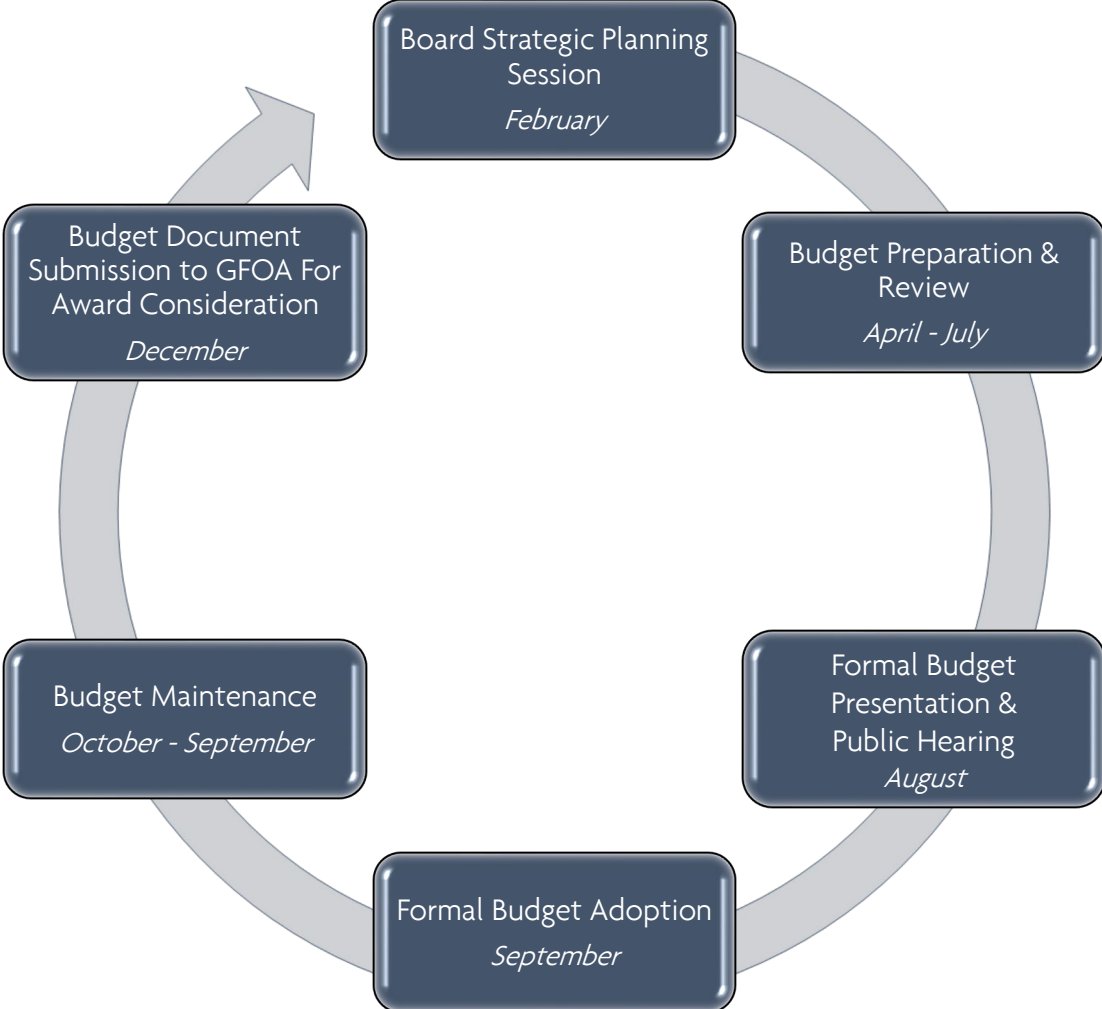




**FISCAL YEAR 2021 PROPOSED OPERATING & CAPITAL BUDGET**  
**BOARD OF DIRECTORS BUDGET PRESENTATION & PUBLIC HEARING**  
**AUGUST 27, 2020**

# FY2021 PROPOSED BUDGET BUDGET CALENDAR



## AGENDA

- **CHANGE IN NET POSITION (DCTA & NTMC COMBINED)**
  - Operating Revenue
  - Non-Operating Revenue
  - Operating Expenses
  - Non-Operating Expense
  - Transfers Out/In
- **CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN**
- **LONG RANGE FINANCIAL PLAN**
- **BUDGET CONTINGENCY PLAN**
- **PUBLIC HEARING & COMMENT**

# FY2021 PROPOSED BUDGET CHANGES TO OPERATING BUDGET SINCE JULY

## ADDITIONAL FIXED ROUTE BUS SERVICE

- FIXED ROUTES 4, 7, 21 & 22 INCREASED
- CLOSE TO PRE-COVID LEVELS
  - INCREASE IN OPERATING EXPENSES \$808K
  - INCREASE IN REVENUES OF \$49K

## REMOVAL OF NCTC CONTRACT SERVICE

- REDUCTION OF \$229K IN OPERATING EXPENSES
- REDUCTION IN CONTRACT SERVICE REVENUES OF \$279K

# CHANGES TO OPERATING BUDGET SINCE JULY

- ADDITIONAL \$500K IN BUS OPERATING EXPENSES FOR COVID-19 SAFETY MEASURES & EQUIPMENT PURCHASES
  - BASED ON ACTUALS APRIL – JULY (AVG \$36K/MO)
  - ANTICIPATE INSTALLING PERMANENT BARRIERS ON THE VEHICLES

ADDITIONAL COVID-19 EXPENSES (BUS)

- FINANCIAL SOFTWARE UPGRADE WAS INCLUDED IN FY20 BUDGET BUT DUE TO PROJECT DELAYS, WILL NOT BE COMPLETED UNTIL FY21 - \$30,600 IMPACT TO FY21

FINANCIAL SOFTWARE UPGRADE ROLLOVER

- DEPRECIATION HAS BEEN INCLUDED IN ALL BUDGET SCHEDULES

DEPRECIATION

# FY2021 PROPOSED BUDGET CHANGES TO CAPITAL BUDGET SINCE JULY

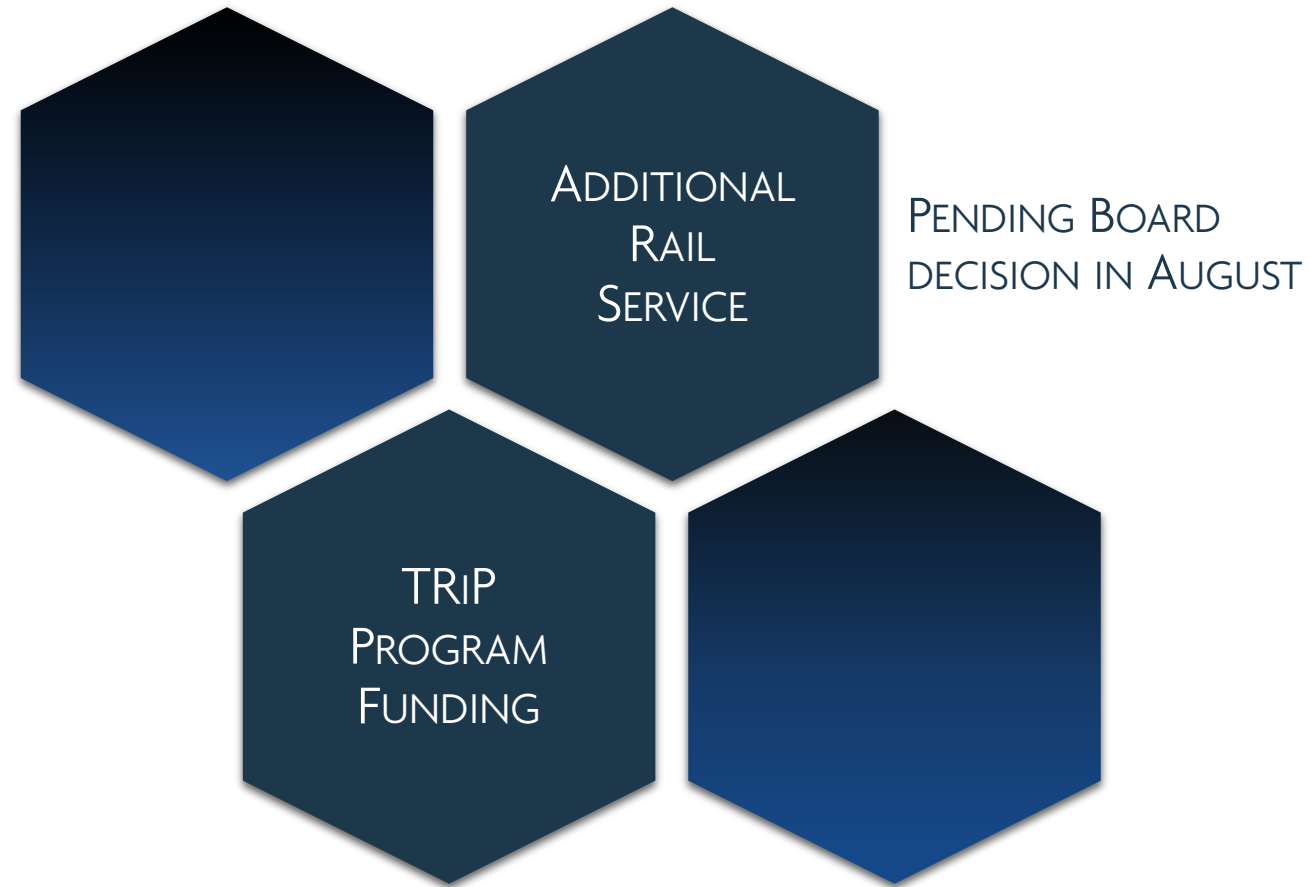
FLEET

- FLEET 2021 PROJECT WILL BE REDUCED BY \$1,062,600
  - DUE TO ADDITIONAL FIXED ROUTE SERVICE ADDED IN FY20
  - PREVIOUS FLEET 2020 PROJECT WAS ROLLED INTO FY21 & IS NOW BEING TRANSFERRED BACK TO FY20 IN ORDER TO ISSUE THE PURCHASE REQUEST FOR 9 ARBOCS

TRANSPORTATION REINVESTMENT PROGRAM (TRIP)

- ADDITION OF TRIP PROGRAM CAPITAL PROJECT \$5,186,667
  - \$2M FROM CAPITAL INFRASTRUCTURE FUND
  - 15% OF PREVIOUS YEAR'S NET AVAILABLE FUND BALANCE
  - AMOUNT WILL BE ADJUSTED AFTER FY20 BUDGET REVISIONS ARE BROUGHT TO THE BOARD IN SEPTEMBER

# FY2021 PROPOSED BUDGET CHANGES TO BUDGET FOR SEPTEMBER



## IMPACT OF COVID-19

- DECREASE IN SALES TAX REVENUE
- DECREASE IN RIDERSHIP
- DECREASE IN PASSENGER REVENUES
- SERVICE LEVEL REDUCTIONS
- ADDITIONAL FEDERAL GRANT FUNDING
- ADDITIONAL COVID-19 RELATED EXPENSES



# FY2021 PROPOSED BUDGET

## BUDGET REDUCTION RESPONSE MEASURES TAKEN

Modified service levels based on COVID-19 impacts on ridership and finances

Reduced staffing levels – DCTA and NTMC

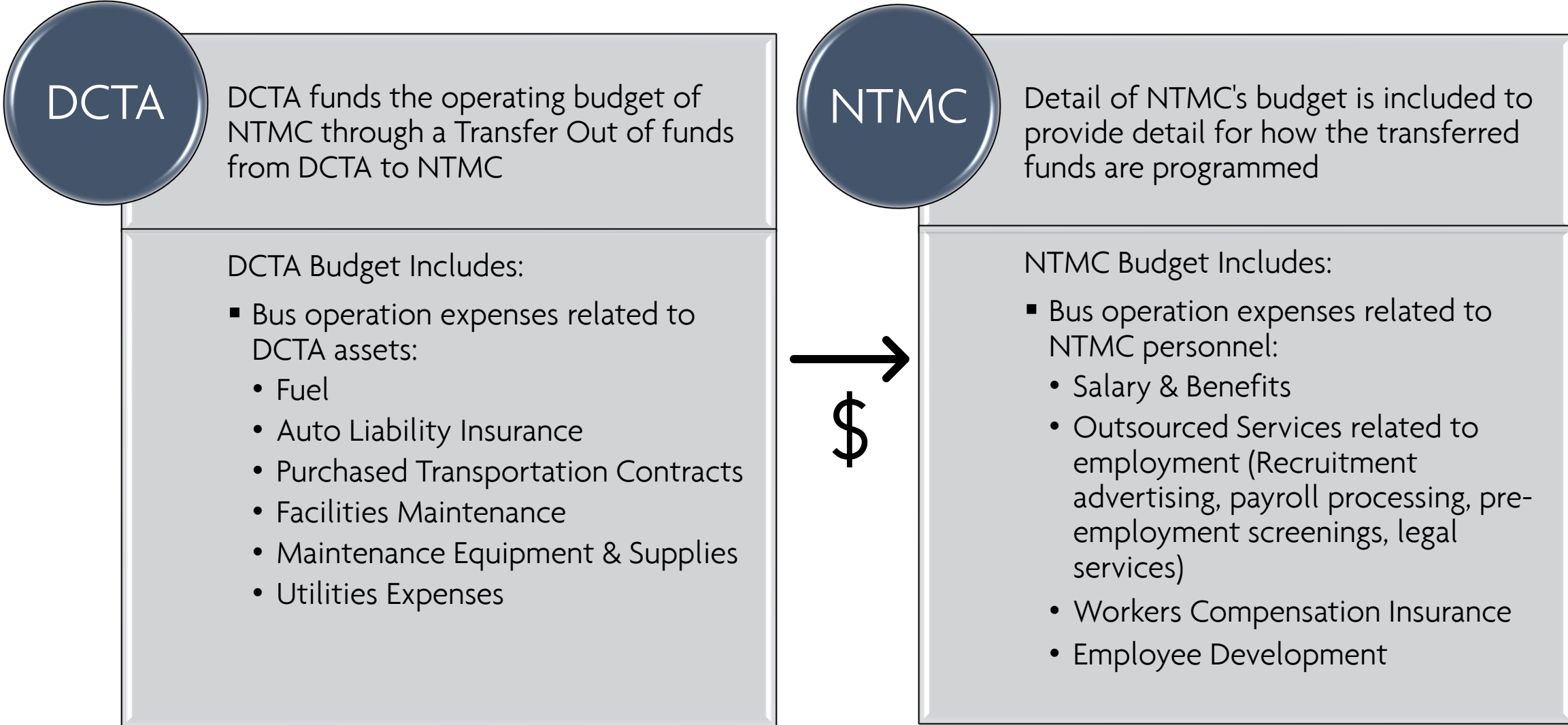
- Furloughs (NTMC): March 23<sup>rd</sup> – June 14<sup>th</sup>
- Position Eliminations (DCTA): May 1<sup>st</sup>
- Operator Reduction in Force (NTMC): June 15<sup>th</sup>

Reviewed and reduced all non-essential expenses

Adjusted grant funding strategies to supplement declining passenger revenues & sales tax

# CHANGE IN NET POSITION

# RELATIONSHIP BETWEEN DCTA & NORTH TEXAS MOBILITY CORPORATION



# FY2021 PROPOSED BUDGET

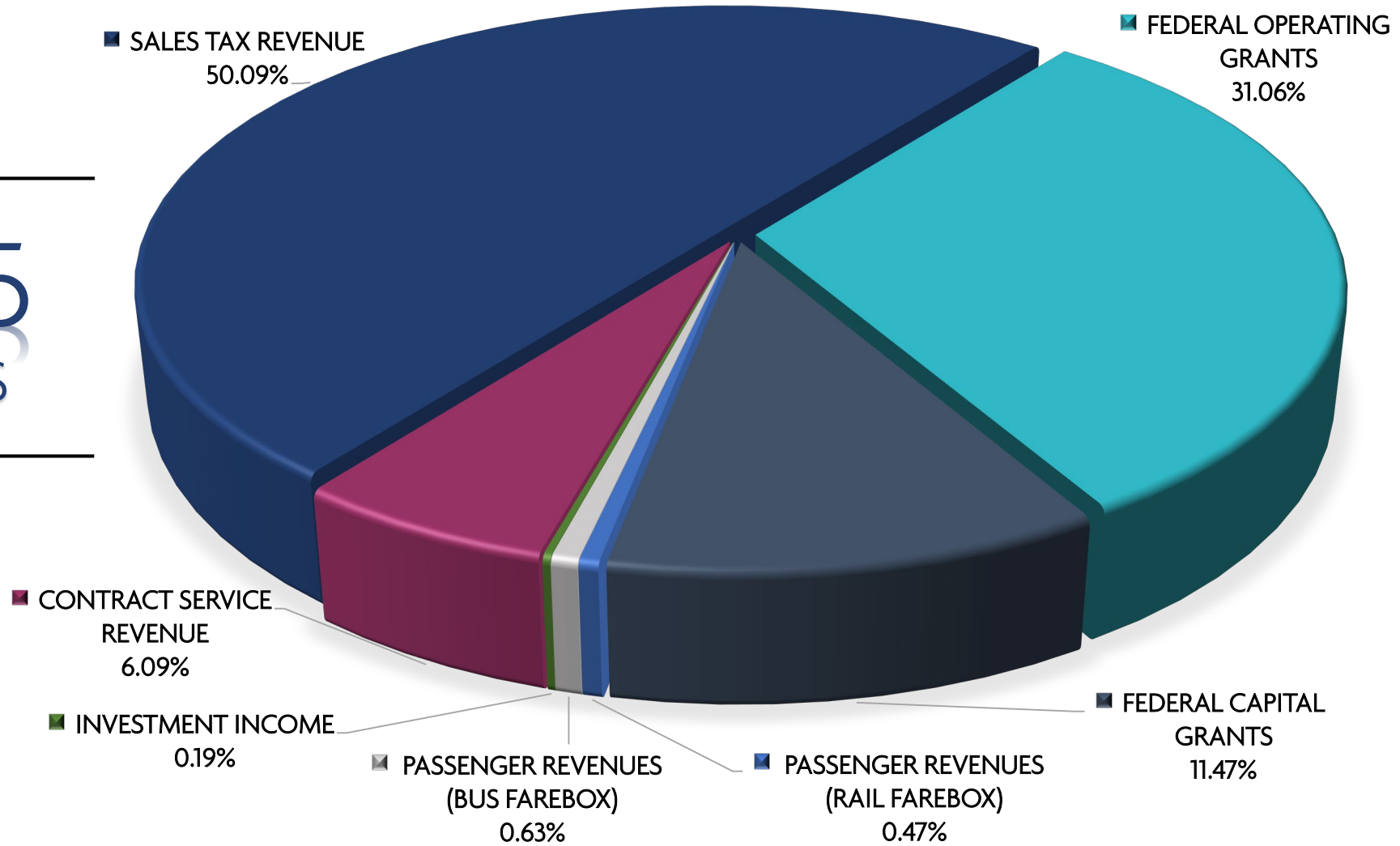
## CHANGE IN NET POSITION (DCTA & NTMC COMBINED)

Description	NTMC			DCTA			NTMC		
	DCTA FY 2019 Actuals	FY 2019 Actuals (June-Sept 2019)	FY 2019 Actuals	DCTA FY 2020 Working Budget	FY 2020 Working Budget	FY 2020 Working Budget	DCTA FY 2021 Proposed Budget	FY 2021 Proposed Budget	FY 2021 Proposed Budget
<b>OPERATING REVENUE</b>									
Passenger Revenues (Bus Farebox)	\$ 613,408	\$ -	\$ 613,408	\$ 370,591	\$ -	\$ 370,591	\$ 334,912	\$ -	\$ 334,912
Passenger Revenues (Rail Farebox)	744,283	-	744,283	421,578	-	421,578	248,579	-	248,579
Contract Service Revenue	4,201,278	-	4,201,278	4,416,160	-	4,416,160	3,239,028	-	3,239,028
<b>Total Operating Revenue</b>	<b>5,558,969</b>	<b>-</b>	<b>5,558,969</b>	<b>5,208,329</b>	<b>-</b>	<b>5,208,329</b>	<b>3,822,519</b>	<b>-</b>	<b>3,822,519</b>
<b>OPERATING EXPENSES</b>									
Salary, Wages & Benefits	9,681,725	2,685,968	12,367,693	4,659,734	7,531,382	12,191,116	4,193,211	7,328,500	11,521,711
Outsourced Services & Charges	6,173,872	28,449	6,202,321	4,472,477	261,629	4,734,106	3,955,959	397,623	4,353,582
Materials & Supplies	2,445,770	-	2,445,770	2,554,461	-	2,554,461	2,652,663	7,620	2,660,283
Utilities	445,809	-	445,809	490,988	-	490,988	509,266	-	509,266
Insurance, Casualties & Losses	1,655,084	42,105	1,697,189	1,752,329	132,636	1,884,965	1,687,897	120,264	1,808,161
Purchased Transportation Services	9,755,585	-	9,755,585	10,271,634	-	10,271,634	10,686,596	-	10,686,596
Employee Development	278,188	3,780	281,968	296,935	74,700	371,635	245,804	54,435	300,239
Leases & Rentals	221,903	-	221,903	229,633	-	229,633	238,468	-	238,468
Depreciation	9,813,483	-	9,813,483	10,612,052	-	10,612,052	10,489,375	-	10,489,375
<b>Total Operating Expenses</b>	<b>40,471,418</b>	<b>2,760,302</b>	<b>43,231,720</b>	<b>35,340,243</b>	<b>8,000,347</b>	<b>43,340,590</b>	<b>34,659,239</b>	<b>7,908,442</b>	<b>42,567,681</b>
Operating Income / (Loss)	(25,098,967)	(2,760,302)	(27,859,269)	(30,131,914)	(8,000,347)	(38,132,261)	(30,836,720)	(7,908,442)	(38,745,162)
<b>NON-OPERATING REVENUE / (EXPENSE)</b>									
Investment Income	597,793	-	597,793	325,000	-	325,000	100,000	-	100,000
Misc. Revenues	228,499	-	228,499	52,000	-	52,000	-	-	-
Sales Tax Revenue	28,735,383	-	28,735,383	21,464,452	-	21,464,452	26,624,124	-	26,624,124
Federal Grants & Reimbursements	9,146,240	-	9,146,240	15,750,649	-	15,750,649	22,601,232	-	22,601,232
State Grants & Reimbursements	1,706,197	-	1,706,197	438,548	-	438,548	-	-	-
Long Term Debt Interest/Expense	(972,668)	-	(972,668)	(909,480)	-	(909,480)	(841,080)	-	(841,080)
<b>Total Non-Operating Revenue / (Expense)</b>	<b>39,441,444</b>	<b>-</b>	<b>39,441,444</b>	<b>37,121,169</b>	<b>-</b>	<b>37,121,169</b>	<b>48,484,276</b>	<b>-</b>	<b>48,484,276</b>
Income (Loss) Before Transfers	14,342,477	(2,760,302)	11,582,175	6,989,255	(8,000,347)	(1,011,092)	17,647,556	(7,908,442)	9,739,114
Transfers Out	(2,760,302)	-	(2,760,302)	(8,000,347)	-	(8,000,347)	(7,908,442)	-	(7,908,442)
Transfers In	-	2,760,302	2,760,302	-	8,000,347	8,000,347	-	7,908,442	7,908,442
<b>Total Transfers</b>	<b>(2,760,302)</b>	<b>2,760,302</b>	<b>-</b>	<b>(8,000,347)</b>	<b>8,000,347</b>	<b>-</b>	<b>(7,908,442)</b>	<b>7,908,442</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 11,582,175</b>	<b>\$ -</b>	<b>\$ 11,582,175</b>	<b>\$ (1,011,092)</b>	<b>\$ -</b>	<b>\$ (1,011,092)</b>	<b>\$ 9,739,114</b>	<b>\$ -</b>	<b>\$ 9,739,114</b>
Net Position - Beginning of Year:						\$ 327,800,795			\$ 319,440,464
Net Position - End of Year:						\$ 326,789,703			\$ 329,179,578
Transfer to Capital Projects						\$ (7,349,239)			\$ (13,413,143)
Net Position After Capital Project Transfer						\$ 319,440,464			\$ 315,766,435

# FY2021 PROPOSED BUDGET

## TOTAL FY2021 PROPOSED REVENUES

**\$53,147,875**  
TOTAL REVENUES



# FY2021 PROPOSED BUDGET

## OPERATING REVENUE - BUS

Bus Operations				
	FY 2019 Actual	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Proposed Budget
<b>PASSENGER REVENUES (BUS FAREBOX)</b>				
Fixed Route	\$ 515,177	\$ 466,900	\$ 297,075	\$ 272,832
Demand Response	81,198	138,262	58,466	48,422
Frisco	7,099	6,210	4,924	6,745
CCT	3,245	4,468	2,630	4,349
North Texas Xpress	6,689	8,209	7,496	2,564
<b>Total Passenger Revenues (Bus Farebox)</b>	<b>\$ 613,408</b>	<b>\$ 624,049</b>	<b>\$ 370,591</b>	<b>\$ 334,912</b>
<b>CONTRACT SERVICE REVENUE</b>				
Fixed Route	\$ 57,000	\$ 57,000	\$ 57,000	\$ 49,000
UNT	2,919,212	3,042,508	3,150,948	2,123,130
<i>UNT Fuel (Direct Pass Thru)</i>	<i>307,174</i>	<i>342,730</i>	<i>234,290</i>	<i>255,991</i>
NCTC	228,429	223,034	223,034	-
<i>NCTC Fuel (Direct Pass Thru)</i>	<i>25,935</i>	<i>46,500</i>	<i>46,500</i>	-
Frisco	379,658	318,790	318,790	318,254
CCT	247,735	220,598	220,598	345,653
North Texas Xpress	36,134	75,000	75,000	75,000
Mobility as a Service (MaaS)	-	90,000	90,000	72,000
<b>Total Contract Service Revenue</b>	<b>\$ 4,201,278</b>	<b>\$ 4,416,160</b>	<b>\$ 4,416,160</b>	<b>\$ 3,239,028</b>
<b>Total Bus Operations Revenue</b>	<b>\$ 4,814,686</b>	<b>\$ 5,040,209</b>	<b>\$ 4,786,751</b>	<b>\$ 3,573,940</b>



TOTAL PROJECTED RIDERSHIP:

# 1,050,084

# 53%

DECREASE COMPARED TO FY2020

PASSENGER REVENUES: AVG. FARE PER RIDER & PROJECTED RIDERSHIP

	AVG. FARE	RIDERSHIP
FIXED ROUTE	\$ 0.86	318,152
DEMAND RESPONSE	\$ 1.72	24,069
ZONE (DR)	\$ 0.86	8,064
FRISCO DR	\$ 1.06	6,356
CCT DR	\$ 1.19	3,663
NTX	\$ 0.57	4,474
UNT	N/A	671,458
NCTC	N/A	0
Frisco Taxi	N/A	4,375
CCT Taxi	N/A	9,473
<b>Total Bus &amp; Taxi Ridership</b>		<b>1,050,084</b>

# FY2021 PROPOSED BUDGET

## OPERATING REVENUE - RAIL

Rail Operations								
		FY 2019		FY 2020		FY 2021		
		Actual		Adopted		Proposed		
				Budget		Budget		
					FY 2020			
					Working			
					Budget			
Passenger Revenues (Rail Farebox)	\$	744,283	\$	588,272	\$	421,578	\$	248,579
<b>Total Rail Operations Revenue</b>	<b>\$</b>	<b>744,283</b>	<b>\$</b>	<b>588,272</b>	<b>\$</b>	<b>421,578</b>	<b>\$</b>	<b>248,579</b>



TOTAL PROJECTED RIDERSHIP: **1,657,119**

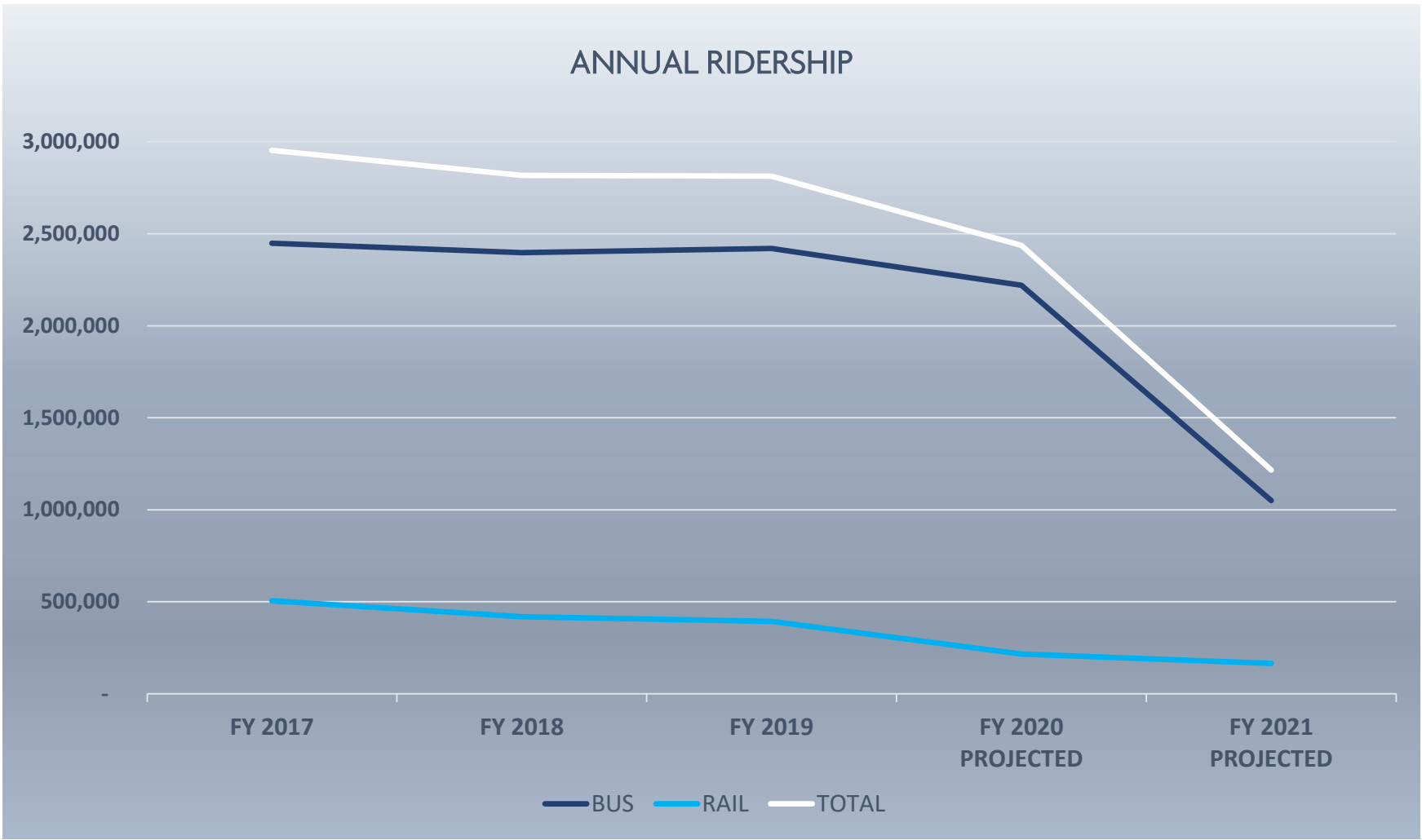
AVERAGE FARE PER RIDER: **\$1.50**



41% DECREASE IN RIDERSHIP  
COMPARED TO FY2020

# FY2021 PROPOSED BUDGET

## FIVE-YEAR RIDERSHIP TREND





# FY2021 PROPOSED BUDGET

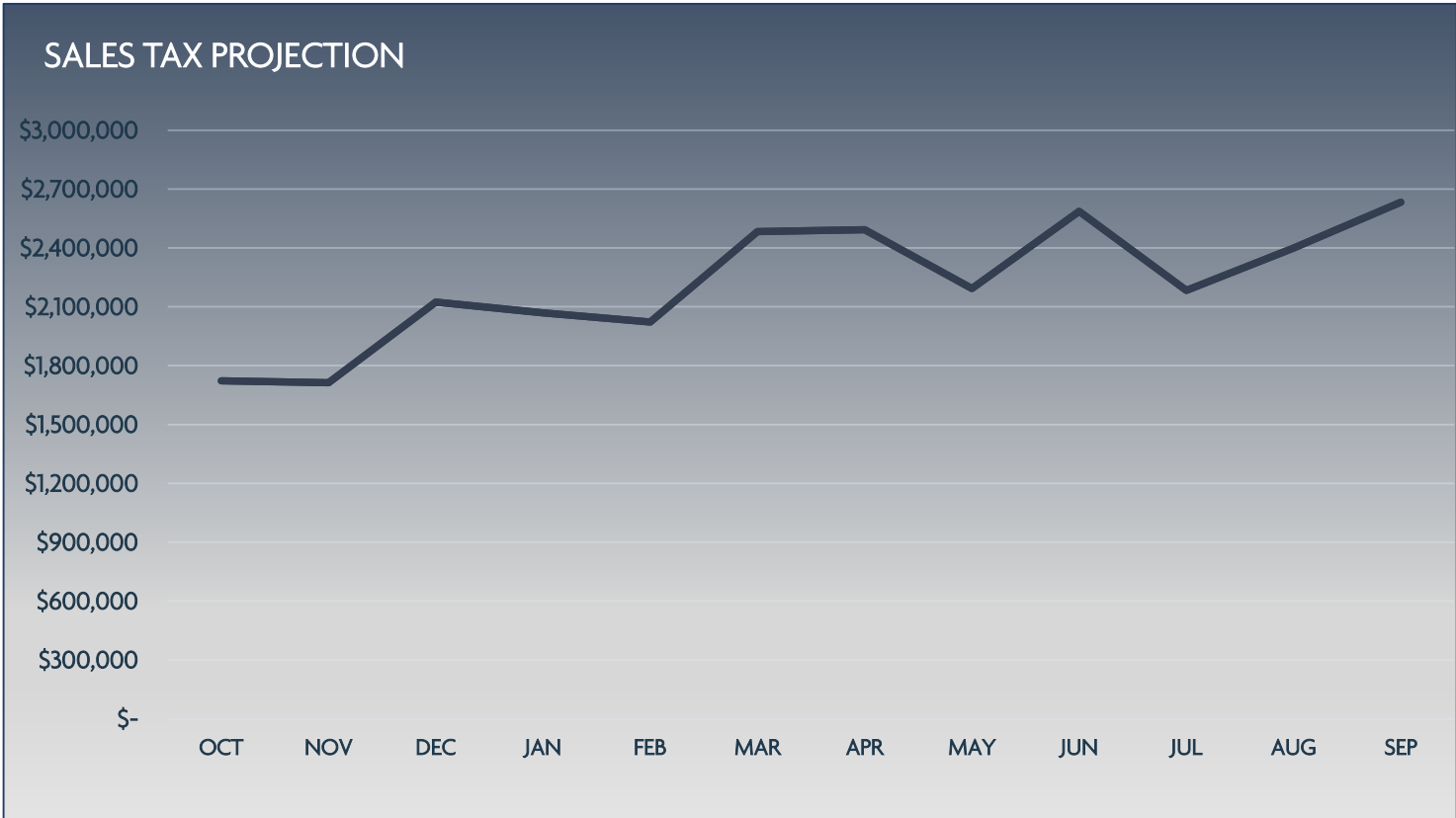
## NON-OPERATING REVENUE

Non-Operating Revenue				
	FY 2019 Actual	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Proposed Budget
Investment Income	\$ 597,793	\$ 400,000	\$ 325,000	\$ 100,000
Misc. Revenues	228,499	52,000	52,000	-
Sales Tax Revenue	28,735,383	29,019,184	21,464,452	26,624,124
Federal Operating Grants	6,664,660	5,253,753	12,400,872	16,506,873
Federal Capital Grants	2,481,580	4,973,021	3,349,777	6,094,359
State Capital Grants	1,706,197	780,389	438,548	-
<b>Total Non-Operating Revenue</b>	<b>\$ 40,414,112</b>	<b>\$ 40,478,347</b>	<b>\$ 38,030,649</b>	<b>\$ 49,325,356</b>

# FY2021 PROPOSED BUDGET

## NON-OPERATING REVENUE: SALES TAX

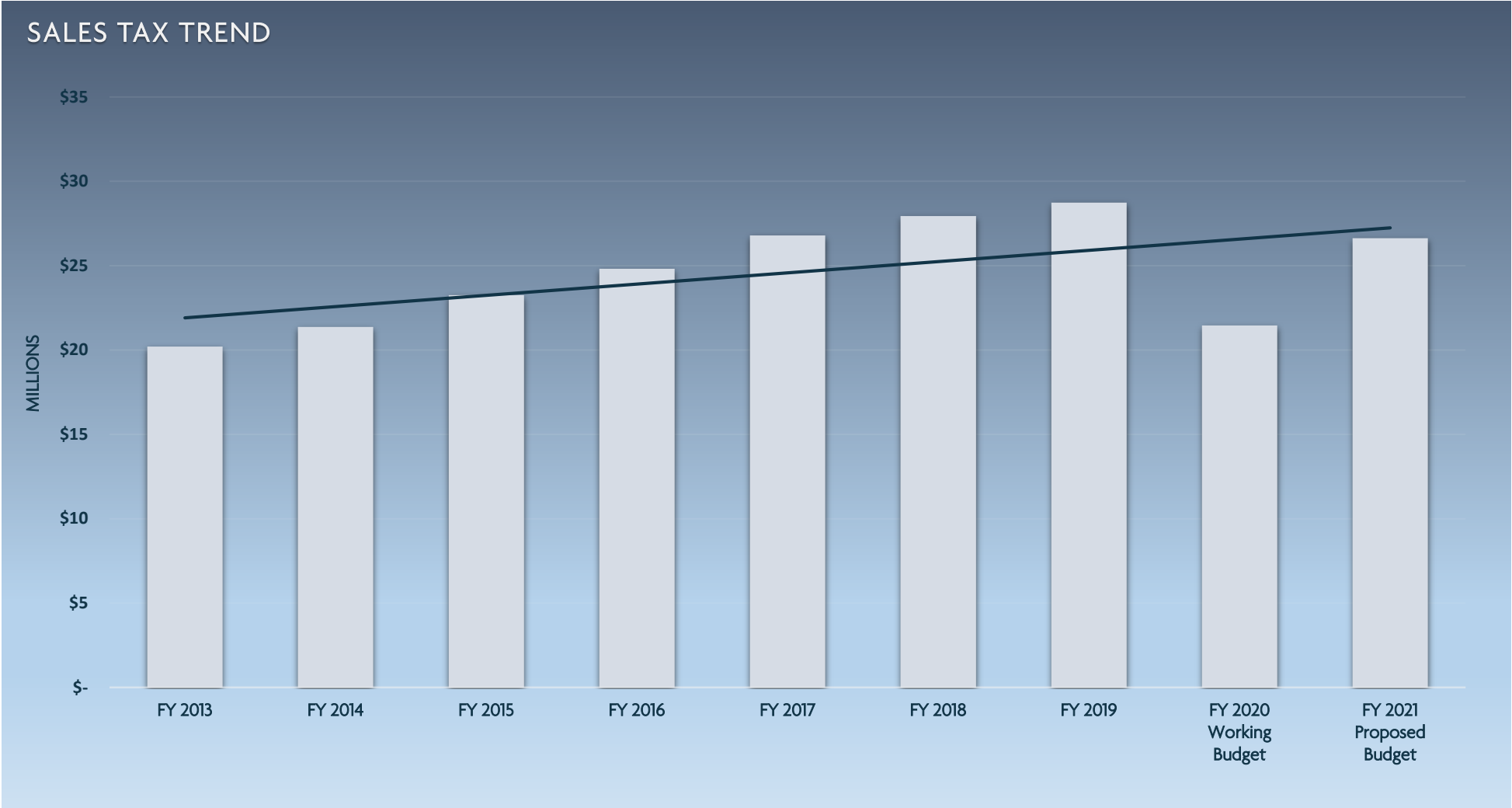
- Sales tax projections based on FY2020 Original Budget with a 25% reduction in Q1
- Reduction of additional \$500k to anticipate potential impacts of the Comptroller’s proposed rule changes regarding internet sales orders



Sales Generated in Month of:	Received in Month of:	FY2020 Original Budget	FY2020 Working Budget	FY2021 Proposed Budget
October	December	\$ 2,353,270	\$ 2,329,419	\$ 1,723,286
November	January	2,338,596	2,188,220	1,712,280
December	February	2,888,362	3,191,714	2,124,605
January	March	2,111,018	2,268,362	2,069,351
February	April	2,064,564	2,114,448	2,022,897
March	May	2,525,343	2,503,274	2,483,676
April	June	2,534,129	1,183,731	2,492,462
May	July	2,234,810	1,034,072	2,193,143
June	August	2,627,865	1,230,599	2,586,198
July	September	2,225,018	1,029,176	2,183,351
August	October	2,441,366	1,137,350	2,399,699
September	November	2,674,843	1,254,087	2,633,176
<b>Total Sales Tax Revenue</b>		<b>\$ 29,019,184</b>	<b>\$ 21,464,452</b>	<b>\$ 26,624,124</b>

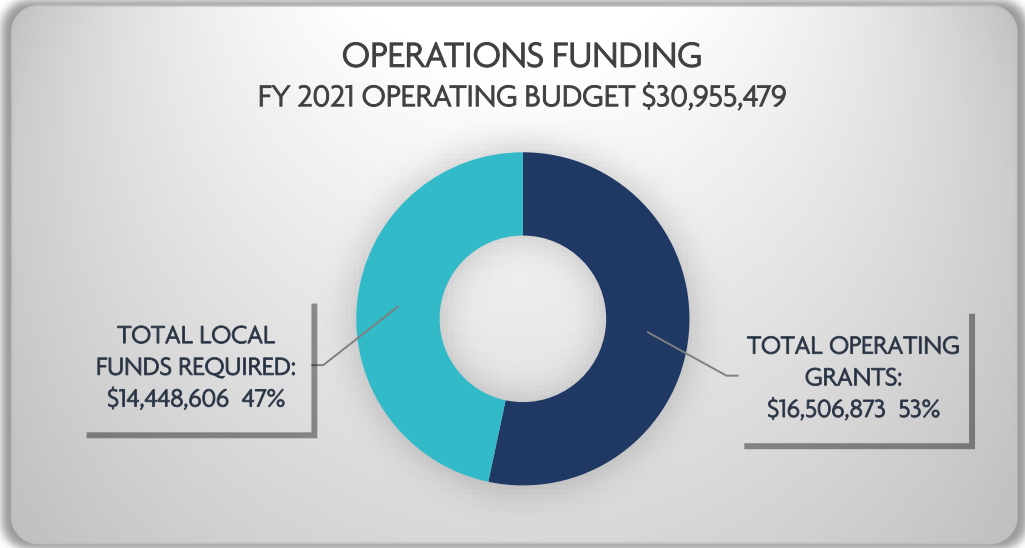
# FY2021 PROPOSED BUDGET

## NON-OPERATING REVENUE: SALES TAX



# NON-OPERATING REVENUE: FEDERAL GRANTS - OPERATING

OPERATING EXPENSES & ASSOCIATED GRANTS	FY 2021 OPERATING EXPENSE	FEDERAL REIMBURSEMENT PERCENTAGE	TOTAL FY 2021 OPERATING GRANTS
TRAIN THE TRAINER - NEW FREEDOM GRANT	\$ 125,540	100%	\$ 125,540
<u>BUS PREVENTIVE MAINTENANCE</u>			
FY18 5307 Funds (TX-2019-071-00)	\$ 332,011	80%	\$ 265,609
FY19 5307 Funds	\$ 900,474	100%	\$ 900,474
ADA OPERATING ASSISTANCE - FY19 5307 Funds	\$ 300,000	100%	\$ 300,000
VANPOOL - FY18 Sec 5307 STP Flex Funds	\$ 320,854	100%	\$ 320,854
SURVEILLANCE/SECURITY EQUIPMENT - FY19 5307 Funds	\$ 80,391	80%	\$ 64,313
FIXED GUIDEWAY - FY19 5337 Funds	\$ 2,299,479	100%	\$ 2,299,479
CARES OPERATING ASSISTANCE - BUS	\$ 5,056,280	100%	\$ 5,056,280
CARES OPERATING ASSISTANCE - RAIL	\$ 7,174,324	100%	\$ 7,174,324
<b>TOTAL OPERATING EXPENSES &amp; ASSOCIATED GRANTS</b>	<b>\$ 16,589,353</b>		<b>\$ 16,506,873</b>



# NON-OPERATING REVENUE: FEDERAL GRANTS - OPERATING

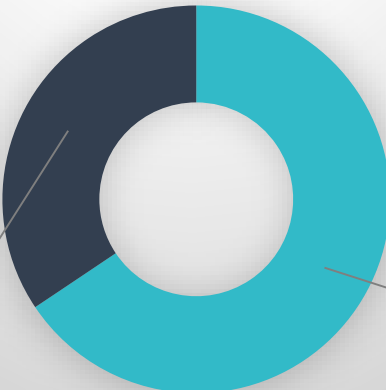
## FEDERAL GRANTS

- **CARES ACT FUNDING**
  - DCTA is the designated recipient for the Denton-Lewisville UZA, which received an apportionment of \$23,461,867 in CARES Act funds.
  - Reimbursement will be at 100% federal share, with no local match.
  - Operating assistance caps and ADA assistance caps have been waived.
  - Expenses eligible for reimbursement:
    - Operating assistance
    - Preventive maintenance
  - Of the \$23.5M in funding, FY21 proposed budget includes \$12.2M to be requested in FY21:
    - Programming of \$5.06M for bus operating assistance
    - Programming of \$7.17M for rail operating assistance

# FY2021 PROPOSED BUDGET

## NON-OPERATING REVENUE: FEDERAL GRANTS - CAPITAL

**CAPITAL PROJECT FUNDING**  
 FY 2021 CAPITAL BUDGET \$9,289,076



TOTAL LOCAL FUNDS REQUIRED:  
 \$3,194,717 34%

TOTAL CAPITAL GRANTS:  
 \$6,094,359 66%

CAPITAL PROJECTS & ASSOCIATED GRANTS	FY 2021 CAPITAL PROJECTS	FEDERAL REIMBURSEMENT PERCENTAGE	TOTAL FY 2021 CAPITAL GRANTS
POSITIVE TRAIN CONTROL ENHANCEMENTS (PHASE 2 - CRISI GRANT)	\$ 3,000,000	80%	\$ 2,400,000
POSITIVE TRAIN CONTROL IMPLEMENTATION (TX-95-X079)	\$ 887,931	80%	\$ 710,345
<u>FLEET (2021) - REVENUE VEHICLES (\$2,810,400)</u>			
FY16 5307 & 5339 Funds (TX-2017-011-00)	\$ 692,608	85%	\$ 588,717
FY17 5307 Funds (TX-2019-073-00)	\$ 1,090,785	100%	\$ 1,090,785
FY18 5339 Funds	\$ 673,007	85%	\$ 572,056
FY19 5339 Funds	\$ 354,000	100%	\$ 354,000
<u>FLEET (2021) - NON-REVENUE VEHICLES (\$132,300)</u>			
FY17 5339 Funds	\$ 19,221	80%	\$ 15,377
FY17 5339 Funds Including TDCs	\$ 51,145	100%	\$ 51,145
FY19 5339 Funds	\$ 61,934	100%	\$ 61,934
INTEGRATED FARE PAYMENT - FY17 5339 Funds	\$ 300,000	100%	\$ (A) 250,000
<b>TOTAL CAPITAL PROJECTS &amp; ASSOCIATED GRANTS</b>	<b>\$ 7,130,631</b>		<b>\$ 6,094,359</b>

(A) 100% match; no local funds required for first \$250k of project (total grant funds \$250k)

# BUILDING THE GENERAL & ADMINISTRATIVE BUDGET



# BUILDING THE GENERAL & ADMINISTRATIVE BUDGET

## OPERATING EXPENSES – GENERAL & ADMINISTRATIVE (\$6.3 MILLION)

Description	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Proposed Budget	\$ Increase / (Decrease)
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>				
Salary, Wages & Benefits	3,791,927	3,718,249	3,531,672	(186,577)
Outsourced Services & Charges	1,967,560	2,466,114	2,218,615	(247,499)
Materials & Supplies	113,600	108,600	70,050	(38,550)
Utilities	36,800	24,800	23,600	(1,200)
Insurance, Casualties & Losses	13,320	13,320	13,788	468
Purchased Transportation Services	-	-	-	-
Employee Development	272,165	206,058	212,004	5,946
Leases & Rentals	125,500	125,500	131,400	5,900
Depreciation	99,536	99,536	70,000	(29,536)
<b>Total G&amp;A Operating Expenses</b>	<b>6,420,408</b>	<b>6,762,177</b>	<b>6,271,129</b>	<b>(491,048)</b>

### WAGES & BENEFITS

- Decrease of \$187k due to reduction of 8.5 FTEs in May 2020 (Annualized savings \$824k)
- No merit increases included
- Assumes a 9% increase for benefit premiums

### OUTSOURCED SERVICES & CHARGES

- Decrease of \$247k
- \*Expanded Level Project Request\* - Long-Range Service Plan \$400k
- \*Expanded Level Project Request\* - Public Meeting Software \$47k (Board Governance)
- FY20 Includes \$667k for Transformation Initiative (Approved June 25, 2020)

### MATERIALS & SUPPLIES

- Decrease of \$39k
- Reduction of promotional supplies \$18k due to suspended events
- Overall reduction of office supplies & computer replacement needs



# FY2021 PROPOSED BUDGET STAFFING LEVEL REVIEW

## POSITION ELIMINATIONS

- Reduction in force effective May 1, 2020
- Eliminated 8.5 FTEs of 44 FTEs budgeted
  - *Community Relations Coordinator*
  - *(2) Marketing Interns (Totals 1 FTE)*
  - *VP of Operations*
  - *Manager of Mobility Services*
  - *Operations Analyst*
  - *Project Management Specialist \**
  - *Service Planner \**
  - *Bus Operations Intern (0.5 FTE) \**
  - *AVP of Rail Operations \**

\* Vacant positions



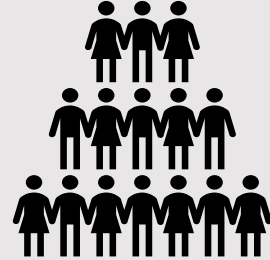
in DCTA Staff FTEs  
\* Does not include NTMC operations



in DCTA Salaries & Benefits

## FY21 BUDGET IMPACT

- Reduction of \$824k in FY21 expenses
- Ceasing all merit increases for FY21



# FY2021 PROPOSED BUDGET STAFFING LEVEL REVIEW

DIVISION SUMMARY				
	FY 2019	FY 2020 Working Budget	FY 2021 Proposed Budget	Variance
<b>GENERAL &amp; ADMINISTRATIVE DIVISION</b>				
President/CEO Department	1.00	1.00	1.00	-
Administration Department	-	2.00	2.00	-
Finance Department	10.00	11.00	11.00	-
Strategic Planning & Development Department	6.00	5.00	4.00	(1.00) (A)
Marketing & Communications Department	9.00	5.00	4.00	(1.00) (B)
Transit Management Department	11.50	-	3.00	3.00 (A), (B), (C)
Human Resources Department	1.00	1.50	1.50	-
Information Technology Department	-	3.00	3.00	-
<b>BUS OPERATIONS DIVISION</b>				
Bus Operations Management Department	-	4.00	4.00	-
<b>RAIL OPERATIONS DIVISION</b>				
Rail Development Department	4.00	3.00	2.00	(1.00) (C)
<b>TOTAL DCTA FTE STAFF</b>	<b>42.50</b>	<b>35.50</b>	<b>35.50</b>	<b>-</b>
		(D)		
<b>THIRD PARTY CONTRACT OPERATIONS</b>				
Contracted Bus Services (NTMC)*	139.50	137.00	112.00	(25.00) (E)
Contracted Rail Services (First Transit + Subcontractor)	52.00	45.00	45.00	-
<b>TOTAL THIRD PARTY CONTRACT OPERATIONS</b>	<b>191.50</b>	<b>182.00</b>	<b>157.00</b>	<b>(25.00)</b>
		(F)		

\*Contracted Bus Services FTE methodology is based on operator hours.

- (A) One FTE moved from Strategic Planning & Development department to Transit Management department
- (B) One FTE moved from Marketing & Communications department to Transit Management department
- (C) One FTE moved from Rail Development department to Transit Management department
- (D) FY2020 Changes: Addition of HR Assistant (0.5 FTE); Transfer of Procurement Specialist from NTMC budget; Elimination of 8.5 FTEs: Community Relations Coordinator, Two Marketing Interns (1 FTE), VP of Operations, Manager of Mobility Services, Operations Analyst, Project Management Specialist, Service Planner, Bus Operations Intern (0.5 FTE), AVP of Rail Operations
- (E) Reduction of Bus Operators (25 FTEs) due to 51k decreased service hours as a result of service reductions implemented during COVID-19
- (F) FY2020 Changes:
  - Bus: Addition of Recruiter/HR Generalist; Conversion of part-time Operations Specialist to full-time position (net +0.5 FTE); Reduction of Bus Operators (3 FTEs) due to a reduction in service hours due to service changes made in March and May; Reduction of General Manager position (moving to a contracted position)
  - Rail: Reduction of 7 FTEs as a result of service reductions due to COVID-19 pandemic

# BUILDING THE BUS OPERATIONS BUDGET



# BUILDING THE BUS OPERATIONS BUDGET

## DEPARTMENTAL CODES – DCTA BUS DEPARTMENTS

### ADMINISTRATIVE/SUPPORT

- 500 – Bus Service Administration
- 505 – DCTA Bus Operations Management
- 570 – Customer Service
- 580 – Supervisors & Dispatch
- 590 – Maintenance

### FIXED ROUTE

- 511 – Denton Fixed Route
- 512 – Highland Village Fixed Route
- 513 – Lewisville Fixed Route
- 540 – North Texas Xpress

### DEMAND RESPONSE

- 531 – Denton Demand Response
- 532 – Highland Village Demand Response
- 533 – Lewisville Demand Response

### CONTRACT SERVICES

- 200 – University of North Texas (UNT)
- 210 – North Central Texas College (NCTC)
- 220 – Frisco
- 230 – Collin County Transit (CCT)
- 240 – Mobility as a Service (MaaS)

# BUILDING THE BUS OPERATIONS BUDGET

## DEPARTMENTAL CODES – NTMC BUS DEPARTMENTS

### ADMINISTRATIVE/SUPPORT

- 700 – NTMC Administration
- 770 – NTMC Customer Service
- 780 – NTMC Supervisors & Dispatch
- 790 – NTMC Maintenance

### FIXED ROUTE

- 711 – NTMC Denton Fixed Route
- 712 – NTMC Highland Village Fixed Route
- 713 – NTMC Lewisville Fixed Route
- 740 – NTMC North Texas Xpress

### DEMAND RESPONSE

- 731 – NTMC Denton Demand Response
- 732 – NTMC Highland Village Demand Response
- 733 – NTMC Lewisville Demand Response

### CONTRACT SERVICES

- 701 – NTMC UNT
- 702 – NTMC NCTC
- 703 – NTMC Frisco
- 704 – NTMC CCT

# BUILDING THE BUS OPERATIONS BUDGET

## GLOSSARY OF TERMS – SERVICE TYPES



### FIXED ROUTE SERVICE

- Services provided on a repetitive, fixed schedule along a specific route with vehicles stopping to pick up & deliver passengers to specific locations; each fixed route trip serves the same origins & destinations.

### DEMAND RESPONSE SERVICE

- A transit mode comprised of passenger cars, vans or small buses operating in response to calls from passengers or their agents to the transit operator, who then dispatches a vehicle to pick up the passengers & transport them to their destinations.

### DIRECTLY OPERATED (DO)

- Transportation service provided directly by a transit agency, using their employees to supply the necessary labor to operate the revenue vehicles. This includes instances where an agency's employees provide purchased transportation (PT) services to the agency through a contractual agreement.

### PURCHASED TRANSPORTATION (PT)

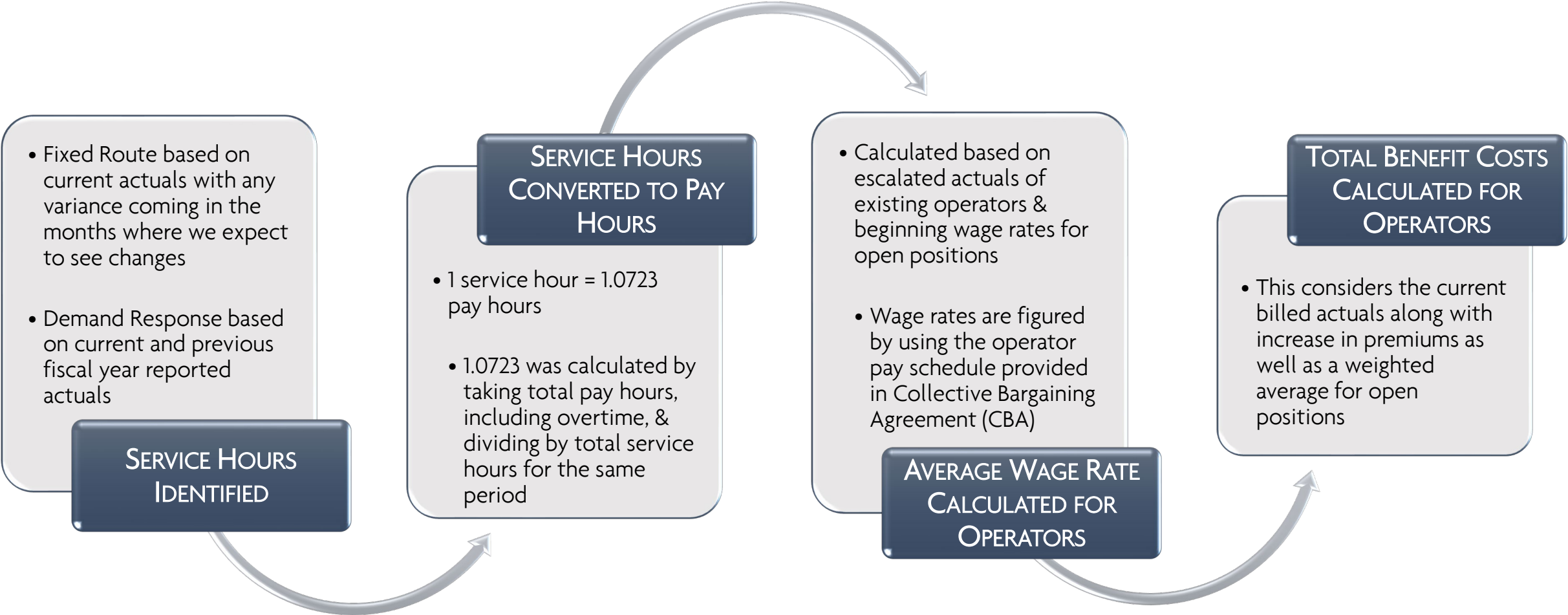
- Transportation service provided to a public transit agency or governmental unit from a public or private transportation provider based on a written contract. The provider is obligated in advance to operate public transportation services for a public transit agency or governmental unit for a specific monetary consideration, using its own employees to operate revenue vehicles.

# BUILDING THE BUS OPERATIONS BUDGET

## GLOSSARY OF TERMS – METRICS



# BUILDING THE BUS OPERATIONS BUDGET – DIRECTLY OPERATED SERVICE OPERATOR WAGES & BENEFITS





# BUILDING THE BUS OPERATIONS BUDGET – DIRECTLY OPERATED SERVICE OPERATOR WAGES & BENEFITS

SALARY & WAGES  
(REGULAR)

$$\text{PAY HOURS} * \text{AVERAGE WAGE RATE}$$

SALARY & WAGES  
(OVERTIME)

$$\text{SALARY \& WAGES (REGULAR)} * 10\%$$

PAID TIME OFF

$$(\text{SERVICE HOURS} * 8.92\%) * \text{AVERAGE WAGE RATE}$$

BENEFITS

ALLOCATE TOTAL COST OF BENEFITS BASED ON SERVICE HOURS



# BUILDING THE BUS OPERATIONS BUDGET – DIRECTLY OPERATED SERVICE

## SERVICE MILES & FUEL

LARGE BUS (DIESEL)		SMALL BUS (GASOLINE)	
SERVICE - ROUTE	SERVICE MILES	SERVICE - ROUTE	SERVICE MILES
Denton Connect Route 1	57,456	Denton Connect Route 4	214,707
Denton Connect Route 2	49,244	Lewisville Connect Route 21	196,472
Denton Connect Route 3	42,561	Lewisville Connect Route 22	165,502
Denton Connect Route 6	37,716	NCTC Campus Shuttle North & South	0
Denton Connect Route 7	87,083	Denton Demand Response	106,918
Monsignor King Service	3,942	Lewisville Demand Response	76,305
UNT Campus Shuttle Mean Green	21,133	Highland Village Demand Response	12,787
UNT Campus Shuttle North Texan	22,820	Frisco Demand Response	76,559
UNT Campus Shuttle Eagle Point	19,057	Collin County Demand Response	33,244
UNT Campus Shuttle Discovery Park	85,682		
UNT Campus Shuttle Centre Place	65,155		
UNT Campus Shuttle Bernard Street	42,966		
UNT Campus Shuttle Colorado Express	38,156		
UNT Campus Shuttle Mean Green Night Rider	28,811		
<b>Total Large Bus Service Miles</b>	<b>601,782</b>	<b>Total Small Bus Service Miles</b>	<b>882,494</b>

FUEL = (SERVICE MILES / MPG) \* \$2.75

**331,665**

(SERVICE + SUPPORT VEHICLE GALLONS)

TOTAL BUS OPERATIONS FUEL BUDGET

**\$915,982**

	GALLONS	BUDGET
BUS SERVICES (DIESEL)	169,538	\$ 466,230
BUS SERVICES (GASOLINE)	138,678	381,365
NTX SERVICE	15,594	46,787
	<u>323,810</u>	<u>894,382</u>
SUPPORT VEHICLES	7,855	21,600
	<u>331,665</u>	<u>\$ 915,982</u>

# BUILDING THE BUS OPERATIONS BUDGET – DIRECTLY OPERATED SERVICE

## SERVICE HOURS

SERVICE NAME	SERVICE HOURS
Denton Fixed Route	40,028
Monsignor King Service	1,232
Lewisville Fixed Route	26,535
Denton Demand Response	8,967
Highland Village Demand Response	999
Lewisville Demand Response	8,845
University of North Texas	32,391
North Central Texas College	0
Frisco Demand Response	3,950
Collin County Transit Demand Response	1,854
North Texas Xpress	4,011
<b>Total</b>	<b>128,812</b>

### CONNECT SERVICE (FIXED ROUTE)

- DENTON CONNECT
  - ROUTES 1, 2, 3 & 6: 50-60 MINUTE FREQUENCY
  - ROUTES 4 & 7: 30 MINUTE FREQUENCY
- LEWISVILLE CONNECT
  - ROUTE 21: 35 MINUTE FREQUENCY
  - ROUTE 22: 30 MINUTE FREQUENCY

### ACCESS SERVICE (DEMAND RESPONSE)

- DOWN 20% COMPARED TO FY2019 ACTUALS
- ASSUMES ONGOING IMPACT OF COVID-19

# BUILDING THE BUS OPERATIONS BUDGET – CONTRACT SERVICE

## UNT CONTRACT DETAILS

TYPE OF SERVICE	RATE	BILLING METRIC		TOTAL REVENUE
BASE SERVICE	\$ 63.32	BASE SERVICE HOURS	32,391	\$ 2,051,130
LYFT SERVICE	PASS-THROUGH COST			72,000
FUEL EXPENSE	PASS-THROUGH COST			255,991
ACCESS TO CONNECT SERVICE	FLAT RATE			49,000
			TOTAL CONTRACT VALUE	\$ 2,428,121

- Contract has been in place since 2005; current contract Sept 2018 – Aug 2028
- UNT transferred vehicles to DCTA upon execution of contract in Sept 2018
  - Contracted hourly rate includes funding for replacement of vehicles

# BUILDING THE BUS OPERATIONS BUDGET – CONTRACT SERVICE

## FRISCO CONTRACT DETAILS

TYPE OF SERVICE	BILLING METRIC	TOTAL REVENUE
DIRECTLY OPERATED SERVICE		\$ 132,301
FUEL EXPENSE	PASS-THROUGH COST	33,084
TAXI SERVICE	PASS-THROUGH COST	90,448
LYFT EXPENSE	PASS-THROUGH COST	15,000
ADMINISTRATIVE FEE	20% OF ABOVE COSTS	54,166
	PASSENGER FARES RETAINED BY DCTA	(6,745)
	TOTAL CONTRACT VALUE	\$ 318,254

TAXI SERVICE:  
Takes recent trends in trips taken and overall spend to project service levels and ridership

LYFT SERVICE:  
Based on Lyft task order amount

- Contract has been in place since 2015
- Total budget is based on task order amount and broken out between directly operated and purchased transportation services
- Budgeted based on current contract terms; subject to revision upon final negotiation

# BUILDING THE BUS OPERATIONS BUDGET – CONTRACT SERVICE

## COLLIN COUNTY TRANSIT (CCT) CONTRACT DETAILS

TYPE OF SERVICE	RATE	BILLING METRIC	TOTAL REVENUE
BASE SERVICE	\$ 50.39	BASE SERVICE HOURS	2,820 \$ 142,081
FUEL EXPENSE	PASS-THROUGH COST		14,366
TAXI EXPENSE	PASS-THROUGH COST + 15% ADMIN FEE TO TAXI OPERATOR		184,243
ADMINISTRATIVE FEE	5% OF TAXI SERVICE		9,312
		PASSENGER FARES RETAINED BY DCTA	(4,349)
		TOTAL CONTRACT VALUE	\$ 345,653

- Contract has been in place since 2017
- Total budget is based on task order amount and broken out between directly operated and purchased transportation services
- Taxi Service - takes recent trends in trips taken and overall spend to project service levels and ridership
- Budgeted based on current contract terms; subject to revision upon final negotiation

# BUILDING THE BUS OPERATIONS BUDGET

## OPERATING EXPENSES – BUS (\$14.2 MILLION)

Description	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Proposed Budget	\$ Increase / (Decrease)
<b>BUS OPERATIONS EXPENSES</b>				
Salary, Wages & Benefits	9,151,712	8,043,248	7,701,610	(341,638)
Outsourced Services & Charges	1,245,024	1,804,966	1,655,941	(149,025)
Materials & Supplies	2,217,559	1,788,137	1,752,733	(35,404)
Utilities	175,620	175,620	219,898	44,278
Insurance, Casualties & Losses	470,941	470,941	455,412	(15,529)
Purchased Transportation Services	632,161	633,161	854,746	221,585
Employee Development	188,620	158,055	78,935	(79,120)
Leases & Rentals	101,733	101,733	104,668	2,935
Depreciation	1,654,533	1,654,533	1,382,069	(272,464)
<b>Total Bus Operations Expenses</b>	<b>15,837,903</b>	<b>14,830,394</b>	<b>14,206,012</b>	<b>(624,382)</b>

**WAGES & BENEFITS**

- Decrease of \$342k due to reduction of 25 bus operator FTEs
  - FY2020: 91 Bus Operator FTEs
  - FY2021: 66 Bus Operator FTEs
- Average Rate for Operators \$18.81 (Outlined by CBA)
- Assumes a 15% increase for benefit premiums
- Assumes additional \$169k related to COVID-19

**OUTSOURCED SERVICES & CHARGES**

- Reduction of \$149k
- One-time transfer of \$321k from capital to operating in FY2020
- Additional FY21 COVID-19 related expense of \$234k

**MATERIALS & SUPPLIES**

- Decrease of \$35k
- Fuel - \$38k increase
- Parts, Tires & Fluids - \$157k reduction
- Assumes \$95k in COVID-19 related expense

**PURCHASED TRANSPORTATION SERVICES**

- Increase of \$222k
- Frisco & CCT increased taxi/Lyft services \$70k
- Increased Vanpool service \$147k (100% grant funded)

**EMPLOYEE DEVELOPMENT**

- Decrease of \$79k
- Overall reduction in registrations, travel & training agency-wide
- Assumes \$2k in COVID-19 related expense

# BUILDING THE BUS OPERATIONS BUDGET

## PURCHASED TRANSPORTATION

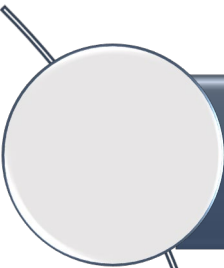
	ENTERPRISE HOLDINGS (VANPOOL)	IRVING HOLDINGS (TAXI)	LYFT	TOTAL PURCHASED TRANSPORTATION
UNT	\$ -	\$ -	\$ 72,000	\$ 72,000
FRISCO	-	90,448	15,000	105,448
CCT	-	184,243	-	184,243
COPPELL	-	-	72,000	72,000
HIGHLAND VILLAGE	-	-	24,000	24,000
LEWISVILLE (TO FLOWER MOUND)	-	-	1,200	1,200
ALLIANCE ZIP ZONE (BILLED TO TRINITY METRO + ADMIN FEE)	-	-	75,000	75,000
VANPOOL (GRANT FUNDED; 100% FEDERAL)	320,855	-	-	320,855
				\$ 854,746



# BUILDING THE RAIL OPERATIONS BUDGET

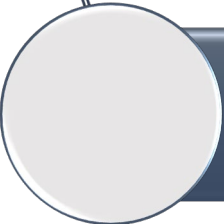


## GLOSSARY OF TERMS



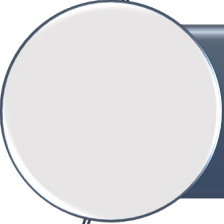
### TRAIN CREW HOURS

- Sum of all hours that railcars operate including scheduled hours, special trains, test trains, and maintenance yard movements. Contractor's employees are paid from this funding line.



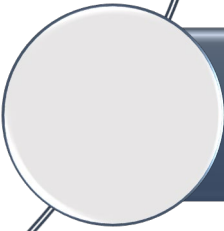
### CAR MILES

- Sum of all miles that railcars operate including scheduled miles, special trains, test trains, and maintenance yard movements, multiplied by the number of cars in the train consist. Consists may be comprised of 1 or 2 car train sets.



### MAINTENANCE OF WAY

- Including but not limited to drainage, pedestrian crosswalks, grading, signage, access roads, catch-basins, slopes, power feeds, and related Right-of-Way elements. The contractor is responsible for 25 feet in each direction from the nearest running rail.



### TRINITY MILLS PLATFORM & RESTROOM MAINTENANCE

- Trinity Mills Station is a shared station of DART light rail and DCTA rail service with separate platforms for the two services. DART provides maintenance for these facilities according to contract terms.

# BUILDING THE RAIL OPERATIONS BUDGET

## OPERATING EXPENSES— RAIL (\$22.1 MILLION)

Description	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Proposed Budget	\$ Increase / (Decrease)
<b>RAIL OPERATIONS EXPENSES</b>				
Salary, Wages & Benefits	513,376	429,619	288,429	(141,190)
Outsourced Services & Charges	276,112	463,026	479,026	16,000
Materials & Supplies	976,500	657,724	837,500	179,776
Utilities	315,568	290,568	265,768	(24,800)
Insurance, Casualties & Losses	1,400,704	1,400,704	1,338,961	(61,743)
Purchased Transportation Services	10,068,545	9,638,473	9,831,850	193,377
Employee Development	19,652	7,522	9,300	1,778
Leases & Rentals	2,400	2,400	2,400	-
Depreciation	8,857,983	8,857,983	9,037,306	179,323
<b>Total Rail Operations Expenses</b>	<b>22,430,840</b>	<b>21,748,019</b>	<b>22,090,540</b>	<b>342,521</b>

WAGES & BENEFITS

- Decrease of \$141k due to elimination of AVP Rail Operations position in May 2020 and transfer of Project Controls Coordinator position to Transit Management Department
- Assumes a 9% increase for benefit premiums

MATERIALS & SUPPLIES

- Increase of \$180k
- FY2020 fuel budget has been reduced due to transfer of fuel savings
- FY2021 budget includes 300k gallons @ \$2.75/gallon + \$12k for support vehicle fuel

PURCHASED TRANSPORTATION SERVICES

- Increase of \$193k
- Reduction in Train Crew Hours
  - FY2020 Revised – 13,600; FY2021 Proposed – 10,200
- PTC Operating included at \$200k

# BUILDING THE RAIL OPERATIONS BUDGET

## RAIL OPERATIONS & MAINTENANCE AGREEMENT

CONTRACT DETAIL	UNITS	FY 2021 RATE	FY 2021	FY 2020	
TRAIN CREW HOURS	10,200	\$171.80	\$1,752,360	\$2,092,616	FIRST TRANSIT
CAR MILES	403,872	\$4.48	\$1,809,348	\$1,771,713	
MANAGEMENT / ADMINISTRATION	12 MONTHS	\$153,419	\$1,841,030	\$1,745,190	
DISPATCH OPERATIONS	12 MONTHS	\$49,271	\$591,248	\$570,682	
FACILITY MAINTENANCE	12 MONTHS	\$246,912	\$2,962,942	\$2,847,060	
VEHICLE MAINTENANCE	ANNUAL ALLOWANCE		\$200,000	\$200,000	
MAINTENANCE OF WAY	ANNUAL ALLOWANCE		\$260,000	\$260,000	
ASSET MANAGEMENT / TECHNOLOGY	12 MONTHS	\$7,049	\$84,592	\$83,182	
MISC. CREW COSTS	90 HOURS	\$83.72	\$7,535	\$7,328	
TICKET VENDING MACHINE MAINTENANCE & REVENUE COLLECTION			\$40,334	\$38,413	DART ILA
TRINITY MILLS PLATFORM MAINTENANCE	12 MONTHS	\$1,380	\$16,560	\$16,560	
TRINITY MILLS RESTROOM MAINTENANCE			\$5,901	\$5,729	
		TOTAL	\$9,571,850	\$9,638,473	

- Purchased Transportation budget also includes \$200k for PTC operating costs and \$60k for enhanced COVID-19 cleaning not included in the above schedule

# BUILDING THE RAIL OPERATIONS BUDGET

## OPERATING EXPENSES

### KEY BUDGET COMPONENTS:

---

## FUEL

BUDGETED @ \$2.75/GALLON

# 304,364

(STADLER & SUPPORT VEHICLE GALLONS)

TOTAL RAIL OPERATIONS FUEL BUDGET

# \$837,000

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### OUTSOURCED SERVICES & CHARGES

- DENTON COUNTY SHERIFF DEPT INTERLOCAL AGREEMENT - \$106K
- LANDSCAPE CONTRACT - \$119K
  - RAIL STATIONS, DDTC & BUS O&M FACILITY

### INSURANCE

- GENERAL LIABILITY - \$795K
- PROPERTY DAMAGE - \$91K
- VEHICLE INSURANCE - \$451K

### PURCHASED TRANSPORTATION

- RAIL OPERATIONS & MAINTENANCE AGREEMENT - \$9.6M
- PTC OPERATING EXPENSE - \$200K
- ENHANCED COVID-19 CLEANING - \$60K

# FY2021 PROPOSED BUDGET

## NON-OPERATING EXPENSE

- 2009 SALES TAX REVENUE REFUNDING BONDS:
  - \$20,890,000 TOTAL; \$12,755,000 OUTSTANDING AT 9/30/20
  - REFUNDED 2008 ISSUANCE (5-YEAR TERM)
  - INTEREST RATE 3.99%
  - DEBT SERVICE THROUGH 2029
  - PROCEEDS USED FOR A-TRAIN REGIONAL PASSENGER RAIL PROJECT
  
- 2011 CONTRACTUAL OBLIGATIONS:
  - \$14,390,000 TOTAL; \$10,605,000 OUTSTANDING AT 9/30/20
  - INTEREST RATE 3.13%
  - DEBT SERVICE THROUGH 2031
  - PROCEEDS USED FOR PURCHASE OF RAIL VEHICLES AND FIRST PHASE OF PTC

	PRINCIPAL PAYMENT	INTEREST EXPENSE	FY2021 DEBT SERVICE
2009 ISSUANCE	\$ 1,205,000	\$ 509,040	\$ 1,714,040
2011 ISSUANCE	750,000	332,040	1,082,040
	\$ 1,955,000	\$ 841,080	\$ 2,796,080

# FY2021 PROPOSED BUDGET

## DCTA TRANSFER OUT TO NTMC BUDGET

NTMC FY2021 PROPOSED BUDGET	
SALARY, WAGES & BENEFITS	\$ 7,328,500
OUTSOURCED SERVICES & CHARGES	397,623
MATERIALS & SUPPLIES	7,620
INSURANCE	120,264
EMPLOYEE DEVELOPMENT	54,435
TOTAL OPERATING EXPENSES	\$ 7,908,442
TRANSFER IN FROM DCTA	\$ 7,908,442
CHANGE IN NET POSITION	\$ -

# PROPOSED MAJOR PROGRAMS

## EXPANDED LEVEL PROJECTS - OPERATING





# PROPOSED MAJOR PROGRAMS

## EXPANDED LEVEL PROJECTS – OPERATING

### LEGISTAR PUBLIC MEETING SOFTWARE SOLUTION (BOARD GOVERNANCE)

- Project total for FY21 - \$46,985
- On-going annual operating costs of \$26k

### AGENCY LONG-RANGE SERVICE PLAN

- Project total - \$400k

# CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN



# CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN

## PROPOSED MAJOR PROGRAMS

BUS FLEET  
REPLACEMENT  
\$1,880,100

- REPLACEMENT OF 15 SMALL VEHICLES + 3 NON-REVENUE VEHICLES
- WOULD COMBINE EXISTING FLEET REPLACEMENT PROJECT + \$339K
  - FLEET 2019 - \$1,481,000 (ROLLOVER)
- MULTIPLE GRANT FUNDING SOURCES (85% & 100% FEDERAL)
- \$10K INCLUDED IN FY2020 BUDGET

INTEGRATED FARE  
PAYMENT  
\$300K

- TOTAL PROJECT BUDGET \$600K
- EXISTING PROJECT (ROLLOVER)
- PROJECT SPEND ANTICIPATED FOR FY21 – FY22
- GRANT FUNDS AVAILABLE \$250K

TRANSPORTATION  
REINVESTMENT  
PROGRAM (TRIP)  
\$5,186,667

- \$2M FROM CAPITAL INFRASTRUCTURE FUND
- 15% OF PREVIOUS YEAR'S NET AVAILABLE FUND BALANCE
- AMOUNT WILL BE ADJUSTED AFTER FY20 BUDGET REVISIONS ARE BROUGHT TO THE BOARD IN SEPTEMBER

# CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN

## PROPOSED MAJOR PROGRAMS

- ROAD CROSSING REFURBISHMENTS \$417,570
- RAIL OPERATIONS & MAINTENANCE FACILITY SCHEDULED MAINTENANCE \$38,670
- CANOPY REPAIRS \$486,127
- STADLER VEHICLE OEM REPLACEMENT \$1,182,326

MAJOR  
MAINTENANCE  
RAIL  
\$2,124,693

- PTC IMPLEMENTATION \$887,931 (ROLLOVER)
  - 80% GRANT FUNDED
- PTC ENHANCEMENTS \$3M
  - TOTAL PROJECT COST \$5M (FY20 – FY22)
  - 80% GRANT FUNDED BY CRISI GRANT (\$4M)

POSITIVE TRAIN  
CONTROL  
\$3,887,931

- EXISTING PROJECT (ROLLOVER)

BROWNFIELD  
REMEDICATION  
\$43,752

# LONG RANGE FINANCIAL PLAN



# FY2021 PROPOSED BUDGET LONG RANGE FINANCIAL PLAN

## RESERVE FUND POLICIES

FUND BALANCE RESERVE

- EQUAL TO 3 MONTHS OPERATING EXPENSE

SALES TAX STABILIZATION FUND

- EQUAL TO 3% OF BUDGETED SALES TAX

FUEL STABILIZATION FUND

- EQUAL TO \$0.50/GALLON OF BUDGETED FUEL

CAPITAL REPLACEMENT/INFRASTRUCTURE MAINTENANCE FUND

- PROVIDES FUNDING FOR MAINTENANCE OF CAPITAL ASSETS AT SUFFICIENT LEVEL TO PROTECT DCTA'S INVESTMENT & MAINTAIN APPROPRIATE SERVICE LEVELS

## FINANCIAL POLICIES

MAINTAIN INTERNAL DEBT SERVICE COVERAGE RATIO OF 1.25X

All financial policies are reviewed and approved by the Board annually in September/October.

# FY2021 PROPOSED BUDGET LONG RANGE FINANCIAL PLAN

## ESCALATION ASSUMPTIONS

REVENUE	SALES TAX	LABOR
<ul style="list-style-type: none"> <li>• BUS RIDERSHIP – 1% ANNUALLY</li> <li>• RAIL RIDERSHIP – 1% ANNUALLY</li> <li>• FAREBOX REVENUE –                             <ul style="list-style-type: none"> <li>• 5% INCREASE EVERY 3<sup>RD</sup> YEAR</li> </ul> </li> <li>• <b>GENERAL INFLATION</b></li> <li>• 1.78%</li> <li>• BASED ON US HEADLINE CPI MONTHLY AVERAGE 2010-2020</li> <li>• FEDERAL RESERVE BANK OF DALLAS</li> </ul>	<ul style="list-style-type: none"> <li>• FY2022 -                             <ul style="list-style-type: none"> <li>• BROUGHT TO ORIGINAL FY20 BUDGET</li> </ul> </li> <li>• FY2023 &amp; FY2024 – 4%</li> <li>• FY2025 &amp; FY2026 – 3%</li> <li>• FY2027 &amp; FORWARD – 2%</li> </ul>	<ul style="list-style-type: none"> <li>• BUS LABOR – 4%</li> <li>• G&amp;A/RAIL LABOR – 3%</li> <li>• HEALTH BENEFITS – 10%                             <ul style="list-style-type: none"> <li>• MEDICAL, LIFE, DENTAL &amp; VISION</li> </ul> </li> <li>• RETIREMENT MATCH – 5%</li> <li>• STATE UNEMPLOYMENT TAX ACT (SUTA) – 5%</li> <li>• FEDERAL UNEMPLOYMENT TAX ACT (FUTA) – 1%</li> </ul>

## BUDGET CONTINGENCY PLAN

### EXHIBIT 7

THE BOARD REVIEWS & ADOPTS THIS PLAN ANNUALLY  
ALONG WITH THE PROPOSED BUDGET

ADDRESSES ACTIONS TO BE TAKEN:

- SALES TAX REVENUE SHORTFALL
- SALES TAX REVENUE SUSTAINABLE INCREASE
- FEDERAL GRANT FUNDING REDUCTION





## Public Hearing on Proposed FY2021 Operating & Capital Budget

Any person who wishes to address the Board of Directors regarding the proposed FY2021 Operating and Capital Budget during this Public Hearing may do so by utilizing the "raise hand" function of the Zoom meeting. Citizens that are not able to connect to the Zoom meeting are asked to email his or her public comment to [bpedron@dcta.net](mailto:bpedron@dcta.net) no later than 3:00 pm on Wednesday, August 26, 2020. Each speaker will be given a total of three (3) minutes to address the Board.

**QUESTIONS?**