
Trail Safety Improvements	\$ 139,657	TX-90-X972	\$ 27,166
		TX-90-X941	\$ 4,160
		<b>Grand Totals</b>	<b>\$ 6,109,915</b>

# Proposed FY16 Revenues

## Sales Tax Revenue

Sales Generated in Month of:	Received in Month of:	2014-2015 Year Budget	2015-2016 Year Budget
October	December	\$ 1,945,700	\$ 2,023,528
November	January	\$ 1,765,520	\$ 1,836,141
December	February	\$ 2,433,456	\$ 2,530,794
January	March	\$ 1,742,381	\$ 1,812,076
February	April	\$ 1,566,805	\$ 1,629,477
March	May	\$ 1,891,517	\$ 1,967,178
April	June	\$ 1,683,191	\$ 1,750,519
May	July	\$ 1,740,055	\$ 1,809,657
June	August	\$ 1,932,685	\$ 2,009,992
July	September	\$ 1,688,016	\$ 1,755,537
August	October	\$ 1,793,480	\$ 1,865,219
September	November	\$ 1,997,389	\$ 2,077,285
<b>YTD Total</b>		<b>\$ 22,180,195</b>	<b>\$ 23,067,403 *</b>

\*Based on 4% increase

# Proposed FY16 Budget-In-Brief

## Base-line Assumptions

- DCTA
  - Merit Pay – 3.5% (\$45,185)
  - Pay Plan Adjustment - \$25,000
- TMDC
  - Non-Union – 3% merit (\$49,391)
  - Union (bus operators) – per union contract avg. \$16.28/hr.
- Fuel
  - \$3.50/gallon (Bus - 400k gallons)
    - Avg \$2.84 Based on 2014-2015 Actuals
  - \$3.25/gallon (Rail - 400k gallons)
    - Avg \$2.99 Based on 2012-2015 Actuals



# Proposed FY16 Budget-In-Brief

## Base-line Assumptions

- Health Care Costs Increase
  - DCTA
    - Assumes 10% increase in benefit rate & benefit election changes that occurred in FY15 (\$62k)
    - Additional positions added (\$40k)
    - Utilized savings at FY15 revised budget for other expenditures (\$21k)
  - TMDC
    - 15% increase in benefit rate

# Proposed FY16 Budget

## Expanded Level Projects - Operating

- Staffing
  - PT Community Relations Coordinator - \$16,625
  - System Planner - \$86,000
  - Senior Transit Manager - \$93,014
  - Dispatcher – FTE Impact Only
- Facilities Maintenance
  - Bus O&M Facility Maintenance - \$66k annual
    - Routine maintenance of systems & environmental compliance
  - Rail O&M Facility Maintenance - \$33,649 one-time
    - HVAC & Gate Repair
  - Landscaping Maintenance - \$96k annual per contract

# FY16 STMT OF CHANGE IN NET POSITION

*(Excluding Depreciation)*

# FY16 Statement of Change in Net Assets

## *G&A Operating Expenses*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
<b>GENERAL &amp; ADMINISTRATIVE</b>							
Salary, Wages and Benefits	1,866,671	2,197,088	2,138,360	1,590,526	2,643,498	505,138	24%
Services	1,279,218	1,497,029	1,444,613	520,447	1,412,474	(32,139)	-2%
Materials and Supplies	100,781	216,864	246,313	100,072	239,700	(6,613)	-3%
Utilities	12,888	60,353	60,353	20,485	54,240	(6,113)	-10%
Insurance, Casualties and Losses	11,271	11,309	11,309	8,875	11,626	317	3%
Purchased Transportation Services	-	-	159,175	115,950	206,550	47,375	30%
Miscellaneous	110,764	203,667	213,667	76,254	219,694	6,027	3%
Leases and Rentals	311,708	102,777	102,777	96,636	107,976	5,199	5%
						-	
Subtotal - G&A	3,693,300	4,289,087	4,376,567	2,529,246	4,895,758	519,191	12%

# FY16 Statement of Change in Net Assets

## *Bus Operating Expenses*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
<b>BUS SERVICES</b>							
Salary, Wages and Benefits	5,531,281	6,701,745	6,701,745	4,501,961	6,463,161	(238,584)	-4%
Services	400,697	546,831	546,831	390,281	714,150	167,319	31%
Materials and Supplies	1,627,759	2,352,874	2,352,874	1,084,541	2,242,584	(110,290)	-5%
Utilities	124,094	112,520	112,520	99,531	176,732	64,212	57%
Insurance, Casualties and Losses	267,847	272,618	272,618	209,448	289,255	16,637	6%
Purchased Transportation Services	-	-	-	-	-	-	0%
Miscellaneous	7,337	35,370	35,370	14,705	47,960	12,590	36%
Leases and Rentals	39,667	2,220	2,220	4,517	6,000	3,780	170%
						-	
Subtotal - Bus Services	7,998,683	10,024,178	10,024,178	6,304,983	9,939,842	(84,336)	-1%

# FY16 Statement of Change in Net Assets

## *Rail Operating Expenses*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
<b>RAIL SERVICES</b>							
Salary, Wages and Benefits	260,617	275,024	279,891	211,532	287,591	7,700	3%
Services	257,527	145,391	169,091	104,157	298,160	129,069	76%
Materials and Supplies	1,163,199	1,591,037	1,317,337	753,054	1,301,000	(16,337)	-1%
Utilities	279,836	279,276	279,276	171,843	280,389	1,113	0%
Insurance, Casualties and Losses	496,869	494,089	494,089	362,676	499,334	5,245	1%
Purchased Transportation Services	9,632,780	9,853,076	9,804,412	7,252,134	11,427,074	1,622,662*	17%
Miscellaneous	5,504	6,438	6,438	13,317	13,693	7,255	113%
Leases and Rentals	1,104	102,207	102,207	1,655	102,207	-	0%
						-	
Subtotal - Rail Services	12,097,436	12,746,538	12,452,741	8,870,368	14,209,448	1,756,707	14%

\* Based on the estimated cost of implementing contract with Herzog:

- Car Mile rate went up 51 cents per mile compared to FY 15 because vehicles are now out of warranty & contractor will be responsible for all repair
- Right of Way maintenance also increased due to contractor being responsible for all repair
- PTC costs were added to FY16 contract that were not a requirement in the FY15 contract
- Capital items that were in the FY15 contract were shifted to Vehicle and Right of Way maintenance
- Increased insurance expense

# FY16 Statement of Change in Net Assets

## *Non-Operating Revenues (Expenses)*

Description	FY14 Actuals	FY15 Original Budget	FY15 Revised Budget	Actuals as of June 30, 2015	FY16 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
<b>Non-Operating Revenues / (Expense)</b>							
Investment Income	21,100	33,000	33,000	17,687	20,000	(13,000)	-39%
Non-Operating Revenues / (Expense)	81,520	6,300	6,300	79,968	1,500	(4,800)	-76%
Sales Tax Revenue	21,367,086	21,347,080	22,180,196	17,022,215	23,067,404	887,208	4%
Federal Grants & Reimbursements	7,025,190	16,617,500	7,592,667	4,903,768	10,753,357	3,160,690	42%
State Grants & Reimbursements	648,939	2,358,300	2,415,963	1,145,275	-	(2,415,963)	-100%
Debt Issuance	-	5,500,000	-	-	-	-	
Long Term Debt Interest/Expense	(1,451,364)	(2,721,899)	(2,721,899)	(910,175)	(1,156,422)	1,565,477	-58%
<b>Total Non-Operating Revenue / (Expense)</b>	<b>27,692,472</b>	<b>43,140,281</b>	<b>29,506,227</b>	<b>22,258,738</b>	<b>32,685,839</b>	<b>3,179,612</b>	<b>11%</b>

# Proposed FY16 Budget

## Capital

- Capital {New}
  - Shortel Phone System Implementation - \$45k
  - Bus Fleet Cameras - \$149,500 (80% Grant Funded)
  - Trail Safety Improvements - \$139,657 (80% Grant Funded)
  - Rail Capital Maintenance - \$745k
    - Included in the Rail O&M Contract
  - Stadler Spare Parts - \$150,000
  - ABB Stadler Spare Parts - \$276,000
  - Fleet {2016} - \$1,250,000 (85% Grant Funded)
  - Flood Disaster Recovery - \$500,000



# Proposed FY16 Budget

## Capital

- Capital {Roll-Over}
  - Fleet {2015} – \$1,634,000 (on order – 85% grant funded)
  - Comprehensive Service Analysis - \$367,414
    - Total project \$567,414 – allocated in FY15 & FY16; 80% grant funded
  - Transit Enhancements - \$165k (80% grant funded)
  - Bus Scheduling Software - \$250k (80% grant funded)
  - Financial Reporting (COGNOS) - \$200k (80% grant funded)
  - T. Mills Crew Facility - \$191,300
    - Total project \$250,000 – allocated in FY15 & FY16; 80% grant funded
  - PTC - \$3,208,488 (FY16 allocation only)
    - Total project at \$21.9M; Reduced by \$1M based on industry feedback

# Next Steps

## – August

- Proposed FY16 Operating & Capital Budget
- Board Presentation & Public Hearing

## – September

- Incorporate Public Hearing Feedback
- Formal adoption of FY16 Operating & Capital Budget
  - Accompanying Cash Flow Model