Operating & dget Operation Budget Capital Budget

DENTON COUNTY TRANSPORTATION AUTHORITY



FISCAL YEAR ENDING SEPTEMBER 30, 2021

LEWISVILLE, TEXAS

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WHO WE ARE, WHAT WE DO

OUR MISSION

WE ARE COMMITTED TO IMPROVING MOBILITY, AIR QUALITY, ECONOMIC DEVELOPMENT AND LIVABILITY IN THE AREAS WE SERVE.

WHAT DRIVES US

OUR VISION

TO BE A LEADER IN ADVANCING PUBLIC TRANSPORTATION ALTERNATIVES.

CORE VALUES

SAFETY

IN ACCORDANCE WITH OUR SERVICE PLAN, OUR MOST IMPORTANT COMMITMENT IS PASSENGER SAFETY THROUGH THE STRICT ADHERENCE TO POLICIES AND PROCEDURES AND ONGOING EMPLOYEE TRAINING AND PROFESSIONAL DEVELOPMENT.

ACCOUNTABILITY

AS PUBLIC SERVANTS, DCTA EMPLOYEES AND BOARD OF DIRECTORS HOLD THEMSELVES ACCOUNTABLE TO THEIR CONSTITUENTS AND ARE COMMITTED TO BEING EXEMPLARY STEWARDS OF PUBLIC RESOURCES.

COMMITMENT

DCTA EMPLOYEES AND BOARD OF DIRECTORS ARE COMMITTED TO WORKING COLLABORATIVELY TO DELIVER THE COMPONENTS OF THE SERVICE PLAN IN A TIMELY MANNER TO SERVE THE MOBILITY NEEDS OF OUR PASSENGERS.

EXCELLENCE

ALWAYS IN THE PURSUIT OF EXCELLENCE, DCTA WILL CONSISTENTLY OFFER INNOVATIVE, EFFECTIVE AND QUALITY PUBLIC TRANSPORTATION ALTERNATIVES THAT WILL EXCEED CUSTOMER EXPECTATIONS.

INTEGRITY

IT IS INCUMBENT UPON DCTA EMPLOYEES AND BOARD OF DIRECTORS TO CONDUCT THEMSELVES
IN A MANNER THAT UPHOLDS THE HIGHEST MORAL, LEGAL AND ETHICAL STANDARDS. WE ARE
UNCOMPROMISING IN OUR COMMITMENT TO TRUTH, HONESTY, AND OPENNESS IN ALL RELATIONSHIPS
AND INTERACTIONS.

RESPECT

WE BELIEVE THAT ALL OF OUR PASSENGERS ARE IMPORTANT AND THAT ALL OF OUR EMPLOYEES ADD VALUE. WE WILL TREAT PASSENGERS AND EMPLOYEES WITH DIGNITY AND ESTEEM.

OUR FOCUS

FY21 STRATEGIC GOALS

- ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES
- ENSURE STRONG GOVERNANCE, FINANCIAL STEWARDSHIP, SUSTAINABILITY, AND CONTINUITY OF PROGRAMS AND SERVICES
- IMPROVE AGENCY PERFORMANCE, EFFECTIVENESS, SAFETY, AND RETURN ON INVESTMENT
- WORK WITH CORRIDOR CITIES TO IMPLEMENT TRANSIT ORIENTED DEVELOPMENT (TOD), COORDINATING PLANNING
 AND DESIGN TO INCREASE MOBILITY, AIR QUALITY AND LIVABILITY
- FOSTER A POSITIVE IMAGE AND BUILD A STRONG AGENCY BRAND AND A GREAT CULTURE ACROSS THE ORGANIZATION
- ENGAGE WITH LOCAL, REGIONAL AND STATEWIDE STAKEHOLDERS AND TO CREATE OPPORTUNITIES TO SHARE KNOWLEDGE, TECHNOLOGY AND SERVICES



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Denton County Transportation Authority

Texas

For the Fiscal Year Beginning

October 1, 2019

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Denton County Transportation Authority, Texas for its annual budget for the fiscal year beginning October 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



September 24, 2020

Board Chair and Members of the Board:

We are pleased to present to you the Fiscal Year 2021 Operating and Capital Budget for Denton County Transportation Authority (DCTA). Chapter 460 of the Texas Transportation Code requires the preparation of an annual budget. This budget was created in accordance with State law and DCTA Board policy. The budget presented is a balanced budget, where current year revenues and reserve balances cover operating expenses and capital requirements for the fiscal year.

The FY2021 Budget reflects a full year of operations for DCTA that includes commuter rail service, fixed route bus services, paratransit demand response, general demand response, commuter vanpools, and university shuttle services. The budget is developed within the context of the Long Range Financial Plan which outlines the long-term service and infrastructure needs of the agency over the next fifteen years. This approach helps provide a financially sustainable perspective of the impact of current year decisions on future years. As future forecasts are developed, staff will continue to evaluate the agency's ability to fund major service and infrastructure priorities while balancing revenues and expenses consistent with Board-adopted financial management policies.

The Board plays a critical role in making decisions regarding the direction of the organization. The budget provides a framework for DCTA activities during the next year and serves as a source of information for the Board, staff, passengers, member cities and other stakeholders. The programs and services provided by this budget focus on attaining DCTA's mission of improving mobility, air quality, economic development and livability in the areas we serve. The budget process includes development of department objectives and performance measures that are linked to overall agency goals. These objectives and performance measures are detailed in the Division Budgets section of this budget document.

The budget process is structured to allow staff, the Board of Directors, the public, and other stakeholders adequate time for review and analysis of the key components of the budget. Throughout the second half of FY2020, staff and the Board of Directors discussed anticipated impacts of COVID-19 and implemented several budget amendments adjusting the FY2020 budget. In April and May, service delivery objectives and related performance measures were defined. In June through August, staff and the Board of Directors reviewed reserve fund policies and escalation assumptions used in the development of the Long Range Financial Plan as well as developed and reviewed revenue projections, operating expenses, and capital requirements. A key component of the budget workshops is a review of the impact of current year budget decisions on the Long Range Financial Plan.

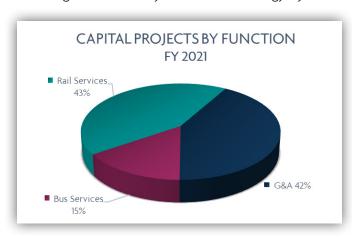
The proposed budget was presented for review and public comment at the Board's August meeting. The Board

adopted the FY2021 Operating and Capital Budget, the updated Long Range Financial Plan and the Budget Contingency Plan at the September 2020 meeting.

Development of the budget must balance the demand for more bus and rail service and continued maintenance of facilities and infrastructure with the financial constraint of limited funding. A detailed narrative of the assumptions that build this budget is provided on pages 51-56 of this document.

Capital projects represent a significant investment in developing and maintaining the agency's equipment and infrastructure in a state of good repair. Preparing a capital improvement plan allows the agency to anticipate and plan for the major capital improvements that will be needed in subsequent years. It allows staff to identify alternative funding sources as well as anticipated on-going operating costs of new capital projects. DCTA anticipates spending roughly \$14.1 million on current and new capital projects for FY2021.

DCTA is committed to rail safety and is working diligently to implement Positive Train Control (PTC) by the Federal Railroad Administration (FRA) deadline. PTC was designed to prevent collisions and other incidents by automatically detecting and controlling the movement of trains. DCTA finished testing of its PTC technology and the FRA approved the agency's Revenue Service Demonstration (RSD) application as of December 31, 2018. DCTA is currently operating in RSD (PTC turned on) during regularly-scheduled A-train service with passengers on board. The agency is the first in Texas to implement PTC on its entire commuter rail system. DCTA is still awaiting FRA to certify its PTC technology by December 31, 2020.



The FY2021 budget includes completion of PTC implementation in FY2021 and enhancements to the PTC system, increased ongoing rail operating costs for PTC, scheduled bus fleet replacement, maintenance required for rail vehicles as well as the rail line, and the first year of the Transportation Reinvestment Program (TRiP).

The Transportation Reinvestment Program (TRiP) will enable partnerships between the agency and its member cities on mutually beneficial investments in transit-supportive projects by allowing DCTA the ability to distribute funds to member cities for eligible projects consistent with DCTA's Long Range Service Plan and the Agency's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code. TRiP will be a five-year program with its first funding cycle during the FY2021 budget. The anticipated annual TRiP budget will be set at 15 percent of DCTA's net available fund balance from the previous fiscal year. For the initial program year and in addition to the set 15 percent, a one-time program startup amount of \$2,000,000 has been dedicated to the TRiP project line item within the FY2021 budget.

In February 2019 the DCTA Board of Directors approved the North Texas Mobility Corporation Certificate of Formation and associated Bylaws. As a fully functional Limited Government Corporation (LGC), the NTMC now operates with a Board of Directors, appointed by the DCTA Board of Directors, and Board officers. It also has its own budget and contracting authority.

DCTA has entered into an Interlocal Agreement (ILA) with the NTMC to provide complete mobility services and management of ongoing operations, including fixed-route, demand-response, ADA/paratransit, fare collection and enforcement services, maintenance, service operation, and DCTA's customer service/call center. By creating an LGC, DCTA has greater ability to monitor and hold accountable the bus operations contractor, ultimately ensuring passengers have the best possible experience using the transit system.

In addition to the ILA for service provision, NTMC has contracted with DCTA to provide administrative support services including information technology and help desk services, internal and external marketing and communications, transit planning, data analytics, contracts and procurements, accounts payable/accounts receivable, accounting, budget preparation, legal services, and oversight of payroll processing.

The Board of Directors recognizes that employee satisfaction, recruitment, and retention are key to the success of the agency and the provision of high quality of service for our customers and stakeholders. A wage rate increase for bus operators, in accordance with the collective bargaining agreement, is included in the FY21 operating budget although all other merit increases were put on hold due to anticipated budget constraints related to COVID-19. The number of full-time equivalents approved in the FY2021 budget decreased by 13% compared to the FY2020 budget, with a total of 150.5 FTEs between DCTA and NTMC employees, due to decreased service levels as a result of COVID-19. Executive Staff will assess agency needs and stakeholder requests for additional and varied service when reviewing current positions or considering the addition of new employees.

COVID-19 has impacted the agency in a number of ways; from increased operating expenses related to COVID safety measures that were put in place to the sharp decline in ridership, resulting in decreased service levels. DCTA is also a designated recipient for the Denton-Lewisville UZA, which received an apportionment of \$23,461,867 in Coronavirus Aid, Relief, and Economic Security Act (CARES) Funds. These funds offset the additional expenses incurred and the decline in revenues the agency has experienced as a result of COVID-19. The FY21 budget includes \$12.2M of CARES funding. Areas of impact are outlined throughout the budget document and major items are noted below.

- In FY2020 the agency incurred over \$512k in expenses as a result of COVID-19. Examples of COVID expenses are additional enhanced cleaning of vehicles and facilities, additional PPE (masks, hand sanitizer) available for employees and passengers. The FY2021 operating budget includes \$578k for anticipated COVID related expenses.
- Rail service changes were implemented in March to respond to decreased ridership in light of the COVID-19 pandemic and mandatory closures of non-essential businesses, resulting in a 39% reduction in train crew hours for April through September service, for decreased costs of \$330k in the FY20 budget. On September 21, 2020 DCTA increased A-train service levels per board direction to modify peak period service frequency from 60 minutes to 30 minutes. Implementing this enhanced frequency for rail service required an \$248k budget increase for service train miles and crew hours as well as an additional \$185k for fuel.
- Bus service changes were implemented in March and May to respond to decreased ridership in light of the COVID-19 pandemic, resulting in a 48% reduction in service hours for April September service for projected cost savings of \$784k in operator salaries and benefits. The reduction in service also resulted in 57% fewer service miles, for decreased costs of \$204k in fuel for the FY20 budget. The FY21 budget assumes an increase in fixed route service that is close to pre-COVID levels, which results in an overall increase of \$808k.

• With the impact that COVID has had on the universities in our area, North Central Texas College (NCTC) terminated their contract for services with DCTA in March 2020, resulting in a reduction of \$229k in operating expenses and \$279k in contract revenues for the FY21 budget.

The impact of all of these changes are included in the Long Range Financial Plan.



Sales tax represents the single largest source of revenue for DCTA and is monitored closely. DCTA was originally funded with a dedicated ½ cent sales tax by voters in the cities of Denton, Highland Village and Lewisville. As of October 2020, sales tax revenue generated in FY2020 was roughly 3.7% higher than FY2019 revenue. FY2021 sales tax is projected at a 0.7% decrease over FY2020 projected sales tax.

SALES TAX REPORT BUDGET TO ACTUAL AND PREVIOUS YEAR COMPARISON																
Sales Generated in Month of:	Received in Month of:		019-2020 Original Budget		2019-2020 Revised Budget	_	019-2020 ear Actual	Α	/ariance actual to Original Budget	CY Actual to CY Original Budget % Variance ^(A)	Variance Actual to Revised Budget	CY Actual to CY Revised Budget % Variance (B)	2018-2019 ear Actual	A	ariance actual to rior Year	CY Actual to PY Actual % Variance
October	December	\$	2,353,270	\$	2,329,419	\$	2,329,419	\$	(23,851)	-1.01%	\$ -	0.00%	\$ 2,307,128	\$	22,291	0.97%
November	January	\$	2,338,596	\$	2,188,220	\$	2,188,220	\$	(150,376)	-6.43%	\$ -	0.00%	\$ 2,292,741	\$	(104,521)	-4.56%
December	February	\$	2,888,362	\$	3,191,714	\$	3,191,714	\$	303,352	10.50%	\$ -	0.00%	\$ 2,831,728	\$	359,986	12.71%
January	March	\$	2,111,018	\$	2,268,362	\$	2,268,362	\$	157,344	7.45%	\$ -	0.00%	\$ 2,069,625	\$	198,737	9.60%
February	April	\$	2,064,564	\$	2,114,448	\$	2,114,448	\$	49,884	2.42%	\$ -	0.00%	\$ 2,024,082	\$	90,366	4.46%
March	May	\$	2,525,343	\$	2,503,274	\$	2,503,274	\$	(22,069)	-0.87%	\$ -	0.00%	\$ 2,475,826	\$	27,448	1.11%
April	June	\$	2,534,129	\$	2,185,555	\$	2,185,555	\$	(348,574)	-13.76%	\$ -	0.00%	\$ 2,484,440	\$	(298,885)	-12.03%
May	July	\$	2,234,810	\$	2,400,743	\$	2,400,743	\$	165,933	7.42%	\$ -	0.00%	\$ 2,307,292	\$	93,451	4.05%
June	August	\$	2,627,865	\$	2,819,430	\$	2,819,430	\$	191,565	7.29%	\$ -	0.00%	\$ 2,656,359	\$	163,071	6.14%
July	September	\$	2,225,018	\$	2,412,772	\$	2,412,772	\$	187,754	8.44%	\$ -	0.00%	\$ 2,447,195	\$	(34,423)	-1.41%
August	October	\$	2,441,366	\$	1,137,350	\$	2,511,707	\$	70,341	2.88%	\$ 1,374,357	120.84%	\$ 2,312,424	\$	199,283	8.62%
September	November	\$	2,674,843	\$	1,254,087	\$	2,910,752	\$	235,909	8.82%	\$ 1,656,665	132.10%	\$ 2,552,054	\$	358,697	14.06%
	YTD TOTAL	\$	29,019,184	\$	26,805,374	\$	29,836,396	\$	817,212	2.82%	\$ 3,031,022	11.31%	\$ 28,760,896	\$	1,075,500	3.74%
FISCA	AL YEAR TOTAL	\$	29,019,184	\$	26,805,374								\$ 28,760,896			

⁽A) Formula: YTD Variance Actual to Original Budget/YTD Original Budget

In response to COVID-19 and the possible economic impact that the pandemic could have on sales tax revenues, the adopted FY20 sales tax budget was initially decreased by 26% (\$7.5M) to ensure the agency could withstand this expected loss in revenue. Thankfully, DCTA did not experience the anticipated loss and sales tax was further revised in September, increasing sales tax projections by \$5.3M to capture the additional amounts received for the months of June – September 2020 (sales generated in April – July 2020). The agency will continue to monitor sales tax closely in FY2021 and has taken a conservative approach for the FY21 budget. This year's budget is based on the original FY2020 budget with a 25% reduction in the first quarter.

⁽B) Formula: YTD VarianceActual to Revised Budget/YTD Revised Budget

DCTA is assessing innovative mobility solutions to meet our customer and stakeholder needs and to provide enhanced regional mobility to our passengers. DCTA is working with communities to match employees and employers by providing access to jobs in areas where employers are having difficulty filling positions. In January 2019, DCTA issued a request for proposals (RFP) for Mobility as a Service (MaaS) to solicit proposals from firms to provide innovative options to implement flexible, efficient and effective mobility services. These services would enhance and supplement DCTA's existing transit offerings and provide service to areas where traditional transportation options are less effective. MaaS is a trending business model in the transit industry that utilizes on-demand, real-time platform-based services that can include any combination of various mobility options such as car and bike sharing, taxis, driverless vehicles, etc. while providing a seamless experience for the customer, from integrated travel planning to fare payment.

The North Central Texas Council of Governments (NCTCOG) serves as the Metropolitan Planning Organization (MPO) for the North Texas region. The NCTCOG's Mobility 2045 Plan guides the implementation of multimodal transportation improvements, policies, and programs in the 12-county Metropolitan Planning Area through the year 2045 and outlines projected growth for the region and the implications for transportation systems. The Mobility 2045 Plan identifies investments in rail and bus as necessary to address the region's transportation needs. As the region grows, transit will play an increasingly important role in the way people travel. The region is expected to grow from 7.4 million residents to an estimated 11.2 million people by 2045. In addition, employment is expected to grow from 4.8 million to 7.0 million by 2045.

DCTA's FY2021 Budget and Long Range Financial Plan incorporate an approach that positions the agency to meet the future needs of the region. The challenge for DCTA will be to prioritize projects and demands for service that outpace available funding.

2020 represents a year of positive, affirmative change at DCTA which includes meaningful changes in governance, leadership, culture, organization and service delivery – changes necessary for DCTA to effectively respond to the ongoing coronavirus (COVID-19) crisis and changing markets using intelligent strategies, tactical activities and productive projects. Therefore, DCTA is now at a point where it's able to leverage these changes and momentum towards agency transformation into a widely recognized leader in innovative service delivery and project development.

This budget continues DCTA's commitment to stay the course by maintaining long-term fiscally sustainable service delivery while meeting the transit needs of our rapidly growing region. Our thanks to the Board of Directors for their leadership during the budget development process. We also want to recognize the outstanding work of staff as they continue to focus on Board and community priorities and providing outstanding, safe public transportation services.

Sincerely,

Raymond Suarez

CEO

Marisa Perry, CPA
Chief Financial Officer/VP of Finance

Amanda Riddle Senior Manager of Budget

FOUNDATION



Three member cities:
Denton,
Highland Village
& Lewisville

Consistent
financial
stewardship
& transparency

Highly engaged in two of the fastest-growing counties in Texas



Initiated contract service with
eight cities
in the past three years:
Frisco, McKinney, Coppell, Prosper,
Princeton, Melissa, Celina & Lowry Crossing

FINANCIAL STEWARDSHIP

DCTA understands a strong financial management plan should focus on building financial integrity and a financially sustainable transit agency. The agency's Long Range Financial Planning process, initially adopted in 2009, is supported by Financial Management Policies, a Long Range Financial Plan and the Long Range Service Plan. The Long Range Financial Plan sets the framework for the annual budget process and includes a five-year operating and capital plan and a forecasted 20-year planning horizon consistent with the Long Range Service Plan. DCTA is committed to staying the course in its commitment to long-term fiscal stability and sustainability.

As part of the annual budget process and in collaboration with the management team and the Board of Directors, decisions are evaluated to determine the impact of service enhancements and changes on the 20-year financial plan. These decisions include impact of both the upfront and ongoing operating cost of new or existing capital projects and the impact of any funding requirements, impact of new services or changes in service levels, changes in economic environment, increase in costs and/or impacts to revenues. The Long Range Financial Plan incorporates the projected sources and uses of funds. Revenues include fare box revenues, grants, sales tax and anticipated debt issuance proceeds. Expenditures include current operating expenses, capital projects and ongoing operating expense associated with the project (if any), and debt service requirements.

In FY'19, DCTA began working with Texas A&M Transportation Institute to develop an innovative cost allocation model that would allow the agency to allocate direct and indirect costs by service type as well as member city. This model is the first of its kind in the transportation industry and was completed in Spring 2020. DCTA has worked closely with its Board of Directors, member city officials and other stakeholders during this process to ensure the cost allocation model fits the needs of all involved. This tool allows the agency to fully understand the fully allocated cost of each of DCTA's transit modes and services.



WORKFORCE DEVELOPMENT

Modified agency **Board of Directors**

to better inform

vision & strategy

DCTA recognizes that a key to maintaining a high-level of satisfaction with external customers is by addressing the needs of internal customers. Employee satisfaction has a direct correlation to employee costs and efficiencies. Continuous quality education and training as well as employee satisfaction are major factors for individual advancement and corporate success. DCTA offers development opportunities throughout all levels of the organization to provide a knowledgeable and well-trained workforce dedicated to meeting the growing needs of the community. The agency encourages and funds participation in industry training, conferences, professional organizations and career advancement opportunities.

In 2019, DCTA completed a market study to review its compensation and benefits structure to ensure that its pay-scale system for employees was competitive with the market and peer agency benchmarks. The agency's Board of Directors has established a policy that a comprehensive compensation and benefits study will be conducted every three years to maintain a competitive structure. This allows for any changes to be addressed as part of the budget process. A tuition reimbursement program was established in 2015 to assist employees interested in pursuing a higher education.

BOARD OF DIRECTORS

DCTA is governed by a five voting-member Board of Directors appointed by respective entities from Denton County and the cities of Denton, Highland Village, and Lewisville serving two-year terms. Large cities, small cities and other Denton County cities make up the remaining nine non-voting members. Board members must have professional experience in the field of transportation, business, government, engineering or law. In accordance with DCTA bylaws, the Board adopts the annual operating budget and is responsible for setting policy. The CEO oversees the day-to-day operations of DCTA and implements policies set forth by the Board.

POLICY AND ADMINISTRATION

DCTA's policies and administration, led by its Board of Directors and CEO, have created a safe, efficient and financially stable transit operation. DCTA staff work under the direction of the CEO and executive management team representing operations, finance and administration, capital planning, marketing and service development. Transit services for rail operations is provided through a contract with Rio Grande and Stadler. Bus services is provided through an interlocal agreement (ILA) with North Texas Mobility Corporation.

DCTA has adopted a set of policies to demonstrate accountability to the public and guide investments and service planning. The agency's financial management policies safeguard the fiscal stability and resiliency required to achieve the agency's goals and objectives. The policies have established a fund balance reserve for unanticipated emergencies, a sales tax stabilization fund, a fuel stabilization fund, and a capital/infrastructure reserve. In addition, the policies outline the process for evaluating revenue forecasts, contracts for service and the requirement for a budget contingency plan to provide a framework for decision making should an economic downturn occur. Other processes included are accounting and financial reporting, budget development, purchasing, cost allocation, debt management and investments.

In December 2011, DCTA's Board of Directors adopted an updated Long Range Service Plan which outlined a series of recommendations for improvements to the existing system, opportunities for expansion of the existing system, and other corridors warranting transit service over the next 25 years. The plan has served as a road map guiding DCTA's service planning, capital improvement program and financial planning. In FY'21, DCTA will continue its transformation initiative which will include Board visioning that will result in a new Long Range Service Plan for the agency.

OUR TEAM

Board of Directors

Chris Watts, Chair | Denton
Cesar Molina, Vice Chair | Denton County
Mayor Pro Tem Sam Burke, Treasurer/Secretary | Denton County
Dianne Costa | Highland Village
Councilmember TJ Gilmore | Lewisville

Non-Voting Board Members

Tom Winterburn | Corinth Mark Miller | Flower Mound Dennie Franklin | Frisco Connie White | Small Cities Joe Perez | The Colony

Executive Staff

Raymond Suarez, CEO
Kristina Holcomb, Deputy CEO
Marisa Perry, CFO/VP of Finance
Nicole Recker, VP of Mobility Services & Administration



DIVERSITY

DCTA is committed to promoting diversity by developing policies and programs that support diversity and promote inclusiveness in both its hiring practices and delivery of transit services. DCTA works with the local community, social service agencies and workforce commissions to recruit minorities, women and veterans.

DCTA and its contractors have clear policies and practices to recruit, hire, train and promote employees without discrimination based on race, religion, color, political affiliation, physical or mental disability, national origin, sex, marital status, age, sexual orientation, gender identification, or membership or non-membership in any employee association. DCTA abides by all state and federal regulations regarding employment discrimination.

The agency has also established a Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) program to encourage the use of small and disadvantaged businesses in contracting opportunities. DCTA works with contractors to identify DBE/SBEs available in the local area to perform as subcontractors and encourages the use of small firms in performance of the contracts.



TRANSFORMATION INITIATIVE

2020 represents a year of positive, affirmative change at DCTA which includes meaningful changes in governance, leadership, culture, organization and service delivery – changes necessary for DCTA to effectively respond to the ongoing coronavirus (COVID-19) crisis and changing markets using intelligent strategies, tactical activities and productive projects. Therefore, DCTA is now at a point where it's able to leverage these changes and momentum towards agency transformation into a widely recognized leader in innovative service delivery and project development.

In FY'21, DCTA will be engaging with consultant teams with expertise in strategic planning, information technology, process improvement, and organizational management best practices. The selected consultant teams will work closely with operational and long range transit planners to expand the use of non-traditional transit services and products to allow for a more tailored response to the demands of multiple markets and develop a robust, equitable, consumer-centric transportation system which leverages existing infrastructure.

Operational statistics and additional pertinent information regarding the community that we serve are outlined in the Appendix section of the document on pages 136-139.





2020 MEDIA TOOLKIT

Last updated November 2020



BACKGROUND AND PURPOSE

For 17 years, the Denton County Transportation Authority (DCTA) has accelerated innovative mobility solutions through efforts that strive to reduce traffic congestion and enhance air quality, while contributing to the growth, development and improvement of quality of life for all communities we serve.

SERVICE OVERVIEW

DCTA helps riders get where they need to go with a variety of services including the 21-mile A-train commuter rail, Connect fixed-route buses, Collin County Transit, on-demand zones in Lewisville and Denton, Frisco Demand Response, Access and more.

VISION, MISSION AND CORE VALUES

DCTA is committed to improving mobility, air quality, economic development and livability in North Texas. With the implementation of core values that prioritize safety, accountability, commitment, excellence, integrity and respect, DCTA is determined to be a leader in advancing mobility alternatives in North Texas.











TRAIN

BUS

RAIL TRAIL

VANPOOL

ON-DEMAND

ACCESS



MILESTONES

Formed in 2002, DCTA is Denton County's primary transportation agency – providing modern transportation solutions to residents and continuously striving to meet the growing need for transportation options.

Below are key milestones DCTA has achieved since inception.

- **2002:** Denton County voters approve the confirmation of DCTA by 73 percent
- **2003:** Denton, Highland Village and Lewisville join DCTA and levy a half cent sales tax to finance the system
- **2005:** The University of North Texas (UNT) and DCTA sign an agreement for a new shuttle system
- 2011: DCTA's 21-mile A-train commuter rail line officially launches to the public
- **2012:** The Federal Railroad Administration (FRA) approves first integrated use of Stadler GTW Rail Vehicle for DCTA the first of its kind in the U.S.
- 2013: The A-train surpasses one million passengers
- **2016:** DCTA launches North Texas Xpress commuter bus service in partnership with Trinity Metro
- **2018:** DCTA becomes first transit agency in Texas to begin testing federally mandated Positive Train Control-PTC and launches a new Highland Village Lyft Discount Program
- **2019:** DCTA expands transit offerings with the new Mobility as a Service (MaaS) contract model (one of the first of its kind in the U.S.)
- **2020:** DCTA launches Downtown Denton Transit Center (DDTC) Evening On-Demand zone service

A-TRAIN FACTS

HISTORY

The A-train officially opened for service on June 18, 2011. In January 2012, DCTA unveiled its new Stadler railcars and received a waiver from the Federal Railroad Administration (FRA) to operate them in June 2012. In September 2013, A-train ridership had reached more than one million passengers with the rail line carrying 1,006,397 passengers in less than 28 months of operation.

SERVICE OVERVIEW

DCTA's A-train connects Denton and Dallas Counties. At the Trinity Mills station, riders can gain access to Dallas Area Rapid Transit's (DART) Red, Orange, Green and Blue Lines and the Trinity Railway Express (TRE). A-train service is provided Monday through Saturday, excluding major holidays.

The A-train Rail Trail, which is a part of DCTA's continuous efforts to provide riders with safe and efficient mobility solutions, runs alongside the agency's commuter rail line to complement surrounding facilities. It is approximately 19 miles and connects riders from the Downtown Denton Transit Center (DDTC) to the Hebron station in the city of Lewisville. Along the rail trail, the general public can access the Denton Branch Rail Trail, the Lewisville and Highland Village trails.



AVERAGE
MONDAY-FRIDAY
PASSENGER
BOARDINGS

309 AVERAGE SATURDAY PASSENGER BOARDINGS

4,314
AVERAGE
WEEKLY
PASSENGER
BOARDINGS

18,443
AVERAGE
MONTHLY
PASSENGER
BOARDINGS

221,316
TOTAL
FY'20
A-TRAIN
RIDERSHIP

**Ridership numbers were greatly affected by the COVID-19 crisis *All stats are based off FY'20 data (Oct. 1, 2019 - Sept. 30, 2020)

BUS SYSTEM FACTS

SERVICE OVERVIEW

DCTA's fixed route services provide easy access to popular destinations and connection to the A-train commuter rail line. These routes include the Denton and Lewisville Connect Bus, University of North Texas (UNT) and North Central Texas College (NCTC)* Campus Shuttles and DCTA's partnership with Trinity Metro connecting Denton to Fort Worth via the North Texas Xpress commuter bus.

Microtransit Service: Similar to Uber and Lyft, this on-demand service offfers real-time, flexible routing and scheduling via DCTA-branded vehicles. These services include the Downtown Denton Transit Center (DDTC) Evening and Lewisville Lakeway On-Demand zones.

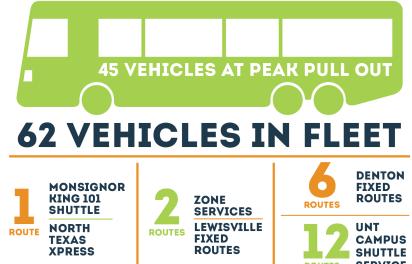
Taxi Service: Collin County Transit is DCTA's partnership with the city of McKinney and the McKinney Urban Transit District (MUTD) to provide a subsidized taxi voucher program that offers efficient transit options for participating MUTD cities including Celina, Lowry Crossing, McKinney, Melissa, Princeton and Prosper.

Lyft Partnership: Through DCTA's partnership with Lyft, the agency provides a sponsored discount for the Highland Village Lyft Zone, free rides for the UNT Lyft Zone, a Coppell Pilot Program and Lewisville Access to Flower Mound Lyft service.

Access Service: DCTA's Access service is a shared ride, origin-to destination, service that provides transportation for disabled residents, elderly (65 years and older) residents and visitors in Denton, Highland Village and Lewisville.

*NCTC Campus Shuttle service ended Aug. 1, 2020





RIDER SNAPSHOT

2019 PASSENGER SATISFACTION SURVEY

DCTA hosts a biennial passenger satisfaction survey to gather input from riders on their perspective on the agency's system. The results below are from the agency's 2019 survey which yielded a total of 2,629 responses, equal to 20 percent of the average daily ridership for April 2019. The margin of error was 1.71 percent.

TOP THREE ATTRIBUTES FOR SERVICES: RELIABILITY, SAFETY & CONVENIENCE

TOP MODES OF SERVICE

MULTIPLE MODES COULD BE SELECTE



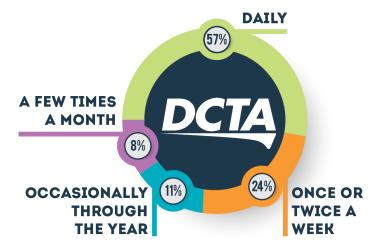








RIDER FREQUENCY:



82% OF RESPONDENTS ARE VERY LIKELY AND SOMEWHAT LIKELY TO RECOMMEND DCTA SERVICES TO FRIENDS AND FAMILY

THE TOP FIVE DESTINATION CITIES WERE DENTON (58%), DALLAS (25%), OTHER (5.5%), LEWISVILLE (5.5%) & CARROLLTON (2.5%)

RIDERS USE DCTA SERVICES TO:

GET TO 49%

GET TO 10% WORK

SAVE 10% MONEY

AVOID 7%

23

TRAVEL TOOLS

TRANSIT TRACKER

DCTA's Transit Tracker is a vehicle tracking system that provides passengers with access to real-time information for the agency's A-train, fixed-route bus and shuttle services. Passengers can track vehicles via phone, online, text and free mobile application.

- Phone: Call 940.243.0077, select the transit tracker option from the phone menu, enter the stop ID and receive real-time information on that vehicle for that location.
- Web: Visit **DCTAtracker.net** to search by address to find the nearest bus or train and its arrival time
- Text: Text the stop Id to 64255 to receive the estimated arrival time of your bus or train.
- App: Download the Transit mobile app from Google Play or Apple store to see vehicle locations in real-time and get notifications for when it's time to leave for your trip.

GOREQUEST

Have a question or comment? Download the GORequest app available on the Apple Store or Google Play, or visit our **dcta.net/gorequest** to send your feedback. A staff member will answer your question or address your comment in a timely manner.

RIDER ALERTS

Sign up for DCTA Rider Alerts at **RideDCTA.net** to receive customized email notifications regarding schedule delays, service changes and promotions.

GOPASS®

Download the GoPass® application, available on the Apple Store or Google Play, to purchase your ticket straight from your mobile phone.

How It Works

Step 1: Download the app for iPhone or Android

Step 2: Register your device within the app

Step 3: Purchase tickets

Step 4: Activate tickets

All tickets are delivered to your phone as "Not Yet

Activated." You can purchase tickets up to 60 days in advance of using them. You must activate your ticket before boarding and show the ticket on your smartphone to the bus driver or fare enforcement officer when required.



1870

FLEET AT A GLANCE

BUS

DCTA offers a growing network of bus service from fixed route, shuttle service to on-demand service to connect riders to the greater metroplex, connecting to Dallas and Fort Worth.

- Number of Routes:
 - 6 Denton Connect Fixed Routes
 - 12 University of North Texas Shuttles (Bernard Street, Centre Place, Colorado Express, Discovery Park, Eagle Point, Mean Green, Mean Green Night Rider, Mean Green Plus, North Texan, Parking Express Victory Hall and Parking Express Fouts Field)
 - 2 Lewisville Connect Fixed Routes

 2 Microtransit Zones (Lewisville Lakeway Zone and Downtown Denton Transit Center Evening On-Demand Zone)

- I North Texas Xpress
- Number of Vehicles:
 - 45 vehicles at peak pull-out
 - 35 Fixed Route and 10 Demand Response
 - Total number of vehicles: 62
- Number of shelters: 49

• Benches only: 15

• Bus stops: 411

• Total FY'20 Ridership: 1,354,927



A-TRAIN

DCTA's A-train connects Denton County passengers to Dallas through Dallas Area Rapid Transit (DART) and to Fort Worth through transferring from DART to the Trinity Railway Express (TRE).

- Miles of track: 21
- Number of stations: 5
- Number of vehicles: 11
- Total FY'20 Ridership: 221,316



*NCTC Campus Shuttle service ended Aug. 1, 2020

FARE AT A GLANCE

FARE STRUCTURE

DCTA's simple local fare structure allows for a seamless integration within the regional fare system. Fares and passes may be purchased online, at ticket vending machines (TVM) on A-train station platforms or at one of the ticket outlets listed here. Not all fare types are available for purchase at all locations.

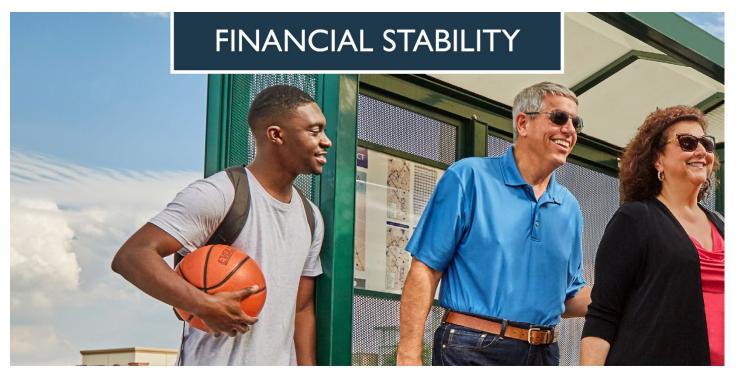
Discounted and Free Fares:

DCTA offers discount programs to meet the needs of the community at large. University students, large groups and nonprofits can purchase reduced fare packs.

Complimentary fare is also available to sworn peace officers in uniform or with a visible badge, children under five with a fare-paying adult and Denton County active jurors with a valid juror summons or current juror badge.

Passengers can always ride free within DCTA's A-train free fare zones between the Downtown Denton Transit Center (DDTC) and Medpark station, and Hebron and Trinity Mills station.

FARE TYPE	LOCAL PRICE	REGIONAL PRICE	LOCAL / REGIONAL REDUCED	WHERE TO BUY
Local AM	\$1.50		\$.75 / —	TVM, GoPass®
Local PM	\$1.50	-	\$.75 / —	TVM, GoPass®
DAY PASS	\$3.00	\$12.00	\$1.50 / \$3.00	Ticket outlets, TVM, GoPass®
7-DAY PASS	\$15.00		_	Ticket outlets, TVM, GoPass®
10-DAY PASS	\$20.00	\$84.00	_	Ticket outlets, online
MONTHLY PASS	\$48.00	\$192.00	\$24.00 / \$48.00	Ticket outlets, TVM, GoPass®
ANNUAL PASS	\$480.00	\$1,920.00	\$240.00 / \$576.00	Ticket outlets, online



GENERAL FINANCE SNAPSHOT

DCTA's consistent dedication to ensuring transparency of the agency's financial records has earned high marks at both the state and national level.

DCTA has also been recognized by the Government Finance Officer Association (GFOA) of the United States and Canada with a Certificate of Achievement for Excellence in Financial Reporting – the highest form of recognition in the area of governmental accounting and financial reporting.







MOVING YOU FORWARD

Denton and Collin counties are the state of Texas' ninth and seventh most populated counties, respectively. With this impending growth, it is our commitment to offer alternative mobility options to improve the quality of life where our residents live, work and play.

In FY'20*, DCTA reached numerous milestones in relation to mobility, air quality, economic development and livability. Read more FY'20 milestones below:

- Completed construction on the agency's 19-mile A-train Rail Trail which runs from Downtown Denton to Lewisville
- Received a Federal Transit Administration (FTA) grant for \$600,000 for future Transit-Oriented Development (TOD) planning
- Expanded the Highland Village Lyft Discount program to include Saturday service and increased the agency's sponsored discount from \$10 to \$13
- Launched the Downtown Denton Transit Center (DDTC) Evening On-Demand service for last mile trips at the DDTC
- Acted swiftly during the COVID-19 pandemic to adjust routes, schedules and enhance cleaning and safety precautions to keep employees and passengers safe
- Delivered 225,000 surgical masks, gloves and hand sanitizer to 50 nonprofits across Denton County in partnership with United Way of Denton County and Denton County during COVID-19

*DCTA's fiscal years starts Oct. I and goes through Sept. 30



DCTA'S CORONAVIRUS RESPONSE

The COVID-19 pandemic drastically changed how many conduct business, including here in Denton County. DCTA worked tirelessly during the ever-changing COVID-19 landscape to protect the health and wellbeing of agency staff, riders and the many communities DCTA serves.

The agency adapted its service levels and facility procedures to address safety while keeping passengers informed and empowered to make the best mobility decision for them. DCTA put health first by:

- Enhancing cleaning and safety protocols
- Requiring passengers and employees to wear masks onboard vehicles
- Installing touchless hand sanitizer dispensers on all buses and all facilities
- · Encouraging riders to avoid public transit if they were exposed to the virus or felt ill.

The health and safety of DCTA riders and employees continues to be a main priority, and the future success of the agency's recovery will require a shared approach among riders, stakeholders and community members.



SEPTEMBER 2020





08.7%



BUDGET USED FOR CLEANING SUPPLIES AND PPE BUDGET USED FOR PROTECTIVE BARRIERS FOR DRIVERS AND EMPLOYEES BUDGET USED FOR OTHER COVID-19
SAFETY SIGNAGE EXPENSES



FINANCIAL CORONAVIRUS IMPACT

Due to the COVID-19 crisis in FY'20, DCTA's financials were greatly impacted. The agency swiftly implemented budget changes to adjust for future financial sustainability.



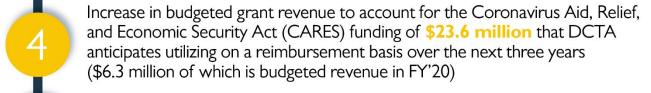
Reduction in budgeted contract service revenue of **\$1 million** of the original FY'20 budget



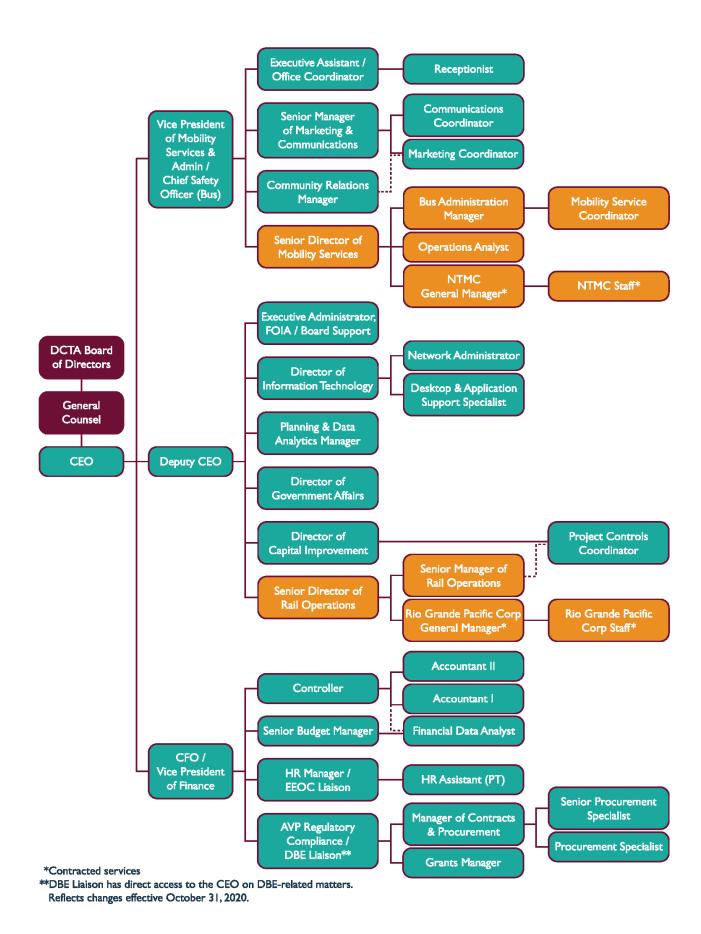
Reduction in budgeted investment income of **\$75k** of the original FY'20 budget

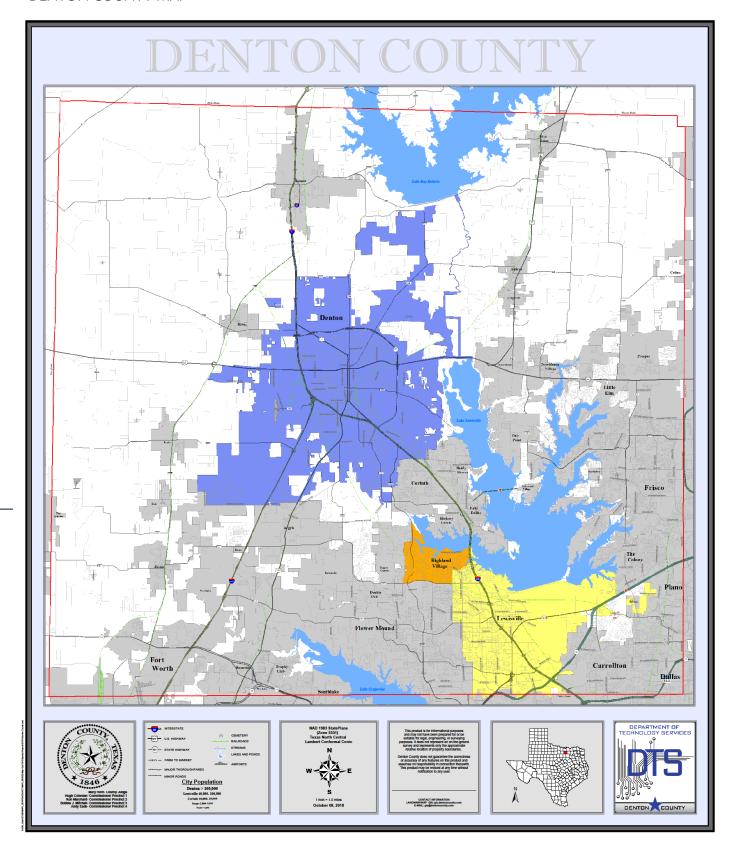


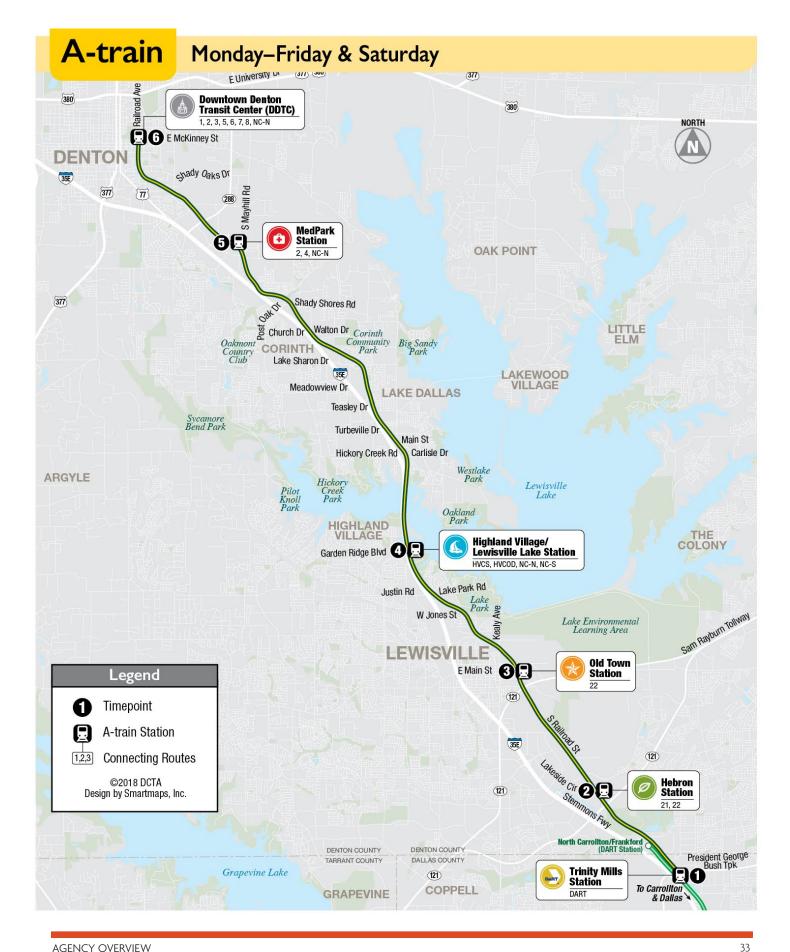
Reduction in budgeted operating expenses of \$2.9 million due to reduction in employee headcount and reduction in rail and bus service levels



Due to the above items and additional non-COVID related budget amendments, the revised FY'20 budget resulted in an increase in net position of \$1.6 million more than the original FY'20 budget







BUDGET PROCESS

BASIS OF BUDGETING

The Texas Transportation Code Chapter 460 requires DCTA to prepare an annual budget. The budget is a policy tool used by staff and the Board of Directors to establish goals and deliver the services defined in the Service Plan. The budget is a building block for the DCTA Long Range Financial Plan. The Long Range Financial Plan is an important planning tool used to evaluate DCTA's financial strengths and weaknesses, prioritize goals, and evaluate options. Staff presents the budget as a financial expression of current goals, objectives for the coming year, and a snapshot view of capital needs for the following five years. The fiscal year for DCTA begins October 1st and ends September 30th.

The budget is designed to communicate DCTA goals and objectives to our stakeholders by describing the service to be provided, the cost of the service, the proposed allocation of funds, and the revenue sources used to pay for the service. The budget communicates DCTA's commitment to a balanced budget, where expenses do not exceed current year revenues and reserve balances. DCTA uses the accrual basis of budgeting. Under this method, revenues are budgeted in the period that they are earned, and expenses are budgeted in the period in which the liability or benefit is expected. The budget and Long Range Financial Plan help to keep departments centered on the goals and plans to accomplish those goals.

The budget is a financial document. It identifies the source and use of the funds expended by DCTA. In preparing the budget, the Board and staff must ensure DCTA maintains a sound financial condition and recognize that the financial decisions made today will impact the ability to deliver future services. The budget communicates the priorities and informs stakeholders about the financial condition of DCTA.

The budget provides a tool for staff to monitor and measure the financial performance of the Agency. DCTA staff also uses the adopted budget to maintain control over operating and capital expenditures by:

- 1. Developing and presenting a cost-effective budget geared to providing quality services for our customers as defined by our Board of Directors.
- 2. Complying with the Financial Management Policies as approved by the Board of Directors to provide timely, useful information for the management of DCTA resources.
- 3. Reviewing all purchase requests and complying with the DCTA Procurement Policy as approved by the Board of Directors.
- 4. Reconciling all expenses to budget and reporting unfavorable variances to the Board.
- 5. Using standards and benchmarks established in the budget and comparing the results of operations.

BASIS OF ACCOUNTING AND FINANCIAL PRINCIPLES

DCTA is accounted for as a single entity enterprise fund and is required to report financial results in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) guidance. Enterprise funds account for operations that are financed and operated in a manner similar to private business. The intent of DCTA is that the costs (expenses, including depreciation) of providing transit services to the general public will be financed through a combination of farebox revenue, sales tax, and grant revenue. The governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FINANCIAL REPORTING AND FUND ACCOUNTING

The North Texas Mobility Corporation is accounted for as a blended component unit of DCTA. Blended component units, although legally separate entities, are in substance, part of the Authority's operations. The Authority reports DCTA's and NTMC's financial condition and results of operations in separate columns.

OPERATING BUDGET SUMMARY 35

BUDGET PROCESS

The Authority reports the following major proprietary funds:

- DCTA is the primary operating fund of the Authority. This fund is used to account for all financial resources of the government, except those required to be accounted for in NTMC. All tax revenues and other receipts are accounted for in this fund. General operating expenses, fixed charges and capital improvement costs not paid through NTMC are paid from DCTA.
- NTMC is a blended component unit. This fund is used to account for all employee-related operations associated with transit services.

The budget document includes a variety of schedules that display NTMC and DCTA financial information, both separately and combined with suitable footnotes. DCTA uses the accrual basis of accounting for the audited financial statements, external reporting, and internally for budgeting. Under this method, revenues are recognized in the period that they are earned, and expenses are recognized in the period in which the liability or benefit is expected.

BUDGET PREPARATION

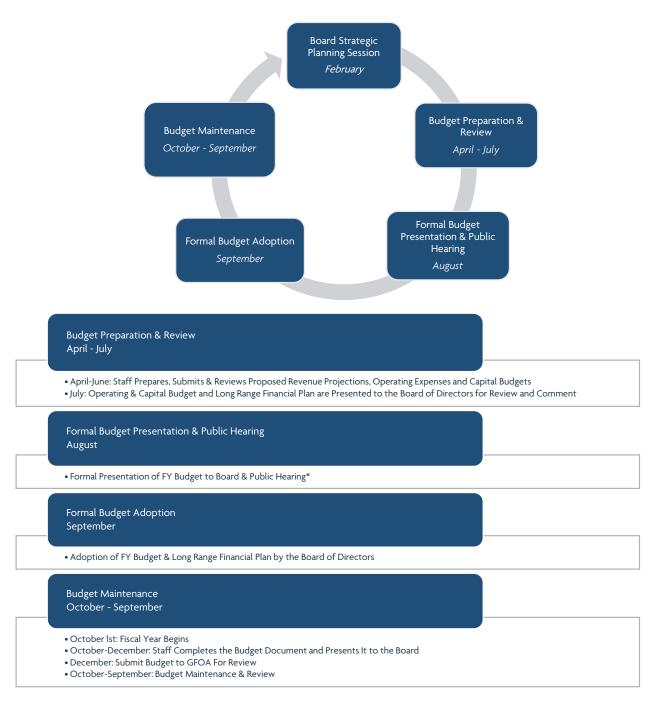
Development of a comprehensive operating and capital budget requires an active and participative process between DCTA staff, the Board of Directors and the public. The development process is outlined below:

- Goals, Objectives and Performance Measures
 Overall agency goals as well as corresponding department objectives and performance measures are
 developed for the upcoming fiscal year.
- 2. Revenue Projections
 Staff identifies the revenue sources needed to accomplish the target objectives, activity and performance measures outlined for the fiscal year.
- 3. Operating Expenses and Expanded Level Projects
 The base operating budget which maintains the current service level is identified. Any new projects, plans for expansion, or increased service delivery that are above and beyond the current service level are proposed as an Expanded Level Project. These are expenses that are generally classified as "one-time" or "out of the ordinary" expenses. The executive staff reviews all requests and determines which projects would best address the agency's needs and should be included in the operating budget.
- 4. Capital Budget and Five Year Capital Improvement & Major Maintenance Plan
 The next step in completing the budget is determining the capital budget and Five Year Capital
 Improvement & Major Maintenance Plan for the agency which is consistent with the previously
 established agency goals and community needs, both current and future.
- 5. Long Range Financial Plan
 Once the operating & capital budget components have been identified, all aspects are incorporated into the Long Range Financial Plan. This allows staff to ensure that all programs are sustainable and within our financial limits.
- 6. Staff then takes the comprehensive operating & capital budget, along with the Long Range Financial Plan, to the Board of Directors for a budget workshop to review and comment. Once staff incorporates any changes received, the proposed budget is then presented in August to the Board, and a public hearing is held to allow for public comment. In September, the proposed budget is then formally adopted by the Board.
- 7. The adopted budget is enacted with the beginning of the new fiscal year on October 1st.

BUDGET PROCESS

BUDGET CALENDAR

The budget calendar allows DCTA to develop and implement a set of processes that will facilitate the creation, review, modification and adoption of a proposed budget. The budget calendar identifies the various tasks involved in the budget process and ensures that the information provided will be properly integrated, the process will be kept on schedule, and all parties will be aware of their responsibility in advance.



*DCTA conducts a public hearing as part of the annual budget budget process that allows citizen input to the Board and staff. This public hearing is advertised in the local newspaper two weeks prior to the scheduled Board meeting.



FY2I **BUDGET SNAPSHOT**

TOTAL OPERATING BUDGET

\$42,984,434

*FY21 starts October 1, 2020 and ends September 30, 2021.

FEDERAL & STATE **GRANT REVENUE**

Includes Operating & Capital + FY2I CARES Act Funding



\$22,601,232

SALES TAX REVENUE

Accounts for 50% of total revenue

26,624,124

*Sales Tax Revenue based on post COVID estimates

INTERNAL DEBT **COVERAGE RATIO**

CARES ACT FUNDING

Programmed into the FY20-FY22 Budgets

23,461,867

*DCTA is the designated Denton-Lewisville UZA recipient.

BUS OPERATIONS

RAIL OPERATIONS



1,040,610

RIDERSHIP PROJECTIONS

165,719



\$991,927

359,000 gallons



\$1,021,800

372,000 gallons

1,569,450

TOTAL SERVICE MILES

576,000



FLEET REPLACEMENT

*I5 small low-floor vehicles | 3 non-revenue vehicles

\$1,880,100

TRANSPORTATION REINVESTMENT PROGRAM

\$5,914,152

*TRiP enables partnerships between DCTA and its member cities on mutually beneficial investments in transit-supportive projects consistent with and beneficial to the agency's adopted Long-Range Service Plan. FY21 will be the first funding cycle for the program.

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	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Adopted Budget
OPERATING REVENUE				
Passenger Revenues (Bus Farebox)	\$ 613,408 \$	624,049	\$ 370,591	\$ 331,712
Passenger Revenues (Rail Farebox)	744,283	588,272	421,578	248,579
Contract Service Revenue	4,201,278	4,416,160	3,398,779	3,458,402
Total Operating Revenue	5,558,969	5,628,481	4,190,948	4,038,693
OPERATING EXPENSES				
Salary, Wages & Benefits	12,367,693	13,457,015	12,323,341	11,644,525
Outsourced Services & Charges	6,202,321	3,488,696	6,054,095	4,355,878
Materials & Supplies	2,445,770	3,307,659	2,452,919	2,921,028
Utilities	445,809	527,988	490,988	506,668
Insurance, Casualties & Losses	1,697,189	1,884,965	1,882,858	1,800,214
Purchased Transportation Services	9,755,585	10,700,706	10,185,808	10,732,539
Employee Development	281,968	480,437	320,215	295,739
Leases & Rentals	221,903	229,633	229,633	238,468
Depreciation	9,813,483	10,612,052	10,612,052	10,489,375
Total Operating Expenses	43,231,721	44,689,151	44,551,909	42,984,434
Operating Income / (Loss)	(37,672,752)	(39,060,670)	(40,360,961)	(38,945,741)
NON-OPERATING REVENUE / (EXPENSE)				
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	26,805,374	26,624,124
Federal Grants & Reimbursements	9,146,240	10,226,774	15,750,649	22,601,232
State Grants & Reimbursements	1,706,197	780,389	438,548	-
Long Term Debt Interest/Expense	(972,668)	(909,480)	(909,480)	(841,080)
Total Non-Operating Revenue / (Expense)	39,441,444	39,568,867	42,462,091	48,484,276
Income (Loss) Before Transfers	1,768,692	508,197	2,101,130	9,538,535
Transfers Out	(2,760,302)	(8,781,700)	(8,119,303)	(8,027,839)
Transfers In	2,760,302	8,781,700	8,119,303	8,027,839
Total Transfers	-	-	-	-
CHANGE IN NET POSITION	\$ 1,768,692	\$ 508,197	\$ 2,101,130	\$ 9,538,535
Net Position - Beginning of Year:	326,032,103	327,800,795	327,800,795	329,901,925
Net Position - End of Year:	\$ 327,800,795	\$ 328,308,992	\$ 329,901,925	\$ 339,440,460

^{*}Includes DCTA & NTMC operating budget and transfers combined

Net Position reflects the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

CHANGE IN NET POSITION - DENTON COUNTY TRANSPORTATION AUTHORITY

	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Adopted Budget
OPERATING REVENUE				
Passenger Revenues (Bus Farebox)	\$ 613,408 \$	624,049 \$	370,591 \$	331,712
Passenger Revenues (Rail Farebox)	744,283	588,272	421,578	248,579
Contract Service Revenue	4,201,278	4,416,160	3,398,779	3,458,402
Total Operating Revenue	5,558,969	5,628,481	4,190,948	4,038,693
OPERATING EXPENSES				
Salary, Wages & Benefits	9,681,725	4,996,191	4,670,896	4,193,211
Outsourced Services & Charges	6,173,872	3,393,656	5,792,466	3,955,959
Materials & Supplies	2,445,770	3,307,659	2,452,919	2,917,735
Utilities	445,809	527,988	490,988	506,668
Insurance, Casualties & Losses	1,655,084	1,752,329	1,752,329	1,681,336
Purchased Transportation Services	9,755,585	10,700,706	10,185,808	10,732,539
Employee Development	278,188	387,237	245,515	241,304
Leases & Rentals	221,903	229,633	229,633	238,468
Depreciation	9,813,483	10,612,052	10,612,052	10,489,375
Total Operating Expenses	40,471,419	35,907,451	36,432,606	34,956,595
Operating Income / (Loss)	(34,912,450)	(30,278,970)	(32,241,658)	(30,917,902)
NON-OPERATING REVENUE / (EXPENSE)				
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	26,805,374	26,624,124
Federal Grants & Reimbursements	9,146,240	10,226,774	15,750,649	22,601,232
State Grants & Reimbursements	1,706,197	780,389	438,548	-
Long Term Debt Interest/Expense	(972,668)	(909,480)	(909,480)	(841,080)
Total Non-Operating Revenue / (Expense)	39,441,444	39,568,867	42,462,091	48,484,276
Income (Loss) Before Transfers	4,528,994	9,289,897	10,220,433	17,566,374
Transfers Out	(2,760,302)	(8,781,700)	(8,119,303)	(8,027,839)
Transfers In	-	-	-	-
Total Transfers	(2,760,302)	(8,781,700)	(8,119,303)	(8,027,839)
CHANGE IN NET POSITION	\$ 1,768,692	5 508,197	2,101,130 \$	9,538,535

CHANGE IN NET POSITION - NORTH TEXAS MOBILITY CORPORATION

	*FY 2019 Actuals	FY 2020 Adopted Budget	FY 2020 Working Budget	-
OPERATING EXPENSES				
Salary, Wages & Benefits	\$ 2,685,968	\$ 8,460,824	\$ 7,652,445	\$ 7,451,314
Outsourced Services & Charges	28,449	95,040	261,629	399,919
Materials & Supplies	-	-	-	3,293
Utilities	-	-	-	-
Insurance, Casualties & Losses	42,105	132,636	130,529	118,878
Purchased Transportation Services	-	-	-	-
Employee Development	3,780	93,200	74,700	54,435
Leases & Rentals	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	2,760,302	8,781,700	8,119,303	8,027,839
Income (Loss) Before Transfers	(2,760,302)	(8,781,700)	(8,119,303)	(8,027,839)
Transfers Out	-	-	-	-
Transfers In	2,760,302	8,781,700	8,119,303	8,027,839
Total Transfers	2,760,302	8,781,700	8,119,303	8,027,839
CHANGE IN NET POSITION	\$ - :	\$ -	\$ -	\$ -

^{*}North Texas Mobility Corporation began June 2, 2019. Fiscal Year 19 actuals only includes expenses for June - September.

	FY 2020	FY 2021
Estimated Net Working Capital as of October 1st	34,263,794	39,393,984
OPERATING ACTIVITES		
Operating Revenue	\$ 4,190,948 \$	4,038,693
Sales Tax Revenue	26,805,374	26,624,124
G&A Operating Expenses ¹	(6,638,051)	(6,201,129)
Rail Operating Expenses ^{1,3}	(14,642,872)	(13,586,327)
Bus Operating Expenses ¹	(12,758,935)	(12,807,603)
Total Operating Activities	(3,043,536)	(1,932,242)
INVESTING ACTIVITIES		
G&A Capital Expenditure	(2,608,530)	(6,214,152)
Rail Capital Expenditure	(1,908,095)	(6,056,376)
Bus Capital Expenditure	(1,096,367)	(1,870,100)
Non-Operating (Expense)/Income	52,000	-
Investment Income	325,000	100,000
Federal Grants & Reimbursements	15,750,649	22,601,232
State Grants & Reimbursements	438,548	-
Total Investing Activities	10,953,206	8,560,604
FINANCING ACTIVITIES		
Debt Issuance	-	-
Debt Payment	(2,779,480)	(2,796,080)
Total Financing Activities	(2,779,480)	(2,796,080)
NON-CAPITAL FINANCING ACTIVITIES		
Transfer In ²	8,119,303	8,027,839
Transfer Out ²	(8,119,303)	(8,027,839)
Total Non-Capital Financing Activities	-	-
Net Increase (Decrease)	5,130,190	3,832,282
Estimated Net Working Capital as of September 30th	\$ 39,393,984 \$	43,226,266

¹ Operating expenses net of depreciation expense

₂ DCTA completes a Transfer Out which funds the bus expenses under the NTMC operating budget

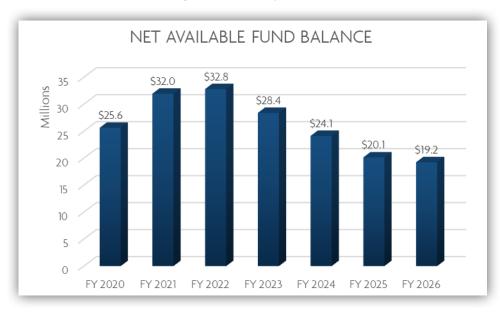
³ Rail Operating Expenses includes \$100k for the Rail Easement Liability

LONG RANGE FINANCIAL PLAN

The Long Range Financial Plan for the agency is an integral piece of the budget process each year and serves as the foundation to build the budget. After the agency service objectives are identified each year, the executive staff presents to the Board of Directors a five year forecast that includes proposed capital projects as well as service level increases that have been identified. The impact of the proposed budget is then incorporated into the Long Range Financial Plan. With Board approval, this Long Range Financial Plan serves as the first building block of the budget.

The Long Range Financial Plan is a working document, evolving based on planned changes. The agency applies escalators to the current budget year to forecast future periods. These escalators are based on different resources including, but not limited to, the Employment Cost Index, Consumer Price Index, and data from the Energy Information Administration. All future periods are based on the current fiscal year budget and escalated based on the following major assumptions:

- Labor cost inflation is forecasted at a 3% increase for Administrative & Rail Operations and 4% for Bus Operations over prior year
- Benefit cost inflation varies and is based on a historical average and current plans
- All contract rates for bus and rail service are based on current contracts and escalated per contract terms
- Escalation rates for fuel are based on the Energy Information Administration (EIA) forecasts
- Sales tax projections are increased at a rate of 9% for 2022, 2% for 2023 and 2024, 3% for 2025 forward.
 - o With the economic impact of COVID-19, DCTA reacted quickly in FY20 and drastically lowered the sales tax projection. In the remaining months of FY20, the agency did not experience a large decline of sales tax receipts and ended the year at a 2.82% increase over the original sales tax projection.

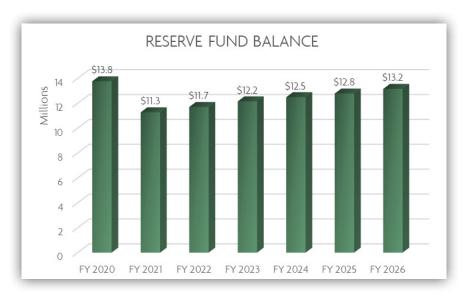


Net available fund balance is the balance after annual operating and capital expenses and after reserve funds have been removed.

Reserve Fund Policies

Adequate reserve levels are a necessary component of DCTA's overall financial management strategy and a key factor in external agencies' measurement of DCTA's financial strength. Funding priorities based on Board policy are in the order listed below:

- a. It will be the policy of DCTA to maintain a Fund Balance Reserve that is equal to three months of the total budgeted operating expenses (less capital project expenses) for the fiscal year. This Fund Balance Reserve is maintained to address unanticipated emergencies and may be allocated with approval by the Board if there are not sufficient resources in unrestricted net position. An annual contribution will be budgeted from general operating resources, as available, to maintain the target reserve level.
- b. It will be the policy of DCTA to maintain a Sales Tax Stabilization Fund. This Fund will be used to stabilize revenue received from sales tax in times of economic downturn and will be equal to three percent (3%) of annual budgeted sales tax.
- c. It will be the policy of DCTA to maintain a Capital Replacement/Infrastructure Maintenance Fund (State of Good Repair) to provide funding for maintenance of capital assets and infrastructure at a sufficient level to protect DCTA's investment and maintain appropriate service levels. The use of any funds within the Capital Replacement/Infrastructure Maintenance Fund will be approved by the Board within the resources available each fiscal year.
- d. It will be the policy of DCTA to maintain a Fuel Stabilization Fund. On average, the Fuel Stabilization Fund will be equivalent to \$.50 per gallon of budgeted fuel. This will be reviewed each year during the budget process. This fund will be used to mitigate significant fluctuations in fuel prices each year. The use of any funds within the Fuel Stabilization Fund shall be approved by the Board.

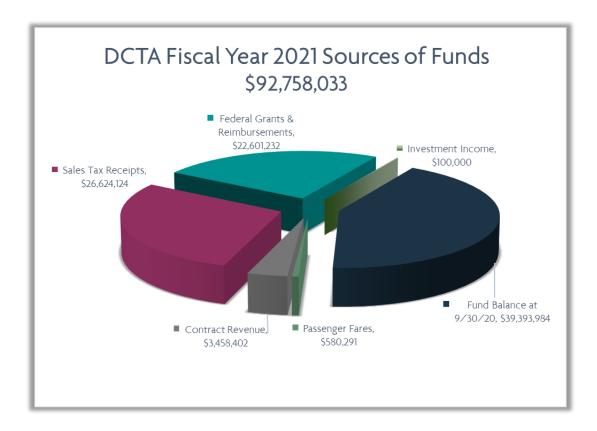


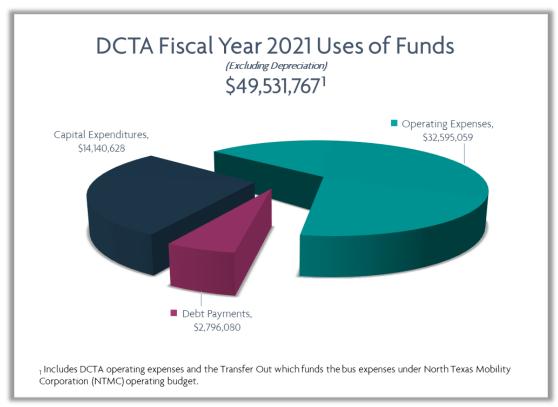
Reserve fund balances include Operating Reserve, Sales Tax Stabilization, Fuel Stabilization and Capital Infrastructure Fund.

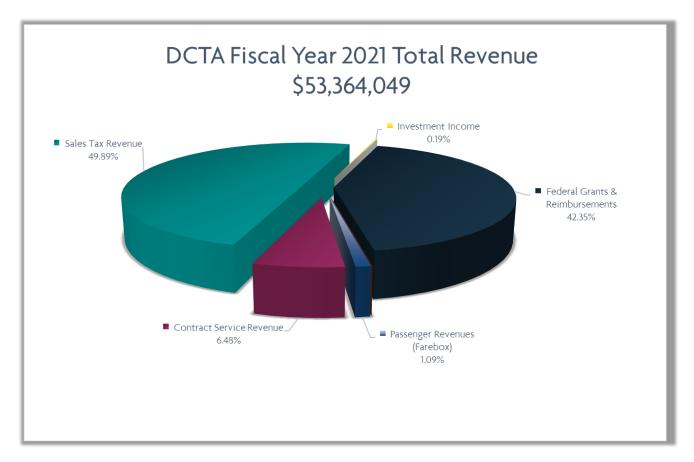
Contributions to the Capital Replacement/Infrastructure Maintenance, Sales Tax Stabilization and Fuel Stabilization Funds will be made from available funds as identified in the annual budget or amended budget. The Chief Financial Officer (CFO) shall make a recommendation to the Board with regard to transfers to and from reserve funds. The Board shall authorize the transfers as deemed appropriate at the time.

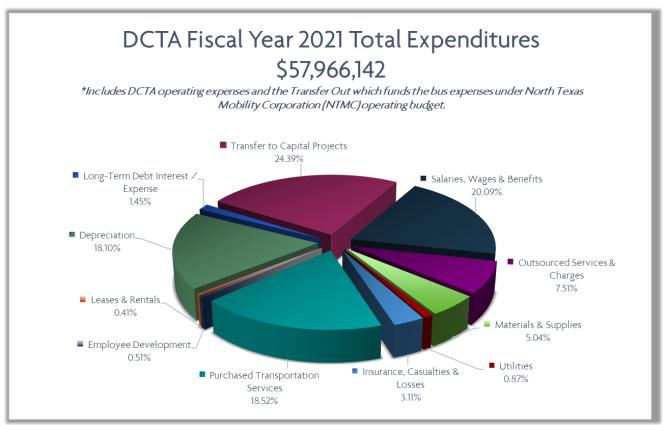
DENTON COUNTY TRANSPORTATION AUTHORITY LONG RANGE FINANCIAL PLAN								
FISCAL YEAR 2021 ADOPTED BUDGET								
	FY2020 Working Budget	Adopted FY2021	Proposed FY2022	Proposed FY2023	Proposed FY2024	Proposed FY2025	Proposed FY2026	FY2020-FY2026
Beginning Fund Balance:	\$ 34,263,794	39,393,984 \$	43,226,266 \$	44,513,262 \$	40,543,076	\$ 36,607,741 \$	32,923,334	\$ 34,263,794
OPERATING REVENUES	2742270	2 700 114	4305.230	4505 450			5001440	05 500 050
Bus Operating Revenue Rail Operating Revenue	3,769,370 421,578	3,790,114 248,579	4,105,310 529,448	4,595,658 588,275	4,746,357 617,689	4,876,546 623,866	5,021,443 630,105	85,522,852 10,924,563
Misc. Revenue	52,000	-	-	-	-	-	-	52,000
NON-OPERATING REVENUES								
Sales Tax Revenue	26,805,374	26,624,124	29,019,184	29,599,568	30,191,559	31,097,306	32,030,225	583,573,692
Operating Grants Investment Income	12,400,872 325,000	16,506,873 100,000	12,039,172 92,647	6,509,093 104,989	6,089,651 108,634	6,005,892 111,551	5,918,380 169,845	128,424,14 <i>6</i> 2,822,177
TOTAL REVENUES	43,774,194	47,269,690	45,785,760	41,397,583	41,753,890	42,715,161	43,769,997	811,319,430
OPERATING EXPENSES Bus Operating Expense	12,758,934	12,807,603	14,020,007	15,008,740	15,662,519	16,102,815	16,819,543	324,290,354
Rail Operating Expense	14,642,872	13,586,327	14,002,449	14,402,901	14,813,108	15,226,289	15,666,584	285,982,689
G&A Operating Expense	6,638,051	6,201,129	5,934,899	6,129,938	6,334,718	6,549,944	6,776,386	127,958,329
TOTAL EXPENSES	34,039,857	32,595,059	33,957,354	35,541,579	36,810,344	37,879,048	39,262,513	738,231,373
NET INCOME	9,734,337	14,674,631	11,828,406	5,856,005	4,943,546	4,836,112	4,507,484	73,088,057
CAPITAL OUTLAY & MAJOR MAINTENANCE								
Bus Capital	8,237	_	-	-	_	-	_	8,237
Bus Fleet Replacement	1,072,600	1,870,100	1,124,247	1,650,648	2,082,427	2,168,650	2,258,736	30,933,455
Professional Services / Technology Improvements	126,648	300,000	300,000	-	350,000	80,000	-	2,016,648
Transit Safety Improvements	136,257	-	-	-	-	-	-	136,257
Hike & Bike Trails Major Maintenance Items - Rail	654,486 400,864	2,124,693	2,062,535	1,798,907	1,099,619	1,704,328	1,900,386	654,486 36,790,651
Major Maintenance Items - Bus	15,530	-	179,530	238,264	273,851	200,000	200,000	3,107,175
Positive Train Control	713,645	3,887,931	1,850,000	230,204	2/3,031	200,000	200,000	6,451,576
Infrastructure Acquisition	157,992	-	-	-	-	-	-	157,992
Infrastructure Acquisition - Old Town	2,323,890	-	-	528,100	-	-	-	2,851,990
Brownfield Remediation	2,843	43,752	-	-	-	-	-	46,595
Transportation Reinvestment Program (TRiP)	-	5,914,152	4,792,917	4,922,040	4,258,829	3,618,286	-	23,506,224
TOTAL CAPITAL OUTLAY & MAJOR MAINTENANCE	5,612,991	14,140,628	10,309,229	9,137,959	8,064,726	7,771,264	4,359,122	106,661,286
CAPITAL SOURCES								
Capital Grants Capital Grants - Old Town	1,464,435 2,323,890	6,094,359	2,572,126	1,603,487 528,100	2,022,929	2,106,688	2,194,200	36,229,811 2,851,990
Capital Grants - Old Town	2,323,070		_	320,100				2,031,990
TOTAL CAPITAL SOURCES	3,788,325	6,094,359	2,572,126	2,131,587	2,022,929	2,106,688	2,194,200	39,081,801
DEBT SERVICE								
2009 Refunding (Sales Tax) Debt Service 2011 Contractual Obligations	1,715,240 1,064,240	1,714,040 1,082,040	1,715,845 1,088,462	1,715,771 1,104,048	1,713,701 1,123,382	1,714,637 1,141,307	1,713,378 1,157,824	17,147,448 13,821,849
TOTAL DEBT SERVICE	2,779,480	2,796,080	2,804,307	2,819,819	2,837,083	2,855,944	2,871,202	30,969,297
Internal Debt Service Coverage:	3.50	5.25	4.22	2.08	1.74	1.69	1.57	30,703,237
·	23,360,000	21,405,000	19,370,000	17,245,000	15,025,000	12,705,000	10,285,000	
Outstanding Bond Principal as of September 30th								
ENDING FUND BALANCE	39,393,984	43,226,266	44,513,262	40,543,076	36,607,741	32,923,334	32,394,694	8,803,070
Less Required Fund Balance (O&M Reserve Policy)	8,509,964	8,148,765	8,489,339	8,885,395	9,202,586	9,469,762	9,815,628	
Less Sales Tax Stabilization Fund	804,161	798,724	870,576	887,987	905,747	932,919	960,907	
Less Fuel Stabilization Fund	450,000	326,000	339,750	377,500	377,500	377,500	377,500	
Less Capital/Infrastructure Fund	4,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
NET AVAILABLE FUND BALANCE	\$ 25,629,859	\$ 31,952,778	32,813,598 \$	28,392,194 \$	24 121 909	\$ 20,143,152 \$	10 240 650	
THE AVAILABLE FUND BALANCE	23,029,839	31,732,778	32,013,398 \$	20,372,194 \$	24,121,909	÷ 20,143,152 \$	17,240,039	

The Long Range Financial Plan reflects the projection for FY20 as well as the FY21 adopted operating and capital budget. Even with the impact COVID-19 has had, the financial plan of the agency remains stable. The current forecast is conservative, with ridership reaching original FY20 levels by the year 2023 and an annual 1% increase in the following years. Passenger revenues reflect an increase of 5% every three years. DCTA staff and Board of Directors have developed strategies to be able to successfully respond to uncertainties and risks of the economic environment that could arise and will continue to be diligent in maintaining the financial health of the agency.









13,486,327

13,486,327

14,542,872

14,542,872

13,572,857

13,572,857

Rail Services

Total Rail Operations

GENERAL AND ADMINISTRATIVE									
	FY 2 Ac	019 ual	FY 2020 Adopted Budget	FY 2020 Working Budge		2021 dget			
President/CEO	\$ 1,006,	336 \$	846,775	\$ 905,336	5 \$ 824	4,012			
Administration*		-	353,283	354,142	368	3,298			
Board of Directors	21,	750	39,800	721,920	94	1,585			
Finance	1,437	915	1,741,010	1,746,243	3 1,750	0,971			
Strategic Planning & Development	1,101,	264	1,137,332	913,24	1 1,113	3,199			
Marketing & Communications	1,058	,351	1,140,919	1,009,469	759	,809			
Transit Management	1,248,	940	257,383	209,00	1 550	0,412			
Human Resources	209	279	212,426	202,426	5 202	2,367			
Information Technology*		-	591,944	576,273	3 537	7,476			
Total General & Administrative	6,084,	335	6,320,872	6,638,05	6,201	,129			
RAIL OPERATIONS									
	FY 2	019 ual	FY 2020 Adopted Budget	FY 2020 Working Budge		2021 dget			

BUS OPERATIONS

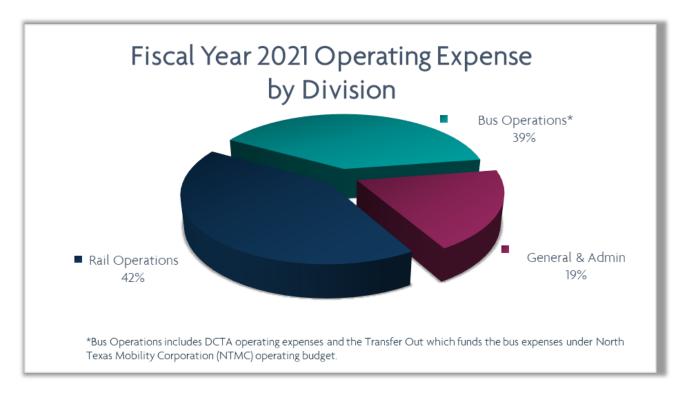
15,149,170

15,149,170

Includes DCTA operating expenses & the Transfer Out which funds the bus expenses under North Texas Mobility Corporation (NTMC) operating

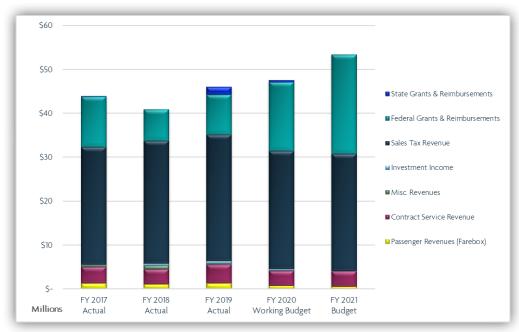
	FY 2019 Actual	FY 2020 Adopted Budget	FY 2020 Working Budget	FY 2021 Budget
Bus Administration	1,541,365	1,402,264	1,644,011	1,586,399
Bus Operations Management*	-	722,588	535,236	385,550
Fixed Route Service	3,596,944	3,846,794	2,844,245	2,969,029
UNT Contract Service	1,776,786	1,907,301	1,735,461	1,772,046
Demand Response Service	923,291	1,110,618	1,182,788	970,631
North Texas Xpress	320,189	414,169	342,459	368,023
Maintenance	1,912,410	2,450,321	2,206,396	2,276,307
Supervisors & Dispatch	922,420	809,687	824,611	1,059,199
NCTC Contract Service	206,864	219,014	97,591	-
Frisco Contract Service	258,470	206,609	179,739	307,934
Collin County Transit Contract Service (CCT-McKinney)	214,609	200,545	200,925	50,567
Mobility as a Service (MaaS)*	-	245,705	257,879	348,980
Customer Service (DDTC)	511,385	647,755	707,593	712,938
Total Bus Operations	12,184,733	14,183,370	12,758,934	12,807,603
Total Depreciation	9,813,483	10,612,052	10,612,052	10,489,375
TOTAL OPERATING EXPENSES + TRANSFERS OUT	\$ 43,231,721	\$ 44,689,151	\$ 44,551,909	\$ 42,984,434

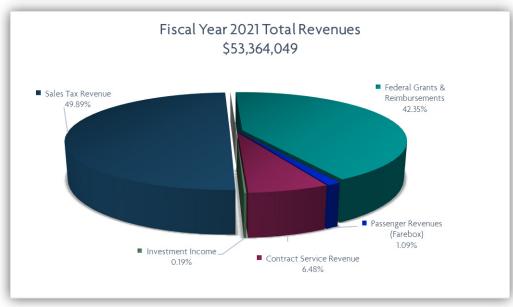
^{*}New department created for Fiscal Year 2020; expenses were previously combined in existing departments





	FY 2017 Actual	_	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget
REVENUE SOURCE						
Passenger Revenues (Farebox)	\$ 1,292,725	\$	1,114,733	\$ 1,357,691	\$ 792,169	\$ 580,291
Contract Service Revenue	3,716,481		3,416,001	4,201,278	3,398,779	3,458,402
Sales Tax Revenue	26,790,098		27,937,707	28,735,383	26,805,374	26,624,124
Investment Income	122,250		350,924	597,793	325,000	100,000
Misc. Revenues	408,658		860,988	228,499	52,000	-
Federal Grants & Reimbursements	11,429,852		7,116,198	9,146,240	15,750,649	22,601,232
State Grants & Reimbursements	3,434		-	1,706,197	438,548	-
TOTAL REVENUES	\$ 43,763,498	\$	40,796,551	\$ 45,973,081	\$ 47,562,519	\$ 53,364,049





Due to the COVID-19 pandemic and current ever changing economic climate the world is dealing with, the budget process for FY21 proved to be more difficult. Typically, staff would be able to rely on trend analysis in order to build budget assumptions, both for revenues and expenses. With the impact of COVID-19, DCTA took the following major factors into consideration:

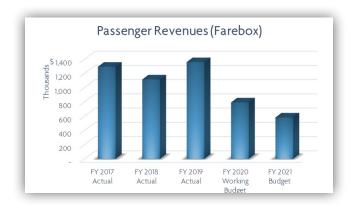
- Decrease in sales tax revenue
- Decrease in overall ridership
- Decrease in passenger revenues
- Service level reductions
- Additional federal grant funding
- Additional COVID-19 related expenses

These factors served as the building blocks for the fiscal year 2021 budget and are outlined in more detail below.

REVENUE & OTHER INCOME

Department specific revenue budgets, such as Passenger Revenues (Farebox), are the responsibility of the department since the staff in the respective departments are the most knowledgeable source of information. Likewise, the Finance Department is responsible for Sales Tax Revenue estimates. Revenue forecasts are largely based on trend analysis, with an emphasis on current and expected future economic conditions within the national, state, and local economy. The DCTA sales tax rate is one half of a percent of taxable goods and services sold within the three member cities of Denton, Highland Village, and Lewisville. Local businesses within member cities collect the tax, remit it to the State Comptroller, and then it is disbursed to the state, cities, transit authorities, and other taxing jurisdictions.

PASSENGER REVENUES (FAREBOX)



Passenger revenues consist of farebox collections and ticket sales for the DCTA bus and paratransit services as well as rail farebox revenue. The budget is calculated using projected ridership and average fare per rider. Total passenger revenue is projected at a decrease of 27% from the FY 2020 working budget. Bus passenger fares are assumed at a decrease of 10% based on current ridership trends. For rail passenger fares, we are estimating a 41% decrease. The current forecast is conservative, with ridership reaching original FY20 levels by the year 2023 and an annual 1% increase in the following years and passenger revenues increasing by 5% every 3 years.

CONTRACT SERVICE REVENUE

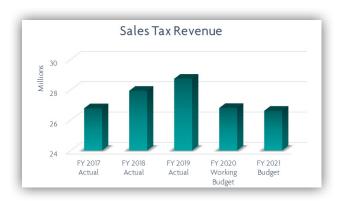


Contract service revenue consists of revenue or income related to providing transit services to UNT, NCTC, McKinney Urban Transit District (Collin County Transit), Frisco, Coppell and the North Texas Xpress corridor. Contract revenues are specific to each service and the respective contract terms. Service hours, contract rates and fuel expense are all components to be reviewed. The FY21 budget

reflects a 1.75% increase (or \$59,623) over the 2020 working budget and is based on current contract rates for each service.

In FY20, NCTC terminated service beginning in April 2020 due to student courses converting to virtual with the onset of COVID-19. Collin County Transit in McKinney also made the decision to suspend contract service after December 2020. These negative impacts were offset by an increase of \$500k to the UNT contract service revenue. The university was a recipient of federal grant funds that will be used to fund a portion of their transit service.

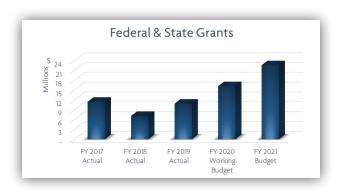
SALES TAX REVENUE



Sales tax represents the single largest source of revenue for DCTA at 49.89% for the Fiscal Year 2021 budget. With the ever-changing economy, it has always been the philosophy of staff and Board to budget sales tax conservatively. Despite strong sales tax growth in recent years, due to the economic impacts of COVID-19, sales tax projections in FY20 were reduced to 50% of the originally budgeted amount for the months of April through September. The sales tax projection was further reduced by \$500k to anticipate potential impacts of the Comptroller's proposed rule changes regarding internet sales orders, for a total reduction of roughly \$7.5 million, bringing the FY20 sales tax budget to \$21.4M. Thankfully, sales tax revenues came in higher than anticipated and the Board revised the FY20 budget to \$26.8M. The FY21 projected budget is conservative at \$26.6M and assumes a 25% reduction in the 1st quarter. DCTA faces challenges in healthcare costs, low interest rates impacting investment earnings, and funding for the increased demand for the expansion of services. In addition, the changing landscape with consumers migrating to on-line purchases from the traditional brick and mortar retail stores could impact local sales tax.

Sales Tax Revenue is a non-operating revenue source for DCTA. DCTA collects a one-half percent sales tax in member cities. Sales tax revenue for the 2021 budget year is a 0.68% decrease over the projected sales tax budget for FY20. DCTA will continue to closely monitor sales tax trends and the impact that COVID-19 has. 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.

GRANTS & REIMBURSEMENTS



Grant revenue consists of revenue or income from various grants available to DCTA from both the federal and state government. Typically, the majority of grant funding that the agency receives is 5307 federal formula funds from the annual Program of Projects. The average apportionment for DCTA is \$6.1M. In FY 2021, DCTA anticipates \$22.6 million in federal grants. All grant funds are on a reimbursement basis where all drawdown requests occur after the expense has been paid.

Operating grants are used to fund projects such as preventive maintenance, eligible bus transit operations, and the vanpool program. In FY21, DCTA has assumed \$16.5M in federal operating grants. The majority of these grant funds, \$12.2 million are attributed to Coronavirus Aid, Relief, and Economic Security Act (CARES) funds that DCTA was the designated recipient for the Denton-Lewisville UZA, which received a total of \$23.4M. These funds are

being used to offset expenses due to the decline of revenues in response to COVID-19. The CARES Act funds have been programmed in FY20 – FY22.

OPERATING EXPENSES & ASSOCIATED GRANTS	FY 2021 OPERATING EXPENSE	FEDERAL REIMBURSEMENT PERCENTAGE	c	TOTAL FY 2021 PERATING GRANTS
TRAIN THE TRAINER - NEW FREEDOM GRANT	125,540	100%	\$	125,540
BUS PREVENTIVE MAINTENANCE 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
TOTAL OPERATING EXPENSES & ASSOCIATED GRANTS	\$ 16,589,353		\$	16,506,873

Capital grants are used to fund capital projects such as fleet replacement, construction, hike & bike trails, and Positive Train Control. In FY21, capital grants are budgeted at \$6.1 million.

CAPITAL PROJECTS & ASSOCIATED GRANTS		FY 2021 CAPITAL PROJECTS	FEDERAL REIMBURSEMENT PERCENTAGE		TOTAL FY 2021 CAPITAL GRANTS
OSITIVE TRAIN CONTROL ENHANCEMENTS (PHASE 2 - CRISI GRANT)	\$	3,000,000	80%	\$	2,400,000
POSITIVE TRAIN CONTROL IMPLEMENTATION (TX-95-X079)	\$	887,931	80%	S	710,345
FLEET (2021) - REVENUE VEHICLES (\$2.810.400)					
FY16 5307 & 5339 Funds (TX-2017-011-00)	s	692,608	85%	S	588,717
FY17 5307 Funds (TX-2019-073-00)	S	1,090,785	100%	\$	1,090,785
FY18 5339 Funds	\$	673,007	85%	\$	572,056
FY19 5339 Funds	\$	354,000	100%	\$	354,000
FLEET (2021) - NON-REVENUE VEHICLES (\$132,300)					
FY17 5339 Funds	\$	19,221	80%	S	15,377
FY17 5339 Funds Including TDCs	\$	51,145	100%	S	51,145
FY19 5339 Funds	\$	61,934	100%	\$	61,934
INTEGRATED FARE PAYMENT - FY17 5339 Funds	S	300,000	100%	\$	250,000
TOTAL CAPITAL PROJECTS & ASSOCIATED GRANTS	Ś	7,130,631		Ś	6,094,359

INVESTMENT INCOME

Investment income has shown a decrease in FY20. DCTA has experienced an average yield of .27% as of September 2020 and utilizes different investment vehicles such as Local Government Investment Pool, US Treasury Notes and US Agency Securities.

OPERATING EXPENSES

The Operating Expense Budget includes costs related to the day-to-day operations of DCTA at current service levels and any costs related to approved Expanded Level Projects. Expanded Level Projects include any new projects, plans for expansion, or increased service delivery that are above and beyond current service levels.

In previous years, DCTA had a management services contract for bus operations with First Transit, Inc. to provide a General Manager (GM) and an Assistant General Manager (AGM) and support to manage and oversee the bus operations and related support functions. First Transit, Inc. through its wholly owned subsidiary, Transit Management of Denton County (TMDC), provided the bus operations support for DCTA.

In FY19, DCTA created a Local Government Corporation (LGC) called North Texas Mobility Corporation (NTMC). NTMC is a subsidiary of DCTA and acts on behalf of its creating authority, governed by Chapter 431 of the Texas Transportation Code. DCTA has entered into an Interlocal Agreement (ILA) with NTMC to provide complete mobility services and management of ongoing operations, including fixed-route, demand-response, ADA/paratransit, fare collection and enforcement services, maintenance, service operation, and DCTA's customer service/call center. The purpose of creating NTMC was to elevate overall performance and enhance customer service. By creating a subsidiary, DCTA has greater ability to monitor and hold accountable the bus operations contractor, ultimately ensuring passengers have the best possible experience using the transit system.

In addition to the Interlocal Agreement for service provision, NTMC has contracted with DCTA to provide administrative support services including information technology and help desk services, internal and external marketing and communications, transit planning, data analytics, contracts and procurements, accounts payable/accounts receivable, accounting, budget preparation, legal services, and oversight of payroll processing.

Finally, the agreement with NTMC will assist in decreasing bus operations costs while increasing operational efficiencies and improving the quality of service provided. NTMC allows DCTA to provide consistent employee benefits, improve service strategy, operations, communications, increase employee support, improve employee morale, reduce employee turnover, improve the quality of service, and enhance the overall passenger experience.

The NTMC operating budget includes Salaries & Wages, Benefits and other expenses directly related

to the employees under bus operations. These include advertising related to job postings, drug/background screenings, payroll fees, workers compensation insurance and employee training. All other operating expenses for bus operations are included in the DCTA operating budget. The NTMC budget is funded by a Transfer Out from the DCTA budget.

DCTA entered into a rail operations contract directly with Rio Grande Pacific Corporation in October 2020. This contract supports the train operations (service hours, fuel, maintenance, etc.) and is accounted for in the Purchased Transportation expense category.

SALARY, WAGES AND BENEFITS



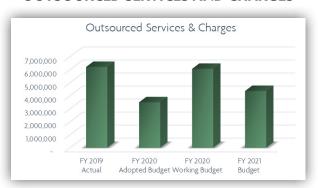
This expense category includes DCTA and NTMC payroll, employer taxes, insurance premiums, and additional benefits. The FY 2021 budget reflects a 5.51% decrease compared to the FY20 working budget for this category.

With the anticipated financial impact of COVID-19, a reduction in force was necessary in FY20. In May 2020, 7 FTEs were eliminated, a 16% decrease in staff for DCTA. Also, with a 47k reduction in service hours, the number of budgeted Bus Operators was decreased by 22 FTEs. There are also no merit increases included in the FY21 budget.

This budget incorporates an increase of 9% in health care benefits for DCTA and 15% for NTMC based on the current plan design. This is based on analysis of employee health benefits and projections of anticipated increases in the cost of health care. In the time we are compiling the budget we have not yet received or negotiated benefit rates for the upcoming fiscal year. In looking at previous years 2015-2019 for medical coverage, the average increase experienced has been 9.8% so these assumptions are conservative.

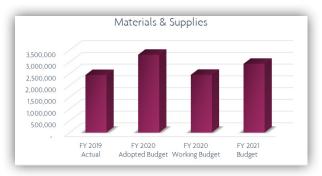
NTMC, which provides the bus operations for DCTA, includes an average rate increase from \$18.34 in FY20 to \$18.81/hour in FY21 for operators. Operator rates are outlined by the Union CBA currently in place.

OUTSOURCED SERVICES AND CHARGES



Outsourced services & charges category consists of DCTA contracts and purchase of services from consultants and is lower than the FY 2020 working budget by 28% (\$1.7M). At the end of FY20, staff reviewed all capital and major maintenance projects and identified \$1.76M in services that was expensed to the operating budget. These items included major maintenance of the rail vehicles, rail line and the bus operations and maintenance facility.

MATERIALS AND SUPPLIES



This expense category includes office supplies, non-capital expense for furniture and computers, fuel, parts, and lubricants for operations, etc. The FY21 budget for this category is higher than FY20 working budget by 19%. In FY20, the agency captured realized savings from bus and rail fuel accounts and transferred these savings to cover unanticipated decreases in revenues. In FY21 the fuel is budgeted at \$2.75/gallon for rail and bus operations. The FY21 operating budget also includes additional COVID related expenses that includes cleaning supplies and materials.

UTILITIES

This expense category includes gas, electric and communication expenses. The FY21 budget reflects an increase of \$16k compared to the FY 2020 working budget and is based on current expenses incurred by the agency.

INSURANCE

This expense category includes liability and property coverage as well as workers compensation insurance. The budget item reflects a decrease of 4% and is based on current insurance rates of the agency.

PURCHASED TRANSPORTATION SERVICES



This expense category includes all purchased transportation services provided under a third party contract.

- This includes an Interlocal Agreement with DART and Trinity Metro for shared services for the maintenance of the Trinity Mills platform, Ticket Vending Machine (TVM) maintenance and revenue collection, and emergency dispatch.
- DCTA entered into a contract with Rio Grande Pacific Corporation for rail operations and maintenance in October 2020. This contract includes management fees, maintenance of way, vehicle maintenance, train hours and car miles. Rail purchased transportation is \$10.08M in FY21 and is based on the current contract rate. It also assumes \$200k for the Positive Train Control (PTC) operational cost estimate that will begin in FY 2021.
- In June 2017, the City of McKinney, the McKinney Urban Transit District (MUTD) and DCTA partnered together to launch Collin County Transit (CCT). This service consists of a subsidized

- taxi voucher program that provides efficient transit options for participating MUTD cities including McKinney, Lowry Crossing, Melissa, Princeton, Celina and Prosper. This service is included in the first quarter of FY21.
- Frisco demand-response contract service is also included under Purchased Transportation and is based on the current contract.
- In FY19, Trinity Metro and DCTA partnered to develop the on-demand Alliance service and deployed a simplified service by leveraging DCTA's existing contract with Lyft. Alliance Link was developed to fill the transportation gap between the North Texas Xpress bus stops and the passengers' places of employment, which could be roughly a mile.
- In January 2019, DCTA issued a Request for Proposals (RFP) to solicit innovative proposals to implement flexible, efficient and effective mobility services to enhance and/or supplement DCTA's existing transit offerings as well as provide service to areas where traditional transportation options are less effective.
- In 2019, DCTA expanded its transit offerings with its new Mobility-as-a-Service (MaaS) contract model becoming a "broker of services" to provide customized mobility solutions for various communities. The contract model provides DCTA with an innovative toolbox of mobility solutions that include any combination of options from car, scooter and bike sharing, taxis, driverless vehicles to integrated travel planning to fare payment. The move is part of the agency's focus on providing more options as the face of mobility in cities and regions continues to evolve.
- Vanpool service has also increased by \$147k in FY21 and DCTA's portion of the expense is 100% grant funded.

EMPLOYEE DEVELOPMENT

This expense category includes travel and lodging, dues and memberships, seminars and conferences, staff training and development and other minor expenses that do not fit into the categories above. Examples of these items include:

- Training opportunities for DCTA staff
- Training for NTMC staff
- Annual Tuition Reimbursement Program
- Agency membership dues

In FY21, Employee Development reflects a decrease of 7.6% due to the elimination of all non-essential travel and training and a move to local training opportunities in lieu of training that requires travel, in response to COVID-19.

LEASES AND RENTALS

Leases and rental expense include DCTA office leases at the Lewisville location as well as small printer/copier lease contract expenses. The FY21 budget is based on current contracted lease rates.

DEPRECIATION

This expense category represents the expense of using capital assets over time.

NON-OPERATING EXPENSES:

LONG-TERM DEBT INTEREST/EXPENSE

This category accounts for the expenses related to long-term debt issuance and includes the interest payments. In FY 2010, DCTA refunded its existing 2008 debt and issued a Sales Tax Revenue Refunding Series 2009 bond issue for \$20.9 million. In FY 2011, DCTA issued Sales Tax Contractual Obligations Series 2011 for \$14.4 million. The FY 2021 budget reflects the interest payments for these outstanding debts. Please refer to the debt tables on pages 57-59 for additional information.

SALES TAX REVENUE REFUNDING BONDS, SERIES 2009 \$20,890,000

DATE December 17, 2009

INTEREST Semi-annual each March and September, commencing March 2010. Interest accrues at a

fixed rate of 3.99%.

PURPOSE The bonds were issued in order to refund the Sales Tax Revenue Bonds, Series 2008

dated June 24, 2008 and scheduled to mature on June 15, 2013. This allowed DCTA to

remove restrictive bond covenants.

SECURITY The Bonds are secured by Pledged Revenues, including receipts from a 1/2% sales and

use tax levied within the Authority.

DEBT SERVICE

Fiscal Year	Principal	Interest	Total
2010	\$ -	\$ 620,503	\$ 620,503
2011	-	833,511	833,511
2012	-	833,511	833,511
2013	885,000	833,511	1,718,511
2014	920,000	798,200	1,718,200
2015	955,000	761,492	1,716,492
2016	995,000	723,387	1,718,387
2017	1,030,000	683,687	1,713,687
2018	1,075,000	642,590	1,717,590
2019	1,115,000	599,697	1,714,697
2020	1,160,000	555,209	1,715,209
2021	1,205,000	508,925	1,713,925
2022	1,255,000	460,845	1,715,845
2023	1,305,000	410,771	1,715,771
2024	1,355,000	358,701	1,713,701
2025	1,410,000	304,637	1,714,637
2026	1,465,000	248,378	1,713,378
2027	1,525,000	189,924	1,714,924
2028	1,585,000	129,077	1,714,077
2029	1,650,000	65,835	1,715,835
TOTAL	\$ 20,890,000	\$ 10,562,386	\$ 31,452,386

SALES TAX CONTRACTUAL OBLIGATIONS, SERIES 2011 \$14,390,000

DATE September 15, 2011

INTEREST Semi-annual each March and September, commencing September 2011. Interest

accrues at a fixed rate of 3.13%.

PURPOSE These Contractual Obligations were issued to fund transportation system

improvements which will include the initial phase of the Positive Train Control

project and a portion of DCTA's share of the new rail vehicles.

SECURITY The Bonds are secured by Pledged Revenues, including receipts from a 1/2% sales

and use tax levied within the Authority.

DEBT SERVICE

Fiscal Year	Principal	Interest	Total
2011	\$ -	\$ -	\$ -
2012	-	452,909	452,909
2013	-	449,156	449,156
2014	-	449,156	449,156
2015	555,000	450,407	1,005,407
2016	585,000	432,842	1,017,842
2017	615,000	414,420	1,029,420
2018	645,000	397,673	1,042,673
2019	675,000	373,090	1,048,090
2020	710,000	353,925	1,063,925
2021	750,000	331,937	1,081,937
2022	780,000	308,462	1,088,462
2023	820,000	284,048	1,104,048
2024	865,000	258,381	1,123,381
2025	910,000	231,307	1,141,307
2026	955,000	202,824	1,157,824
2027	1,000,000	172,932	1,172,932
2028	1,050,000	141,633	1,191,633
2029	1,105,000	108,768	1,213,768
2030	1,155,000	74,181	1,229,181
2031	1,215,000	38,030	1,253,030

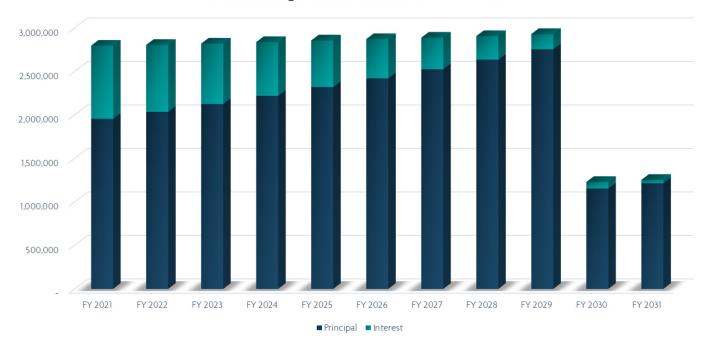
TOTAL \$ 14,390,000 \$ 5,926,079 \$ 20,316,079

OUTSTANDING DEBT SCHEDULE AS OF 9/30/2020

Fiscal Year	Principal	Interest	Total
FY 2021	1,955,000	840,861	2,795,861
FY 2022	2,035,000	769,307	2,804,307
FY 2023	2,125,000	694,818	2,819,818
FY 2024	2,220,000	617,082	2,837,082
FY 2025	2,320,000	535,943	2,855,943
FY 2026	2,420,000	451,202	2,871,202
FY 2027	2,525,000	362,856	2,887,856
FY 2028	2,635,000	270,709	2,905,709
FY 2029	2,755,000	174,603	2,929,603
FY 2030	1,155,000	74,181	1,229,181
FY 2031	1,215,000	38,030	1,253,030
TOTAL	\$ 23,360,000	\$ 4,829,592	\$ 28,189,592

The existing debt levels are in line with our internal debt coverage ratio requirement of 1.25X and our debt has a minimal impact on current operations of the agency at 4.89% of total annual budget (operating + capital). The agency does not have a legal debt limit. Detailed information regarding the Debt Policy can be found in the Financial Management Policies located in the Appendix.

Outstanding Debt Service as of 9/30/2020



DIVISION SU	JMMARY			
	FY 2019	FY 2020 Working Budget	FY 2021 Budget	Variance
GENERAL & ADMINISTRATIVE DIVISION				
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),
Human Resources Department	1.00	1.50	1.50	-
Information Technology Department	-	3.00	3.00	-
BUS OPERATIONS DIVISION Bus Operations Management Department	-	4.00	4.00	-
RAIL OPERATIONS DIVISION Rail Development Department	4.00	3.00	2.00	(1.00) (C)
TOTAL DCTA FTE STAFF	42.50	35.50	35.50	-
THIRD PARTY CONTRACT OPERATIONS		(D)		
Contracted Bus Services (NTMC)*	139.50	137.00	115.00	(22.00) (E)
Contracted Rail Services (First Transit + Subcontractors)	52.00	45.00	45.00	-
TOTAL THIRD PARTY CONTRACT OPERATIONS	191.50	182.00	160.00	(22.00)
*Contracted Bus Services FTE methodology is based on operato	or hours.	(F)	<u> </u>	<u> </u>

- (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) FY20 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) Two FTEs moved from Bus Administration department to Supervisors/Dispatchers department; Reduction of Bus Operators (22 FTEs) due to 47k decreased service hours as a result of measures taken during COVID-19 pandemic
- (F) FY20 Changes:

<u>Bus</u>: 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





OFFICE OF THE CEO

- Strategically guide, lead and manage the agency
- Be an ambassador for DCTA and thought leadership to advance the agency's mission
 - Maintain board policies, records and office systems and manage public information requests



MOBILITY SERVICES & ADMINISTRATION

- Provide safe and efficient fixed route bus and on-demand transportation with emphasis on public safety, reliability and effective utilization of resources
- Strategically develop and manage advertising, internal/external communications, branding, public relations and digital marketing initiatives to support DCTA
- Establish, implement and maintain community relationships, sponsorships and public involvement to further the agency's mission
 - Maintain office facility and systems and provide advanced administrative and project support for executive staff



FINANCE & HUMAN RESOURCES

- Comply with state and federal regulations regarding financial management, procurement, accounting and internal controls
- · Surpass industry standards of financial management and reporting
- Provide timely and accurate financial information to all DCTA departments and the Board of Directors
- Serve as a resource for the CEO and Board of Directors on financial matters, economic issues and operational performance
- · Recommend effective allocation of resources and safeguarding of assets
- Manage and direct the agency's human resource and personnel functions
 - The department administers programs in recruiting, compensation, employee relations and communications, performance appraisal systems and safety and training programs



OFFICE OF THE DEPUTY CEO

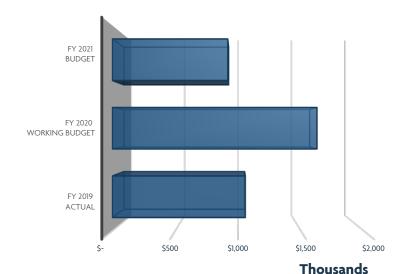
- Provide safe and efficient rail transportation with emphasis on public safety, reliability and effective utilization of resources
- Work with regional stakeholders to realize long-term regional mobility plans
- Initiate and execute capital construction projects and major repairs
- Ensure DCTA's legislative and congressional delegations stay engaged and supportive of the agency
 - Utilizing the Internet and other technological tools to help manage the workplace

We are committed to improving mobility, air quality, economic development and livability in the areas we serve.

OFFICE OF THE CEO AND BOARD OF DIRECTORS

Provides professional leadership, guidance, and coordination in the implementation of the policies established by the Board of Directors. The CEO also oversees intergovernmental relations and communications with local, regional, state and federal agencies and organizations. The department is responsible for the overall direction, supervision, and coordination of DCTA's activities.

	FY 2019	FY 2020	FY 2021
EXPENSES	Actual	Working Budget	Budget
Salary, Wages & Benefits	\$ 340,981 \$	371,456	\$ 350,472
Outsourced Services & Charges	422,488	1,170,660	470,985
Materials & Supplies	31,944	6,000	500
Utilities	26,710	-	-
Insurance	-	-	-
Employee Development	91,161	79,140	96,640
Leases & Rentals	115,301	-	-
Depreciation	29,536	-	-
TOTAL DEPARTMENT BUDGET	\$ 1,058,122 \$	1,627,256	\$ 918,597
STAFFING			
CEO	1.00	1.00	1.00
TOTAL	1.00	1.00	1.00



MATERIAL BUDGET ITEMS:

- All administrative facility and supply costs have been moved from the CEO budget to the Administration budget
- FY20 Outsourced Services & Charges included \$667k for a Transformation Initiative for the agency

FY21 OBJECTIVES & PERFORMANCE MEASURES – OFFICE OF THE CEO

LOOKING AHEAD

ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES

OBJECTIVE:

- WORK WITH BOARD OF DIRECTORS AND CONSULTANTS TO COMPLETE PHASE ONE OF THE TRANSFORMATION INITIATIVE TO INCLUDE IDENTIFICATION AND APPROVAL OF AGENCY PRIORITIES
- ONBOARD AND MOBILIZE TRANSFORMATION INITIATIVE PROGRAM MANAGEMENT OFFICE SERVICES
- DESIGN AND IMPLEMENT A BOARD-STAFF OPERATING MODEL FOR TRANSFORMATION INITIATIVE IMPLEMENTATION
- DEVELOP AND IMPLEMENT A PLAN TO COMMUNICATE DCTA VISION AND TRANSFORMATION INITIATIVE IMPLEMENTATION ROADMAP TO AUTHORITY STAKEHOLDERS

FOSTER A POSITIVE IMAGE AND BUILD A STRONG AGENCY BRAND AND A GREAT CULTURE ACROSS THE ORGANIZATION

OBJECTIVE:

PROMOTE, FOSTER AND SUSTAIN A SERVANT LEADERSHIP PROGRAM AND MAINTAIN A "SERVICE" FOCUSED CULTURE

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

EVALUATE AND IMPLEMENT SERVICE CHANGES

- ENGAGE WITH MEMBER CITY STAKEHOLDERS QUARTERLY TO DISCUSS MOBILITY SOLUTIONS THAT IMPROVE MOBILITY, ENHANCE AIR QUALITY, AND PROMOTE ECONOMIC DEVELOPMENT AND LIVABILITY
 - Advanced several strategic discussions regarding service delivery strategies, innovative services, advancement of Mobility as a Service options and addressed service changes resulting from the impact of COVID-19.
- GAIN CONSENSUS FOR MAJOR SERVICE ENHANCEMENTS IN MEMBER CITY SERVICE AREAS AND EXPLORE OPTIONS FOR BETTER MOBILITY OPTIONS TO DESTINATIONS OF INTEREST FOR THE CITIZENS OF OUR STAKEHOLDER COMMUNITIES
 - Will complete the Transformation Initiative providing study recommendations in early FY21 which will be incorporated into an action plan to implement new mobility options within stakeholder communities in coordination with the Board of Directors.

OBJECTIVE:

IMPLEMENT MOBILITY AS A SERVICE STRATEGIES IN THE AREAS WE SERVE

- WORK WITH MAAS SERVICE PROVIDERS TO INTEGRATE DATA AND TRAVEL PLANNING TECHNOLOGY TO ENHANCE TRAVEL
 OPTIONS AND PROVIDE AN INTEGRATED AND SEAMLESS TRAVEL EXPERIENCE
 - Will complete the Transformation Initiative providing study recommendations in early FY21 which will be incorporated
 into an action plan to enhance the passenger experience within stakeholder communities in coordination with the
 Board of Directors.

OFFICE OF THE CEO

FOCUS ON LOCAL AND REGIONAL TRANSIT SYSTEM GROWTH

OBJECTIVE:

EXPLORE NEW REGIONAL COMMUTER CORRIDORS

- ENGAGE LEGISLATORS AND STATE AND REGIONAL STAKEHOLDERS DURING THE STATE LEGISLATURE'S INTERIM SESSION
 AS DCTA CONDUCTS DUE DILIGENCE ON THE GROWTH OF THE AGENCY AND EVALUATES POTENTIAL FUTURE SERVICE
 CORRIDORS. IN DOING SO, ENSURE THE LEGISLATIVE AND REGULATORY ENVIRONMENT IS SUPPORTIVE OF SUCH EFFORTS
 - Held policy conversations related to MaaS initiatives with DCTA's state delegation at the Capitol and District offices, the chair of the Senate Transportation Committee, TxDOT Public Transportation Division, the Governor's Office of Economic Development, and the NCTCOG to educate all parties on the importance of MaaS deployment and need for a supportive and non-restrictive regulatory environment.
 - Provided letter of support to Congressional delegation for the continuation of the FAST Act federal funding program
 for transportation, and for the next iteration of federal transportation funding, the INVEST Act. The letter included
 opposition to restrictions related to MaaS innovations, and since then APTA has reported that the restrictions have
 been mitigated.
 - Developed and received Board approval for the 87th Texas Legislative session which includes seeking incorporation
 of public-private partnership authority language which could produce opportunities if and when the Agency moves
 forward with any new corridors.
 - Will complete the Transformation Initiative providing study recommendations in early FY21 which should confirm the Board of Directors' vision for future corridors and service.

ADVANCE TRANSIT ORIENTED DEVELOPMENT PLANNING AND IMPLEMENTATION

OBJECTIVE:

LEAD COUNTY-WIDE ECONOMIC DEVELOPMENT PLANNING

- ENGAGE LEGISLATORS, MEMBER CITIES, AND REGIONAL STAKEHOLDERS DURING THE STATE LEGISLATURE'S INTERIM
 SESSION TO ENSURE SUPPORTIVE LEGISLATION REMAINS IN PLACE THAT WILL ALLOW THE AGENCY AND OTHER POLITICAL
 SUBDIVISIONS OF THE STATE TO PURSUE TRANSIT ORIENTED DEVELOPMENT, LEVERAGING EXISTING AND FUTURE TRANSIT
 INFRASTRUCTURE AND ASSETS. WORK WITH STAKEHOLDERS TO OPPOSE ANY EFFORTS TO CURTAIL TOD OPPORTUNITIES
 - Met with the Denton County Judge and Commissioners, member cities, and potential developers to provide support
 and resources for economic development initiatives, particularly transit-oriented developments, including those
 related to the DDTC, Old Town, and Hebron stations.
 - Met with the Agency's state delegation at the Capitol and District offices, the chair of the Senate Transportation Committee, TxDOT Public Transportation Division, the Governor's Office of Economic Development, local chambers of commerce, and the NCTCOG to discuss the benefit of authorizing DCTA to enter into public-private partnerships to spur transit-oriented development within member cities, thereby expanding the tax base.
 - Met with the Governor's Office of Economic Development to serve as a resource, discuss the positive economic impact and return on investment DCTA has had in Denton County, and identify future partnership opportunities in economic development recruitment.
 - DCTA completed the purchase of property adjacent to the Charles Emery Old Town Station in Lewisville for future TOD opportunities.
 - Executive staff is in communication with developers regarding potential partnership with developers at the Euline Brock Downtown Denton Transit Center.

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

FOSTER A SERVANT LEADERSHIP CULTURE ACROSS THE ORGANIZATION

- LEVERAGE DCTA'S ON-CALL CONTRACT WITH STRATEGIC GOVERNMENT RESOURCES (SGR) TO DEVELOP, PLAN AND EXECUTE AN ANNUAL LEADERSHIP DEVELOPMENT PROGRAM PLAN DURING FY20
 - These activities were postponed because of COVID-19.
- CONTINUE OFFERING THE AGENCY'S ANNUAL MANAGEMENT TRAINING PROGRAM AND CUSTOMER SERVICE TRAINING
 - These activities were postponed because of COVID-19.
- PROVIDE BI-ANNUAL LEADERSHIP DEVELOPMENT PROGRAMMING FOR ALL DCTA STAFF
 - These activities were postponed because of COVID-19.
- HOLD AT A MINIMUM, ONE EXECUTIVE STAFF LEADERSHIP DEVELOPMENT WORKSHOP IN FY20
 - Held a workshop with Executive staff to focus on agency leadership, operational efficiency goals and primary objectives for FY20.

OBJECTIVE:

ACTIVELY ENGAGE WITH LOCAL AND REGIONAL STAKEHOLDERS AND COMMUNITY LEADERS TO IMPROVE AGENCY AWARENESS AND QUALITY OF SERVICES

- ACTIVELY PARTICIPATE IN LOCAL, STATE, AND NATIONAL ASSOCIATIONS, ENGAGE IN THOUGHT LEADERSHIP OPPORTUNITIES AND CONTRIBUTE TO THE ADVANCEMENT OF THE TRANSIT INDUSTRY PROFESSION
 - Agency staff have presented at numerous meetings and events to provide updates on the Agency's innovative activities and vision, including but not limited to member city councils and committees, NCTCOG advisory and stakeholder committees, the Agency's state and congressional delegation members and staff, TxDOT's Public Transportation Division, local chambers of commerce, Dallas Regional Mobility Committee, Metroplex Mayors Association, and transit publications, including Mass Transit magazine.
- PROVIDE REGULAR AND CONSISTENT STAKEHOLDER UPDATES ON DCTA'S PROGRESS, CHALLENGES AND CUSTOMER FOCUSED SERVICE DELIVERY STRATEGIES AND PROGRAMS
 - Have met with DCTA Board members and member city staff regularly to address challenges, provide updates on agency initiatives and discuss innovative approaches for service delivery.
 - CONTINUE TO FOSTER POSITIVE RELATIONSHIPS WITH OTHER TRANSIT AGENCY LEADERS AND STAKEHOLDER GROUPS
 - Made significant progress in enhancing the relationships with DART and Trinity Metro through collaborative regional discussions, events and partnerships.

ASSESS EVERYTHING WE DO WITH INNOVATION AND SAFETY

OBJECTIVE:

EVALUATE FIXED-ROUTE SERVICES FOR TRANSITION TO ON-DEMAND ZONE SERVICES

- INITIATE TRANSPORTATION FORUMS WITH STAKEHOLDER CITIES TO DETERMINE DESIRED SERVICE MODEL
 - Developed concepts for regional transportation forums for Denton County and met with elected officials to advance these concepts.
- EXECUTE MAAS TASK ORDERS WITH ON-DEMAND SERVICE PROVIDERS TO IMPLEMENT ZONE SERVICES IN DENTON AND LEWISVILLE
 - Advancements have been delayed due to the impact of COVID-19 but will gain momentum in FY21.
- EVALUATE CONNECT AND FIXED ROUTES TO DETERMINE OPTIMAL MIX OF FIXED, FLEX AND ON-DEMAND SERVICES
 - Advancements have been delayed due to the impact of COVID-19 but will gain momentum in FY21.

OFFICE OF THE CEO

OBJECTIVE:

RECEIVE FEDERAL RAILROAD ADMINISTRATION POSITIVE TRAIN CONTROL CERTIFICATION AND APPROVAL OF POSITIVE TRAIN CONTROL SAFETY PLAN

- COMPLETE REVENUE SERVICE DEMONSTRATION TESTING IN FY2020
 - Successful Revenue Service Demonstration testing was completed in September 2020.
- SUBMIT REQUIRED SYSTEM SAFETY PLAN TO THE FRA FOR APPROVAL AND CERTIFICATION BY YEAR END
 - The System Safety Plan was submitted to the FRA in April 2020 and DCTA is awaiting approval.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBJECTIVE:

GATHER STAKEHOLDER PRIORITY INITIATIVES AND INCORPORATE INTO THE AGENCY'S VISION AND STRATEGY

- ENGAGE WITH DENTON COUNTY REPRESENTATIVES TO HOST ECONOMIC DEVELOPMENT AND TRANSPORTATION FORUMS TO ADDRESS GROWTH AND MOBILITY NEEDS
 - Significant progress was made in FY20 through the engagement of Accenture on DCTA's Transformation Initiative which will help to gain Board consensus on DCTA strategic priorities over the next several years. Final results of the assessment will be completed in the first quarter of FY21.
- ENGAGE CITY OFFICIALS AND REGIONAL STAKEHOLDERS IN TRANSPORTATION FORUMS TO DEVELOP DCTA'S STRATEGIC
 PRIORITIES AND LONG RANGE SYSTEM AND FINANCIAL PLANS
 - This initiative was postponed due to COVID-19.
- WORK WITH STAKEHOLDERS REGARDING LAND USE STRATEGIES TO ENHANCE MOBILITY, TRANSIT ORIENTED DEVELOPMENT AND LIVABILITY FOR THE COMMUNITIES THAT WE SERVE
 - Met with the Denton County Judge and Commissioners, member cities, and potential developers to provide support
 and resources for economic development initiatives, particularly transit-oriented developments, including those
 related to the DDTC, Old Town, and Hebron stations.

OBJECTIVE:

LEVERAGE THE NORTH TEXAS MOBILITY CORPORATION TO ENSURE COSTS ARE ALLOCATED EFFICIENTLY BETWEEN MEMBER AND NON-MEMBER CITIES AND TO IMPROVE SERVICE DELIVERY

- CONDUCT ANNUAL STAKEHOLDER MEETINGS TO REVIEW COST ALLOCATION ACTUALS VS. BUDGET
 - DCTA staff successfully developed and adopted a cost allocation model which has been used to establish an Administrative Fee policy to assign expenses for contracted services. The model is also used to evaluate service delivery and for benchmarking mobility services tradeoffs.

FY 2020

FY 2021

FINANCE

To provide the highest quality financial management, support, fiduciary oversight, and public accountability to the DCTA Board and stakeholders. The department, management, and staff are committed to the following principles:

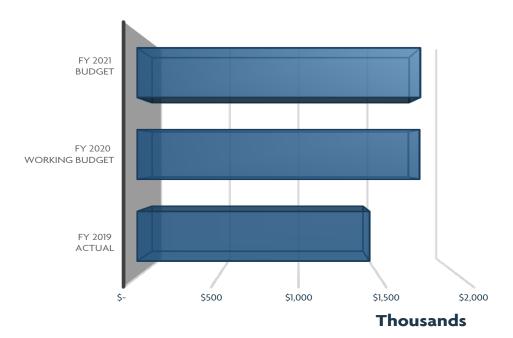
- Provide timely and accurate financial information to the departments and the Board
- Comply with State and Federal regulations regarding financial management, procurement, accounting, and internal controls
- Surpass industry standards of financial management and reporting
- Be a resource for the CEO and Board on financial matters, economic issues, and operational performance
- Recommend effective allocation of resources and safeguard assets

Departmental functions include responsibilities for the accounting and financial reporting functions, budget and long range financial planning, treasury and investing function, risk management, contracts, procurement, human resources and grant compliance and reporting. The Human Resources budget is reported separately on pages 73-74.

FY 2019

EXPENSES		Actual	Working Budget	Budget
Salary, Wages & Benefits	\$	1,029,762	0 0	
Outsourced Services & Charges	J	346,074	388,670	422,890
Materials & Supplies		210	-	422,070
Utilities		210	_	_
Insurance		12,435	13,320	13,788
Employee Development		49,434	52,805	30,689
Leases & Rentals		47,434	32,003	30,009
Depreciation		_	_	_
TOTAL DEPARTMENT BUDGET	\$	1,437,915	\$ 1,746,243	\$ 1,750,971
STAFFING				
Chief Financial Officer / VP Finance		1.00	1.00	1.00
Controller		1.00	1.00	1.00
Accountant I		1.00	1.00	1.00
Accountant II		1.00	1.00	1.00
AVP, Regulatory Compliance Officer		1.00	1.00	1.00
Manager of Contracts & Procurement		1.00	1.00	1.00
Senior Procurement Specialist		1.00	1.00	1.00
Procurement Specialist		-	1.00	1.00
Grants Manager		1.00	1.00	1.00
Senior Manager of Budget		1.00	1.00	1.00
Financial Data Analyst		1.00	1.00	1.00
TOTAL		10.00	11.00	11.00

FINANCE & HUMAN RESOURCES



MATERIAL BUDGET ITEMS:

- Consulting fees included for grant support services & external audit services
- B2GNow diversity management & compliance software installation

FY21 OBJECTIVES & PERFORMANCE MEASURES - FINANCE

LOOKING AHEAD

ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES

OBJECTIVE:

- SOURCE DATA VISUALIZATION SOFTWARE AND ANALYTICS TOOL AND BEGIN INCORPORATING DATA SETS AVAILABLE FROM CURRENT SYSTEMS AND PROCESSES INTO AN INITIAL DCTA DASHBOARD
- DEVELOP AND IMPLEMENT A TRANSPORTATION REINVESTMENT PROGRAM (TRIP) AND WORK WITH MEMBER CITIES TO IDENTIFY AND EXECUTE PROJECTS THAT ARE CONSISTENT THE TRIP GUIDELINES

ENSURE STRONG GOVERNANCE, FINANCIAL STEWARDSHIP, SUSTAINABILITY, AND CONTINUITY OF PROGRAMS AND SERVICES

OBJECTIVE:

- MANAGE A LONG RANGE SERVICE PLAN AND LONG RANGE FINANCIAL PLAN TO GUIDE DECISION-MAKING FOR CAPITAL AND OPERATING NEEDS TO FUND OPTIMAL MOBILITY SERVICE AND TO SUPPORT FUTURE PROGRAMS
- CONTINUE SEEKING FUNDING OPPORTUNITIES THROUGH REGIONAL, STATE, FEDERAL AND PUBLIC-PRIVATE PARTNERSHIPS TO ADVANCE AGENCY INITIATIVES, TO MEET REGULATORY REQUIREMENTS, AND TO ENHANCE THE PASSENGER EXPERIENCE
- ENSURE TRANSPARENCY, AND THAT GENERALLY ACCEPTED FINANCIAL MANAGEMENT, PROJECT MANAGEMENT, ACCOUNTING AND PROCUREMENT PRINCIPLES ARE MAINTAINED AND SEEK THE FOLLOWING CERTIFICATIONS AND ACHIEVEMENTS:
 - Texas Comptroller of Public Accounts' Transparency Stars program for Traditional Finances, Contracts & Procurement, and Debt Obligations sections
 - National Procurement Institute (NPI) Excellence in Procurement Award, Government Finance Officers Association
 Distinguished Budget Award, Government Finance Officers Association Certificate of Achievement for Excellence
 in Financial Reporting

IMPROVE AGENCY PERFORMANCE, EFFECTIVENESS, SAFETY, AND RETURN ON INVESTMENT

OBJECTIVE:

- IDENTIFY DATA NEEDS IN ORDER TO IDENTIFY TECHNOLOGY FOR COLLECTING DATA ABOUT RIDERSHIP, COSTS, AND SERVICE
- IMPROVE FINANCIAL PROCESS AUTOMATION: EXPAND DOCUSIGN PILOT TO INCLUDE INVOICE ROUTING, APPROVAL AND TRACKING WHILE A NEW ERP SOLUTION IS INVESTIGATED AND IMPLEMENTED
- IMPROVE FINANCIAL PROCESS AUTOMATION: DEVELOP ERP STEERING COMMITTEE, DEFINE ERP FUNCTIONAL REQUIREMENTS, CONDUCT MARKET SCAN OF ERP SOLUTIONS

WORK WITH CORRIDOR CITIES TO IMPLEMENT TRANSIT ORIENTED DEVELOPMENT (TOD), COORDINATING PLANNING AND DESIGN TO INCREASE MOBILITY, AIR QUALITY AND LIVABILITY

OBJECTIVE:

- WORK CLOSELY WITH THE MEMBER CITIES AND OTHER PARTNERS ON THE LEWISVILLE OLD TOWN AND HEBRON STATION
 AREA PLANS AND THE DOWNTOWN DENTON TRANSIT CENTER STATION AREA PLANS INCLUDING FINANCING OPTIONS
 FOR POTENTIAL JOINT DEVELOPMENT PROJECTS
- IMPLEMENT THE TRANSPORTATION REINVESTMENT PROGRAM (TRIP) AND WORK WITH MEMBER CITIES TO IDENTIFY AND EXECUTE PROJECTS THAT ARE CONSISTENT THE TRIP GUIDELINES

FOSTER A POSITIVE IMAGE AND BUILD A STRONG AGENCY BRAND AND A GREAT CULTURE ACROSS THE ORGANIZATION

OBJECTIVE:

 IDENTIFY ENHANCEMENTS TO ONLINE TRIP PLANNING AND FARE PURCHASING TO IMPROVE WEBSITE USABILITY FOR A MORE SEAMLESS PASSENGER EXPERIENCE

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

EVALUATE AND IMPLEMENT SERVICE CHANGES

- UTILIZE LONG RANGE FINANCIAL PLAN TO ENSURE FUNDING FOR SERVICE LEVELS
 - Ongoing as part of annual budget process.

OBJECTIVE:

EVALUATE ALTERNATIVE FARE PAYMENT SOLUTIONS

- TEAM WITH OPERATIONS DEPARTMENTS AND REGIONAL PARTNERS TO IDENTIFY AND IMPLEMENT TECHNOLOGY WHICH ENHANCES FARE COLLECTION EFFICIENCIES AND MINIMIZES ADMINISTRATIVE COSTS
 - Project delayed to FY21 pending results of Transformation Initiative.

FOCUS ON LOCAL AND REGIONAL TRANSIT SYSTEM GROWTH

OBJECTIVE:

EXPLORE NEW REGIONAL COMMUTER CORRIDORS

- IDENTIFY AND PURSUE FUNDING AND EVALUATE FINANCING OPTIONS FOR REGIONAL SERVICE EXPANSION
 - DCTA was notified its planning project along the existing Kansas City Southern freight rail line was selected to receive \$600,000 in funding from FTA's Pilot Program for Transit-Oriented Development (TOD) Planning.

ADVANCE TRANSIT ORIENTED DEVELOPMENT PLANNING AND IMPLEMENTATION

OBJECTIVE:

WORK WITH CORRIDOR CITIES TO IMPLEMENT TOD

- IDENTIFY GRANT FUNDING AND OTHER FINANCING OPTIONS FOR DCTA'S PROPOSED LEWISVILLE MULTI-MODAL FACILITY
 - DCTA executed a grant with FTA for \$11.3 million in Congestion Mitigation & Air Quality (CMAQ) funding to be utilized for land acquisition purchases and development.

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

ACTIVELY ENGAGE WITH LOCAL AND REGIONAL STAKEHOLDERS AND COMMUNITY LEADERS TO IMPROVE AGENCY AWARENESS AND QUALITY OF SERVICES

- MAINTAIN TRANSPARENCY AND FISCALLY SOUND AND SUSTAINABLE FINANCIAL PLANS THAT REFLECT COMMUNITY PRIORITIES AND VALUES
 - Ongoing as part of annual budget process.
- SUBMIT APPLICATION AND MEET CRITERIA FOR THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS' TRANSPARENCY STARS
 PROGRAM (REPLACEMENT OF THE LEADERSHIP CIRCLE AWARD): TRADITIONAL FINANCES, CONTRACTS & PROCUREMENT,
 AND DEBT OBLIGATIONS SECTIONS
 - DCTA received a star in the area of Traditional Finances through the Texas Comptroller's Transparency Stars program
 in FY20. The Traditional Finances Transparency Star must be earned before applying for any other Transparency
 Stars
- SUBMIT APPLICATION AND MEET CRITERIA FOR NPI EXCELLENCE IN PROCUREMENT AWARD
 - Achieved.
- SUBMIT APPLICATION AND MEET CRITERIA FOR GOVERNMENT FINANCE OFFICERS ASSOCIATION DISTINGUISHED BUDGET AWARD
 - Achieved.
- SUBMIT APPLICATION AND MEET CRITERIA FOR GOVERNMENT FINANCE OFFICERS ASSOCIATION CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING
 - DCTA has earned this award for ten consecutive years.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBIECTIVE:

DEVELOP CAPITAL PLANS AND FUNDING STRATEGIES FOR CRITICAL INFRASTRUCTURE REPLACEMENT, MAINTENANCE AND SERVICE ENHANCEMENTS

- CONTINUE UTILIZATION OF LONG RANGE FINANCIAL PLAN TO GUIDE DECISION MAKING FOR CAPITAL NEEDS, MAINTENANCE, AND SERVICE ENHANCEMENTS
 - Ongoing as part of annual budget process.
- PURSUE JOINT FUNDING FOR SAFETY INITIATIVES, PASSENGER INFORMATION AND PLANNING TOOLS THAT ENCOURAGE CONNECTIVITY
 - Ongoing. No projects identified for potential joint funding opportunities during FY20.

OBJECTIVE:

PROVIDE ACCURATE AND RELIABLE REVENUE AND EXPENSE FORECASTS AND MAINTAIN BUDGET PRACTICES THAT ENSURE SUSTAINABILITY AND CONTINUITY OF PROGRAMS AND SERVICES

- SOLICIT AND INCORPORATE PUBLIC INPUT IN BUDGET PROCESS THROUGH PUBLIC HEARINGS AND MEETINGS WITH STAKEHOLDERS
 - Conducted FY2021 Budget Public Hearing according to budget calendar.
- COORDINATE WITH MEMBER CITIES TO ENSURE SALES TAX FORECASTS ARE ALIGNED WITH REGIONAL ASSUMPTIONS

Completed.

	Operating	& Capital Budget F	-Y 2021
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FINANCE & HUMAN RESOURCES

- PROVIDE REGULAR FINANCIAL UPDATES HIGHLIGHTING BUDGET TO ACTUAL REVENUES AND EXPENSES
 - Monthly financial reports including year to date budget to actual revenues and expenses are reported to the Board on an ongoing basis.

OBJECTIVE:

LEVERAGE THE NORTH TEXAS MOBILITY CORPORATION TO ENSURE COSTS ARE ALLOCATED EFFICIENTLY BETWEEN MEMBER AND NON-MEMBER CITIES AND TO IMPROVE SERVICE DELIVERY

- IMPLEMENT FULLY ALLOCATED COST MODEL FOR EVALUATING PERFORMANCE OF EACH SERVICE TYPE
 - DCTA staff utilized the cost allocation model template to calculate performance measures by route for FY2019 which were presented to the Board in April 2020.

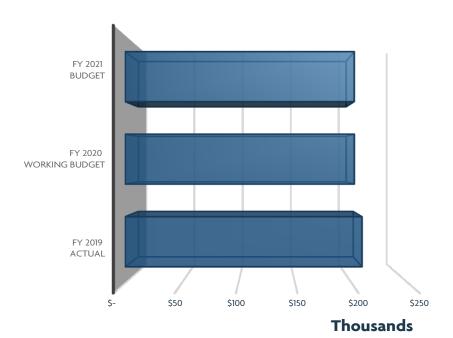
HUMAN RESOURCES

To manage and direct the Authority's human resource and personnel functions. The department administers programs in recruiting, compensation, employee relations and communications, performance appraisal systems, and safety and training programs. Other key functions include the development and administration of the employee benefit programs and maintenance of all official personnel records and related record keeping.

	HUMAN RESOURCE	S		
EXPENSES		FY 2019 Actual	FY 2020 Working Budget	
Salary, Wages & Benefits	\$	102,192	\$ 130,546	\$ 133,167
Outsourced Services & Charges		85,343	45,600	39,400
Materials & Supplies		-	-	-
Utilities		-	-	-
Insurance		-	-	-
Employee Development		21,744	26,280	29,800
Leases & Rentals		-	-	-
Depreciation		-	-	-
TOTAL DEPARTMENT BUDGET	\$	209,279	\$ 202,426	\$ 202,367
STAFFING				
HR Manager		1.00	1.00	1.00
HR Assistant		-	0.50	0.50
TOTAL		1.00	1.50	1.50

MATERIAL BUDGET ITEMS:

• Includes \$15k for tuition reimbursement



FY21 OBJECTIVES & PERFORMANCE MEASURES — HUMAN RESOURCES

LOOKING AHEAD

FOSTER A POSITIVE IMAGE AND BUILD A STRONG AGENCY BRAND AND A GREAT CULTURE ACROSS THE ORGANIZATION

OBJECTIVE:

- ENSURE COMPETITIVE COMPENSATION AND BENEFITS AND A POSITIVE WORK ENVIRONMENT ARE IN PLACE
- ENCOURAGE EMPLOYEES TO PURSUE PROFESSIONAL DEVELOPMENT AND CONTINUING EDUCATION BY PROVIDING A REIMBURSEMENT PROGRAM FOR QUALIFYING EXPENSES
- PROMOTE WELLNESS BY PROVIDING EMPLOYEES WITH THE OPPORTUNITY TO ACHIEVE MILESTONES AND REWARDS FOR EXHIBITING HEALTHY BEHAVIOR

FY20 PROGRESS REPORT

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

FOSTER A SERVANT LEADERSHIP CULTURE ACROSS THE ORGANIZATION

- IMPLEMENT CHANGES TO RECRUITING PROCESS AND NEW HIRE ONBOARDING PROCESS TO EDUCATE NEW EMPLOYEES ON SERVANT LEADERSHIP PHILOSOPHIES
 - Servant leadership traits have been incorporated into job descriptions and questions focusing on servant leadership have been added to DCTA's interview questions during the recruitment process. Additionally, servant leadership orientation has been incorporated into the new hire onboarding process.

OBJECTIVE:

ESTABLISH A COMPETITIVE TOTAL COMPENSATION PACKAGE WHICH ALIGNS WITH AND SUPPORTS A CULTURE OF INNOVATION AND PERFORMANCE

- AS A SUBSET OF TRIENNIAL COMPENSATION STUDY COVERING SALARY AND BENEFITS, COMPLETE ANNUAL MARKET STUDY TO GAUGE COMPETITIVENESS OF PAY RANGES COMPARED TO PEER ORGANIZATIONS
 - Completed. Although results of the study indicated a 2.7% increase for the transportation industry, projected budget constraints related to COVID-19 resulted in DCTA suspending all merit increases and pay scale adjustments as of March 2020 which was carried into FY21.
- PROMOTE STAFF DEVELOPMENT BY ENCOURAGING PARTICIPATION IN TUITION REIMBURSEMENT PROGRAM AND ADDITIONAL EDUCATIONAL OPPORTUNITIES

Ongoing.

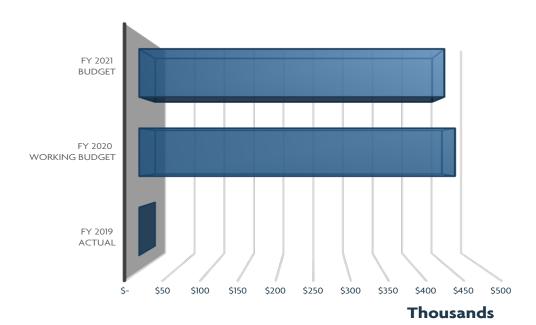
ADMINISTRATION

To provide administrative support for the agency as well as office coordination and maintenance. This department was created in FY20. Facility expenses within this budget were previously included in the Office of the CEO budget; staffing expenses were previously included in the Marketing and Communications budget.

	FY 2019	FY 2020	FY 2021
EXPENSES	Actual	Working Budget	Budget
Salary, Wages & Benefits	\$ - \$	129,262 \$	138,318
Outsourced Services & Charges	-	50,630	58,630
Materials & Supplies	-	24,700	18,200
Utilities	-	24,800	23,600
Insurance	-	-	-
Employee Development	-	2,250	1,750
Leases & Rentals	-	122,500	127,800
Depreciation	-	99,536	70,000
TOTAL DEPARTMENT BUDGET	\$ - \$	453,678 \$	438,298
STAFFING			
Executive Assistant	-	1.00	1.00
Receptionist	-	1.00	1.00
TOTAL	-	2.00	2.00

MATERIAL BUDGET ITEMS:

- Includes annual operating lease for admin facility
- Facility maintenance costs



FY20 PROGRESS REPORT

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

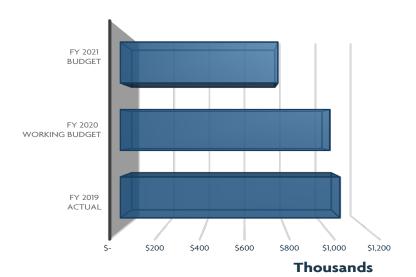
ACTIVELY ENGAGE WITH LOCAL AND REGIONAL STAKEHOLDERS AND COMMUNITY LEADERS TO IMPROVE AGENCY AWARENESS AND QUALITY OF SERVICES

- POSITIVELY REPRESENT THE AGENCY THROUGH INBOUND AND OUTBOUND CALLS
 - Successfully supported administrative office functions.
 - Provided excellent customer service for inbound requests and routed calls appropriately.
 - Coordinated inbound call structure amidst COVID-19 and office closures.

MARKETING AND COMMUNICATIONS

To provide strategic marketing and communications efforts on behalf of the agency, Board of Directors, DCTA departments and consultants to promote the agency, key messages, and brand identity, and build brand awareness. To direct critical internal and external communications via proactive and reactive media relations, public involvement, community outreach, and customer service.

	FY 2019	FY 2020	FY 2021
EXPENSES	Actual	Working Budget	Budget
Salary, Wages & Benefits	\$ 618,980 \$	619,510	\$ 347,934
Outsourced Services & Charges	381,642	337,619	369,260
Materials & Supplies	32,694	33,700	22,050
Utilities	-	-	-
Insurance	-	-	-
Employee Development	21,664	15,640	16,965
Leases & Rentals	3,370	3,000	3,600
Depreciation	-	-	-
TOTAL DEPARTMENT BUDGET	\$ 1,058,350 \$	1,009,469	\$ 759,809
VP Marketing & Administration	1.00	1.00	-
VR Marketing 9 Administration	100	100	
Senior Manager of Marketing & Communications	1.00	1.00	1.00
Marketing Coordinator	1.00	1.00	1.00
Community Relations Manager	1.00	1.00	1.00
Executive Assistant	1.00	-	-
Communications Coordinator	1.00	1.00	1.00
Intern	1.00	-	-
Community Relations Coordinator	1.00	-	-
Receptionist	1.00	-	-
TOTAL	9.00	5.00	4.00



MATERIAL BUDGET ITEMS:

- VP Marketing & Administration position has been moved under the Transit Management department for FY21 since this position now oversees Mobility Services.
- The Executive Assistant and Receptionist were moved to the Administration budget in FY20.

FY21 OBJECTIVES & PERFORMANCE MEASURES – MARKETING & COMMUNICATIONS

LOOKING AHEAD

IMPROVE AGENCY PERFORMANCE, EFFECTIVENESS, SAFETY, AND RETURN ON INVESTMENT OBJECTIVE:

SURVEY PASSENGERS TO OBTAIN FEEDBACK ON OVERALL SATISFACTION AND AREAS FOR IMPROVEMENT

FOSTER A POSITIVE IMAGE AND BUILD A STRONG AGENCY BRAND AND A GREAT CULTURE ACROSS THE ORGANIZATION

OBJECTIVE:

 IDENTIFY ENHANCEMENTS TO ONLINE TRIP PLANNING AND FARE PURCHASING TO IMPROVE WEBSITE USABILITY FOR A MORE SEAMLESS PASSENGER EXPERIENCE

ENGAGE WITH LOCAL, REGIONAL AND STATEWIDE STAKEHOLDERS AND TO CREATE OPPORTUNITIES TO SHARE KNOWLEDGE, TECHNOLOGY AND SERVICES

OBJECTIVE:

- ENGAGE WITH STAKEHOLDERS AND PARTNER WITH CHAMBERS OF COMMERCE, VISITORS BUREAU, SOCIAL SERVICE AGENCIES, COMMUNITY ADVISORY COMMITTEES AT LEAST QUARTERLY AND MAINTAIN COMMUNICATIONS WITH STAKEHOLDERS THROUGH COMMUNITY OUTREACH
- ACTIVELY ENGAGE AND INFORM PASSENGERS AND THE PUBLIC THROUGH A VARIETY OF FORMATS AND INCREASE DCTA'S MARKETING DATABASES

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

EVALUATE AND IMPLEMENT SERVICE CHANGES

- SUCCESSFULLY IMPLEMENT SERVICE CHANGES AND NEW SERVICE LAUNCHES
 - Successfully implemented service changes in January 2020, March 2020, May 2020 and August 2020.
 - Developed and launched comprehensive marketing and communications campaign to support the new DDTC Evening On-Demand Zone service.
 - Developed and launched "Free Ride" campaigns to drive ridership and tracked an increase of 2,300 riders during those campaign periods.
- MAINTAIN CURRENT SERVICE INFORMATION AND UPCOMING SERVICE CHANGE INFORMATION ON DCTA'S WEBSITE
 - Maintained ongoing communications and easy-to-access maps and schedules at RideDCTA.net in conjunction with each service change.
 - Simplified and made available downloadable maps and schedules with each service change.
 - Overall web efforts resulted in nearly 300,000 individual sessions, with 75% new users and 25% return users, and average session duration of 2:15 minutes, and an average of 2.45 pages per visit.

OBJECTIVE:

IMPLEMENT MOBILITY AS A SERVICE STRATEGIES IN THE AREAS WE SERVE

- DEVELOP TURNKEY MARKETING AND COMMUNICATIONS GUIDELINES FOR AGENCIES INTERESTED IN MOBILITY AS A SERVICE CONTRACTS
 - Developed one-page roadmap for contract partners who are interested in marketing contract on-demand services.
 - Developed and launched comprehensive marketing and communications campaign to support the new DDTC Evening On-Demand Zone service.
- DEVELOP INNOVATIVE MARKETING AND COMMUNICATIONS STRATEGIES TO SUPPORT THE LAUNCH OF MOBILITY AS A SERVICE ALTERNATIVES
 - Increased marketing, communications and outreach strategies to support the Lewisville Lakeway Zone service.
 - Developed and launched comprehensive marketing and communications campaign to support the new DDTC Evening On-Demand Zone service resulting in seven marketing emails (31,711 emails delivered), 217 webpage views, nearly 2,000 media center page views, more than 4,000 social media impressions with 58 engagements, give media placements (publicity value of \$1,565), and a significant increase in ridership month over month (32 pre-promotion / 89 after promotion).
- MAINTAIN CURRENT INFORMATION REGARDING MAAS ON DCTA'S WEBSITE
 - News release and contact information available on website.
 - Plans for a dedicated MaaS webpage scheduled for Q1 of FY21.

OBJECTIVE:

EVALUATE ALTERNATIVE FARE PAYMENT SOLUTIONS

- ASSIST WITH THE REVIEW AND IMPLEMENTATION OF ALTERNATIVE FARE PAYMENT SOLUTIONS
 - Supported Finance Department throughout regional conversations.
 - Coordinated with Customer Service to determine point of sale impacts.
- DEVELOP AND IMPLEMENT STRATEGIC MARKETING AND COMMUNICATIONS EFFORTS TO SUPPORT THE LAUNCH OF ALTERNATIVE FARE PAYMENT SOLUTIONS
 - Project delayed to FY21 pending results of Transformation Initiative.
 - Community relations staff maintained outreach and communications in support the agency's discount pass programs resulting in:
 - Group Discount Program \$11,854 in total ticket sales and 293 webpage views
 - Non-Profit Discount Program \$14,101 in total ticket sales and 623 webpage views
 - Employee Pass Program \$768 in total ticket sales, 610 webpage views, 3,776 direct mail impressions (reduced due to COVID-19), and more than 3,500 individual business listings in DCTA's outreach database
- MAINTAIN CURRENT FARE COLLECTION INFORMATION ON DCTA'S WEBSITE
 - Streamlined fare information available at RideDCTA.net.
 - Developed fare media matrix to assist the public in understanding DCTA local fares vs regional fares, and how to use both to meet your transit needs.

FOCUS ON LOCAL AND REGIONAL TRANSIT SYSTEM GROWTH

OBJECTIVE:

LEVERAGE EXISTING A-TRAIN ASSETS

- CONTINUE TO MARKET A-TRAIN STATION ACCESSIBILITY AND EASE OF USE TO DRIVE NEW RIDERSHIP
- ENHANCED A-TRAIN INFORMATION AVAILABLE AT RIDEDCTA.NET.
- CREATED A-TRAIN RAIL TRAIL POCKET GUIDE WHICH INCLUDES DETAILED INFORMATION ABOUT ACCESSING THE A-TRAIN RAIL TRAIL FROM DCTA RAIL STATIONS (AND VICE VERSA).

OBJECTIVE:

EXPLORE NEW REGIONAL COMMUTER CORRIDORS

- ASSIST THE OPERATIONS DEPARTMENT WITH PUBLIC OUTREACH AND COMMUNICATION TO SUPPORT THE EXPLORATION
 OF NEW REGIONAL COMMUTER CORRIDORS
- TWO ROUNDS OF PUBLIC MEETINGS WERE HELD IN FY20, HOWEVER, NEITHER SET OF MEETINGS INCLUDED NEW REGIONAL COMMUTER CORRIDORS AS THAT WAS NOT AN AGENCY PRIORITY AT THE TIME OF THE MEETINGS.
- THROUGH COMMUNITY RELATIONS ACTIVITIES, STAFF GENERATED MORE THAN 123,000 GLOBAL IMPRESSIONS OF THE BRAND AND MORE THAN 105,000 CONFIRMED IMPRESSIONS.

ADVANCE TRANSIT ORIENTED DEVELOPMENT PLANNING AND IMPLEMENTATION

OBJECTIVE:

LEAD COUNTY-WIDE ECONOMIC DEVELOPMENT PLANNING

- DEVELOP AND HOST REGIONAL TRANSPORTATION FORUMS TO DISCUSS ECONOMIC DEVELOPMENT OPPORTUNITIES NEAR A-TRAIN STATIONS
 - Pitched the regional forum idea to Denton County staff.
 - Maintained engagement with Denton County staff.
- CONTINUE ONGOING COMMUNICATIONS WITH REGIONAL STAKEHOLDERS TO DISCUSS OPPORTUNITIES FOR ECONOMIC DEVELOPMENT INITIATIVES
 - Coordinated with the Planning Department to support marketing and communications needs related to economic development opportunities.
 - Updated agency infographics, including statistics about economic development around A-train rail stations.

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

FOSTER A SERVANT LEADERSHIP CULTURE ACROSS THE ORGANIZATION

- SUPPORT THE AGENCY'S SERVANT LEADERSHIP PHILOSOPHY AND TRAINING ACTIVITIES THROUGH ENGAGING CREATIVE DOCUMENTATION AND FOLLOW-UP
- CREATED AN AGENCY "CALLING TREE" TO VISUALLY SHOWCASE HOW EVERY STAFF MEMBER PLAYS A ROLE IN THE AGENCY'S SERVANT LEADERSHIP CULTURE.
 - Developed and launched "Culture" page at RideDCTA.net to communicate the Servant Leadership culture at DCTA
 and how staff doesn't just "talk the talk," but also "walk the walk."
 - Developed a custom Servant Leadership lapel pin that was distributed to all staff as a reminder of the agency's culture.
 - Developed and distributed teambuilding t-shirt to recognize the staff-wide effort and dedication to excellence in light of COVID-19.

OBJECTIVE:

ACTIVELY ENGAGE WITH LOCAL AND REGIONAL STAKEHOLDERS AND COMMUNITY LEADERS TO IMPROVE AGENCY AWARENESS AND QUALITY OF SERVICES

- ACTIVELY ENGAGE WITH COMMUNITY STAKEHOLDERS TO SHARE THE AGENCY'S MISSION AND VISION
 - Continued monthly development and distribution of EnRoute News (passenger newsletter), Inside Track (stakeholder newsletter) and launched Community Outreach News (outreach newsletter).
 - Email newsletter efforts resulted in more than 16,000 newsletter subscribers, a total of 134 marketing/outreach specific emails distributed, more than 818,000 emails delivered, a 17% open rate, and a 2% click through rate (all well above industry standard).
 - Proactive and reactive media relations strategies resulted in nearly 600 media placements, more than 337 million impressions and an estimated publicity value of \$674,544.
 - Increased advertising placements due to COVID-19, garnering more than 2 million online impressions, more than 1.7 million online impressions, and more than 200,000 direct mail impressions.

MOBILITY SERVICES & ADMINISTRATION

• REPRESENT THE AGENCY ON COMMUNITY COUNCILS, BOARDS AND COALITIONS

- Marketing, communications and community relations staff represented DCTA as part of the following groups –
 Denton Mobility Committee (routine presenter), Lewisville Chamber of Commerce, Discover Denton Advisory
 Council, Salvation Army Advisory Board, United Way Homelessness Coalition, United Way Workforce Sustainability
 Work Group, and Cross Timbers Rotary.
- Marketing, communications and community relations staff also represented DCTA as a myriad of local and regional meetings.

PARTICIPATE IN COMMUNITY FORUMS TO SHARE DCTA'S SERVICE MODEL AND DISCUSS PARTNERSHIP OPPORTUNITIES

- Hosted four quarterly Social Service Agency Roundtable meetings in both Lewisville and Denton.
- Marketing, communications and community relations staff also represented DCTA as a myriad of local and regional meetings.
- Through community relations activities, staff generated more than 123,000 global impressions of the brand and more than 105,000 confirmed impressions.

ASSESS EVERYTHING WE DO WITH INNOVATION AND SAFETY

OBJECTIVE:

EVALUATE FIXED-ROUTE SERVICES FOR TRANSITION TO ON-DEMAND ZONE SERVICES

- SUPPORT THE OPERATIONS DEPARTMENT WITH EFFORTS TO BEST COMMUNICATE MODIFICATIONS TO EXISTING SERVICE
 AND IMPLEMENTATION OF NEW ON-DEMAND ZONE SERVICES
 - Successfully implemented service changes in January 2020, March 2020, May 2020 and August 2020.
 - Developed and launched comprehensive marketing and communications campaign to support the new DDTC Evening On-Demand Zone service resulting in seven marketing emails (31,711 emails delivered), 217 webpage views, nearly 2,000 media center page views, more than 4,000 social media impressions with 58 engagements, give media placements (publicity value of \$1,565), and a significant increase in ridership month over month (32 pre-promotion / 89 after promotion).
 - Increased marketing, communications and outreach strategies to support the Lewisville Lakeway Zone service.

MAINTAIN CURRENT SERVICE INFORMATION ON DCTA'S WEBSITE

- Website Results
- Maintain individual webpages for each service type at RideDCTA.net, including service information, maps and schedules.
- Maintain one-page resources webpage with quick links for each individual service page for user ease.
- Routinely update carousel images and respective links on homepage to provide a quick link to service, program and promotion information.
- Overall web efforts resulted in nearly 300,000 individual sessions, with 75% new users and 25% return users, and average session duration of 2:15 minutes, and an average of 2.45 pages per visit.
- Social Media Results
- Maintain successful social media campaigns and contests to manage social media audience and encourage engagement.
- Staff efforts increased social media engagement by adding more than 1,200 new followers while maintaining an existing audience of more than 25,000 followers.
- Hop on Board Blog Results
- Successfully manage the agency's Hop on Board Blog resulting in nearly 15,000 users and more than 22,000 page views.
- Successfully pitched numerous media placements utilizing stories written for the blog.
- Partnered with several social media influencers to create cross-functional blog content to support DCTA's brand and overall awareness.

MOBILITY SERVICES & ADMINISTRATION

OBJECTIVE:

RECEIVE FEDERAL RAILROAD ADMINISTRATION POSITIVE TRAIN CONTROL CERTIFICATION AND APPROVAL OF POSITIVE TRAIN CONTROL SAFETY PLAN

- MAINTAIN POSITIVE TRAIN CONTROL PROGRESS REPORT ON DCTA WEBSITE
 - Content at RideDCTA.net is updated as needed.
 - Web content has been utilized to pitch proactive stories to the media based on DCTA's PTC progress.
 - Web content has been utilized by APTA and the FRA to share DCTA's PTC progress.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBJECTIVE:

GATHER STAKEHOLDER PRIORITY INITIATIVES AND INCORPORATE INTO THE AGENCY'S VISION AND STRATEGY

- DEVELOP AND DISTRIBUTE UPDATED STRATEGIC PLANNING GUIDANCE REPORT
 - In lieu of the agency's Strategic Planning Guidance Report, staff developed infographics to be utilized in the annual budget book and throughout agency presentations that are shared with various stakeholders and groups throughout the region.
 - The Transformation Initiative visioning session will ultimately lead to additional data and guidance that can be utilized for additional infographics to support the agency's annual goals.
- EXECUTE A CONTRACT WITH A TRANSFORMATION CONSULTANT AND INITIATE THE FIRST TASK ORDER TO KICK START
 THE TRANSFORMATION INITIATIVE
 - The Board of Directors approved Accenture, LLC as the Transformation Initiative consultant in July 2020.
 - DCTA staff kickstarted the Transformation Initiative on August 1, 2020.
 - Since the inception of the project, staff has provided weekly progress reports in each Friday Board email, monthly updates during regularly scheduled Board meetings, and coordinated specially called Board meetings to address specific topics and take action when necessary.
 - The Transformation Initiative has remained on schedule and on budget as planned.

OBJECTIVE:

LEVERAGE THE NORTH TEXAS MOBILITY CORPORATION TO ENSURE COSTS ARE ALLOCATED EFFICIENTLY BETWEEN MEMBER AND NON-MEMBER CITIES AND TO IMPROVE SERVICE DELIVERY

- COORDINATE MARKETING AND COMMUNICATIONS INITIATIVES WITH THE OPERATIONS DEPARTMENT TO ENSURE SUCCESSFUL DEVELOPMENT AND IMPLEMENTATION
 - Marketing and communications staff have supported NTMC with various creative needs including but not limited to website development and updates, recruitment materials, brand standards, employee postings, letterhead, etc.

MOBILITY SERVICES

In February 2019, the DCTA Board of Directors approved the North Texas Mobility Corporation Certificate of Formation and associated Bylaws. As a fully functional Limited Government Corporation (LGC), the NTMC now operates with a Board of Directors, appointed by the DCTA Board of Directors, and Board officers. It also has its own budget and contracting authority.

DCTA has entered into an Interlocal Agreement (ILA) with the NTMC to provide complete mobility services and management of ongoing operations, including fixed-route, demand-response, ADA/paratransit, fare collection and enforcement services, maintenance, service operation, and DCTA's customer service/call center. The purpose of creating NTMC was to elevate overall performance and enhance customer service. By creating a subsidiary, DCTA has greater ability to monitor and hold accountable the bus operations contractor, ultimately ensuring passengers have the best possible experience using the transit system.

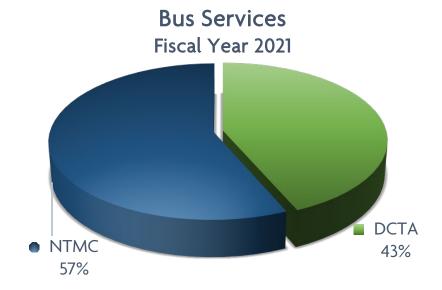
In addition to the ILA for service provision, NTMC has contracted with DCTA to provide administrative support services including information technology and help desk services, internal and external marketing and communications, transit planning, data analytics, contracts and procurements, accounts payable/accounts receivable, accounting, budget preparation, legal services, and oversight of payroll processing.

NTMC budget includes the expenses related to bus operations staff employed by NTMC and includes the following components:

- Salary, wages & benefits
- Hiring expenses background checks, drug screening, advertising, etc.
- Payroll processing fees and uniforms expense
- Workers compensation insurance

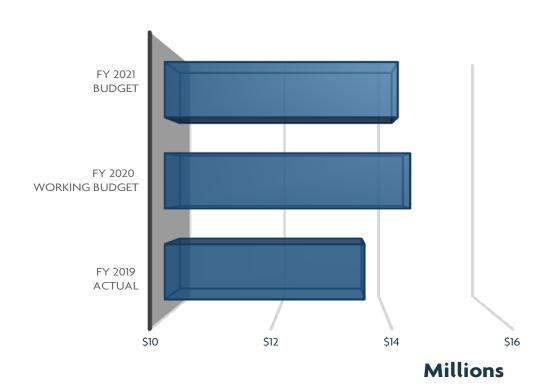
DCTA budget includes all other bus operations expenses:

- Bus Operations Management
- Salaries & benefits for DCTA employees
- Passenger fares
- Contract revenue
- Services contracted by DCTA
- Materials and supplies
- Auto liability insurance
- Purchased transportation contracts
- Depreciation



MATERIAL BUDGET ITEMS:

- Fuel budgeted at \$2.75 per gallon in FY21 @ 359,282 gallons
- Bus operator wage average \$18.81 based on CBA with the Union
- Assumes a 15% increase in health benefits
- Assumes \$500k in additional expense related to COVID-19
- Increased Vanpool service by \$147k (100% grant funded)



BUS	SERVI	CES		
		FY 2019 Actual	FY 2020 Working Budget	FY 2021 Budget
DCTA EXPENSES				
Salary, Wages & Benefits	\$	5,488,431 \$	515,301 \$	373,110
Outsourced Services & Charges		1,114,917	1,242,807	1,258,318
Materials & Supplies		1,808,544	1,686,595	1,825,385
Utilities		156,868	175,620	217,300
Insurance		405,541	338,305	328,587
Purchased Transportation		309,871	547,335	652,396
Employee Development		38,690	31,935	20,000
Leases & Rentals		101,570	101,733	104,668
Depreciation		1,407,290	1,654,533	1,382,069
TOTAL DCTA BUS SERVICES BUDGET	\$	10,831,722 \$	6,294,164 \$	6,161,833
DCTA STAFFING				
Director of Bus Operations and Maintenance		-	1.00	1.00
Manager of Bus Administration		-	1.00	1.00
Operations Analyst		-	1.00	1.00
Mobility as a Service Coordinator		-	1.00	1.00
TOTAL		-	4.00	4.00
		FY 2019 Actual	FY 2020 Working Budget	FY 2021 Budget
NTMC EXPENSES				
Salary, Wages & Benefits	\$	2,685,968 \$	7,652,445 \$	7,451,314
Outsourced Services & Charges		28,449	261,629	399,919
Materials & Supplies		-	-	3,293
Utilities		-	-	-
Insurance		42,105	130,529	118,878
Purchased Transportation		-	-	-
Employee Development		3,780	74,700	54,435
Leases & Rentals		-	-	-
Depreciation		-	-	-
TOTAL NTMC BUS SERVICES BUDGET	\$	2,760,302 \$	8,119,303 \$	8,027,839
*NTMC FY19 Working Budget only includes June-Sept				
NTMC STAFFING				
Contracted Bus Services (TMDC/NTMC)				
Bus Administration Department		3.00	6.00	4.00
Customer Service Department		10.00	10.00	10.00
Supervisors/Dispatchers Department		14.50	12.00	14.00
Maintenance Department		18.00	18.00	18.00
Bus Operators**		94.00	91.00	69.00
TOTAL		139.50	137.00	115.00

^{**}Contracted Bus Services FTE methodology is based on operator hours

FY21 OBJECTIVES & PERFORMANCE MEASURES – MOBILITY SERVICES

LOOKING AHEAD

ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES

OBJECTIVE:

 SOURCE DATA VISUALIZATION SOFTWARE AND ANALYTICS TOOL AND BEGIN INCORPORATING DATA SETS AVAILABLE FROM CURRENT SYSTEMS AND PROCESSES INTO AN INITIAL DCTA DASHBOARD

ENSURE STRONG GOVERNANCE, FINANCIAL STEWARDSHIP, SUSTAINABILITY, AND CONTINUITY OF PROGRAMS AND SERVICES

OBJECTIVE:

- MANAGE A LONG RANGE SERVICE PLAN AND LONG RANGE FINANCIAL PLAN TO GUIDE DECISION-MAKING FOR CAPITAL
 AND OPERATING NEEDS TO FUND OPTIMAL MOBILITY SERVICE AND TO SUPPORT FUTURE PROGRAMS
- CONTINUE SEEKING FUNDING OPPORTUNITIES THROUGH REGIONAL, STATE, FEDERAL AND PUBLIC-PRIVATE PARTNERSHIPS TO ADVANCE AGENCY INITIATIVES, TO MEET REGULATORY REQUIREMENTS, AND TO ENHANCE THE PASSENGER EXPERIENCE

IMPROVE AGENCY PERFORMANCE, EFFECTIVENESS, SAFETY, AND RETURN ON INVESTMENT OBJECTIVE:

- DEVELOP AND GAIN BOARD APPROVAL OF SERVICE STANDARDS AND IMPLEMENT PREFERRED SERVICE
- CONFIRM EXISTING BUS PARTS AND MAINTENANCE SOFTWARE PROVIDES REQUIRED FUNCTIONALITY, IMPLEMENT ADDITIONAL CONFIGURATION IF NEEDED, PROVIDE ADDITIONAL TRAINING TO BETTER UTILIZE SOFTWARE
- NO MORE THAN 2 PREVENTABLE ACCIDENTS PER 100,000 MILES FOR DCTA BUS OPERATIONS
- MAINTAIN A 90% OR BETTER, BUS PREVENTIVE MAINTENANCE PROGRAM
- MINIMIZE NON-REVENUE HOURS SYSTEM-WIDE, MEASURED AS NUMBER OF REVENUE HOURS TO SERVICE HOURS (+85%)
- IDENTIFY DATA NEEDS IN ORDER TO IDENTIFY TECHNOLOGY FOR COLLECTING DATA ABOUT RIDERSHIP, COSTS, AND SERVICE
- MAINTAIN OR IMPROVE RIDERSHIP SYSTEM-WIDE OVER POST COVID-19 PANDEMIC LEVELS EXPERIENCED IN FY2020
- ENSURE OVERALL ON-TIME PERFORMANCE METRICS ARE ACHIEVED: 90% BUS & MOBILITY SERVICES; 98% RAIL
- MAINTAIN THE APPROPRIATE LEVEL OF REVENUE, CONTINGENCY, AND SPARE VEHICLES TO MEET SERVICE NEEDS

ENGAGE WITH LOCAL, REGIONAL AND STATEWIDE STAKEHOLDERS AND TO CREATE OPPORTUNITIES TO SHARE KNOWLEDGE, TECHNOLOGY AND SERVICES

OBJECTIVE:

MOBILITY ORCHESTRATION/REGIONAL COORDINATION: PARTICIPATE IN STRATEGIC REGIONAL DISCUSSION, IDENTIFY
PARTNERSHIP OPPORTUNITIES WITH OTHER TRANSIT AGENCIES AND MAAS PROVIDERS FOR SOLVING MOBILITY
CHALLENGES AND MINIMIZING EXPENSES

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

EVALUATE AND IMPLEMENT SERVICE CHANGES

- REVIEW SERVICE PERFORMANCE MONTHLY AND CONDUCT BI-ANNUAL ASSESSMENTS TO PROVIDE SERVICE RECOMMENDATIONS
 - Route and schedule updates pending results of Transformation Initiative.
 - In March made changes in service due to COVID-19 pandemic.
 - In May suspended routes 5 & 8.
 - In August, added pre-COVID service levels back to Connect Routes 4, 7, 21 and 22.

OBJECTIVE:

IMPLEMENT MOBILITY AS A SERVICE STRATEGIES IN THE AREAS WE SERVE

- EVALUATE EXISTING ROUTE STRUCTURE TO IDENTIFY AREAS TO IMPROVE EXISTING SERVICE, PROVIDE GREATER EFFICIENCIES, AND RECOMMEND OPPORTUNITIES TO IMPLEMENT MOBILITY AS A SERVICE PROJECTS
- IMPLEMENT MOBILITY AS A SERVICE PROJECTS IN CONSULTATION WITH MEMBER CITIES, PARTNERS, AND QUALIFIED VENDORS
- LEVERAGE MAAS TECHNOLOGY PROVIDER SOLUTIONS TO ENHANCE THE CUSTOMER EXPERIENCE, REDUCE OPERATING EXPENSES AND IMPROVE MOBILITY
 - Route and schedule updates pending results of Transformation Initiative.
 - MaaS Task Order Number 2 was awarded to Via and Spare Labs who is partnering with Lyft for MaaS services.

OBJECTIVE:

EVALUATE ALTERNATIVE FARE PAYMENT SOLUTIONS

- ASSIST IN THE IDENTIFICATION, DEVELOPMENT, AND IMPLEMENTATION OF ALTERNATIVE FARE PAYMENT SOLUTIONS
 - Project delayed to FY21 pending results of Transformation Initiative.

FOCUS ON LOCAL AND REGIONAL TRANSIT SYSTEM GROWTH

OBJECTIVE:

LEVERAGE EXISTING A-TRAIN ASSETS

- PARTICIPATE IN REGIONAL COMMUTER RAIL AND BUS INITIATIVES THAT SUPPORT REGIONAL MOBILITY AND GROWTH
 - Continued to jointly operate the North Texas Xpress service with Trinity Metro.
 - No other regional bus initiatives at this time.

ASSESS EVERYTHING WE DO WITH INNOVATION AND SAFETY

OBJECTIVE:

LEVERAGE AVAILABLE INDUSTRY TECHNOLOGY TO ENHANCE THE CUSTOMER SERVICE AND DATA COLLECTION PROCESSES

- DEVELOP AND INITIATE IMPLEMENTATION OF A COMPREHENSIVE SAFETY AND SECURITY PROGRAM
- RESEARCH, IDENTIFY, AND DEVELOP AN ACTION PLAN TO AUTOMATE EXISTING DATA COLLECTION PROCESSES
 - Pending results of Transformation Initiative before moving ahead with these initiatives.

MOBILITY SERVICES & ADMINISTRATION

OBJECTIVE:

EVALUATE FIXED-ROUTE SERVICES FOR TRANSITION TO ON-DEMAND ZONE SERVICES

- EVALUATE THE EXISTING ROUTE STRUCTURE TO IDENTIFY AREAS TO IMPROVE EXISTING SERVICES, PROVIDE GREATER
 EFFICIENCIES, AND RECOMMEND OPPORTUNITIES TO TRANSITION FIXED-ROUTE SERVICES TO ON-DEMAND ZONE
 SERVICES
 - Route and schedule updates pending results of Transformation Initiative.
 - MaaS Task Order Number 2 was awarded to Via and Spare Labs who is partnering with Lyft for MaaS services.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBJECTIVE:

GATHER STAKEHOLDER PRIORITY INITIATIVES AND INCORPORATE INTO THE AGENCY'S VISION AND STRATEGY

- MINIMIZE NON-REVENUE HOURS SYSTEMWIDE, MEASURED AS THE NUMBER OF REVENUE HOURS TO SERVICE HOURS (+85%)
 - Non-revenue hours are at 9.5% for fiscal year 2020.

OBJECTIVE:

DEVELOP CAPITAL PLANS AND FUNDING STRATEGIES FOR CRITICAL INFRASTRUCTURE REPLACEMENT, MAINTENANCE AND SERVICE ENHANCEMENTS

- MAINTAIN APPROPRIATE LEVEL OF REVENUE, CONTINGENCY, AND SPARE VEHICLES TO MEET SERVICE NEEDS
- ENSURE TIMELY VEHICLE PROCUREMENTS CONSISTENT WITH ALL OPERATING AND FUNDING REQUIREMENTS
 - Working to bring fleet size within appropriate spare ratio.
 - Have one purchase waiting delivery for replacement vehicles.
 - Working with Finance to auction other vehicles.
 - Waiting on findings from Transformation Initiative before moving ahead with additional fleet updates.

Director of Government Affairs

Planning & Data Analytics Manager

Director of Capital Improvement

Project Controls Coordinator

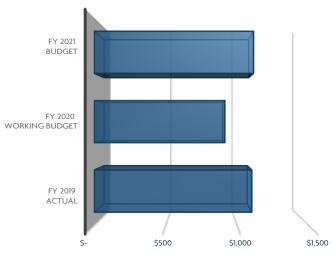
Executive Administrator

TOTAL

STRATEGIC PLANNING AND DEVELOPMENT

To provide direction in all strategic planning and development functions for the organization. The department is responsible for establishing a framework for sound transit decision making and for the deployment of system-wide planning in the context of regional metropolitan transportation planning and economic development. This department also supports legislative initiatives, administers Board support and records management, and coordinates General Counsel.

EXPENSES	FY 2019 Actual	FY 2020 Working Budget	FY 2021 Budget
Salary, Wages & Benefits	\$ 742,004	\$ 741,054	\$ 483,189
Outsourced Services & Charges	336,717	155,973	602,050
Materials & Supplies	-	-	-
Utilities	-	-	-
Insurance	-	-	-
Employee Development	22,544	16,214	27,960
Leases & Rentals	-	-	-
Depreciation	-	-	-
TOTAL DEPARTMENT BUDGET	\$ 1,101,264	\$ 913,241	\$ 1,113,199
STAFFING			
Deputy CEO	1.00	1.00	-



Thousands

MATERIAL BUDGET ITEMS:

1.00

1.00

1.00

1.00

1.00

6.00

• Deputy CEO position has been moved under the Transit Management department for FY21 since this position now oversees Rail Operations.

1.00

1.00

1.00

1.00

5.00

1.00

1.00

1.00

1.00

4.00

• Includes \$400k for Long Range Service Plan slated for FY21

FY21 OBJECTIVES & PERFORMANCE MEASURES - STRATEGIC PLANNING & DEVELOPMENT

LOOKING AHEAD

ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES

OBJECTIVE:

• DEVELOP AND IMPLEMENT A TRANSPORTATION REINVESTMENT PROGRAM (TRIP) AND WORK WITH MEMBER CITIES TO IDENTIFY AND EXECUTE PROJECTS THAT ARE CONSISTENT THE TRIP GUIDELINES

ENSURE STRONG GOVERNANCE, FINANCIAL STEWARDSHIP, SUSTAINABILITY, AND CONTINUITY OF PROGRAMS AND SERVICES

OBJECTIVE:

- MANAGE A LONG RANGE SERVICE PLAN AND LONG RANGE FINANCIAL PLAN TO GUIDE DECISION-MAKING FOR CAPITAL AND OPERATING NEEDS TO FUND OPTIMAL MOBILITY SERVICE AND TO SUPPORT FUTURE PROGRAMS
- CONTINUE SEEKING FUNDING OPPORTUNITIES THROUGH REGIONAL, STATE, FEDERAL AND PUBLIC-PRIVATE PARTNERSHIPS
 TO ADVANCE AGENCY INITIATIVES, TO MEET REGULATORY REQUIREMENTS, AND TO ENHANCE THE PASSENGER EXPERIENCE.

WORK WITH CORRIDOR CITIES TO IMPLEMENT TRANSIT ORIENTED DEVELOPMENT (TOD), COORDINATING PLANNING AND DESIGN TO INCREASE MOBILITY, AIR QUALITY AND LIVABILITY

OBJECTIVE:

- ADVANCE LOCAL AND REGIONAL PLANNING CONSISTENT WITH THE 2045 METROPOLITAN TRANSPORTATION PLAN (MTP)
- INITIATE THE TOD PLANNING STUDY ALONG THE KANSAS CITY SOUTHERN RAIL CORRIDOR IN DENTON COUNTY
- WORK WITH THE CITY OF HIGHLAND VILLAGE ON TRANSIT ADJACENT DEVELOPMENT PLANNING ALONG THE A-TRAIN CORRIDOR
- FACILITATE PLANNING WITH THE CITY OF CORINTH FOR THE POTENTIAL OF A NEW STATION ALONG THE A-TRAIN CORRIDOR
- WORK CLOSELY WITH THE MEMBER CITIES AND OTHER PARTNERS ON THE LEWISVILLE OLD TOWN AND HEBRON STATION
 AREA PLANS AND THE DOWNTOWN DENTON TRANSIT CENTER STATION AREA PLANS INCLUDING FINANCING OPTIONS
 FOR POTENTIAL JOINT DEVELOPMENT PROJECTS
- IMPLEMENT THE TRANSPORTATION REINVESTMENT PROGRAM (TRIP) AND WORK WITH MEMBER CITIES TO IDENTIFY AND EXECUTE PROJECTS THAT ARE CONSISTENT THE TRIP GUIDELINES

ENGAGE WITH LOCAL, REGIONAL AND STATEWIDE STAKEHOLDERS AND TO CREATE OPPORTUNITIES TO SHARE KNOWLEDGE. TECHNOLOGY AND SERVICES

OBJECTIVE:

 PARTICIPATE IN STATE AND FEDERAL POLICY DISCUSSIONS TO PROTECT DCTA'S ABILITY TO DEPLOY INNOVATIVE MOBILITY SERVICES AND GROWTH AND ADVOCATE DCTA'S LEGISLATIVE PROGRAMS AND POLICY POSITIONS

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

IMPLEMENT MOBILITY AS A SERVICE STRATEGIES IN THE AREAS WE SERVE

- FACILITATE DISCUSSION WITH CITY LEADERS OF COMMUNITIES WITHOUT TRANSIT TO DETERMINE MOBILITY NEEDS, DEVELOP CUSTOMIZED MOBILITY SOLUTIONS LEVERAGING DCTA'S MAAS CONTRACTS, AND ENCOURAGE PARTICIPATION IN DCTA CONTRACTED SERVICE
 - Renewed Interlocal Agreement with Coppell, McKinney Urban Transit District, and Frisco to continue providing mobility on-demand services.
- PARTICIPATE IN STATE AND FEDERAL POLICY DISCUSSIONS RELATING TO MAAS INITIATIVES TO PROTECT TRANSIT AGENCY INTEREST FOR CONTINUED DEPLOYMENT OF MAAS PROJECTS
 - Executive and Legislative Staff held policy conversations related to MaaS initiatives with DCTA's state delegation at the Capitol and District offices, the chair of the Senate Transportation Committee, TxDOT Public Transportation Division, the Governor's Office of Economic Development, and the NCTCOG to educate all parties on the importance of MaaS deployment and need for a supportive and non-restrictive regulatory environment.
 - Provided letter of support to Congressional delegation for the continuation of the FAST Act federal funding program for transportation, and for the next iteration of federal transportation funding, the INVEST Act. The letter included opposition to restrictions related to MaaS innovations, and since then APTA has reported that the restrictions have been mitigated.

FOCUS ON LOCAL AND REGIONAL TRANSIT SYSTEM GROWTH

OBJECTIVE:

LEVERAGE EXISTING A-TRAIN ASSETS

- ASSIST THE CITY OF CORINTH IN CONDUCTING PLANNING INITIATIVES TO FURTHER DEVELOP THE POTENTIAL FOR A NEW STATION ALONG A-TRAIN CORRIDOR
 - DCTA worked with the City of Corinth, leveraging the on-call contract with LAN to create a schematic layout and baseline budget from which the City can develop a long range plan for a downtown development.

OBJECTIVE:

EXPLORE NEW REGIONAL COMMUTER CORRIDORS

- DEVELOP A PROGRAM PLAN FOR COMMUTER BUS SERVICE ALONG THE SRT/121 CORRIDOR INCLUDING THE DEVELOPMENT
 OF SERVICE PARAMETERS, IDENTIFYING PROGRAM PARTNERS, SECURING OPERATING/CAPITAL FUNDS AND DEVELOPING
 A SERVICE IMPLEMENTATION PLAN
 - Due to Board direction, this initiative was put on hold until the results of the Transformation Initiative results are available, upon which further direction from the Board will be sought.
- EXPLORE POTENTIAL PASSENGER RAIL SERVICE ALONG THE KCS DENTON-DALLAS RAIL CORRIDOR, GAUGE INTEREST WITH REGIONAL PARTNERS AND LOCAL STAKEHOLDERS. AND BEGIN DEVELOPING A SERVICE IMPLEMENTATION PLAN
 - DCTA applied for and received a \$600,000 grant from the Federal Transportation Administration to conduct a
 preliminary planning analysis of transit-oriented development along the 25-mile segment of the Kansas City
 Southern rail corridor in Denton County. DCTA Executives and legislative staff have discussed a TOD planning study
 with KCS representatives, the regional FTA office, member cities, Denton County and the NCTCOG.

OFFICE OF THE DEPUTY CEO

- EXPLORE POTENTIAL PASSENGER RAIL SERVICE ALONG THE BNSF FRISCO RAIL CORRIDOR, GAUGE INTEREST WITH REGIONAL PARTNERS AND LOCAL STAKEHOLDERS, AND BEGIN DEVELOPING A PROGRAM DEVELOPMENT PLAN
 - DCTA legislative and planning staff are members of the NCTCOG's Irving to Frisco Corridor Project Advisory Committee to assist in analyzing the viability of this corridor. The NCTCOG is the regional lead on this project. Final analysis and recommendations are expected at the end of Q1 FY21.
 - DCTA legislative and planning staff are members of the NCTCOG's Collin County Transit Study Advisory Committee to assist in analyzing where transit/mobility is needed throughout Collin County, the most effective mode of transportation, and the most cost-effective services. The NCTCOG is the regional lead on this project. Final analysis and recommendations are expected at the end of Q1 FY21.
- EXPLORE INTEREST WITH REGIONAL PARTNERS AND LOCAL STAKEHOLDERS FOR POTENTIAL COMMUTER BUS SERVICE ALONG THE US 380 CORRIDOR CONNECTING DENTON AND MCKINNEY
 - Executive and legislative staff held discussions with DCTA's state delegation, NCTCOG, the City of Frisco, the City of McKinney, the University of North Texas, and TxDOT regarding the potential for commuter bus service along US 380 and the necessary infrastructure improvements necessary to make this a realistic project.
- COORDINATE WITH TRANSPORTATION MANAGEMENT ASSOCIATIONS, DART AND TRINITY METRO TO EXPLORE FUTURE PARTNERSHIP OPPORTUNITIES AS DCTA EXPANDS SERVICES THROUGH COMMUTER CORRIDORS
 - Executive staff continues to have ongoing discussions with DART and Trinity Metro.

ADVANCE TRANSIT ORIENTED DEVELOPMENT PLANNING AND IMPLEMENTATION

OBIECTIVE:

LEAD COUNTY-WIDE ECONOMIC DEVELOPMENT PLANNING

- SUPPORT DENTON COUNTY COMMISSIONERS, MUNICIPALITIES AND DEVELOPMENT PARTNERS BY SERVING AS A RESOURCE TO HELP ALIGN REGIONAL ECONOMIC DEVELOPMENT INITIATIVES, INFRASTRUCTURE INVESTMENTS AND FUNDING MECHANISMS FOR THE EXECUTION OF PUBLIC PRIVATE LAND DEVELOPMENT PARTNERSHIPS
 - DCTA Executive and legislative staff have met with the Denton County Judge and Commissioners, member cities, and
 potential developers to provide support and resources for economic development initiatives, particularly transitoriented developments, including those related to the DDTC, Old Town, and Hebron stations.
 - DCTA Executives and legislative staff have met with the Agency's state delegation at the Capitol and District offices, the chair of the Senate Transportation Committee, TxDOT Public Transportation Division, the Governor's Office of Economic Development, local chambers of commerce, and the NCTCOG to discuss the benefit of authorizing DCTA to enter into public-private partnerships to spur transit-oriented development within member cities, thereby expanding the tax base.
 - DCTA Executive and legislative staff met with the Governor's Office of Economic Development to serve as a resource, discuss the positive economic impact and return on investment DCTA has had in Denton County, and identify future partnership opportunities in economic development recruitment.

OBJECTIVE:

WORK WITH CORRIDOR CITIES TO IMPLEMENT TRANSIT ORIENTED DEVELOPMENT

- IMPROVE TRANSIT ORIENTED DEVELOPMENT OPPORTUNITIES AND ENHANCE LAND USE INITIATIVES AROUND EXISTING
 A-TRAIN STATIONS AND FUTURE RAIL STATIONS BY WORKING WITH MUNICIPALITIES, ECONOMIC DEVELOPMENT
 CORPORATIONS AND DEVELOPERS TO IDENTIFY NEW DEVELOPMENT OPPORTUNITIES AND POTENTIAL PARTNERSHIPS
 - DCTA completed the purchase of property adjacent to The Charles Emery Old Town Station in Lewisville for future construction of an intermodal transit center.
 - Executive staff is in communication with developers regarding a future potential land development partnership at the Euline Brock Downtown Denton Transit Center.
 - DCTA regularly engages in conversations with member cities as it relates to future TOD opportunities along the A-train corridor.

OFFICE OF THE DEPUTY CEO

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

ACTIVELY ENGAGE WITH LOCAL AND REGIONAL STAKEHOLDERS AND COMMUNITY LEADERS TO IMPROVE AGENCY AWARENESS AND QUALITY OF SERVICES

- PARTICIPATE IN STRATEGIC DISCUSSIONS THROUGHOUT THE REGION TO PROVIDE UPDATES ON DCTA'S INNOVATIVE AND
 FORWARD-THINKING ACTIVITIES AND IDENTIFY PARTNERSHIP OPPORTUNITIES FOR SOLVING MOBILITY CHALLENGES
 THROUGH INNOVATIVE MOBILITY SOLUTION IMPLEMENTATION
 - Renewed Interlocal Agreement with Coppell, McKinney Urban Transit District, and Frisco to continue providing innovative mobility services.
 - DCTA Executive and legislative staff presented at numerous meetings and events to provide updates on the Agency's innovative activities and vision, including but not limited to member city councils and committees, NCTCOG advisory and stakeholder committees, the Agency's state and congressional delegation members and staff, TxDOT's Public Transportation Division, local chambers of commerce, Dallas Regional Mobility Committee, Metroplex Mayors Association, and transit publications, including Mass Transit magazine.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBJECTIVE:

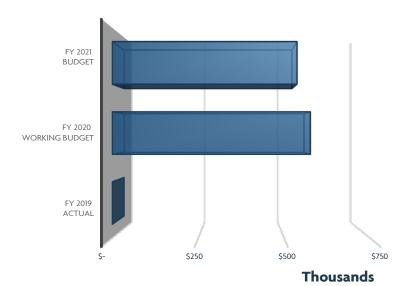
DEVELOP CAPITAL PLANS AND FUNDING STRATEGIES FOR CRITICAL INFRASTRUCTURE REPLACEMENT, MAINTENANCE AND SERVICE ENHANCEMENTS

- CONTINUE COORDINATING WITH THE FINANCE TEAM IN THE DEVELOPMENT OF FINANCIAL MODELING FOR LONG RANGE PLANNING INITIATIVES
 - Developed streamlined reporting tools with improved accuracy for submittal to the Finance team.
- CONTINUE SEEKING FUNDING OPPORTUNITIES THROUGH REGIONAL, STATE AND FEDERAL SOURCES TO ENHANCE AGENCY LONG RANGE INITIATIVES
 - Received \$600,000 in federal funding to conduct high-level preliminary planning for transit-oriented development (TOD) along a 25-mile segment of the existing Kansas City Southern freight rail line.
- CONTINUE BUILDING STRATEGIC PARTNERSHIP OPPORTUNITIES TO HELP ADVANCE AGENCY PROGRAMS AND INITIATIVES
 - Staff continues to work closely with member cities, the North Central Texas Council of Governments and area mobility providers to build upon existing and identify future partnerships.

INFORMATION TECHNOLOGY

To provide innovative and efficient information technology solutions for the agency. The department supports all aspects of the agency's technology needs and initiatives as well as protects the agency's technology and data assets from cybersecurity threats. This department was created in FY20. Staff and related expenses were previously accounted for within the Transit Management budget.

EVDENICEC	FY 2019	FY 2020	FY 2021
EXPENSES	Actual	Working Budget	Budget
Salary, Wages & Benefits	\$ - \$	284,048 \$	285,576
Outsourced Services & Charges	-	241,296	214,400
Materials & Supplies	-	44,200	29,300
Utilities	-	-	-
Insurance	-	-	-
Employee Development	-	6,729	8,200
Leases & Rentals	-	-	-
Depreciation	-	-	-
TOTAL DEPARTMENT BUDGET	\$ - \$	576,273 \$	537,476
STAFFING			
Director of Information Technology	-	1.00	1.00
Network Administrator	-	1.00	1.00
Desktop & Application Support Specialist	-	1.00	1.00
TOTAL	-	3.00	3.00



MATERIAL BUDGET ITEMS:

- Includes \$96k for cybersecurity
- Scheduled laptop replacements for FY21 have been delayed

FY21 OBJECTIVES & PERFORMANCE MEASURES — INFORMATION TECHNOLOGY

LOOKING AHEAD

ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES

OBJECTIVE:

 SOURCE DATA VISUALIZATION SOFTWARE AND ANALYTICS TOOL AND BEGIN INCORPORATING DATA SETS AVAILABLE FROM CURRENT SYSTEMS AND PROCESSES INTO AN INITIAL DCTA DASHBOARD

IMPROVE AGENCY PERFORMANCE, EFFECTIVENESS, SAFETY, AND RETURN ON INVESTMENT

OBJECTIVE:

- ACQUIRE IT PROJECT MANAGEMENT SUPPORT TO ASSIST WITH IMPLEMENTATION OF THE TRANSFORMATION INITIATIVE NEXT STEPS
- ROLLOUT PRODUCTIVITY, COLLABORATION, AND CYBERSECURITY TOOLS AGENCYWIDE

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

IMPLEMENT MOBILITY AS A SERVICE STRATEGIES IN THE AREAS WE SERVE

- SUPPORT THE OPERATIONS TEAM WITH VETTING, TESTING, AND IMPLEMENTING TECHNOLOGY SOLUTIONS REQUIRED BY MAAS
 - Supported operations team with deployment, management, and regular updates of tablet devices supporting MaaS platforms.

OBIECTIVE:

EVALUATE ALTERNATIVE FARE PAYMENT SOLUTIONS

- SUPPORT FINANCE WITH RESEARCHING, VETTING, TESTING, AND IMPLEMENTING INNOVATIVE FARE PAYMENT SOLUTIONS
 - Project delayed until FY21 pending results of Transformation Initiative.

BUILD A GREAT EMPLOYEE CULTURE AND A QUALITY BRAND

OBJECTIVE:

FOSTER A SERVANT LEADERSHIP CULTURE ACROSS THE ORGANIZATION

- IMPLEMENT TECHNOLOGY THAT FOSTERS A TEAM APPROACH TO TACKLING PROJECTS
 - Implemented collaborative tools to support the transition to remote work due to COVID-19.

OBJECTIVE:

ACTIVELY ENGAGE WITH LOCAL AND REGIONAL STAKEHOLDERS AND COMMUNITY LEADERS TO IMPROVE AGENCY AWARENESS AND QUALITY OF SERVICES

- EVALUATE AND RESPOND TO CUSTOMER WANTS AND NEEDS REGARDING VEHICLE TECHNOLOGY
 - Pending results of Transformation Initiative.

	Operating & Capital Budget FY 2021
OFFICE OF THE DEPUTY CEO	

ASSESS EVERYTHING WE DO WITH INNOVATION AND SAFETY

OBJECTIVE:

RECEIVE FEDERAL RAILROAD ADMINISTRATION POSITIVE TRAIN CONTROL CERTIFICATION AND APPROVAL OF POSITIVE TRAIN CONTROL SAFETY PLAN

- SUPPORT RAIL OPERATIONS TEAM TO MAKE SURE PTC TECHNOLOGY NEEDS ARE MET FROM INTERNAL IT TEAM
 - Supported rail operations team as required to implement PTC.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBJECTIVE:

DEVELOP CAPITAL PLANS AND FUNDING STRATEGIES FOR CRITICAL INFRASTRUCTURE REPLACEMENT, MAINTENANCE AND SERVICE ENHANCEMENTS

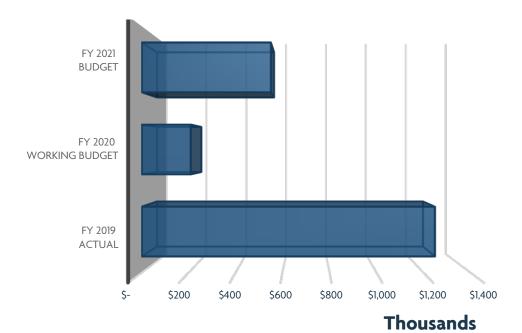
- FOLLOW IT ASSET LIFECYCLE AND CREATE A BUDGET THAT FOLLOWS THIS REPLACEMENT CYCLE AND ALLOWS FOR INNOVATION AND EFFICIENCY WITHIN THE AGENCY
 - Successfully executed lifecycle replacement within set budget while making preparation for modified FY21 cycle due to COVID-19 related budget constraints.

TRANSIT MANAGEMENT

The Transit Management department provides management and oversight efforts of the regional rail component, the A-train as well as the bus services component. In previous years, this division included Information Technology, capital projects management and bus operations management. With this new organizational structure, this department only accounts for the general oversight of all operations. Elements specific to bus or rail operations (i.e. staff support, operating expenses, goals & performance measures) are now broken out into their own separate departments – Bus and Rail Services.

EXPENSES	FY 2019 Actual	FY 2020 Working Budget	FY 2021 Budget
Salary, Wages & Benefits	\$ 891,615	\$ 156,935	\$ 509,412
Outsourced Services & Charges	161,934	45,066	41,000
Materials & Supplies	48,651	-	-
Utilities	38	-	-
Insurance	-	-	-
Purchased Transportation	128,903	-	-
Employee Development	17,798	7,000	-
Leases & Rentals	-	-	_
Depreciation	-	-	_
TOTAL DEPARTMENT BUDGET	\$ 1,248,940	\$ 209,001	\$ 550,412
STAFFING			
VP of Operations	1.00	-	-
Director of Information Technology	1.00	-	-
Network Administrator	1.00	-	-
Intern	0.50	-	-
Director of Bus Operations & Maintenance	1.00	-	-
Manager of Mobility Services	1.00	-	-
Manager of Bus Administration	1.00	-	-
Operations Analyst	2.00	-	-
Service Planner	1.00	-	-
Desktop & Application Support Specialist	1.00	-	-
Mobility as a Service Coordinator	1.00	-	-
Deputy CEO	-	-	1.00
VP Mobility Services & Administration	-	-	1.00
Project Controls Coordinator	-	-	1.00
TOTAL	11.50	-	3.00

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MATERIAL BUDGET ITEMS:

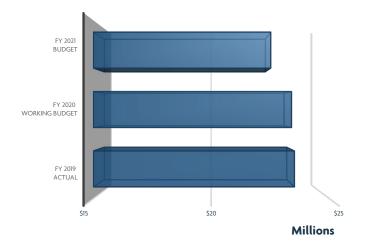
- In FY20, the Vice President of Operations position was eliminated which accounts for the sharp decrease in the FY20 Working Budget as compared to FY19 actuals.
- The FY21 budget includes the following positions:
 - Deputy CEO (previously in Strategic Planning & Development)
 - VP Mobility Services & Administration (previously in Marketing & Communications)
 - Project Controls Coordinator (previously in Rail Operations)
- These positions have oversight of multiple facets of the agency including Mobility Services and Rail Operations. Accounting for these positions in the Transit Management department allows staff to allocate these expenses to the correct function based on the cost allocation model.

RAIL SERVICES

The Rail Services department provides management and operations efforts of the regional rail component, the A-train. Primary activities undertaken by this section of DCTA include internal and external agency coordination, transit oriented development, rail operations, rail maintenance, and safety/security. In October 2020, DCTA entered into a contract with Rio Grande Pacific Corporation for operations and maintenance of the A-train system. This contract supports the train operations and includes service hours, fuel, maintenance, etc. and is accounted for under Purchased Transportation Services category. Additionally, DCTA and DART have an interlocal shared services agreement for ticket vending machine maintenance and train platform maintenance.

	FY 2019 Actual	FY 2020 Working Budget	FY 2021 Budget
EXPENSES			
Salary, Wages & Benefits	\$ 467,760 \$	431,336	\$ 288,429
Outsourced Services & Charges	3,324,755	2,114,145	479,026
Materials & Supplies	523,728	657,724	1,022,300
Utilities	262,194	290,568	265,768
Insurance	1,237,108	1,400,704	1,338,961
Purchased Transportation	9,316,811	9,638,473	10,080,143
Employee Development	15,152	7,522	9,300
Leases & Rentals	1,662	2,400	2,400
Depreciation	8,376,656	8,857,983	9,037,306
TOTAL DEPARTMENT BUDGET	\$ 23,525,827 \$	23,400,855	\$ 22,523,633
STAFFING			
Rail Development Department			
AVP, Rail Operations & Maintenance	1.00	-	-
Senior Manager of Rail Operations	1.00	1.00	1.00
Project Controls Coordinator	1.00	1.00	-
Director of Railway Systems	1.00	1.00	1.00
TOTAL	4.00	3.00	2.00

OFFICE OF THE DEPUTY CEO



MATERIAL BUDGET ITEMS:

- Purchased Transportation for FY21 is based on current contract rates with Rio Grande Pacific Corp. and includes operating expenses related to Positive Train Control of \$200k
- Fuel budgeted at \$2.75 per gallon in FY21 @ 367,200 gallons

FY21 OBJECTIVES & PERFORMANCE MEASURES - RAIL SERVICES

LOOKING AHEAD

ALIGN THE AGENCY'S VISION AND GOALS WITH STAKEHOLDER PRIORITIES

OBJECTIVE:

 SOURCE DATA VISUALIZATION SOFTWARE AND ANALYTICS TOOL AND BEGIN INCORPORATING DATA SETS AVAILABLE FROM CURRENT SYSTEMS AND PROCESSES INTO AN INITIAL DCTA DASHBOARD

ENSURE STRONG GOVERNANCE, FINANCIAL STEWARDSHIP, SUSTAINABILITY, AND CONTINUITY OF PROGRAMS AND SERVICES

OBJECTIVE:

- MANAGE A LONG RANGE SERVICE PLAN AND LONG RANGE FINANCIAL PLAN TO GUIDE DECISION-MAKING FOR CAPITAL AND OPERATING NEEDS TO FUND OPTIMAL MOBILITY SERVICE AND TO SUPPORT FUTURE PROGRAMS
- CONTINUE SEEKING FUNDING OPPORTUNITIES THROUGH REGIONAL, STATE, FEDERAL AND PUBLIC-PRIVATE PARTNERSHIPS TO ADVANCE AGENCY INITIATIVES. TO MEET REGULATORY REQUIREMENTS, AND TO ENHANCE THE PASSENGER EXPERIENCE

IMPROVE AGENCY PERFORMANCE, EFFECTIVENESS, SAFETY, AND RETURN ON INVESTMENT

OBJECTIVE:

- IDENTIFY DATA NEEDS IN ORDER TO IDENTIFY TECHNOLOGY FOR COLLECTING DATA ABOUT RIDERSHIP, COSTS, AND SERVICE
- MAINTAIN OR IMPROVE RIDERSHIP SYSTEM-WIDE OVER POST COVID-19 PANDEMIC LEVELS EXPERIENCED IN FY2020
- ENSURE OVERALL ON-TIME PERFORMANCE METRICS ARE ACHIEVED: 90% BUS & MOBILITY SERVICES; 98% RAIL
- MAINTAIN THE APPROPRIATE LEVEL OF REVENUE, CONTINGENCY, AND SPARE VEHICLES TO MEET SERVICE NEEDS
- MAINTAIN ZERO FEDERAL RAILROAD ADMINISTRATION REPORTABLE WORKERS INJURIES; A MINIMUM OF 99.9% RELIABILITY
 FOR DISPATCH AND SIGNALS & COMMUNICATIONS AVAILABILITY, AND MAINTAIN THE RIGHT-OF-WAY TO CONTRACTUAL
 THRESHOLDS FOR A-TRAIN SERVICES

ACHIEVE PTC REGULATORY COMPLIANCE IN ACCORDANCE WITH FTA MANDATES BY DECEMBER 31, 2020

ENGAGE WITH LOCAL, REGIONAL AND STATEWIDE STAKEHOLDERS AND TO CREATE OPPORTUNITIES TO SHARE KNOWLEDGE, TECHNOLOGY AND SERVICES

OBJECTIVE:

• MOBILITY ORCHESTRATION/REGIONAL COORDINATION: PARTICIPATE IN STRATEGIC REGIONAL DISCUSSION, IDENTIFY PARTNERSHIP OPPORTUNITIES WITH OTHER TRANSIT AGENCIES AND MAAS PROVIDERS FOR SOLVING MOBILITY CHALLENGES AND MINIMIZING EXPENSES

FY20 PROGRESS REPORT

FOCUS ON BEST VALUE SERVICE STRATEGY AND BROKER OF SERVICES

OBJECTIVE:

EVALUATE AND IMPLEMENT SERVICE CHANGES

- REVIEW SERVICE PERFORMANCE MONTHLY AND CONDUCT BI-ANNUAL ASSESSMENTS TO PROVIDE SERVICE RECOMMENDATIONS
 - As part of the COVID-19 response, a schedule reduction resulting in a 60 minute frequency was implemented in March 2020. As directed by the Board, 30 minute peak period rail service was implemented in September 2020 as an effort to increase ridership.

OBJECTIVE:

EVALUATE ALTERNATIVE FARE PAYMENT SOLUTIONS

- ASSIST IN THE IDENTIFICATION, DEVELOPMENT, AND IMPLEMENTATION OF ALTERNATIVE FARE PAYMENT SOLUTIONS
 - Staff has been engaged in multiple conversations to explore regional fare payment options with regional transit partners, DART and Trinity Metro.

FOCUS ON LOCAL AND REGIONAL TRANSIT SYSTEM GROWTH

OBIECTIVE:

LEVERAGE EXISTING A-TRAIN ASSETS

- PARTICIPATE IN REGIONAL COMMUTER RAIL AND BUS INITIATIVES THAT SUPPORT REGIONAL MOBILITY AND GROWTH
 - Discussions with regional transit partners continue in an effort of enhancing seamless connectivity throughout the region.

ASSESS EVERYTHING WE DO WITH INNOVATION AND SAFETY

OBJECTIVE:

RECEIVE FEDERAL RAILROAD ADMINISTRATION POSITIVE TRAIN CONTROL CERTIFICATION AND APPROVAL OF POSITIVE TRAIN CONTROL SAFETY PLAN

- SUBMIT QUARTERLY FRA REPORTS IN A TIMELY MANNER
 - Quarterly reports were submitted on-time to the FRA.
- EXECUTE FRA CONSOLIDATED RAIL INFRASTRUCTURE AND SAFETY IMPROVEMENT (CRISI) GRANT
 - E-ATC enhancement project funded by CRISI has been postponed until FY22.
- IMPLEMENT SPEED ENHANCEMENTS AS IDENTIFIED IN THE TRACK STUDY COMPLETED IN FY 2019
 - Staff will continue to identify opportunities for speed enhancement in FY21.
- SUBMIT AND RECEIVE APPROVAL OF DCTA'S POSITIVE TRAIN CONTROL SAFETY PLAN
 - The System Safety Plan was submitted to the FRA in April 2020; DCTA is awaiting FRA review and approval.

OFFICE OF THE DEPUTY CEO

- RECEIVE FRA PTC CERTIFICATION TO GO LIVE NO LATER THAN DECEMBER 2020
 - DCTA has completed the Revenue Service Demonstration and submitted the System Safety Plan; DCTA is awaiting FRA review and approval.

IMPROVE EFFICIENCIES AND MAXIMIZE RETURN ON INVESTMENT

OBJECTIVE:

GATHER STAKEHOLDER PRIORITY INITIATIVES AND INCORPORATE INTO THE AGENCY'S VISION AND STRATEGY

- MINIMIZE NON-REVENUE HOURS SYSTEMWIDE, MEASURED AS THE NUMBER OF REVENUE HOURS TO SERVICE HOURS (+85%)
 - Objective achieved.
 - Total Train Hours = 13,929.26
 - Revenue Train Hours = 13,176.96
 - Ratio = 94.6%

CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN OVERVIEW

The Capital Improvement & Major Maintenance Plan (CIP) is a five-year financial plan of anticipated capital and major project needs. The CIP is designed to meet the DCTA's ongoing operational and infrastructure needs in a responsive and efficient manner. It incorporates the current and future needs of the agency and is updated on an annual basis during the budget process.

Capital projects represent a significant investment by DCTA in developing and maintaining the agency's equipment and infrastructure. This level of investment requires a serious and intensive review of all project requests and any associated operating expenses to ensure that they are consistent with the needs and goals of the community and adequate resources are available.

All capital projects should be based upon or be consistent with established agency goals and community needs, both current and future. Department heads should consider established plans such as Board goals or established maintenance and replacement schedules in developing the CIP projects. Department heads should also consider the relationship between the requested projects and other approved or planned capital projects and any ongoing operating costs that will be incurred.

A capital project is funded for one of the following purposes: land acquisition, new construction of buildings, remodeling of and/or additions to buildings, major equipment purchases or refurbishment, other infrastructure or technology needs, service improvements, or major studies. The basic criteria for a capital project are any construction or purchase costing \$25,000 or more and which has a useful life of five years or longer. A capital project may also be established for large-scale operating expenses that we expect to span multiple years, and these are expensed upon completion.

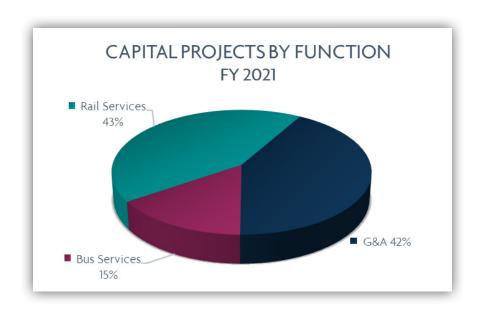
The current year of the CIP is adopted with the approval of the FY 2021 Operating and Capital Budget. All years beyond the current fiscal year are subject to change and require specific approval of the Board upon adoption of the annual operating and capital budget. The anticipated total for the CIP in FY21 is \$14.1 million, and includes bus, rail and general administrative related projects. These projects are outlined in greater detail on subsequent pages in this section.

CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN SUMMARY

Project Name	Project Number		Project LTD thru FY 2019	Working FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Project Total (Thru 2026)
BUS CAPITAL EXPENDITURE IOMF Fuel Tanks - Lewisville (CLOSED)	50305	\$ 1,037,000	\$ 1,013,923	\$ 8,237	\$ -	\$ - :	\$ -	\$ -	\$ -	\$ - :	\$ 1,022,160
BUS FLEET REPLACEMENT Fleet (2020) Fleet (2021) FUTURE: Fleet Replacement	50514 50515	1,062,600 1,880,100	-	1,062,600 10,000	- 1,870,100 -	- - 1,124,247	- - 1,650,648	- - 2,082,427	- - 2,168,650	- - 2,258,736	1,062,600 1,880,100 9,284,708
PROFESSIONAL SERVICES/TECHNOLOGY IMPROVEMENTS Stadler Diagnostic Laptops (2) Integrated Fare Payment Server & Network Infrastructure FUTURE: Stadler Laptop Replacement FUTURE: Server & Network Infrastructure	61409 50411 10403	80,000 600,000 350,000	- - 303,352 - -	80,000 - 46,648 - -	300,000	300,000	- - - -	- - - - 350,000	- - - 80,000	- - - -	80,000 600,000 350,000 80,000 350,000
TRANSIT SAFETY IMPROVEMENTS Trail Safety Improvements Rail Safety Improvements (CLOSED)	61715 61718	181,157 267,678	56,500 67,678	124,657 11,600	-	-	- -	- -	-	-	1 81,157 79,278
HIKE & BIKE TRAILS Lewisville Bike Trail - Eagle Point (CLOSED)	61716	2,995,873	2,305,775	654,486	-	-	-	-	-	-	2,960,261
MAJOR MAINTENANCE ITEMS Major Maintenance Items - Rail (FY20) Major Maintenance Items - Rail (FY21) Major Maintenance Items - Bus (FY20) FUTURE: Major Maintenance Items - Rail FUTURE: Major Maintenance Items - Bus	61720 61723 50306	2,024,826 2,124,693 125,000	- - - -	400,864 - 15,530 -	2,124,693 - -	2,062,535 179,530	- - 1,798,907 238,264	1,099,619 273,851	- - 1,704,328 200,000	- - 1,900,386 200,000	400,864 2,124,693 15,530 8,565,775 1,091,645
POSITIVE TRAIN CONTROL Positive Train Control Implementation Positive Train Control Enhancements (Phase 2)	61406.1 61406.2	16,720,141 5,000,000	15,268,565	563,645 150,000	887,931 3,000,000	1,850,000	- -	-	-	- -	16,720,141 5,000,000
INFRASTRUCTURE ACQUISITION	10302	3,251,990	242,008	2,481,882	-	-	528,100	-	-	-	3,251,990
BROWNFIELD REMEDIATION	61605	385,000	311,248	2,843	43,752	-	-	-	-	-	357,843
TRANSPORTATION REINVESTMENT PROGRAM (TRIP)	10702	5,914,152	-	-	5,914,152	-	-	-	-	-	5,914,152
TOTAL CURRENT CAPITAL BUDGET		\$ 44,000,210	\$ 19,569,049	\$ 5,612,991	\$ 14,140,628	\$ 5,516,312	\$ 4,215,919	\$ 3,805,897	\$ 4,152,978	\$ 4,359,122	\$ 61,372,896

Sources of Funding (FY21)

Federal/State Grants \$ 6,094,359
DCTA Funding 8,046,269
TOTAL \$ 14,140,628



Project Name: Fleet 2021

Project Number: 50515

Statement of Need/Description

Each year, Bus Operations staff reviews the current levels of service, identifies fleet requirements, reviews existing fleet, and updates the Fleet Replacement Plan. There were no fleet purchases made in FY2019 as there was an issue with the cooperative contract that did not allow for a purchase in the fiscal year. In FY2021, DCTA proposes to roll the existing 2019 fleet replacement project into FY2021 and combine with additional funding to create one capital fleet replacement project. This project would allow DCTA to purchase a total of fifteen (15) small vehicles and three (3) non-revenue vehicles, which will replace existing vehicles that have exceeded their useful life in age and/or mileage.



Year	Ca	apital Cost	Operating Costs	Projected Revenues	Source(s) c	of Capital Funding
Thru FY19	\$	-	\$ -	\$ -	State Grants	\$ -
2019-20	\$	10,000	\$ -	\$ -	Federal Grants	\$ 1,775,305
2020-21	\$	1,870,100	See Project Notes	\$	Operating Funds	
Total	\$	1,880,100	\$ -	\$ -	Total Funding	\$ 1,880,100

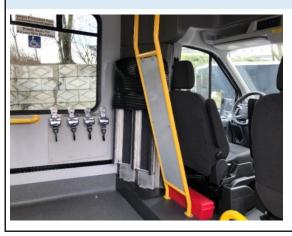
Change from Previous CIP

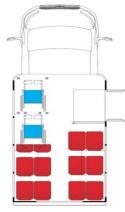
No Change Increase in Amount Decrease in Amount New Project X

Project Notes

Coordinating Department: Bus Operations

The agency reviews each capital project for associated operating impacts during the budget process. The associated operating costs related to these revenue and non-revenue replacement vehicles will be minimal and include fuel and standard maintenance. These expenses are included in the long range financial plan in future periods under service and materials category.







Project Name: Integrated Fare Payment

Project Number: 50411

Statement of Need/Description

Current fare boxes hold coin and currency fares which must be manually counted in-house and transported to the bank via courier. Ridership is tracked manually. These fare boxes require exact change, as they cannot issue change to a passenger. This project will include supplementing the current farebox system with a reloadable card system on all vehicles in DCTA's fleet to better track ridership trends, reduce in-house cash collections, and improve boarding speed for passengers. This project was rolled over from the FY20 budget pending the results of the Transformation Initiative.





Year	Ca	pital Cost	Operating Costs	Projected Revenues	Source(s)	of Capital Funding
Thru FY19	\$	-	\$ -	\$ -		
2019-20	\$	-	\$ -	\$ -	State Grants	\$ -
2020-21	\$	300,000	\$ -	\$ -	Federal Grants	\$ 250,000
2021-22	\$	300,000	See Project Notes	\$ -	Operating Funds	\$ 350,000
Total	\$	600,000	\$ -	\$ -	Total Funding	\$ 600,000

10tat \$ 000,000 \$		7	Total Fullallig 3	000,000		
Change from Previous CIP		Project Notes				
No Change	Х	Coordinating Department: Transit O	perations			
Increase in Amount		The agency reviews each capital project for associated operating impacts during				
Decrease in Amount		the budget process. Upon completion of the procurement process, all associ				
New Project		operating expenses will be identified and included in our long range fin				

This project benefits DCTA by reducing risk and cost by lowering the amount of cash collected on DCTA buses, as customers will be able to purchase pre-paid transit fares online via credit card or bank transfer and with cash at retail locations throughout DCTA's service area. Utilizing this technology will also provide DCTA more accurate ridership data and information about system usage. Benefits to the customer include the ability to seamlessly travel regionally between DCTA and DART using one fare.



Project Name: Major Maintenance - Rail (2021)

Project Number: 61723

Statement of Need/Description

The Major Maintenance-Rail project is an annual allocation for the maintenance of the rail facility and vehicles. DCTA worked with a consultant in FY19 to create a long-term Facilities & Maintenance Plan. This plan outlines all major maintenance for all of DCTA's assets - facilities, vehicles, amenities, etc. Please refer to Project Notes section for a detailed breakout of current capital maintenance needs planned for FY2021.



Year	Ca	apital Cost	Operating Costs		Projected Revenues		Source(s) o	f Capital Funding
Thru FY19	\$	-	\$	-	\$	-	State Grants	\$
2019-20	\$	-	\$	-	\$	-	Federal Grants	\$
2020-21	\$	1,638,566	See Project Notes		\$	-	Operating Funds	\$ 1,638,56
Total	\$	1,638,566	\$	_	\$	- [Total Funding	\$ 1,638,566

Change from Previous CIP		Proje
No Change		Coor
Increase in Amount		*FY21
Decrease in Amount		*FY21
New Project	X	*FY21

Project Notes

Coordinating Department: Rail Operations

*FY21 Stadler Rail Vehicle Replacement Parts: \$1,182,326

FY21 Road Crossing Refurbishments: \$417,570

*FY21 Rail Facility Scheduled Maintenance: \$38,670

Accounting will review expenses quarterly for the Major Maintenance projects, and if deemed operating, the related transactions will be expensed at that point.





Project Name: Major Maintenance - Rail Canopy Repairs (2021)

Project Number: 61724

Statement of Need/Description

DCTA worked with a consultant in FY19 to create a long-term Facilities & Maintenance Plan. This plan outlines all major maintenance for all of DCTA's assets - facilities, vehicles, amenities, etc. Rail station canopies at Hebron & MedPark are in need of refurbishment in order to repair previous water damage. If not repaired, the facillities would be subject to canopy fascia failure which could result in additional damage & potential safety issue. The procurement process would occur in Quarter 1 of FY21 with anticipated completion of the project by the end of Quarter 3.



Year	Capital Cost		Operating Costs		Projected Revenues			Source(s) of Capital Funding		
Thru FY19	\$	-	\$	-	\$	-		State Grants	\$	-
2019-20	\$	-	\$	-	\$	-		Federal Grants	\$	-
2020-21	\$	486,127	See Project Notes		\$	-		Operating Funds	\$	486,127
Total	\$	486,127	\$	-	\$	-	1	Total Funding	\$	486,127

Change from Previous CIP

No Change Increase in Amount

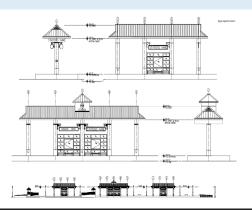
Decrease in Amount

New Project X

Project Notes

Coordinating Department: Transit Operations

Accounting will review expenses quarterly for the Major Maintenance projects, and if deemed operating, the related transactions will be expensed at that point.





Project Name: Positive Train Control (PTC) Implementation

Project Number: 61406.1

Statement of Need/Description

The PTC project is a function of the federally mandated Rail Safety Improvement Act of 2008 (RSIA) that mandates PTC be implemented across a significant portion of the Nation's rail industry. Lines requiring PTC include any railroad main lines over which regularly scheduled intercity passenger or commuter rail services are provided. PTC refers to a communication-based/processor-based train control technology that provides a system capable of reliability and functionality preventing train-to-train collisions, overspeed derailments, incursions into established work zone limits, and the movement of a train through a main line switch in the improper position. Project implementation began in FY2016 and is currently in Revenue Service Demonstration. This project will be complete by the end of 2020.



Year	Capital Cost		Capital Cost Operating Costs		Projected Revenues		Source(s) of Capital Funding		
						Debt Issuance	\$	3,344,028	
Thru FY19	\$	15,268,565	\$ -	\$	-	State Grants	\$	12,500,000	
2019-20	\$	563,645	\$ -	\$	-	Federal Grants	\$	876,113	
2020-21	\$	887,931	\$ 200,000	\$	-	Operating Funds	\$	-	
Total	\$	16,720,141	\$ 200,000	\$ -	-	Total Funding	\$	16,720,141	

Change from Previous CIP		Project Notes
No Change	X	Coordinating Department: Rail Operations
Increase in Amount		The agency has awarded this project to Alstom to implement E-ATC Rail Safety
Decrease in Amount		Enhancements. Annual operating costs are assumed at \$200k beginning in FY21.
New Project		





Project Name: Positive Train Control (PTC) Enhancements (Phase 2)

Project Number: 61406.2

Statement of Need/Description

Positive Train Control (PTC) makes the rail system safer but inherently induces delays. The current schedule takes 32 minutes for an end to end run and will increase to 44 minutes with E-ATC in effect. The PTC Enhancement project would involve raising the existing track speeds and subsequently programming the signal system to accommodate the increased track speeds. Additional costs will be incurred to plan and execute the new phase of PTC. This project will be funded at 80% by the Consolidated Rail Infrastructure and Safety Improvements (CRISI) funding the agency was awarded in 2019.



Year	Capital Cost		Operating Costs	Projected Revenues			Source(s) of Capital Funding		
Thru FY19	\$	-	\$ -	\$	-	-	Debt Issuance	\$	-
2019-20	\$	150,000	\$ -	\$	-	-	State Grants	\$	-
2020-21	\$	3,000,000	\$ -	\$	-	-	Federal Grants	\$	4,000,000
2021-22	\$	1,850,000	\$ -	\$	-	-	Operating Funds	\$	1,000,000
Total	\$	5,000,000	\$ -	\$	-	• [Total Funding	\$	5,000,000

Change from Previous CIP No Change X Increase in Amount Decrease in Amount New Project

Project Notes Coordinating Department: Rail Operations

Annual operating costs associated with Positive Train Control are assumed at \$200k for FY21 and are reflected in the Positive Train Control Implementation project (61406.1).





Project Name: Brownfield Remediation

Project Number: 61605

Statement of Need/Description

This project represents the completion of the Brownfield Remediation project. The Rail O&M facility is located on an unpermitted landfill. In 2019 we began a project to remove surface debris from the vacant property because of safety concerns. We then received an Environmental Protection Agency (EPA) grant to complete a Phase 2 Environmental Assessment. The assessment has been completed and found no actionable contaminants other than some restrictions to use of ground water. The site must be officially closed with the Texas Commission on Environmental Quality (TCEQ). This requires a Municipal Site Designation (MSD) from the City of Lewisville. All appropriate documents have been filed and we are waiting on public meetings that the City is required to conduct. Once that is complete we can file for closure certificate.



Year	Capital Cost		apital Cost Operating Costs		Projected Revenues	Projected Revenues Source(s) of Capital		
Thru FY19	\$	311,248	\$	-	\$ -	State Grants	\$ -	
2019-20	\$	30,000	\$	-	\$ -	Federal Grants	\$ 178,200	
2020-21	\$	43,752		See Project Notes	\$ -	Operating Funds	\$ 206,800	
Total	\$	385,000	\$	-	\$ -	Total Funding	\$ 385,000	

Project Notes

Change from Previous CIP	
No Change	X
Increase in Amount	
Decrease in Amount	
New Project	

Coordinating Department: Transit Operations

The agency reviews each capital project for associated operating impacts during the budget process and have concluded that there will be no operating cost impact from this capital project.





Project Name: Transportation Reinvestment Program (TRiP)

Project Number: 10702

Statement of Need/Description

Transportation Reinvestment Program (TRiP) will enable partnerships between the agency and its member cities on mutually beneficial investments in transit-supportive projects by allowing DCTA the ability to distribute funds to member cities for eligible projects consistent with DCTA's Long-Range Service Plan and the Agency's enabling legislation, Chapters 431 and 460 of the Texas Transportation Code. TRiP will be a five-year program with its first funding cycle during the 2021 fiscal year budget. The anticipated annual TRiP budget will be set at 15 percent of DCTA's net available fund balance from the previous fiscal year. For the initial program year and in addition to the set 15 percent, a one-time program startup amount of \$2,000,000 has been dedicated to the TRiP project line item within the FY2021 budget.



Year	Ca	pital Cost	Operating Costs	Proj	ected Revenues	Source(s) o	f Capital Funding
Thru FY19	\$	-	\$ -	\$	-	State Grants	\$ -
2019-20	\$	-	\$ -	\$	-	Federal Grants	\$ -
2020-21	\$	5,914,152	\$ -	\$	-	Operating Funds	\$ 5,914,152
Total	\$	5,914,152	\$ -	\$	-	Total Funding	\$ 5,914,152

Change from Previous CIP		Project Notes
No Change		Coordinating Department: Transit Management
Increase in Amount		There will be no operating impact to DCTA for projects approved under the TRiP
Decrease in Amount		Program. These projects will be the responsibility of the member city that
New Project	X	requests and owns the project.







Denton County Transportation Authority Financial Management Policies

(Adopted September 2020)

Operating Policies

Purpose

The Comprehensive Financial Management Policy assembles the Denton County Transportation Authority's (DCTA) financial policies in one document. They are the tools to ensure that DCTA is financially able to meet its immediate and long-term service objectives. The individual policies contained herein serve as guidelines for both the financial planning and internal financial management of DCTA consistent with provisions of Chapter 460 of the Texas Transportation Code and adopted DCTA Bylaws.

DCTA is accountable to its constituents for the use of public dollars. Resources must be wisely used to ensure adequate funding for the operations, services, facilities, and infrastructure necessary to meet present and future needs. These policies help safeguard the fiscal stability required to achieve DCTA's goals and objectives.

Review

DCTA Financial Management Policies are presented to the Board of Directors for review, discussion, and approval at the start of each fiscal year.

Objectives

In order to achieve its purpose, the Financial Management Policies have the following objectives for DCTA's fiscal performance:

- a. To enable the DCTA Board of Directors (the Board) to establish and manage policy decisions that have significant impact on the agency.
- b. To set forth operating principles that minimize the cost of government and financial risk.
- c. To employ balanced and fair revenue policies that provide adequate funding for desired services and programs.
- d. To maintain appropriate financial capacity for present and future needs.
- e. To promote sound financial management by providing accurate and timely information on DCTA's financial condition.
- f. To protect DCTA's credit rating and provide for adequate resources to meet the provision of DCTA's obligations on all its debt.
- g. To ensure the appropriate use of financial resources through an effective system of written and audited internal controls.
- h. To promote cooperation and coordination with other governments, agencies and the private sector in the financing and delivery of services.
- i. To establish long-term objectives for the financial operations of DCTA.
- j. To ensure an optimum balance between demand for service and resources to provide those services.

Reserve Fund Policies

Adequate reserve levels are a necessary component of DCTA's overall financial management strategy and a key factor in external agencies' measurement of DCTA's financial strength. Funding priorities will be in the order listed and be reflected in the agency's long range financial plan:

- a. It will be the policy of DCTA to maintain a Fund Balance Reserve Fund that is equal to three months of the total budgeted operating expenses (excluding capital project expenses) for the fiscal year. This Fund Balance Reserve is maintained to address unanticipated emergencies and may be allocated with approval by the Board if there are not sufficient resources in unrestricted net position. An annual contribution will be budgeted from general operating resources, as available, to maintain the target reserve level.
- b. It will be the policy of DCTA to maintain a Sales Tax Stabilization Fund. This Fund will be used to stabilize revenue received from sales tax in times of economic downturn and will be equal to three percent (3%) of annual budgeted sales tax.
- c. It will be the policy of DCTA to maintain a Capital Replacement/Infrastructure Maintenance Fund (State of Good Repair) to provide funding for maintenance of capital assets and infrastructure at a sufficient level to protect DCTA's investment and maintain appropriate service levels.
- d. It will be the policy of DCTA to maintain a Fuel Stabilization Fund. On average, the Fuel Stabilization Fund will be equivalent to \$0.50 per gallon of budgeted fuel. This will be reviewed each year during the budget process. This fund will be used to mitigate significant fluctuations in fuel prices each year.

Contributions to the Sales Tax Stabilization, Capital Replacement/Infrastructure Maintenance, and Fuel Stabilization Funds will be made from available funds as identified in the annual budget or amended budget. The Chief Financial Officer (CFO) shall make a recommendation to the Board regarding transfers to and from reserve funds. The Board shall authorize the transfers as deemed appropriate at the time. Guidelines for transfers and contributions are as follows:

- a. All transfers for expenses from reserve accounts shall require prior Board approval unless previously and specifically authorized by the Board in the annual budget or amended budget.
- b. Capital Replacement Fund will at a minimum be an amount equivalent to twenty percent (20%) of bus fleet replacement costs (reflective of anticipated grants) plus an additional \$500,000. (Example FY21 Bus Fleet replacement: \$1.87 million X 20% = \$374,020. Minimum Capital Replacement Fund requirement: \$374,020 + \$500,000 = \$874,020).
- c. Infrastructure Maintenance Available funds, within limitations of current long range financial plan, in accordance with assessed capital needs which shall be reviewed during the annual budget process.

If after procedures as outlined in the adopted Budget Contingency Plan have been met, and a severe economic downturn or other emergency requires draw down of Fund Balance Reserve or Sales Tax Stabilization funds, it will be a priority to replenish fund balances. Fund balances will be replenished within three (3) years, from any year-end budget surpluses. These surpluses may be achieved through expense reductions or through higher than anticipated revenues. The long range financial plan and annual budget will specifically outline the timeframe and plan for fund balance replenishment.

Revenue Policies

- a. To the extent possible, a diversified and stable revenue system will be maintained to shelter service delivery from short-run fluctuations in any one revenue source due to changes in economic conditions. Trends analyzing the dependence on distinct revenue sources shall be included in the budget documents for consideration by the Board.
- b. Revenue forecasts will assess the full spectrum of resources that can be allocated for service delivery. Each year the Board shall review potential sources of revenue as part of the annual budget process.
- c. Revenue forecasts shall be realistically estimated and based on the best information available. DCTA shall use a conservative, objective and analytical approach when preparing revenue estimates and follow a vigorous policy of collecting revenues. Shortfalls anticipated based on this forecast will be addressed as follows:
 - i. Short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow: Expense reductions or restrictions may be imposed as outlined in the Budget Contingency Plan adopted as part of the annual budget by the Board. The Board may approve a contribution from the Sales Tax Stabilization Fund or Fund Balance Reserve Fund to address temporary downturns in revenues.
 - ii. Long-term (greater than one year) revenue downturns: Deficit financing and borrowing to support on-going operations is not the policy of DCTA. Revenue forecasts will be revised. Expenses will be reduced to conform to the revised long-term revenue forecast and fare increases will be considered.
- d. All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted.
- e. DCTA shall develop and maintain fair and equitable fares for all public transportation services which it operates. A fare structure establishing a base fare, categories of prepaid fares and special fare programs shall be adopted by the Board and reviewed no less than every two years. The fare structure should be competitive and offer seamless integration for passengers within the regional transportation system.
- f. Services provided on a contract basis will be charged at rates in accordance with DCTA's Administrative Fee Policy as approved by the Board of Directors.
 - Contracts for service delivered to local Universities and Colleges within member cities must recover
 a minimum of 75% of total operating and capital costs. Contracts for services delivered outside
 member cities must recover 100% of total operating and capital costs.
 - An overhead percentage shall be calculated annually based on DCTA's cost allocation model to
 determine the percentage of allocated, indirect costs in proportion to direct costs. A three percent
 (3%) fee shall be added to this overhead percentage for all contract services delivered outside
 member cities. This calculated overhead percentage, plus 3%, shall be used as the Administrative
 Fee added to direct costs. In no case shall the Administrative Fee be less than 60% without prior
 approval of the DCTA Board of Directors.
 - The President/CEO or designee is authorized to implement this policy and to issue more detailed
 procedures to facilitate implementation of the policy as needed. All agreements developed under
 this policy and any proposed deviations from this policy will be brought to the Board for prior
 review and approval.

g. DCTA will review contracts and leases which result in revenues to DCTA on a timely basis for careful consideration by the Board.

Expense Policies

DCTA will only propose operating expenses which can be supported from on-going revenues. Before undertaking any agreements that would create fixed on-going expenses, the cost implications of such agreements will be fully determined for current and future years. Capital expenses may be funded from one-time revenues, but the operating budget expense impacts of capital expenses will be reviewed for compliance with this policy provision:

- a. Vice Presidents are responsible for managing budgets within the total appropriation. DCTA will conduct a regular review and analysis of major expense categories to help assure the most efficient use of resources.
- b. DCTA will maintain expense categories according to state statute and administrative regulation.
- c. Emphasis is placed on improving individual and work group productivity rather than adding to the work force. DCTA will consider investing in technology and other efficiency tools to maximize productivity. DCTA will hire additional staff only after the need for such positions has been demonstrated and documented.
- d. All compensation planning will focus on the total cost of compensation, which includes direct salary, health care benefits, pension contributions, training allowance, and other benefits of a non-salary nature, which are a cost to DCTA. A compensation study shall be conducted every three (3) years to ensure that DCTA maintains a competitive position in the market, with a goal to stay at the mid-point of the market range.

Accounting, Auditing and Financial Reporting

DCTA will maintain a system of financial monitoring, control, and reporting for all operations and funds in order to provide effective means of ensuring that overall DCTA goals and objectives are met:

- a. Accounting Records and Reporting: DCTA will maintain its accounting records in accordance with state and federal regulations. Financial statements will conform to generally accepted accounting principles (GAAP) of the Governmental Accounting Standards Board (GASB).
- b. Auditing: As required under Chapter 460.402 of the Texas Transportation Code, an outside independent CPA firm will annually perform the DCTA's financial audit. Results of the annual audit will be provided to the Board in a timely manner. The external audit firm is accountable to the Board of Directors and will have access and direct communication with the Board. The Single Audit Report will be prepared and presented to the Board by the external auditors along with the audited financial statements. The Single Audit Report shall list the status and current operations of all federal, state and local grant funds awarded and received.
- c. Simplified Fund Structure. To the extent possible, DCTA will minimize the number of Funds.

The Finance Department will develop, maintain, and consistently seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security of all cash assets.

Budget and Operating Policies

- a. Decisions of the Agency will be within the context of the long range financial plan and the long range service plan. Staff shall provide a review of the implications of budgetary proposals on the long range financial plan.
- b. The budget is designed to communicate DCTA's financial goals and objectives to its stakeholders by describing the service to be provided, the cost of the service, the proposed allocation of funds and revenue sources used to pay for the service. DCTA is committed to a balanced budget, where current year expenses do not exceed current year revenues and applicable/specific reserve balances.
- c. Chapter 460.403 of the Texas Transportation Code requires the Board to prepare an annual budget. The annual budget shall be developed consistent with state law and in a manner, which encourages early involvement with the public and the Board. A calendar of events related to budget development shall be presented to the Board each year prior to the start of the annual budget process.
- d. The Finance Department will maintain a system for monitoring the DCTA's budget performance. The system will provide the Board with monthly and/or quarterly information in a timely manner on fund level resource collections and category level expenses.
- e. Budget Revisions: The budget should be adjusted during the budget period should unforeseen events require changes to the original budget plan. The budget is a plan based on a set of assumptions that may not always match actual experiences during the execution phase. DCTA staff shall watch for significant deviations from expectations and make adjustments so that the plan is consistent with revised expectations as follows:
 - i. Operating Fund Expenses:
 - 1. DCTA is required to control operating costs and maintain the total expenses incurred at or below the total annual adopted Operating Expenses budget or budget as amended.
 - 2. The Chief Executive Officer (CEO) may authorize budget transfers between expense categories and departments, in an aggregate amount not to exceed 5% of the total annual Operating Expenses budget without Board approval.
 - The Board may authorize a Budget Amendment for approval of new contracts and unbudgeted expenses when available savings cannot be identified within the operating or capital budget.
 - ii. Capital Project Fund Expenses:
 - 1. Expenses for capital projects must be approved within the fiscal year capital project budget; or
 - 2. By Board approval of any increase to an existing capital project budget that is not offset by savings within the operating or capital budget; or
 - 3. The addition of a new capital project during the fiscal year approved by Budget Amendment.
 - iii. All DCTA amendments and transfers will be reflected in the appropriate period for the budget year and long range financial plan.

f. Definitions:

- i. Budget Amendment Shall mean a net change in the total adopted fiscal year budget (operating + capital) based on the following criterion:
 - 1. A net change in the budgeted expenses (operating + capital), to include:
 - (a) addition of a new capital project; (b) increase in Capital Projects Fund annual appropriation that is not offset by identified savings within the operating or capital budget; (c) addition of operating expenses that are not offset by identified savings within the operating or capital budget.
 - 2. A resolution approved by the DCTA Board of Directors is required to authorize an amendment as specified in Section e.
- ii. Budget Transfers Shall mean transfer of funds between the following:
 - 1. Departments, expense line items, or capital projects that neither increase nor decrease the total adopted budget (operating + capital).
 - 2. If budgeted expenses associated with a capital project are deemed operating, the capital project budget will be decreased and transferred to the appropriate operating budget.
- g. A Budget Contingency Plan will be adopted each year as part of the annual budget process. This allows DCTA to be positioned to respond quickly to economic or market fluctuations. The Plan shall identify triggers, key action plans and monitoring processes to allow DCTA to effectively recover and/or adjust to serious downturns.
- h. Accurate inventories of all physical assets, their condition, life spans, and cost will be maintained to ensure proper stewardship of public property. The CFO will establish policies and appropriate procedures to account for fixed assets, including establishing the threshold dollar amount for which fixed asset records are maintained and how often physical inventories are taken. A physical inventory will be conducted no less than every two (2) years.

Purchase and Disposal of Assets

DCTA will follow and maintain purchasing procedures that comply with applicable State and Federal laws and Board resolutions and policies regarding procurement. The policy of the Board of Directors is to:

- a. Provide equal access to all vendors participating through competitive acquisition of goods and services.
- b. Conduct the procurement process and disposal of property in a manner that promotes and fosters public confidence in the integrity of DCTA's procurement procedures.
- c. Protect the interest of entities providing financial support without regard to any undue influence or political pressure.

Federal Funds: When procurement involves the expense of federal funds, purchasing shall be conducted in accordance with all applicable federal laws or regulations.

Grant Funds: When procurement involves the expense of grant funds, purchasing shall be conducted in accordance with all applicable grant laws or regulations.

Emergency procurement: The CEO or his/her designated agent may make or authorize others to make emergency procurements of materials, supplies, equipment or services when there exists a threat to public health, welfare, or safety. The officers of the Board will be notified immediately of such action. State laws relating to emergency purchases shall be followed.

Cost Allocation

Should DCTA choose to include indirect costs in its grant reimbursement requests, DCTA will comply with all laws and recommendations in calculating and receiving appropriate cost recovery for services rendered and for allocating appropriate indirect costs.

Cost allocation is a method to identify and distribute indirect costs. Direct costs are costs assignable to a specific objective, whereas indirect costs are costs incurred for multiple cost objectives or not assignable to a specific cost objective without effort disproportionate to the benefit received. Should DCTA choose to include indirect costs in its grant reimbursement requests, DCTA will prepare and seek funding agency approval of a cost allocation plan to identify direct and indirect costs to use for recovering allowable costs under OMB Circular A-87. The plan will be prepared consistent with guidelines established by:

The Federal Office of Management and Budget (OMB) Circular A-87

OMB Circular A-87 establishes cost principles for State, local, and Indian Tribal Governments for determining costs for Federal Awards. Item 5 of the Circular states that, "The principles are for determining allowable costs only." In defining allowable costs, the Circular provides a definition of allocable costs on Attachment A, paragraph C.3.a, "A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received." The Circular further outlines costs that are allowable for charging the Federal government and distinguishes those that are specifically excluded from recovery.

Governmental Accounting Standards Board (GASB)

GASB is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. While GASB is not a governmental agency and does not have enforcement authority, compliance with GASB is tested by the external auditor in the annual audit of DCTA.

Debt Management Policy

The objectives of the DCTA's Debt Management Policy will be:

- a. To minimize the use of debt to the effect that debt service payments will be a predictable and manageable part of the operating budget.
- b. Utilize debt as the last resort, to raise capital at the lowest cost, consistent with the need to borrow.

These will be accomplished by:

- a. Securing and maintaining a high credit rating if appropriate to reduce the cost of borrowing.
- b. Maintaining a good reputation in the credit markets by implementing and maintaining a sound capital program and managing the annual budget responsibly.
- c. Selecting professional service providers (underwriters, financial advisors, bond insurers, etc.) through negotiation, RFQ process or as defined for professional services under DCTA's procurement procedures.
- d. Issuing debt on a competitive basis (except when conditions make a negotiated sale preferable) and awarding to the bidder who produces the lowest true interest cost and underwriting cost. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is a refunding, or the market is unstable:
 - i. Long-term debt issued will not exceed the life of the projects financed. Current operations will not be financed with long-term debt.
 - ii. Short-term borrowing will not be used for operating purposes.
- e. Complying with continuing disclosure reporting requirements and the obligation to inform the Municipal Securities Rulemaking Board through the EMMA website (Electronic Municipal Market Access) of any and all continuing disclosure documents and annual financial statements. The DCTA's annual audited financial report will be sent to EMMA as soon as the external auditor issues the report and it has been approved by the Board of Directors, within six months after the fiscal year end.
- f. Ensuring no debt is issued for which DCTA is not confident that a sufficient, specifically identified revenue source is available for repayment. The CFO shall prepare an analytical review for this purpose prior to the issuance of any debt.
- g. Limiting bonded indebtedness to a level that:
 - i. permits sufficient borrowing to support a reasonable level of capital programming;
 - ii. maintains a debt amortization schedule within DCTA's ability to pay; and
 - iii. supports DCTA's credit rating objectives.
- h. Considering credit enhancements only after a cost/benefit analysis has been completed for each bond issue.
- i. Maintaining debt service reserve accounts as required by bond ordinances and where deemed advisable by the Board. DCTA shall structure such debt service reserves to avoid violation of IRS arbitrage regulations.
- j. Maintaining debt service coverage ratios as required for any bond issues but not less than an internal debt service coverage of 1.25X.

INVESTMENT POLICY

I. POLICY STATEMENT

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

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

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

II. SCOPE

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

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

III. OBJECTIVES AND STRATEGY

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

Safety of Principal

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

Liquidity

Investments will be based on a cash flow analysis of needs and will remain sufficiently liquid to satisfy all operating requirements which might be reasonably anticipated by the agency's long range financial plan. The portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, the portfolio will include investments that offer same-day liquidity for those unanticipated situations.

In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

Diversification

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

Yield

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

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

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

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

V. DELEGATION OF INVESTMENT AUTHORITY

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

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

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

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

Authorization Resolution

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

VI. PRUDENCE

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

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

Limitation of Personal Liability

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

VII. INTERNAL CONTROLS

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

Cash Flow Forecasting

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

VIII. AUTHORIZED INVESTMENTS

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

- a. Obligations of the United States Government, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), agencies and instrumentalities and government sponsored enterprises, excluding collateralized mortgage obligations (CMO's), not to exceed two years to stated maturity with the exception of project funds which may be invested in longer maturities but not to exceed forecasted expense dates;
- b. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, not to exceed two years to stated maturity. In addition, separate CDs issued by depositories wherever located, bundled together into a single investment with the full amount of principal and interest of each CD insured by the Federal Deposit Insurance Corporation (FDIC) may be purchased through a broker that has its main office in Texas and is selected from a list adopted by the DCTA Board or a selected depository institution with its main office or branch office in Texas. See Attachment II for a list of Board approved broker/dealers. This broker or depository shall act as the custodian for the various certificates on behalf of DCTA:
- c. Repurchase agreements and reverse repurchase agreements as defined by the Act, not to exceed 90 days to stated maturity, provided an executed Master Repurchase Agreement is on file with DCTA

and the counterparty bank or primary dealer. Flexible repurchase agreements used specifically for capital projects may extend beyond the stated limitation, but shall not exceed the expense plan of the projects;

- d. No-load SEC-registered money market funds, each approved specifically before use by DCTA;
- e. Constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act: and
- f. Interest bearing bank savings deposits issued by state and national banks or savings bank or a state or federal credit union (having their main or branch office in Texas) that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund (or their successor organizations).

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

Competitive Bidding Requirements

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

Delivery versus Payment

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

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

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

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

- a. an audited financial statement each year;
- b. proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of CRD number;
- c. proof of current registration with the State Securities Commission; and
- d. completion of DCTA questionnaire.

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

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

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

X. DIVERSIFICATION AND MATURITY LIMITATIONS

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

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

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

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

XI. SAFEKEEPING AND COLLATERALIZATION

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

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

FINANCIAL MANAGEMENT POLICIES

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

Collateralization

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

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

XII. PERFORMANCE EVALUATION AND REPORTING

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

- a. describe in detail the investment position of DCTA on the date of the report;
- b. be signed by the Investment Officer(s);
- c. contain a summary statement that presents:
 - a. beginning book and market value for the reporting period;
 - b. ending book and market value for the reporting period; and
 - c. fully accrued interest for the reporting period;
- d. state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- e. state the maturity date of each separately invested asset that has a maturity date;
- f. state the account or fund for which each investment security was purchased;
- g. compare the portfolio's performance to other benchmarks of performance; and
- h. state the compliance of the investment portfolio with DCTA Investment Policy, Investment Strategy, and the Public Funds Investment Act.

XIII. DEPOSITORIES

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

XIV. TRAINING REQUIREMENT

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

XV. ETHICS AND CONFLICTS OF INTEREST

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

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

XVI. SUBJECT TO AUDIT

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

XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD

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

Attachment I

Board Approved Independent Investment Training Sources

- 1. Texas Municipal League (TML)
- 2. Government Finance Officers Association (GFOA)
- 3. Government Finance Officers Association of Texas (GFOAT)
- 4. North Central Texas Council of Governments
- 5. Texas Higher Education Coordinating Board
- 6. University of North Texas Center for Public Management

Attachment II

Board Approved Broker/Dealers List



Approved Broker/Dealers May 2020

BofA Securities

BOK Financial

Cantor Fitzgerald & Co Citigroup Global Markets Daiwa Capital Markets

FHN Financial

Goldman, Sachs & Co

INTL FCStone

JP Morgan Securities

KeyBanc Capital Markets

Loop Capital Markets **

Mesirow Financial

Mizuho Securities

Morgan Stanley & Co

Multi-Bank Securities **

Piper Sandler & Co

Raymond James

RBC Capital Markets

Rice Financial **

SunTrust Robinson Humphrey

Stifel, Nicolaus & Co.

TD Securities

UBS Securities

Vining Sparks

Wells Fargo Securities

Siebert Williams Shank **

* Bold face font indicates firm is a Primary Dealer.

^{**} Dark blue italics font indicates firm is a Historically Underutilized

BUDGET CONTINGENCY PLAN

The fiscal year budget includes revenue streams based on historical trends and projections of future activity. The largest revenue stream is sales tax. A contingency plan is recommended should the budgeted increase in sales tax not materialize or, if there is a need for service enhancements not planned in the fiscal year budget and it is determined that sales tax revenue has increased sufficiently to support sustainable service.

Section I: Sales Tax Revenue Shortfall

The following precautionary actions will be initiated immediately if a sales tax revenue shortfall is anticipated:

Initial Precautionary Action

- Freeze all new hire positions and vacant positions except with necessity review by the Management Team
- Identify any non-traditional revenue sources.
- Re-justify all planned capital outlay over \$10,000 to the Management Team prior to expenditures.
- Re-justify all vehicle replacement/purchase schedules to the Management Team.
- Re-justify all travel related expenditures to the Management Team.
- Re-justify expenditures related to the service and materials & supplies category including, but not limited to:
 - Technology
 - Professional Services
 - Consulting Fees

Initiate the following expenditure reductions and measures if a cumulative unanticipated shortfall in sales tax revenue is equal to:

2% Reduction (\$532,482)

- Realized savings will not be transferred between categories.
- Prohibit unbudgeted expenditures including supplies and maintenance accounts.
- The Management Team will be required to review, monitor and control planned expenditures greater than \$5,000.
- Supplemental appropriations will not be made from budgeted savings or unappropriated fund balance.
- All carry forward requests will be carefully reviewed and approved by Finance.
- Any overtime must be pre-approved by department heads.
- Determination made and plan developed regarding utilization of sales tax stabilization fund. Utilization of sales tax stabilization funds will require Board Approval prior to implementation.

3% Reduction (\$798,724)

- Freeze all travel and training requests except with necessity review by the Management Team.
- Reduce expenditures in operations and maintenance accounts in each functional area. Amount of reduction to be determined by Management Team.
- Freeze capital outlay except with necessity review by the Management Team.
- Indefinitely freeze all vacant positions except with necessity review by the Management Team.

4% Reduction (\$1,064,965)

- Will require Board policy decisions regarding service delivery and fund balance reserves.
- Re-evaluate any budgeted transfer to Capital Projects which is not a grant match requirement.
- The Management Team will review service level reductions, passenger fare increases, elimination of specific programs, and reduction in work force. This would require implementation of the Service Reduction Policy.
- Evaluate the 90-day Operating Fund Balance Reserve Policy and consider options for fund balance utilization or utilization of other reserve funds. Board action will be required for utilization of reserve funds.

Section II: Sales Tax Revenue Sustainable Increase

The following steps will be followed when it is determined that additional mid-year service level enhancements are necessary (above those already programmed in the annual budget) and sales tax revenue exceeds budget and prior year's actual for at least 4 consecutive months and a determination is made that sales tax revenue increase is sufficient to support sustainable service levels.

For planning purposes, recommended service level increases will be less than or equal to the available sales tax stabilization fund.

Increases in sales tax revenue may be utilized to fund:

- Direct service enhancements
- System support
- Capital Infrastructure and maintenance reserve

Recommended service levels enhancements will be evaluated and prioritized based on:

- System performance and
- Board adopted service standards and service plan

Service Level considerations are not limited to additional transit service hours but may include other agency or transit system support requirements.

Service Level enhancement decisions will follow annual Decision Cycle framework.

Prior to implementation and adoption by Board, additional service level enhancements will be incorporated into long-range financial plan to identify impact of current enhancement in future years.

Implementation of Service Level Enhancements will require Board action and revision of annual budget.

Section III: Federal Grant Funding Reduction

The following precautionary actions will be initiated immediately if a federal grant reduction is anticipated:

Capital Expenditures:

- Identify and evaluate other available funding sources
- Evaluate scaling back the scope of the project to the allocated funds, if feasible
- Freeze project pending review and discussion with Board of Directors

Operating Funds:

• Follow the Sales Tax Revenue Shortfall Procedure

	C	PERATIONAL	. STATISTICS				
	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual F	Y 2019 Actual	FY 2020 Actual
PASSENGERS							
A-train	568,338	555,423	545,250	504,952	419,335	393,700	221,316
Access	29,673	29,984	31,003	29,605	30,268	29,714	20,367
Connect	595,390	589,404	549,531	488,319	472,667	569,467	343,588
On Demand Zones						8,935	9,032
RSVP/ Highland Village	2,872	2,162	2,845	4,568	4,503	3,551	922
North Texas Xpress				6,449	8,440	12,804	8,007
UNT	1,617,002	1,800,332	1,788,877	1,925,549	1,907,035	1,834,402	950,702
NCTC	14,264	17,489	20,250	18,147	13,588	12,797	5,784
Frisco			3,537	5,603	8,884	12,799	5,675
Collin County Transit					4,781	11,559	10,850
TOTAL PASSENGERS	2,827,539	2,994,794	2,941,293	2,983,192	2,869,501	2,889,728	1,576,243
REVENUE VEHICLE MILES							
A-train	313,062	326,217	334,468	338,750	329,551	335,610	289,812
Access	221,328	209,445	219,186	204,750	206,926	185,147	121,244
Connect	675,754	745,349	766,111	772,224	873,956	966,537	774,638
On Demand Zones						25,065	25,581
RSVP/ Highland Village	14,875	16,620	64,523	106,289	91,649	60,811	28,652
North Texas Xpress				100,216	100,250	103,798	104,638
UNT	496,709	572,469	584,348	577,498	461,992	444,670	366,438
NCTC	51,274	80,565	90,295	91,015	94,977	83,616	34,492
Frisco			34,819	39,188	70,979	92,005	59,532
Collin County Transit					42,761	79,163	66,044
TOTAL REVENUE MILES	1,773,001	1,950,665	2,093,750	2,229,928	2,273,041	2,376,422	1,871,071
REVENUE HOURS							
A-train	12,215	13,149	13,580	13,510	13,206	13,767	13,177
Access	16,042	16,050	17,948	18,512	16,982	13,327	8,838
Connect	56,313	61,728	63,554	65,262	75,972	81,580	60,248
On Demand Zones						3,749	4,176
RSVP/ Highland Village	1,565	1,565	7,195	11,068	8,463	5,370	2,645
North Texas Xpress				3,912	3,888	3,866	3,899
UNT	46,263	51,370	54,784	54,332	44,727	45,457	36,431
NCTC	2,360	4,156	4,790	4,576	4,769	4,790	2,057
Frisco			2,469	2,899	4,921	6,013	3,652
Collin County Transit TOTAL REVENUE HOURS	134,758	148,017	164,320	174,071	1,896 174,825	4,559 182,478	3,457 138,580
TOTAL REVEROE HOORS	154,756	140,017	104,320	174,071	174,023	102,470	130,360
PASSENGERS PER REVENUE HOUR							
A-train	46.53	42.24	40.15	37.38	31.75	28.60	16.80
Access	1.85	1.87	1.73	1.60	1.78	2.23	2.30
Connect	10.57	9.55	8.65	7.48	6.22	6.98	5.70
On Demand Zones						2.38	2.16
RSVP/ Highland Village	1.84	1.38	0.40	0.41	0.53	0.66	0.35
North Texas Xpress				1.65	2.17	3.31	2.05
UNT	34.95	35.05	32.65	35.44	42.64	40.35	26.10
NCTC	6.04	4.21	4.23	3.97	2.85	2.67	2.81
Frisco			1.43	1.93	1.81	2.13	1.55
Collin County Transit					2.52	2.54	3.14
AVERAGE	20.98	20.23	17.90	17.14	16.41	15.84	11.37

DENTON COUNTY STATISTICS

Denton County was created by an Act of the Texas State Legislature in 1846.

AREA IN SQUARE MILES:

953 (includes lake areas)

OFFICIALS ELECTED BY VOTE OF THE PEOPLE:

41

COUNTY EMPLOYEES INCLUDING THOSE IN GRANT PROGRAMS

1822.5

INCORPORATED MUNICIPALITIES IN THE COUNTY:

51

ORGANIZED SCHOOL DISTRICTS IN THE COUNTY:

17 (11 with schools located in Denton County)

FORM OF GOVERNMENT:

Political subdivision of the State of Texas, a Public Corporation, with a County Judge and four Commissioners as the governing body. The Commissioners Court has only three powers as authorized by the Constitution of Texas or the State Legislator or implied therefrom.

BUSINESS:

Varied industries (food products, apparel, brick, trucks, oil tools, parts, heating and cooling equipment, retail, utilities and many other products), colleges (University of North Texas and Texas Woman's University), Denton State School and tourism.

MINERALS:

Limited output of oil, sand, gravel and clay. Increase output of natural gas.

AGRICULTURE:

Approximately \$137 million total farm income; 74% from Livestock, Poultry, and Products including cattle and calves, sheep and goats, and horses. 26% comes from Crops which includes grains, nursery plants, hay and turf grass.

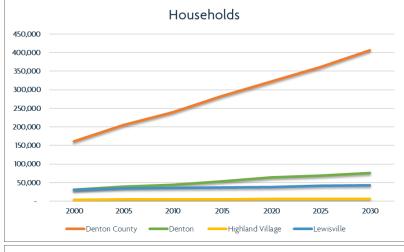
RECREATION:

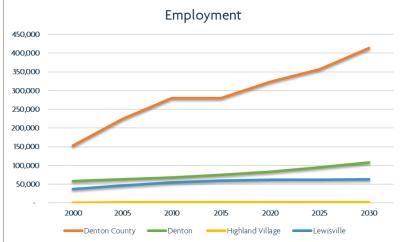
Water activities at Lewisville, Ray Roberts and Grapevine Lakes, Water Works in Denton; seven U.S. Corp of Engineers' parks; cycling and pedestrian trails, universities' cultural and athletic events; and local activities.

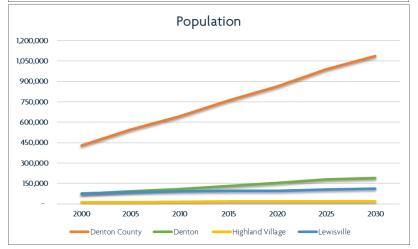
Source: Denton County Budget Department

	2000	2005	2010	2015	2020	2025	2030
Denton							
County							
Population	428,080	545,987	643,572	758,897	862,332	989,320	1,085,343
Households	161,390	204,732	239,712	282,658	322,158	361,061	406,614
Employment	152,818	223,677	279,702	279,702	323,082	357,239	413,453
Denton							
Population	73,225	92,375	108,042	132,579	155,700	181,015	190,719
Households	31,174	38,624	44,380	53,930	63,617	68,882	76,397
Employment	58,581	63,470	67,857	74,521	83,082	95,384	107,572
Highland Village							
Population	12,144	13,558	16,554	17,412	18,051	18,194	18,624
Households	3,874	4,295	5,163	5,428	5,617	5,661	5,795
Employment	1,065	1,219	1,346	1,573	1,795	1,796	1,796
Lewisville							
Population	78,360	87,841	92,437	95,554	96,844	105,444	111,168
Households	30,689	34,294	35,982	37,269	37,748	41,076	43,232
Employment	37,145	46,893	54,284	59,803	62,067	62,538	62,603

^{*}Source: North Central Texas Council of Governments – North Central Texas 2030 Demographic Forecast







LEADING EMPLOYERS IN DENTON COUNTY

			2020
LEADING EMPLOYERS	INDUSTRY	RANK	ESTIMATED NUMBER OF EMPLOYEES
DENTON COUNTY			
University of North Texas	Education	1	10,894
Lewisville Independent School District	Education	2	6,500
Denton Independent School District	Education	3	4,417
Wal-Mart (Distribution Center & Stores)	Retail	4	3,722
Peterbilt Motors Co.	Manufacturing	5	3,075
Frito Lay	Food Distribution	6	2,500
Northwest Independent School District	Education	7	2,246
Nebraska Furniture Mart	Retail	8	2,000
Texas Woman's University	Education	9	1,875
Denton County	County Government	10	1,823
Denton State School	State Government	11	1,700
City of Denton	City Government	12	1,623
Texas Health Presbyterian Hospital	Hospital	13	1,076
Denton Regional Medical Center	Hospital	14	950
Sally Beauty Company	Distribution	15	950
			45,351

Sources: Denton County Budget Department

DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. R20-15

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY PROVIDING FOR ADOPTION OF THE DENTON COUNTY TRANSPORTATION AUTHORITY OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2020-2021, BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH THE BUDGET AS ADOPTED; ADOPTING CHANGE IN NET POSITION, CAPITAL IMPROVEMENT & MAJOR MAINTENANCE PLAN, LONG RANGE FINANCIAL PLAN, AND FY21 BUDGET CONTINGENCY PLAN; PROVIDING A REPEALING CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 460.403 of the Texas Transportation Code requires Denton County Transportation Authority ("DCTA") to prepare an annual budget; and

WHEREAS, the prepared budget, Change in Net Position, Capital Improvement & Major Maintenance Plan, Long Range Financial Plan, and FY21 Budget Contingency Plan have been presented to the public for review and comment; and

WHEREAS, the budget, Change in Net Position, Capital Improvement & Major Maintenance Plan, Long Range Financial Plan, and FY21 Budget Contingency Plan have been presented to the DCTA Board of Directors for review and comment; and

WHEREAS, after consideration, it is the consensus of the DCTA Board of Directors that the proposed FY 2020–2021 budget as hereinafter set forth, meets the legal and practical requirements of DCTA for the proper and sustained operation of DCTA services and capital expenditures and should be approved as presented;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THAT:

SECTION 1. The DCTA Operating and Capital Budget for FY 2020-2021, including Change in Net Position, Capital Improvement & Major Maintenance Plan, Long Range Financial Plan, and FY21 Budget Contingency Plan, attached as Exhibits "A" through "D", be adopted and approved in all respects, and that the sums of money indicated in the proposed budget be approved as listed, and that the estimate of income and financial support as shown be accepted as proper and sufficient to pay such expenditures for both the operating and capital portions of the Budget.

SECTION 2. That all Budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2019-2020 are hereby ratified, and the budget for fiscal year 2020-2021, heretofore adopted by resolution of the DCTA Board of Directors, be and the same is hereby, amended to the extent of such transfers and amendments for all purposes.

1

<u>SECTION 3.</u> That all provisions of the resolutions of the DCTA Board of Directors in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

<u>SECTION 4</u>. That this Resolution shall take effect immediately from and after its passage, and it is, accordingly, so resolved.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 24^{TH} DAY OF SEPTEMBER, 2020.

APPROVED:

Dianne Costa, Chair

ATTEST:

Sam Burke, Secretary (08-18-2020:TM 117436)

Regular Item 6, Exhibit 1 (Reso. R20-15, Exhibit "A")

DENTON COUNTY TRANSPORTATION AUTHORITY FY21 Proposed Budget Change in Net Position

Description OPERATING REVENUE	DCTA FY 2019 Actuals	W	DCTA FY 2020 orking Budget (A)	Pro	DCTA FY 2021 oposed Budget
Passenger Revenues (Bus Farebox)	\$ 613,408	Ś	370,591	Ś	331,712
Passenger Revenues (Rail Farebox)	744,283	Ÿ	421,578	Ÿ	248,579
Contract Service Revenue	4,201,278		3,398,779		3,458,402
Total Operating Revenue	5,558,969		4,190,948		4,038,693
ODED ATIMIC EVDENICES					
OPERATING EXPENSES					
Salary, Wages & Benefits	9,681,725		4,670,896		4,193,211
Outsourced Services & Charges	6,173,872		4,031,877		3,955,959
Materials & Supplies	2,445,770		2,452,919		2,917,735
Utilities	445,809		490,988		506,668
Insurance, Casualties & Losses	1,655,084		1,752,329		1,681,336
Purchased Transportation Services	9 ,7 55 , 5 8 5		10,185,808		10,732,539
Employee Development	278,188		245,515		241,304
Leases & Rentals	221,903		229,633		238,468
Depreciation	9,813,483		10,612,052		10,489,375
Total Operating Expenses	40,471,418		34,672,017		34,956,595
Operating Income / (Loss)	(25,098,967)		(30,481,069)		(30,917,902)
non-operating revenue / (expense)					
Investment Income	597,793		325,000		100,000
Misc. Revenues	228,499		52,000		-
Sales Tax Revenue	28,735,383		26,805,374		26,624,124
Federal Grants & Reimbursements	9,146,240		15,750,649		22,601,232
State Grants & Reimbursements	1,706,197		438,548		-
Long Term Debt Interest/Expense	(972,668)		(909,480)		(841,080)
Total Non-Operating Revenue / (Expense)	39,441,444		42,462,091		48,484,276
Income (Loss) Before Transfers	14,342,477		11,981,022		17,566,374
Transfers Out	(2,760,302)		(8,119,303)		(8,027,839)
Transfers In	/2.7(0.202)		(0.110.202)		- (0.027.020)
Total Transfers	(2,760,302)		(8,119,303)		(8,027,839)
CHANGE IN NET POSITION	\$ 11,582,175	\$	3,861,719	\$	9,538,535
Net Position - Beginning of Year:		\$	327,800,795	\$	324,313,275
Net Position - End of Year:		\$	331,662,514	\$	333,851,810
Transfer to Capital Projects		\$	(7,349,239)	\$	(14,140,628)
Net Position After Capital Project Transfer			324,313,275		319,711,182

(A) Includes pending Budget Revision 2020-09 being presented to the DCTA Board on 9.24.20 for approval

DCTA RESOLUTION ADOPTING FY 2021 OPERATING AND CAPITAL BUDGET

Regular Item 6, Exhibit 1 (Reso. R20-15, Exhibit "A-1")

DENTON COUNTY TRANSPORTATION AUTHORITY FY21 Proposed Budget

Change in Net Position - Combined Statement (DCTA & NTMC)

Description	DCTA FY 2019 Actuals	NTMC FY 2019 Actuals (June-Sept 2019)	FY 2019 Actuals	DCTA FY 2020 Working Budget (A)	NTMC FY 2020 Working Budget (B)	FY 2020 Working Budget	DCTA FY 2021 Proposed Budget	NTMC FY 2021 Proposed Budget	FY 2021 Proposed Budget
OPERATING REVENUE									
Passenger Revenues (Bus Farebox)	\$ 613,408	\$ - \$	613,408	\$ 370,591 \$	- \$	370,591	\$ 331,712 \$	- \$	331,712
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	3,398,779	-	3,398,779	3,458,402	-	3,458,402
Total Operating Revenue	5,558,969	-	5,558,969	4,190,948	-	4,190,948	4,038,693	-	4,038,693
OPERATING EXPENSES									
Salary, Wages & Benefits	9,681,725	2,685,968	12,367,693	4,670,896	7,652,445	12,323,341	4,193,211	7,451,314	11,644,525
Outsourced Services & Charges	6,173,872	28,449	6,202,321	4,031,877	261,629	4,293,506	3,955,959	399,919	4,355,878
Materials & Supplies	2,445,770	-	2,445,770	2,452,919	-	2,452,919	2,917,735	3,293	2,921,028
Utilities	445,809	-	445,809	490,988	-	490,988	506,668	-	506,668
Insurance, Casualties & Losses	1,655,084	42,105	1,697,189	1,752,329	130,529	1,882,858	1,681,336	118,878	1,800,214
Purchased Transportation Services	9,755,585	-	9,755,585	10,185,808	-	10,185,808	10,732,539	-	10,732,539
Employee Development	278,188	3,780	281,968	245,515	74,700	320,215	241,304	54,435	295,739
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
Total Operating Expenses	40,471,418	2,760,302	43,231,720	34,672,017	8,119,303	42,791,320	34,956,595	8,027,839	42,984,434
Operating Income / (Loss)	(25,098,967)	(2,760,302)	(27,859,269)	(30,481,069)	(8,119,303)	(38,600,372)	(30,917,902)	(8,027,839)	(38,945,741)
NON-OPERATING REVENUE / (EXPENSE)									
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	26,805,374	-	26,805,374	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)
Total Non-Operating Revenue / (Expense)	39,441,444	-	39,441,444	42,462,091	-	42,462,091	48,484,276	-	48,484,276
Income (Loss) Before Transfers	14,342,477	(2,760,302)	11,582,175	11,981,022	(8,119,303)	3,861,719	17,566,374	(8,027,839)	9,538,535
Transfers Out	(2,760,302)	-	(2,760,302)	(8,119,303)	-	(8,119,303)	(8,027,839)	_	(8,027,839)
Transfers In	-	2,760,302	2,760,302	-	8,119,303	8,119,303		8,027,839	8,027,839
Total Transfers	(2,760,302)	2,760,302	-	(8,119,303)	8,119,303	-	(8,027,839)	8,027,839	-
CHANGE IN NET POSITION	\$ 11,582,175	\$ - \$	11,582,175	\$ 3,861,719 \$	- \$	3,861,719	\$ 9,538,535 \$	- \$	9,538,535
Net Position - Beginning of Year:					\$	327,800,795		\$	324,313,275
Net Position - End of Year:					\$	331,662,514		\$	333,851,810
Transfer to Capital Projects					\$	(7,349,239)		5	(14,140,628)
Net Position After Capital Project Transfer					\$	324,313,275		\$	319,711,182

⁽A) Includes pending Budget Revision 2020-09 being presented to the DCTA Board on 9.24.20 for approval (B) Includes pending Budget Revision 2020-N005 being presented to the NTMC Board on 9.30.20 for approval

DCTA RESOLUTION ADOPTING FY 2021 OPERATING AND CAPITAL BUDGET

DENTON COUNTY TRANSPORTATION AUTHORITY FY21 Proposed Budget Capital Improvement & Major Maintenance Plan Regular Item 6, Exhibit 1 (Reso. R20-15, Exhibit "B")

	Current Capital	Proposed FY 2021 NEW	Project LTD	FY 2020	Proposed	Proposed	Proposed	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Anticipated Project Total
Project Name	Projects	Capital Projects	thru FY 2019	Revised	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	(Thru 2026)
BUS CAPITAL											
IOMF Fuel Tanks - Lewisville (QLOSED)	\$ 1,037,000	\$ -	\$ 1,013,923	\$ 8,237	\$ -	\$ -	\$ -:	ş -	\$ -	S -	\$ 1,022,159
BUS FLEET REPLACEMENT											
Fleet {2020}	1,062,600	-	-	1,062,600	-	-	-	-	-	-	1,062,600
Fleet {2021}	1,481,000	399,100	-	10,000	1,870,100	-	-	-	-	-	1,880,100
FUTURE: Fleet Replacement	-	-		-	-	1,124,247	1,650,648	2,082,427	2,168,650	2,258,736	9,284,708
PROFESSIONAL SERVICES/TECHNOLOGY IMPROVEMENTS											
Stadler Diagnostic Laptops (2)	80,000	-	-	80,000	-	-	-	-	-	-	80,000
Integrated Fare Payment	600,000	-	-	-	300,000	300,000	-	-	-	-	600,000
Server & Network Infrastructure	350,000	-	303,352	46,648	-	-	-	-	-	-	350,000
FUTURE: Stadler Laptop Replacement	-	-		-	-	-		-	80,000		80,000
FUTURE: Server & Network Infrastructure				-	-	-		350,000			350,000
TRANSIT SAFETY IMPROVEMENTS											
Trail Safety Improvements	181,157	-	56,500	124,657	-	-	-	-	-	-	181,157
Safety & Security Improvements (CLOSED)	267,678		67,678	11,600	-	-					79,278
HIKE & BIKE TRAILS											
Lewisville Bike Trail - Eagle Point Section (CLOSED)	2,995,873		2,305,775	630,144	-	-		-			2,935,919
MAJOR MAINTENANCE ITEMS											
Major Maintenance - Rail (FY20)	2,024,826	-	-	2,024,826	-	-	-	-	-	-	2,024,826
NEW: Major Maintenance - Rail (Proposed FY21)	-	2,124,693	-	-	2,124,693	-	-	-	-	-	2,124,693
Major Maintenance - Bus (FY20)	125,000	-	-	125,000	-	-	-	-	-	-	125,000
FUTURE: Major Maintenance - Rail	-	-		-	-	2,062,535	1,798,907	1,099,619	1,704,328	1,900,386	8,565,774
FUTURE: Major Maintenance - Bus	-	-		-	-	179,530	238,264	273,851	200,000	200,000	1,091,645
POSITIVE TRAIN CONTROL											
Positive Train Control Implementation	16,720,141	-	15, 268, 565	563,645	887,931	-		-	-		16,720,141
Positive Train Control Enhancements (Phase 2)	5,000,000			150,000	3,000,000	1,850,000					5,000,000
INFRASTRUCTURE ACQUISITION	3,251,990		242,008	2,481,882	-	-	528,100				3,251,990
BROWNFIELD REMEDIATION	385,000		311,248	30,000	43,752	-					385,000
TRANSPORTATION REINVESTMENT PROGRAM (TRIP)	-	5,914,152		-	5,914,152	-		-	-		5,914,152
TOTAL CAPITAL BUDGE	T \$ 35,562,265	\$ 8,437,945	\$ 19,569,049	\$ 7,349,239	\$ 14,140,628	\$ 5,516,312	\$ 4,215,919	\$ 3,805,897	\$ 4,152,978	\$ 4,359,122	\$ 63,109,143

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II ON COUNTY TRANSPORTATION AUTHOR FY21 Proposed Budget Long Range Financial Plan

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Regular Item 6, Exhibit 1 (Reso. R20-15, Exhibit "D")

DCTA Budget Contingency Plan Fiscal Year 2021

The fiscal year budget includes revenue streams based on historical trends and projections of future activity. The largest revenue stream is sales tax. A contingency plan is recommended should the budgeted increase in sales tax not materialize or, if there is a need for service enhancements not planned in the fiscal year budget and it is determined that sales tax revenue has increased sufficiently to support sustainable service.

Section I: Sales Tax Revenue Shortfall

The following precautionary actions will be initiated immediately if a sales tax revenue shortfall is anticipated: Initial Precautionary Action

- Freeze all new hire positions and vacant positions except with necessity review by the Management Team.
- Identify any non-traditional revenue sources.
- Re-justify all planned capital outlay over \$10,000 to the Management Team prior to expenditures.
- Re-justify all vehicle replacement/purchase schedules to the Management Team.
- Re-justify all travel related expenditures to the Management Team.
- Re-justify expenditures related to the service and materials & supplies category including, but not limited to:
 - Technology
 - Professional Services
 - Consulting Fees

Initiate the following expenditure reductions and measures if a cumulative unanticipated shortfall in sales tax revenue is equal to:

2% Reduction (\$532,482)

- Realized savings will not be transferred between categories.
- Prohibit unbudgeted expenditures including supplies and maintenance accounts.
- The Management Team will be required to review, monitor and control planned expenditures greater than \$5,000.
- Supplemental appropriations will not be made from budgeted savings or unappropriated fund balance.
- All carry forward requests will be carefully reviewed and approved by Finance.
- Any overtime must be pre-approved by department heads.
- Determination made and plan developed regarding utilization of sales tax stabilization fund.
 Utilization of sales tax stabilization funds will require Board Approval prior to implementation.

3% Reduction (\$798,724)

- Freeze all travel and training requests except with necessity review by the Management Team.
- Reduce expenditures in operations and maintenance accounts in each functional area. Amount of reduction to be determined by Management Team.
- Freeze capital outlay except with necessity review by the Management Team.
- Indefinitely freeze all vacant positions except with necessity review by the Management Team.

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Regular Item 6, Exhibit 1 (Reso. R20-15, Exhibit "D")

4% Reduction (\$1,064,965)

- Will require Board policy decisions regarding service delivery and fund balance reserves.
- Re-evaluate any budgeted transfer to Capital Projects which is not a grant match requirement.
- The Management Team will review service level reductions, passenger fare increases, elimination of specific programs, and reduction in work force. This would require implementation of the Service Reduction Policy.
- Evaluate the 90-day Operating Fund Balance Reserve Policy and consider options for fund balance
 utilization or utilization of other reserve funds. Board action will be required for utilization of reserve
 funds.

Section II: Sales Tax Revenue Sustainable Increase

The following steps will be followed when it is determined that additional mid-year service level enhancements are necessary (above those already programmed in the annual budget) and sales tax revenue exceeds budget and prior year's actual for at least 4 consecutive months and a determination is made that sales tax revenue increase is sufficient to support sustainable service levels.

For planning purposes, recommended service level increases will be less than or equal to the available sales tax stabilization fund.

Increases in sales tax revenue may be utilized to fund:

- Direct service enhancements
- System support
- · Capital Infrastructure and maintenance reserve

Recommended service levels enhancements will be evaluated and prioritized based on:

- System performance and
- Board adopted service standards and service plan

Service Level considerations are not limited to additional transit service hours but may include other agency or transit system support requirements.

Service Level enhancement decisions will follow annual Decision Cycle framework.

Prior to implementation and adoption by Board, additional service level enhancements will be incorporated into long-range financial plan to identify impact of current enhancement in future years.

Implementation of Service Level Enhancements will require Board action and revision of annual budget.

Section III: Federal Grant Funding Reduction

The following precautionary actions will be initiated immediately if a federal grant reduction is anticipated:

Capital Expenditures:

- Identify and evaluate other available funding sources
- Evaluate scaling back the scope of the project to the allocated funds, if feasible
- Freeze project pending review and discussion with Board of Directors

Operating Funds:

• Follow the Sales Tax Revenue Shortfall Procedure

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NORTH TEXAS MOBILITY CORPORATION RESOLUTION NO. 2020-N009

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH TEXAS MOBILITY CORPORATION ("NTMC") PROVIDING FOR ADOPTION OF THE NORTH TEXAS MOBILITY CORPORATION OPERATING BUDGET FOR FISCAL YEAR 2020-2021, BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING THAT EXPENSES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH THE BUDGET AS ADOPTED; ADOPTING CHANGE IN NET POSITION; PROVIDING A REPEALING CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the budget has been presented to the NTMC Board of Directors for review and comment; and

WHEREAS, after consideration, it is the consensus of the NTMC Board of Directors that the proposed FY 2020-2021 budget as hereinafter set forth, meets the legal and practical requirements of NTMC for the proper and sustained operation of NTMC services and should be approved as presented;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS MOBILITY CORPORATION THAT:

SECTION 1. The NTMC Operating Budget for FY 2020-2021, including Change in Net Position, attached as Exhibit "1", be adopted and approved in all respects, and that the sums of money indicated in the proposed budget be approved as listed, and that the estimate of income and financial support as shown be accepted as proper and sufficient to pay such expenses for the operating Budget.

SECTION 2. That all Budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2019-2020 are hereby ratified, and the budget for fiscal year 2020-2021, heretofore adopted by resolution of the NTMC Board of Directors, be and the same is hereby, amended to the extent of such transfers and amendments for all purposes.

SECTION 3. That all provisions of the resolutions of the NTMC Board of Directors in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

SECTION 4. This resolution shall become effective immediately upon its passage and approval.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS MOBILITY CORPORATION THE 30^{TH} DAY OF SEPTEMBER, 2020.

APPROVED:

1

NTMC RESOLUTION ADOPTING FY 2021 OPERATING AND CAPITAL BUDGET

Dean Weckert

Dean Ueckert, Chair

ATTEST:

Brandy Pedrop, Secretary (09-16-2020:TM 11/981)

Regular Item 2d, Exhibit 1

NORTH TEXAS MOBILITY CORPORATION FY21 Proposed Budget Change in Net Position

Description	NTMC FY 2019 Actuals (June-Sept 2019)	NTMC FY 2020 Working Budget (B)	NTMC FY 2021 Proposed Budget
OPERATING REVENUE			
Passenger Revenues (Bus Farebox)	\$ -	\$ -	\$ -
Passenger Revenues (Rail Farebox)	=	=	=
Contract Service Revenue Total Operating Revenue	-	-	
Total Operating Revenue			
OPERATING EXPENSES			
Salary, Wages & Benefits	2,685,968	7,652,445	7,451,314
Outsourced Services & Charges	28,449	261,629	399,919
Materials & Supplies	-	-	3,293
Utilities	=	=	=
Insurance, Casualties & Losses	42,105	130,529	118,878
Purchased Transportation Services	- 2.700	-	-
Employee Development Leases & Rentals	3,780	74,700	54,435
Depreciation	-	-	_
Depreciation			
Total Operating Expenses	2,760,302	8,119,303	8,027,839
Operating Income ∕ (Loss)	(2,760,302)	(8,119,303)	(8,027,839)
NON-OPERATING REVENUE / (EXPENSE)			
Investment Income	-	-	-
Misc. Revenues	-	-	-
Sales Tax Revenue	-	-	-
Federal Grants & Reimbursements	-	-	-
State Grants & Reimbursements	-	-	-
Long Term Debt Interest/Expense			
Total Non-Operating Revenue / (Expense)	-	-	-
Income (Loss) Before Transfers	(2,760,302)	(8,119,303)	(8,027,839)
Transfers Out	-	-	-
Transfers In	2,760,302	8,119,303	8,027,839
Total Transfers	2,760,302	8,119,303	8,027,839
CHANGE IN NET POSITION	\$ -	\$ -	\$ -

(B) Includes pending Budget Revision 2020-N005 being presented to the NTMC Board on 9/30/20 for approval

Accrual Basis – The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Accrued Expenses – Expenses incurred but not due until a later date.

Budget – A plan of financial operation consisting of an estimate of proposed expenditures for a given period and the proposed means of financing them. The budget is proposed until it has been adopted by the Board.

Budget Amendment – A procedure utilized by staff and the Board to revise the budget.

Budget Calendar - A schedule of milestones which DCTA follows in the preparation, adoption, and administration of the budget.

Capital Improvements – An addition to the DCTA assets, including the design, construction or purchase of land, buildings or facilities, or major renovations.

Change in Net Position - The change in net position resulting from the current year activities.

Cost – The amount of money or other consideration exchanged for property or services.

Division – An organizational unit, which has the responsibility of providing programs, activities, and functions in a related field.

Depreciation Expense – The amortization of the cost of capital assets over their useful life. Capital assets have a useful life of more than one accounting period and the expense is viewed as the use of capital required to generate the revenues in the accounting period.

Employee Development – Consists of travel and lodging, dues and memberships, seminars and conferences, staff training and development and other minor expenses that cannot be attributed to any of the other major expense categories.

Enterprise Fund – Enterprise Funds account for operations that are financed and operated in a manner similar to private business. The intent of DCTA is that the costs (expenses, including depreciation) of providing transit services to the general public will be financed through a combination of farebox revenue, sales tax, and other grants.

Expanded Level Project – Any new project, plans for expansion or increased service delivery that is above and beyond the current service level. These are expenses that could be classified as "one-time" and "out of the ordinary" expenses.

Expenditure – The actual spending of funds to acquire assets or services.

Fiscal Year – The time period designated by the Board signifying the beginning and ending period for recording financial transactions. DCTA's fiscal year begins October 1 and ends September 30.

Fixed Assets – Assets of a long term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, autos and machinery.

Full-Time Equivalent – A unit of measure based on the number of hours that an employee works during the fiscal year. One FTE is equivalent to 2,080 hours.

Fund – An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created.

Generally Accepted Accounting Principles (GAAP) – Standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of the entity.

GLOSSARY

Governmental Accounting Standards Board (GASB) - An organization whose main purpose is to improve and create accounting reporting standards or generally accepted accounting principles (GAAP). These standards make it easier for users to understand and use the financial records of both state and local governments. The Government Accounting Standards Board (GASB) is funded and monitored by the Financial Accounting Foundation (FAF).

Grants – Contributions or gifts of cash or other assets from another government to be used or expended for a specific purpose, activity, or facility.

Income – A term used in proprietary fund type accounting to represent revenues or the excess of revenues over expenditures.

Insurance, Casualties and Loss – Costs for protection from loss through insurance, uninsured loss, and compensation to others for their losses.

Leases and Rentals - Expense consisting of payments made for the use of capital assets not owned by DCTA.

Materials and Supplies – Expense consisting of products purchased from outside suppliers or internally produced and consumed in the accounting period.

Metropolitan Planning Organization (MPO) - The policy board of an organization created and designated to carry out the metropolitan transportation planning process. MPOs are required to represent localities in all urbanized areas (UZAs) with populations over 50,000, as determined by the U.S. Census.

Non-Operating Revenue / (Expense) – The revenue or expense generated from items other than operating activities.

North Central Texas Council of Governments (NCTCOG) - Voluntary association of, by and for local governments, established to assist in regional planning. NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help them recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions.

Operating Budget – Plans for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law.

Operating Expenses – Expenses or cost incurred to provide the operating revenue earned in the accounting period.

Operating Income / (Loss) – The net income or loss from operating activities for providing transportation services.

Outsourced Services and Charges – Expense consisting of labor and other work provided by outside organizations for a fee. These services could include legal expense, accounting services, management consulting, etc.

Performance Measures – Specific qualitative and quantitative measures of work performed as on objective of the department.

Positive Train Control (PTC) - An advanced system designed to automatically stop a train before certain accidents occur. In particular, PTC is designed to prevent train-to-train collisions, derailments caused by excessive train speed and train movements through misaligned track switches.

Purchased Transportation – Expense consisting of cost incurred for materials, services, fuel and maintenance consumed in providing transportation services.

Rail Safety Improvement Act (RSIA) - United States federal law enacted by Congress to improve railroad safety. Among its provisions, the most notable was the mandate requiring positive train control technology to be installed on most of the US railroad network by 2015. In October 2015 Congress extended the deadline to 2018.

Regional Toll Revenue Funding Initiative (RTRFI) – The Texas Legislature enabled the Texas Department of Transportation to consider public and private-sector partnerships to finance roadways. The result is a completed project with a toll component and revenue for transportation projects. DCTA was awarded \$250,360,000 from the RTRFI in order to build the A-train regional rail project.

Reserves – Funds set aside for economic uncertainties.

Salary, Wages and Benefits – Expense including pay to employees for services provided, employer related taxes, employer portion of insurance benefits, employer 401 (a) contributions, sick time, and other miscellaneous pay as established by the Board.

Sales Tax – A general "sales tax" is levied on persons and businesses selling merchandise or services in the city limits on a retail basis. The categories for taxation are defined by state law. Monies collected under authorization of this tax are for the use and benefit of the taxing authority.

Utilities - Expense consisting of the use or consumption of electricity, gas, and communication services.



