



DENTON COUNTY  
TRANSPORTATION AUTHORITY

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

## **Board of Directors Regular Meeting**

**August 25, 2016 | 3:00 p.m.\***

*\*or immediately following Board Work Session  
scheduled at 1:30 p.m. on August 25, 2016*

CALL TO ORDER

PLEDGE OF ALLEGIANCE TO US AND TEXAS FLAGS

INVOCATION

WELCOME AND INTRODUCTION OF VISITORS

AGENCY AWARDS AND RECOGNITIONS

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

### **1. CONSENT AGENDA**

- a. Approval of Minutes for the Board Work Session and Regular Meeting on July 28, 2016
- b. Acceptance of Financial Statements – July 2016
- c. Authorize President to Execute Contract for Infrastructure Development Consulting Services

### **2. REGULAR AGENDA**

- a. Presentation and Discussion of Proposed FY2017 Capital & Operating Budget
- b. Conduct Public Hearing on Proposed FY2017 Capital & Operating Budget

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

- a. As Authorized by Section 551.071(2) of the Texas Government Code, the 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 Section 551.074 the Texas Government Code Deliberation of Personnel of Discussion regarding President's Annual Performance Review.
- c. 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.

### **4. Reconvene Open Session**

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

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

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

**Members – Skip Kalb, Doug Peach, Jim Robertson, Tom Winterburn,**  
**Don Hartman, George A. Campbell, Allen Harris, Carter Wilson, Connie White**  
**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 [thenderson@dcta.net](mailto:thenderson@dcta.net) or calling Troy Henderson at 972-221-4600.

This notice was posted on 8/22/2016 at 1:35 PM.

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Troy Henderson, Administrative Assistant



Board of Directors

## Work Session Minutes

The Board of Directors of the Denton County Transportation Authority convened the work session of the Board of Directors with Charles Emery, Chairman presiding at 1:32 p.m. on July 28, 2016 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

### Attendance

#### Small Cities

Skip Kalb  
Connie White

#### Large Cities

Charles Emery, Lewisville, Chairman  
Paul Pomeroy, Highland Village, Vice-Chair  
Carter Wilson, Frisco  
Jim Robertson, Flower Mound  
Allen Harris, The Colony (1:35 p.m.)  
Doug Peach, Little Elm (1:42 p.m.)

#### Board Members Absent

Dave Kovatch, Treasurer  
Richard Huckaby, Denton, Secretary  
Tom Winterburn, Corinth  
Don Hartman, Denton County  
Unincorporated  
George A. Campbell, Denton County  
Unincorporated

#### Legal Counsel

Pete Smith, General Counsel

#### DCTA Staff

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

#### Others in Attendance

Athena Forrester – Senior Procurement  
Manager  
Adrienne Hamilton – Senior  
Communications Specialist  
Amanda Riddle – Budget Manager  
Jim Owen – Transit Management of Denton  
County  
Michelle Bloomer, Assistant Vice President,  
Business Operations  
Marty Burke, TMDC

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

#### 1. Routine Briefing Items

- a. Financial Reports – Anna Mosqueda, Chief Financial Officer, reported on the following items
  - i. Financial Statements for June 2016
  - ii. Capital Projects Budget Report for June 2016
  - iii. Monthly Sales Tax Receipts
  - iv. Quarterly Investment Report Q3 FY2016
  - v. Current Procurement Activities

- b. Marketing & Communications – Nicole Recker, Vice President Marketing & Communications, reported on current marketing initiatives
      - i. Customer Service Update
        - 1. GOREquest – Customer Feedback Tool
        - 2. GovDelivery – Enhanced Rider Alerts System
      - ii. A-train 5-Year Anniversary Campaign Overview
      - iii. I-35/A-train Comparison Communications
      - iv. Community Survey Update
    - c. Strategic Planning / Development – Kristina Brevard, Vice President Planning & Development, reported on current strategic planning and development initiatives
      - i. Comprehensive Operational Analysis (COA) Implementation Update
      - ii. Interstate 35W High Intensity Bus Service Update
    - d. Capital Projects Update – Raymond Suarez, Chief Operating Officer reported on current capital projects for the agency
      - i. Positive Train Control Update
      - ii. Hike and Bike Trail Project Update
    - e. Transit Operations – Raymond Suarez, Chief Operating Officer, reported on the following
      - i. Bus and Rail Operations
  - 2. Items for Discussion
    - a. Emerging Role of Social Media Presentation
      - i. Adrienne Hamilton, Senior Communications Specialist made a presentation to the board regarding the ways DCTA uses social media to promote DCTA and educate its customers. Adrienne Hamilton also gave the board an overview of the current social media policies.
  - 3. Committee Chair Reports – Finance Committee (07/25/2016)
    - Connie White briefed the board on the activities and discussions from the Finance Committee meeting on July 25, 2016.
  - 4. Discussion of Regular Board Meeting Agenda Items (July 2016)
    - Connie White asked for clarification on item 1g on the regular meeting agenda authorizing the president to execute a master research agreement with Texas A&M Transportation Institute. Jim Cline explained that is for a master cooperative agreement with TTI.
  - 5. Convene Executive Session – The board did not meet in executive session

6. Discussion of Future Agenda Items – None were discussed

7. ADJOURN - Work session was adjourned at 3:26 p.m.

The minutes of the July 28, 2016 work session meeting of the Board of Directors were passed, and approved by a vote on this 25<sup>th</sup> day of August, 2016.

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Charles Emery, Chairman

ATTEST

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Richard Huckaby, Secretary



Board of Directors

## Board Meeting Minutes

The regular meeting of the Board of Directors of the Denton County Transportation at 3:34 p.m., July 28, 2016 at 1955 Lakeway Drive, Suite 260, Lewisville, Texas 75057. A quorum was present.

### Attendance

#### Small Cities

Skip Kalb  
Connie White

#### Large Cities

Charles Emery, Lewisville, Chairman  
Paul Pomeroy, Highland Village, Vice-Chair  
Carter Wilson, Frisco  
Jim Robertson, Flower Mound  
Allen Harris, The Colony  
Doug Peach, Little Elm

#### Board Members Absent

Dave Kovatch, Treasurer  
Richard Huckaby, Denton, Secretary  
Tom Winterburn, Corinth  
Don Hartman, Denton County  
Unincorporated  
George A. Campbell, Denton County  
Unincorporated

#### Legal Counsel

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 – led by Paul Pomeroy

INVOCATION – led by Skip Kalb

WELCOME AND INTRODUCTION OF VISITORS – Kristina Brevard introduced Jonah Katz, Senior Planner; Rusty Comer introduced Troy Henderson, Administrative Assistant; and Jim Cline introduced Marty Burke, General Manager at Transit Management of Denton County.

Pete Smith, General Counsel

#### DCTA Staff

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

#### Others in Attendance

Jim Owen – Transit Management of Denton  
County  
Michelle Bloomer, Assistant Vice President,  
Business Operations  
Marty Burke, Transit Management of  
Denton County (TMDC)

## AGENCY AWARDS AND RECOGNITIONS

- Jim Cline recognized Kristina Brevard for Progressive Railroading Rising Star Award

### 1. CONSENT AGENDA

- a. Approval of Minutes for the Board Work Session and Regular Meeting on June 23, 2016
- b. Acceptance of Financial Statements – June 2016
- c. Acceptance of Quarterly Investment Report – Q3 FY2016
- d. Approval of Award of Bus Painting and Repair Services for Six Texoma Area Paratransit System (TAPS) Buses with Spectrum Truck Painting, Inc.
- e. Approval of Task Order with HNTB Corporation on the On Call Architectural and Engineering Services for Drainage Fume Repair and Strengthening
- f. Authorize President to Execute an Agreement for Banking and Depository Services with Wells Fargo
- g. Authorize President to Execute a Master Research Agreement with Texas A&M Transportation institute
  - Motion to approve items Consent Agenda Items a-g made by Jim Robertson, 2<sup>nd</sup> by Connie White. Motion carried unanimously.

### 2. REGULAR AGENDA

- a. Discussion and Approval of Change Orders to the Alstom Signaling Contract for Positive Train Control
  - Motion to approve Change Orders to the Alstom Signaling Contract for Positive Train Control was made by Connie White. 2<sup>nd</sup> by Jim Robertson. Motion carried unanimously.

### 3. Convene Executive Session. The board did not meet in executive session.

### 4. CHAIR REPORT – Charles Emery gave an update on these issues

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

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

- a. Budget Transfers
- b. Regional Transportation Issues
- c. 3<sup>rd</sup> Quarter Agency Performance Report

### 6. REPORT ON ITEMS OF COMMUNITY INTEREST

- c. 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 reminded the Board of the upcoming TexRail Groundbreaking Ceremony August 24<sup>th</sup>.

7. ADJOURN 3:57 p.m.

- Motion to adjourn was made by Skip Kalb. 2<sup>nd</sup> by Jim Robertson. Motion carried unanimously.

The minutes of the July 28, 2016 regular meeting of the Board of Directors were passed, and approved by a vote on this 25<sup>th</sup> day of August, 2016.

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Charles Emery, Chairman

ATTEST

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Richard Huckaby, Secretary





## **Board of Directors Memo**

**August 25, 2016**

**Subject:** 2(a) Presentation & Discussion of Proposed FY2017 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 2017 Budget was presented to the Finance Committee at its July Budget Workshop and incorporates their feedback. DCTA staff has prepared a balanced budget, where operating expenses and capital expenditures do not exceed current year revenues and undesignated fund balance/reserves. The proposed budget was also briefed to the Board at its July 28, 2016 meeting via the Finance Committee Chair Report. The information presented to the Finance Committee was incorporated in the Committee Chair Report.

The proposed FY 2017 Budget is submitted today to the Board of Directors, in accordance with requirements under Chapter 460 of the Texas Transportation Code and DCTA Board policy and procedures, for Board review and comment as well as citizen input. Notice of the public hearing was published in the Denton Record Chronicle on August 12<sup>th</sup>, 2016. The budget schedules were also available for viewing on the DCTA website.

Staff has worked very closely with the Finance Committee in the preparation of the FY17 Budget and presented a detailed review of the various components that comprise the DCTA capital and operating budget. The budget process was modified this year to make it more efficient and enabled the Finance Committee and Board to see the full impact of each component of the FY17 Operating & Capital Budget. In July, the Finance Committee held a budget workshop where all components of the FY17 budget were reviewed and discussed. This included the total operating and capital budget as well as the impact of the FY17 Proposed Budget on the cash flow model.

The Finance Committee is forwarding the proposed FY17 Budget to the Board of Directors for review and comment. The Board will hold a public hearing on the budget to allow for citizen input. Once information from both the Board and the public has been received, the FY17 Budget will be presented for final review and adoption by the Board at the September 22, 2016 Board meeting.

The proposed Budget contains revenue and expenditure assumptions for FY17, which include capital expenditures. Included as agenda back-up are the following exhibits:

- Exhibit A: Proposed Fiscal Year 2017 Budget (operating revenues and expenditures for proposed FY17 as compared to the FY16 Revised Budget).
- Exhibit B: Capital Improvement Plan with Proposed FY17 appropriation

- Exhibit C: Draft of the 5-year cash flow model. It incorporates the FY17 budget as proposed and provides the Board a view of the impact of the proposed FY17 budget on the cash flow model.

**Identified Need**

Review and discuss the proposed FY 2017 budget.

**Committee Review**

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

**Financial Impact**

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

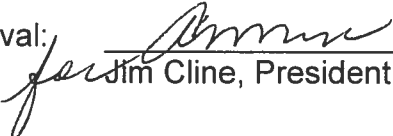
**Recommendation**

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

Final Review:

  
\_\_\_\_\_  
Anna Mosqueda, CFO

Approval:

  
\_\_\_\_\_  
Jim Cline, President

# FY17 Budget Revenue Projections

Board of Directors RM 2(a) - Exhibit A-1

<i>Bus Operations</i>					
Revenue Source	FY15 Actuals	FY16 Original Budget	Actuals as of June 30, 2016		Proposed FY17
Passenger Revenues					
Connect	\$ 558,017	\$ 591,052	\$ 408,226	\$	560,511
Frisco	\$ -	\$ -	\$ 3,564	\$	-
Access	83,860	77,179	61,165		76,360
UNT	30,918	-	-		-
NCTC		-	-		-
Total Passenger Revenues	672,795	668,232	472,956		636,871
Contract Services					
Connect	\$ 57,000	\$ 49,000	\$ 8,000	\$	49,000
Frisco	\$ -	\$ -	\$ 197,736	\$	242,084
UNT	2,345,817	2,473,267	2,117,208		2,686,482
UNT Fuel (Direct Pass Thru)	347,586	524,822	174,870		406,203
NCTC	162,124	162,956	148,425		198,790
NCTC Fuel (Direct Pass Thru)	22,843	53,642	12,536		67,428
Total Contract Services	2,935,371	3,263,687	2,658,775		3,649,987
<b>Total</b>	<b>\$ 3,608,166</b>	<b>\$ 3,931,919</b>	<b>\$ 3,131,731</b>	<b>\$</b>	<b>4,286,858</b>
<i>Rail Operations</i>					
Revenue Source	FY15 Actuals	FY16 Budget	Actuals as of June 30, 2016		Proposed FY17
Rail Farebox	\$ 806,043	\$ 874,678	\$ 585,444	\$	809,137
<b>Total</b>	<b>\$ 806,043</b>	<b>\$ 874,678</b>	<b>\$ 585,444</b>	<b>\$</b>	<b>809,137</b>
<i>G&amp;A</i>					
Revenue Source	FY15 Actuals	FY16 Budget	Actuals as of June 30, 2016		Proposed FY17
Interest Income	\$ 24,772	\$ 20,000	\$ 42,585	\$	40,000
Fare Evasion Fee	1,275	1,500	1,725		1,500
Sales Tax	23,261,746	23,067,404	17,994,003		24,624,601
Federal Operating Grants	4,942,308	4,643,442	964,356		5,626,928
Federal Capital Grants	1,285,089	6,109,915	3,217,202		9,733,804
State Operating Grants	43,600	-	73,596		-
State Capital Grants	1,351,867	-	243,892		2,844,087
Debt Issuance	-	-	-		-
<b>Total</b>	<b>\$ 30,910,657</b>	<b>\$ 33,842,261</b>	<b>\$ 22,537,358</b>	<b>\$</b>	<b>42,870,920</b>
<b>TOTAL REVENUES</b>	<b>\$ 35,324,866</b>	<b>\$ 38,648,858</b>	<b>\$ 26,254,533</b>	<b>\$</b>	<b>47,966,915</b>

Denton County Transportation Authority  
Proposed Fiscal Year 2017 Budget  
(Including Depreciation)

Description	FY15 Actuals	FY16 Original Budget	FY16 Revised Budget	Actuals as of June 30, 2016	FY17 Proposed Budget	\$ Increase / (Decrease)	% Increase / (Decrease)	Notes
								**Comparison is between the FY16 Revised Budget and the FY17 Proposed Budget**
Revenue & Other Income								
Passenger Revenues (Bus Farebox)	672,795	668,231	668,231	472,956	636,871	(31,360)	-5%	Based on a 12 month rolling average
Passenger Revenues (Rail Farebox)	806,043	874,678	874,678	585,444	809,137	(65,541)	-7%	Based on a 12 month rolling average
Contract Service Revenue	2,935,371	3,263,687	3,534,517	2,658,775	3,649,987	115,470	3%	Based on current contract rates - includes NCTC, UNT and Frisco contract service
Total Revenue & Other Income	4,414,209	4,806,596	5,077,426	3,717,175	5,095,995	18,569	0%	
GENERAL & ADMINISTRATIVE								
								Merit @ 3.5% (\$60k); Annual pay plan adjustment at \$25k; Salaries based on completed 2016 Compensation Plan. Health benefits assume a 10% increase
Salary, Wages and Benefits	2,103,634	2,643,498	2,534,126	1,745,104	3,093,757	559,632	22%	Expanded Level Positions Included: FT HR Position (currently PT w/no benefits), 2 additional Marketing Interns Position variances: Senior Planner (filled in July 2016), Grants Manager (vacant)
Services	948,337	1,412,474	1,508,500	809,502	1,574,450	65,950	4%	
Materials and Supplies	172,635	239,700	239,700	106,470	118,982	(120,718)	-50%	Vanpool fuel expense will be passed on to the consumer in FY17; grant funding only allows for lease expense to be reimbursed
Utilities	31,814	54,240	54,240	11,792	27,600	(26,640)	-49%	Decrease from re-allocation of Where's My Ride data costs to 500 (Bus) and 620 (Rail) budgets
Insurance, Casualties and Losses	11,639	11,626	11,626	8,955	13,598	1,972	17%	Based 5% increase of our current rates
Purchased Transportation Services	158,025	206,550	206,550	159,375	187,368	(19,182)	-9%	Vanpool purchased contract - lease expense based on new contract
Miscellaneous	134,748	219,694	206,729	81,031	312,560	105,832	51%	\$20k for Tuition Reimbursement; \$30k for NCTRCA Membership; \$9,250 Texas Transit Assoc Membership. We are continuing to refine the travel and contingency line items.
Leases and Rentals	116,104	107,976	107,976	97,268	123,981	16,005	15%	Includes Lakeway lease, copier leases as well as the allocation for common area maintenance at \$30k
Depreciation	-	33,333	33,333	-	28,333	(5,000)	-15%	Based on project closure projections
Subtotal - G&A	3,676,937	4,929,092	4,902,779	3,019,496	5,480,630	577,851	12%	
BUS SERVICES								
Salary, Wages and Benefits	5,957,867	6,463,161	6,584,471	4,875,283	7,623,917	1,039,446	16%	Includes 3% merit for non-operators (\$54k); Assumes a 15% in benefits (\$165k); 2 additional Mechanic positions included for 2017 (\$141k); Avg. driver hourly rate went from \$16.28 (FY16 budget) to \$16.61.
Services	566,898	714,150	775,608	504,474	755,541	(20,067)	-3%	
Materials and Supplies	1,449,666	2,242,584	1,593,023	835,499	2,161,725	568,702	36%	Fuel budgeted @ \$3.00/gallon for bus with an increase to the Fuel Stabilization Fund to \$450k; FY16 revised we realized savings and adjusted the rate to \$1.75 based on trend. Savings were used to increase Capital Infrastructure Fund.
Utilities	149,843	176,732	176,732	104,651	164,620	(12,112)	-7%	Based on current expenses
Insurance, Casualties and Losses	282,526	289,255	289,255	227,879	316,956	27,701	10%	Based 5% increase of our current rates
Purchased Transportation Services	-	-	-	-	-	-	0%	
Miscellaneous	30,854	47,960	48,010	20,174	58,100	10,090	21%	\$4k increase for toll fees related to Frisco service; Additional training for supervisors - online & NTI classes
Leases and Rentals	6,443	6,000	34,000	24,334	43,308	9,308	27%	FWTA two bus leases (\$1,554.50 each/month)
Depreciation	1,628,053	1,917,896	1,953,887	1,210,258	2,262,289	308,402	16%	Based on project closure projections
Subtotal - Bus Services	10,072,150	11,857,738	11,454,986	7,802,552	13,386,455	1,931,470	17%	
RAIL SERVICES								
Salary, Wages and Benefits	277,509	287,591	299,419	223,201	315,252	15,833	5%	Merit Pay @ 3.5%; Benefit increase @ 10%; Salaries based on FY16 comp plan rates adopted at revised budget.
Services	1,206,941	298,160	269,775	319,716	276,155	6,380	2%	
Materials and Supplies	906,439	1,301,000	642,799	434,667	1,118,667	475,868	74%	Fuel budgeted @ \$2.75/gallon for rail with an increase to the Fuel Stabilization Fund to \$450k; FY16 revised we realized savings and adjusted the rate to \$1.50 based on trend. Savings were used to increase Capital Infrastructure Fund.
Utilities	290,734	280,389	280,389	150,378	289,044	8,655	3%	
Insurance, Casualties and Losses	485,946	499,334	499,334	377,566	523,640	24,306	5%	Based 5% increase of our current rates
Purchased Transportation Services	9,922,894	11,427,074	10,427,074	7,628,423	9,375,986	(1,051,088)	-10%	Purchased transportation based on First Transit BAFO contract
Miscellaneous	20,996	13,693	13,693	10,554	14,745	1,053	8%	
Leases and Rentals	2,099	102,207	2,207	1,655	2,208	1	0%	
Depreciation	7,709,452	8,029,976	8,029,976	5,424,467	8,049,118	19,142	0%	Based on project closure projections
Subtotal - Rail Services	20,823,009	22,239,424	20,464,666	14,570,626	19,964,815	(499,851)	-2%	
Total Operating Expenses	34,572,095	39,026,254	36,822,430	25,392,674	38,831,900	2,009,470	5%	
Income Before Non-operating Revenue & Exp	(30,157,886)	(34,219,658)	(31,745,004)	(21,675,499)	(33,735,905)			
Non-Operating Revenues / (Expense)								
Investment Income	24,772	20,000	20,000	42,585	40,000	20,000	100%	Based on current interest earned
Non-Operating Revenues / (Expense)	147,360	1,500	1,500	109,583	1,500	-	0%	
Sales Tax Revenue	23,261,746	23,067,404	23,067,403	17,994,003	24,624,601	1,557,198	7%	4% increase of a forecasted sales tax for FY16 - Includes FY16 actual collections from Oct - April; budget for months May - September
Federal Grants & Reimbursements	6,227,397	10,753,357	12,625,651	4,181,558	15,360,732	2,735,081	22%	Increase is due to capital project schedules anticipated to roll into FY17; PTC related grants are budgeted at \$5.98M for FY17 based on project schedule
State Grants & Reimbursements	1,395,467	-	227,029	317,488	2,844,087	2,617,058	1153%	TxDOT grant funds for the remaining Hike & Bike Trail and the Eagle Point project
Debt Issuance	-	-	-	-	-	-		
Long Term Debt Interest/Expense	(1,211,899)	(1,156,422)	(1,156,422)	(867,124)	(1,098,412)	58,010	-5%	Based on debt schedules
Total Non-Operating Revenue / (Expense)	29,844,844	32,685,839	34,785,161	21,778,093	41,772,508	6,987,347	20%	
Change in Net Position	(313,042)	(1,533,819)	3,040,157	102,593	8,036,603			
Net Position - Beginning of Year:					21,629,394			
Net Position - End of Year:					29,665,997			
Transfer to Capital Projects					(24,793,967)			
Net Position After Capital Project Transfer					4,872,030		12	



# Capital Improvement Plan

Board of Directors RM 2(a) - Exhibit B

Project Name	Project Number	Project Budget	Project LTD thru FY 2014	FY 2015 Actuals	FY 2016 Projected	FY 2017 Proposed	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	635	168,290					11,497,555
Fleet Replacement (2015)	50505	1,634,000		62,000	1,572,000					1,634,000
Bus Radios	50408	106,753	2,332	104,422						106,753
Scheduling Software	50601	250,000			20,000	230,000				250,000
Transit Enhancements (2015-2016)	50204	165,000		4,601	100,582	59,817				165,000
Bus Fleet Cameras	50409	149,500				149,500				149,500
Fleet (2016)	50507	1,250,000				2,800,000				2,800,000
TAPS Bus Purchase	50508	139,000			139,000					139,000
AVL & Farebox Systems	NEW	200,000	-	-	-	200,000	-	-	-	200,000
IOMF Lewisville - Fuel Tanks	NEW	250,000	-	-	-	250,000	250,000	-	-	500,000
Fleet (Out Years)			-	-	-	-	3,300,000	2,400,000	2,500,000	8,200,000
Fleet Farebox Replacement			-	-	-	-	-	1,200,000	-	1,200,000
<b>Rail Services</b>										
Passenger Information	60701	96,821	57,670	3,740	35,410					96,821
Positive Train Control Preparation	61406	1,346,527	1,170,664	175,863						1,346,527
Positive Train Control Implementation	61406.1	16,720,141			3,374,992	7,486,472	5,858,677			16,720,141
Lewisville Bike Trail	61708	3,099,856	649,338	1,329,081	171,437	950,000				3,099,856
Rail Maintenance of Equipment	61712	1,302,627	137,849	826,407	338,371					1,302,627
Rail Single Car Operations	61503	26,221	22,169	4,052						26,221
GTW Wheel Work	61505	915,041		441,057	473,984					915,041
Shunt Enhancement	61407	96,546		96,546						96,546
T. Mills Crew Facility	61209	250,000		32,528	117,472	100,000				250,000
Station Landscaping	61210	485,000		25,455	459,545					485,000
Rail Drainage Improvement	61104	429,980		396,470	33,510					429,980
Rail Mobilization (2015)	61604	2,119,517			2,119,517					2,119,517
Disaster Recovery	61713	300,000		215,791	84,209					300,000
Rail Facility Flume Repair (2015 Flood)	61713.1	325,482			85,000	240,482				325,482
Grade Crossing Replacements (2015 Flood)	61713.2	2,157,760			100,000	2,057,760				2,157,760
Hebron Signal House (2015 Flood)	61713.3	122,000			122,000					122,000
Ballast Undercutting (2015 Flood)	61713.4	761,600			761,600					761,600
Pockrus Page (2015 Flood)	61713.5	623,000			75,000	548,000				623,000
Rail Capital Maintenance	61714	745,000			745,000	3,970,430	3,330,999	2,000,000	3,293,971	13,340,400
Stadler Spare Parts	61506	96,000			96,000					96,000
ABB Stadler Spare Parts	61507	276,000			276,000					276,000
Trail Safety Improvements	61715	139,657				139,657				139,657
Fare Collection Systems	61401	733,104	649,943	14,000		69,161				733,104
Stadler Fleet Emergency Lighting	61508	190,000			190,000					190,000
Lewisville Bike Trail - Eagle Point Section	61716	2,995,873			100,000	2,895,873				2,995,873
<b>G&amp;A</b>										
COGNOS Report Writing Application	10601	200,000				200,000				200,000
Comprehensive Service Analysis	10602	420,222		76,210	123,790	146,815	73,407			420,222
Legal Support	10603	226,553		10,915	215,638					226,553
Shortel Phone System	10402	85,000			85,000					85,000
Lewisville Facilities Study	10301	100,000			100,000					100,000
Safety & Security (Agency-Wide)	NEW	250,000	-	-	-	250,000	-	-	-	250,000
Infrastructure Acquisition	NEW	1,900,000	-	-	-	1,900,000				1,900,000
Project Management/Document Control	NEW	150,000	-	-	-	150,000	150,000	150,000	150,000	600,000
<b>TOTAL</b>		<b>\$ 55,327,336</b>	<b>\$ 14,018,595</b>	<b>\$ 3,819,733</b>	<b>\$ 12,283,347</b>	<b>\$ 24,793,967</b>	<b>\$ 12,963,083</b>	<b>\$ 5,750,000</b>	<b>\$ 5,943,971</b>	<b>\$ 79,572,736</b>

	Audited 2015*	Adopted Revised 2016	Projected 2016	2017	2018	2019	2020	2021	2022
OPERATING REVENUES									
Beginning Fund Balance:	\$ 20,655,595	\$ 25,789,446	\$ 25,789,446	\$ 21,629,394	\$ 13,466,767	\$ 11,428,627	\$ 11,859,322	\$ 12,625,571	\$ 15,119,751
Bus Operating Revenue	\$ 3,608,166	\$ 4,202,748	\$ 4,202,748	\$ 4,286,858	\$ 4,402,726	\$ 4,521,943	\$ 4,709,575	\$ 4,836,440	\$ 4,966,966
Rail Operating Revenue	806,043	874,678	874,678	809,137	817,228	825,401	916,195	925,357	934,610
NON-OPERATING REVENUES									
Sales Tax Revenue	23,261,746	23,067,404	23,067,404	24,624,601	25,609,585	26,633,968	27,699,327	28,807,300	29,959,592
Formula Grants (Operating)	4,985,908	4,717,038	3,786,025	3,492,246	5,703,755	5,765,515	6,241,517	5,336,096	4,981,394
Interest Income-Non RTRFI Funds	24,772	20,000	20,000	40,000	40,400	34,286	35,578	37,877	45,359
Misc. Revenue	199,175	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Restricted RTRFI Interest Income									
Total Revenues	32,885,811	32,883,368	31,952,355	33,254,342	36,575,195	37,782,614	39,603,693	39,944,570	40,889,422
OPERATING EXPENSES									
Bus Operating Expense	8,444,097	9,501,097	9,501,097	11,124,167	11,904,182	12,439,021	12,881,768	13,336,362	13,816,561
Rail Operating Expense	13,113,557	12,434,690	12,434,690	12,015,697	12,554,073	13,053,869	13,337,162	13,798,195	14,145,239
G&A Operating Expense	3,676,937	4,869,450	4,869,450	5,452,296	5,505,807	5,694,385	5,890,173	6,093,469	6,304,587
NON-OPERATING EXPENSES									
Non-Operating (Income) / Expense	51,815								
Total Expenses	25,286,406	26,805,237	26,805,237	28,592,160	29,964,062	31,187,275	32,109,102	33,228,025	34,266,387
NET INCOME	7,599,405	6,078,131	5,147,118	4,662,182	6,611,133	6,595,338	7,494,590	6,716,545	6,623,035
CAPITAL OUTLAY									
Bus Capital Expenditure	657,064	478,189	268,872	209,317	-	-	-	-	-
Bus Fleet Replacement Expense	198,955	2,961,000	1,711,000	2,800,000	1,000,000	2,400,000	1,200,000	400,000	1,000,000
Professional Services / Technology Improvements	79,950	1,030,060	579,838	576,815	73,407	-	-	-	-
Stadler Fleet (Vehicles)	-	190,000	190,000	-	-	-	-	-	-
Right of Way	-	139,657	-	139,657	-	-	-	-	-
Rail Capital Expenditure (LV Hike & Bike)	1,329,081	1,221,437	271,437	3,845,873	-	-	-	-	-
Rail Capital Expenditure (Community Enhancements)	268,779								
HV Parking Expansion	31,073								
Rail Station Improvements	71,983	746,178	577,017	169,161	-	-	-	-	-
Rail MOW	337,265	33,510	33,510	-	-	-	-	-	-
Rail MOE	303,208	812,356	812,356	-	-	-	-	-	-
Single Car Operations / Shunt Enhancement	100,598								
Re-Railing Equipment	121,000								
Rail Capital Maintenance		1,117,000	1,117,000	3,970,430	3,330,999	2,000,000	3,293,971	2,000,000	2,646,388
Disaster Recovery - 2015 Floods	215,791	2,236,291	1,227,809	2,846,242	-	-	-	-	-
Rail Mobilization	-	2,119,517	2,119,517	-	-	-	-	-	-
Positive Train Control	175,863	3,374,992	3,374,992	7,486,472	5,858,677				
TIER 1 - Capital Requests									
Safety & Security (Agency Wide)				250,000					
AVL & Farebox Systems				200,000					
IOMF Lewisville - Fuel Tanks				250,000					
Infrastructure Acquisition				1,900,000					
TIER 2 - Capital Requests									
Project Management/Document Control				150,000	150,000	150,000	150,000	150,000	150,000
Additional Fleet Purchases					2,300,000		1,300,000	1,900,000	1,000,000
Fleet Farebox Replacement						1,200,000			
IOMF Lewisville - Fuel Tanks					250,000				
Total Capital Outlay	3,890,611	16,460,187	12,283,347	24,793,970	12,963,089	5,750,000	5,943,971	4,450,000	4,796,388
CAPITAL SOURCES									
New Money (Debt Issuance)									
RTRFI/RTC Funds		1,823,881	1,823,881	5,989,178	4,686,942				
FEMA/Insurance Reimbursements		1,785,427	1,029,065	2,134,682					
Formula Grants (Capital)	2,636,956	4,526,336	2,859,655	6,588,713	2,384,941	2,350,341	1,994,998	3,023,498	3,503,748
Total Capital Sources	2,636,956	8,135,644	5,712,601	14,712,572	7,071,882	2,350,341	1,994,998	3,023,498	3,503,748
DEBT SERVICE									
2008 Issue (ST) Debt Service									
2009 Refunding (ST) Debt Service	761,492	1,718,387	1,718,387	1,713,687	1,717,590	1,714,697	1,715,209	1,713,925	1,715,845
2011 Contractual Obligations (Vehicles)	336,945	763,955	763,955	770,183	775,785	785,761	794,955	808,366	815,838
2011 Contractual Obligations (PTC)	113,463	254,081	254,081	259,542	264,691	264,526	269,205	273,571	272,624
2018 Contractual Obligations (PTC)	-	-	-	-	-	-	-	-	-
Total Debt Service	1,211,900	2,736,423	2,736,423	2,743,412	2,758,066	2,764,984	2,779,369	2,795,862	2,804,307
Internal Debt Service Coverage:	6.27	2.22	1.88	1.70	2.40	2.39	2.70	2.40	2.36
Outstanding Bond Principal as of June 30, 2016			\$ 31,965,000						
Year End Audit Adjustment									
Ending Fund Balance:	25,789,446	20,806,611	21,629,394	13,466,767	11,428,627	11,859,322	12,625,571	15,119,751	17,645,839
Less Restricted RTRFI Interest Income	-	-	-	-	-	-	-	-	-
Less Required Fund Balance (O&M Reserve Policy):	6,321,601	6,701,309	6,701,309	7,148,040	7,491,015	7,796,819	8,027,276	8,307,006	8,566,597
Less Sales Tax Stabilization Fund	697,852	692,022	692,022	738,738	768,288	799,019	830,980	864,219	898,788
Less Fuel Stabilization Fund	50,000	72,582	72,582	450,000	450,000	450,000	450,000	450,000	450,000
Less Capital/Infrastructure	638,664	3,961,050	3,961,050	2,000,000	2,000,000	2,000,000	2,500,000	5,000,000	5,000,000
Net Available Cash	18,081,328	9,379,648	10,202,431	3,129,989	719,324	813,484	817,315	498,526	2,730,455

\* FY2015 reconciled to audited financials