



Denton County Transportation Authority

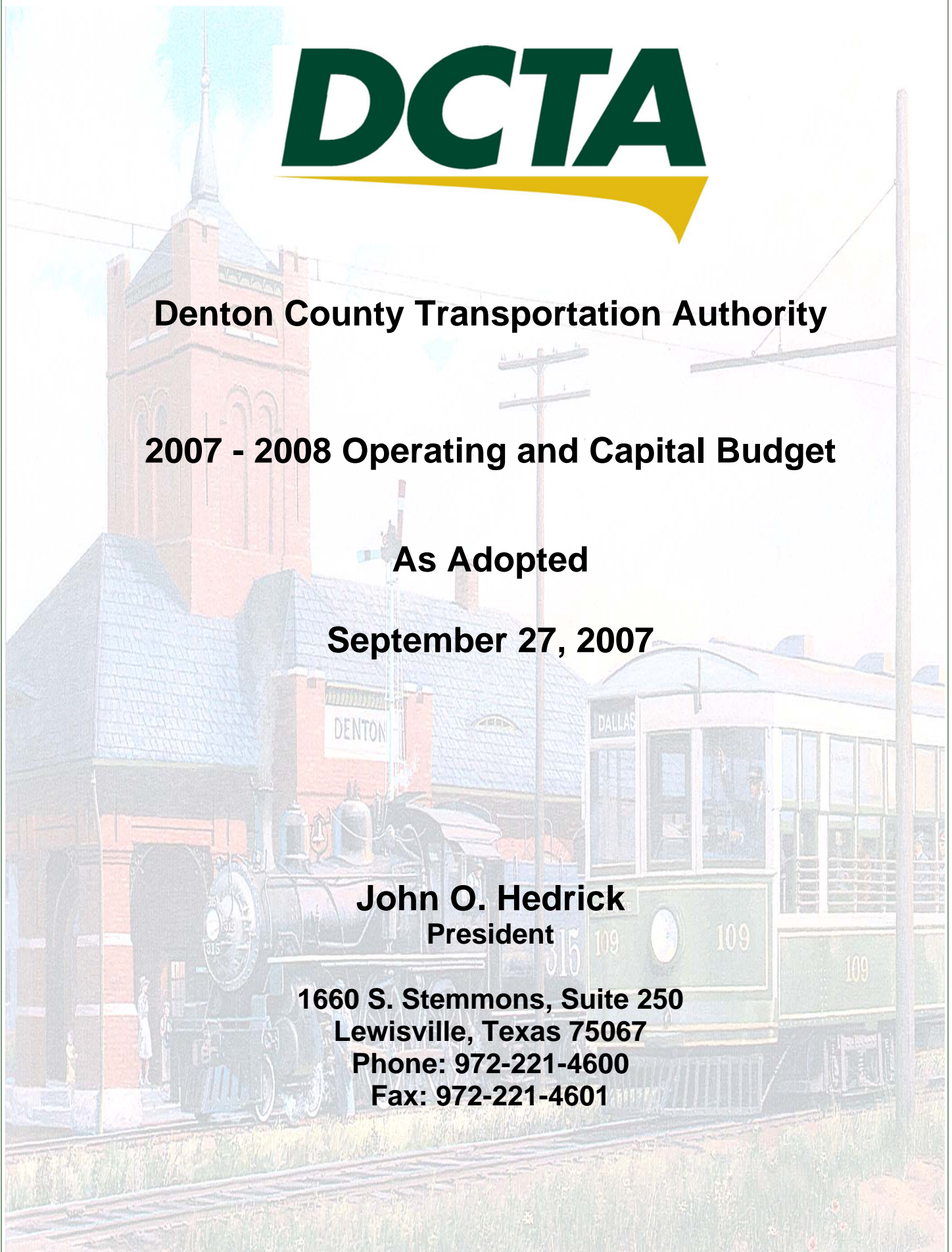
2007 - 2008 Operating and Capital Budget

As Adopted

September 27, 2007

John O. Hedrick
President

**1660 S. Stemmons, Suite 250
Lewisville, Texas 75067
Phone: 972-221-4600
Fax: 972-221-4601**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Denton County Transportation Authority
Texas**

For the Fiscal Year Beginning

October 1, 2006

President

Executive Director

The Government Finance Officers Association (GFOA) of the United States and Canada presented a Distinguished Budget Presentation Award to the Denton County Transportation Authority for the annual budget prepared for the fiscal year beginning October 1, 2006.

Denton County Transportation Authority

Our Vision

Be a leader in advancing public transportation alternatives

Our Mission

As a regional partner, the Denton County Transportation Authority is committed to provide safe, customer focused, and efficient mobility solutions for Denton County

Our Core Values

Accountability

The DCTA board and employees hold themselves accountable to their constituents and are committed to being exemplary stewards of public resources.

Commitment

The DCTA board and employees are committed to working collaboratively to deliver the components of the Service Plan in a timely manner to serve the mobility needs of our customers.

Excellence

The DCTA, in the pursuit of excellence, will consistently offer innovative, effective, and quality public transportation alternatives that exceed customer expectations.

Integrity

The DCTA board and employees shall conduct themselves in a manner that upholds the highest legal and ethical standards. We are uncompromising in our commitment to truth, honesty, and openness in all relationships and interactions.

Respect

The DCTA believes that all customers are important and all employees add value; and we will treat customers and employees with dignity and esteem.

Safety

The most important commitment of the DCTA is safety through the strict adherence to policies, procedures and ongoing employee training and professional development.

Transmittal Letter

Chairman and Members of the Board:

It is my pleasure to present the Denton County Transportation Authority (DCTA) 2007 – 2008 Budget. This budget continues to advance our efforts to achieve our goals with a focus on quality transportation services for Denton County's residents and other customers. This budget is the result of many hours of hard work by the board and staff, and serves as an efficient and effective policy document, operations guide, communications device, and financial guide for the coming year. The budget document is designed to provide a comprehensive financial framework for services provided by DCTA.

This budget continues our commitment to respond to customers' needs with quality service while striving to achieve the Service Plan Goals to improve transportation for the county and region; maintain and improve Denton County's quality of life; and promote economic development. DCTA will continue providing cost effective transportation alternatives to our customers, reducing congestion, improving air quality and bettering the quality of life in Denton County.

Bus Operations

In November 2006 DCTA launched Connect service in Lewisville completing the bus portion of the Service Plan goals. We will continue to evaluate bus services to provide cost effective service to our riders. In the 2008 budget year, DCTA will combine the Lewisville and Denton operations at the Denton facility. In addition, we will begin construction on a new \$6.5 million facility for bus operations. As operations are merged, DCTA staff will focus on standardizing the services provided by Access, Connect, and Commuter Express. The bus operations staff will continue to focus on superior customer service, vehicle maintenance, bus cleanliness, and reliability, while delivering consistent on-time performance for our bus routes. All of these initiatives will focus on improving our customers' experience.

RailDCTA

In 2005, DCTA's board of directors adopted the consultant's recommendation that regional rail in the former Missouri-Kansas-Texas Railroad (MKT) corridor be selected as the Locally Preferred Alternative. DCTA completed the Draft Environmental Impact Statement (DEIS) for the proposed RailDCTA passenger rail line between Denton and Carrollton. The document is now available for public review and comment. The DEIS presents the RailDCTA project's purpose and need and describes alternatives considered. The document describes the potential environmental impacts and proposed mitigation for the RailDCTA Project.

In March 2007 DCTA staff updated the board of directors on the status of Federal Transit Administration (FTA) funding for the RailDCTA Project. Staff reported that process of qualifying for federal funding was going to be a lengthy process and threatened to delay the project past the December 2010 Service Plan goal for operations. With board approval DCTA has withdrawn from the FTA New Starts process and is pursuing non-federal funding options to deliver RailDCTA in a timely manner. While pursuing other revenue options, DCTA staff will continue to move the project forward utilizing current revenue, debt financing, and funds reserved for the project.

August 3, 2007 DCTA submitted a Regional Toll Funding Initiative request for funding to the North Central Texas Council of Governments (NCTCOG). The funding request was for 80% funding for a \$313 million RailDCTA Project. The project includes a 21-mile regional rail line with five stations, a bicycle and pedestrian trail within the rail corridor, enhanced crossings to improve traffic flow, 10 Light Rail New Technology Vehicles, and a rail vehicle maintenance facility. The decision on this funding request is scheduled for January 24, 2008. At this time DCTA will be able to enter into contracts and obligate DCTA for long lead time assets, such as rail cars, rail and track materials, and the rail car maintenance facility.

Fiscal year 2007 has been an exciting year and the DCTA staff looks forward to working with you to accomplish our goals during the coming year. We know that by working together, we can make a difference.

Sincerely,

John O. Hedrick
President

2008 Budget

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*Our appreciation is extended to everyone who
contributed to the development of the budget and to
those who will implement the plan.*



Denton County Transportation Authority 2007 – 2008 Budget

Agency Overview

The Denton County Transportation Authority (DCTA) is a Coordinated County Transportation Authority as defined in Chapter 460 of the Texas Transportation Code. DCTA is granted power under this Texas law to plan, develop, acquire, construct, own, operate, and maintain a public transportation system in Denton County. The powers and duties exercised by DCTA and the board of directors are impacted by numerous federal and state laws and regulations.

The legislation authorizing DCTA's creation required that a Service Plan be developed by the Authority. Regional rail is the central element of DCTA's Service Plan. The Service Plan's concept is to implement initial rail service in Denton County, connecting with Dallas Area Rapid Transit (DART) light rail transit (LRT) facilities.

The Service Plan was revised for implementation of the first phase of the countywide plan along the I-35E corridor. Once the corridor is complete, over half the County's population will have access to regional rail service. The revised Service Plan was submitted to the voters of eight cities in Denton County on September 13, 2003, for consideration and approval of a one-half percent sales and use tax. The election was successful in the cities of Denton, Highland Village, and Lewisville. These three cities accounted for approximately 80% of the available sales tax revenue in the County. Imposition of the sales and use tax dedicated to the Authority for implementation of the Service Plan began January 1, 2004.

The board of directors is responsible for governance of the Authority. The board is composed of fourteen members: one member from each municipality with a population of 17,000 or more (eight in total); three members appointed by the Denton County Commissioners Court; and three members designated by the remaining municipalities with a population of more than 500 and less than 17,000. Each member serves a term of two years, and may be reappointed.

Current Board Members

Board Member	Position	Appointed by
Charles Emery	Chairman	Lewisville
Joe Roy	Vice – Chairman	Denton
Dorothy Palumbo	Secretary	Highland Village
Charles Correll	Treasurer	Denton County Unincorporated
Larry L'Heureux	Member	Denton County Unincorporated
Skip Kalb	Member	Small Cities
Pat Howell	Member	Corinth
Doug Peach	Member	Little Elm
Thomas Smith	Member	Denton County At Large
Jim Robertson	Member	Flower Mound
Jeff Snowden	Member	Frisco
Tom Spencer	Member	Small Cities
Dave Kovatch	Member	The Colony
Bill Walker	Member	Small Cities

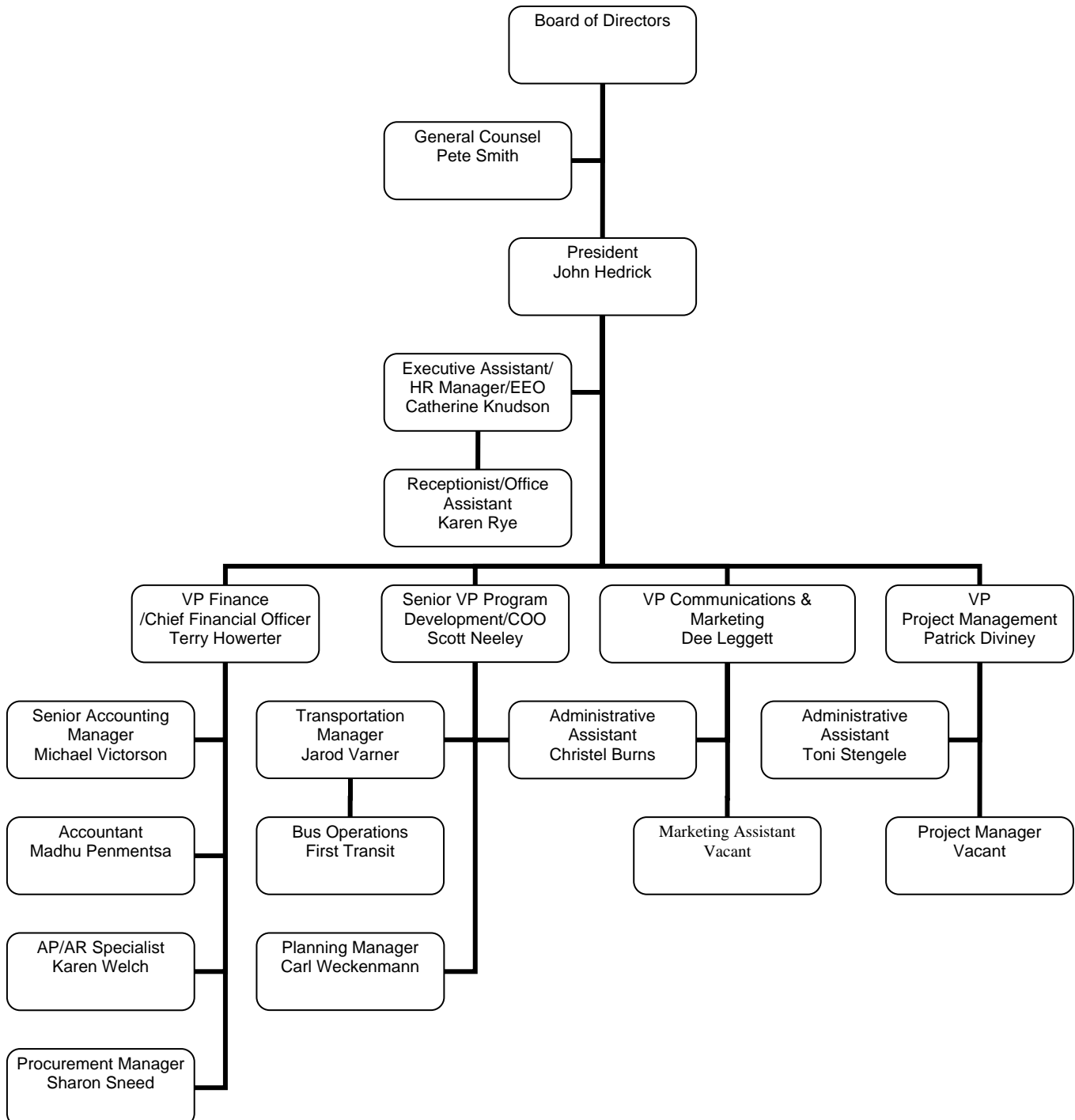
The voters of the participating cities of Denton, Highland Village, and Lewisville put their confidence in DCTA to implement the adopted Service Plan and improve mobility for Denton County. The board is responsible for the general policy governance of DCTA, with the President and staff responsible for day-to-day management and implementation of DCTA's goals and objectives.



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DCTA Organization Chart

Currently, DCTA has a staff of fifteen full time associates. The 2008 budget provides for a staff of seventeen full time equivalent positions, an increase of two positions over the 2007 budget. The organization chart for the 2008 staffing plan is outlined below:





Denton County Transportation Authority 2007 – 2008 Budget

Summary of Full Time Equivalent Positions (FTE)

DCTA hired its' first employee in 2004 and has grown each year as staff positions were filled and service levels increased. As seen in the table below, the FY 2007 budget included fifteen full time equivalent (FTE) positions. The FY 2008 budget includes the addition of one FTE Administrative Assistant to support the VP Project Management department, and one FTE Marketing Assistant will be added to support the VP Communications and Marketing department.

Fiscal Year 2008 Denton County Transportation Authority Budget Full Time Equivalent Staff Summary by Department

Department	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
President	3.00	3.00	3.00	3.00	-
VP - CFO	5.00	4.50	5.00	3.37	(0.50)
VP - COO	3.50	4.49	5.00	3.83	0.99
VP - Communications and Marketing	2.50	0.24	-	-	(2.26)
VP - Project Management	3.00	1.00	2.00	-	(2.00)
Total DCTA FTE Staff	17.00	13.23	15.00	10.20	(3.77)
Bus Operations	99.85	98.16	99.16		(1.69)
Total FTE Staff with Operations	116.85	111.39	114.16	10.20	(5.46)

Services Provided by DCTA

DCTA's Service Plan includes a rail component and three layers of bus service, including interim regional commuter bus service, local fixed route bus service, and demand response service. In addition, a network of Park-and-Rides, Regional Rail and Bus Facilities will be established to serve Denton County residents. These elements will provide services to help mitigate and improve mobility issues in the near term, as well as connect the County's larger cities to rail when that service is implemented.

RailDCTA Project – Regional Rail

Regional rail is the central element of DCTA's Service Plan. The Service Plan's concept is to implement initial rail service in Denton County, connecting with DART light rail transit facilities. DCTA intends to partner with DART to develop a seamless service for DCTA and DART riders.

In 2004-2005, DCTA conducted an Alternatives Analysis Study that considered many alternatives, which included extensive community and citizen involvement, and identified the proposed rail line as the best and most cost-effective mobility solution for the County and the region. It cited the impacts of projected population and employment growth, growing safety, traffic congestion and air quality concerns, as well as the need to improve access to Denton County's vital health care facilities and three major college and university campuses.

On May 26, 2005, the DCTA board of directors voted to accept the consultant's technical recommendation concerning the Locally Preferred Alternative (LPA) for transportation improvements for the 21 mile Denton-Highland Village-Lewisville-Carrollton corridor; the former Missouri-Kansas-Texas Railroad (MKT) line, which runs parallel to I-35E. In addition to supporting riders from the Lewisville and Highland Village area, the system will



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also support riders from downtown Denton, Texas Woman's University (TWU) and the University of North Texas (UNT). DCTA's regional rail will be operational in late 2010.

In March 2007 DCTA staff updated the board of directors on the status of Federal Transit Administration (FTA) funding for the RailDCTA Project. Staff reported that process of qualifying for federal funding was going to be a lengthy process and threatened to delay the project past the December 2010 in service goal. With board approval DCTA has withdrawn from the FTA New Starts process and, while still working closely with the FTA, is pursuing non-federal funding options to deliver RailDCTA in a timely manner. While pursuing other revenue options DCTA staff will continue to move the project forward utilizing current revenue, funds reserved for the project, and debt financing as required.

August 3, 2007 DCTA submitted a Regional Toll Funding Initiative request for funding to the North Central Texas Council of Governments (NCTCOG). The funding request was for 80% funding for a \$313 million RailDCTA Project. The project includes a 21 mile regional rail line with five stations, a bicycle and pedestrian trail within the rail corridor, enhanced crossings to improve traffic flow, 10 Light Rail New Technology Vehicles, and a rail vehicle maintenance facility. The decision on this funding request is scheduled for January 24, 2008. At that time DCTA will be able to enter into contracts and obligate DCTA for long lead time assets, such as rail cars, rail and track materials, and the rail car maintenance facility.

DCTA Commuter Express

DCTA's Commuter Express started May 30, 2006, providing a comfortable express coach service from Denton and Lewisville to the Dallas Central Business District (CBD), as well as reverse trips from Dallas to University of North Texas (UNT) and Denton. DCTA purchased seven coaches to provide a reliable and cost effective commute for our customers. Commuter Express is an interim service operating in the I-35E corridor until rail service is implemented. This has been a popular service which provides approximately 56,000 rides per year between Denton and Dallas Texas.

DCTA Commuter Express operates Monday through Friday, from approximately 5:35 a.m. out of Denton to 7:05 p.m. for the last departure from Dallas returning to Denton. The trip from Denton to Dallas takes approximately one hour and the trip from Lewisville to Dallas takes approximately 45 minutes. Three Commuter Express coaches operate daily from each location and for the reverse commute in the morning and a fourth trip has been added in the afternoon. Commuter Express coaches travel on the HOV lanes, providing a time savings for passengers. Passengers have the opportunity to ride the Commuter Express to eight stops in downtown Dallas from a park and ride in Lewisville and a park and ride in Denton. The reverse commute, beginning in downtown Dallas, stops at DART's North Carrollton Transit Center, Lewisville, the University of North Texas, Texas Woman's University, and Denton.

The 2008 budget reflects a decrease in this service of 5.3% from the 2007 forecast.

DCTA Connect – Fixed Route and UNT Bus Service

In November 2006, DCTA launched its Connect service in Lewisville. The service now operates in both Denton and Lewisville. DCTA has maintained separate facilities for these services in the respective cities. DCTA will merge Lewisville and Denton facilities closing the Lewisville facility and moving the operations to the Denton facility in September 2007.

DCTA Connect in Denton operates Monday through Friday, from approximately 6:00 a.m. to 8:30 p.m., and on Saturday from 9:00 a.m. to 6:00 p.m. Destinations include Denton City Hall, Courthouse, and Library; Denton Community and Regional Hospitals; several retail and grocery shops; several parks and recreation centers,



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including the senior center; various social service agencies; and educational institutes, including the UNT and the Texas Woman's University (TWU), and a variety of elementary, middle and high schools.

DCTA Connect service in the City of Lewisville operates Monday through Friday from approximately 5:30 a.m. to 8:30 p.m., and on Saturday from 9:00 a.m. to 6:00 p.m. The service runs a bi-directional loop with four (4) vehicles in peak service. Destinations include: Old Town City Hall, the Commuter Express Park and Ride, Vista Ridge Mall, Lewisville Medical Center, Senior Center, Library, Lewisville High School, several retail and grocery shops, and social service agencies.

In addition, DCTA operates campus shuttle service for UNT through a contractual agreement. This service provides transportation from nearby apartment complexes to the campus, as well as shuttle service inside the campus. The service is open to the general public.

The 2008 budget reflects an increase in this service of 2.7% over the 2007 forecast.

DCTA Access – Paratransit Services

The DCTA Access service offers ADA Paratransit and elderly and disabled demand response services for the residents of Highland Village, Denton, and Lewisville. Paratransit service is provided by DCTA for residents living within ¾-mile from the Connect transit routes in Denton. This service is available to residents with Americans with Disabilities Act eligibility. In addition, the Access service is provided to Hickory Creek and Corinth under contracts with these cities. Reservations are accepted on a first come, first served basis, up to seven days in advance. Access operates from 5:30 a.m. to 8:30 p.m., Monday through Friday, and 9:00 a.m. to 6:00 p.m. on Saturday.

The 2008 budget reflects an increase in this service of 27.9% over the 2007 forecast.

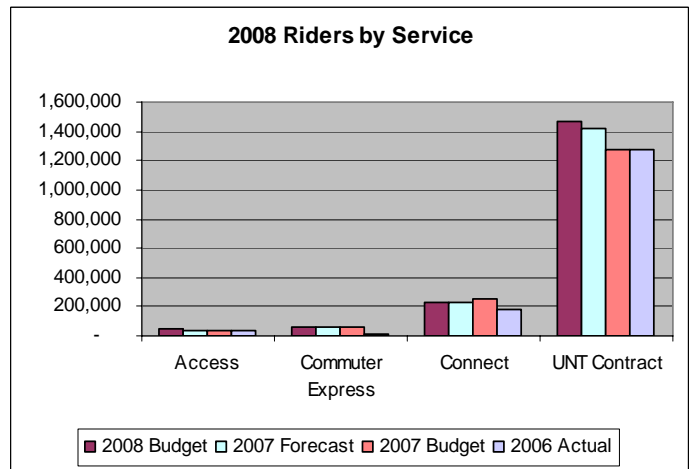
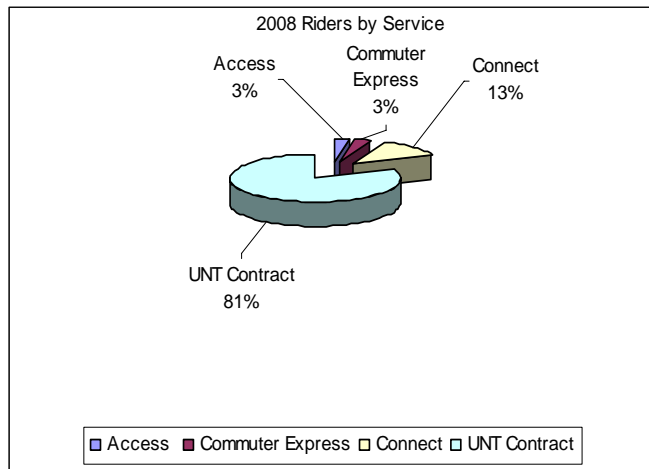
The following table presents DCTA Ridership information by type of service. The budget includes a 3.0% increase in Ridership primarily due to growth in the Access and UNT Contract service.

Fiscal Year 2008 Denton County Transportation Authority Budget Denton County Transportation Authority Ridership Statistics

Service	2008 Budget	2007 Forecast	2007 Budget	2006 Actual
Access	50,652	38,534	41,865	41,721
Commuter Express	56,261	59,390	56,280	16,333
Connect	234,120	231,513	251,537	185,154
UNT Contract	1,463,571	1,421,079	1,281,094	1,277,226
Total Riders	1,804,604	1,750,516	1,630,776	1,520,434
Percent of Increase / (Decrease)	3.1%	15.1%	7.3%	6.5%
 Revenue per Rider	 \$ 1.36	 \$ 1.32	 \$ 1.45	 \$ 1.21
Cost per Rider	3.98	4.07	4.50	3.43
Subsidy per Rider	\$ 2.62	\$ 2.75	\$ 3.05	\$ 2.21



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Park-and-Ride/Regional Rail Facilities

DCTA currently provides park and ride facilities in Denton and Lewisville. Regional park-and-ride/rail facilities are planned to be constructed along the future regional rail corridor. The park-and-rides will also provide transfer points for all other anticipated services including Interim Commuter Express. Determination of the location and characteristics of potential park-and-rides is a component of the Alternatives Analysis and Bus and Paratransit Study completed in 2005. Ideally, park-and-ride locations will have the capacity to serve Commuter Express in the short term and the planned rail project for the long term.



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Enhanced Local Assistance Program

The Enhanced Local Assistance Program (ELAP) is a mobility improvement program for participating member cities. It provides financial assistance for mobility projects approved by DCTA for a maximum period of four years. Funding is available to participating cities at an amount equal to twenty-five percent of DCTA sales and use tax collections from the respective city. DCTA will have reserved an approximate \$13.0 million liability by FY 2007 year end for ELAP payments to participating cities. DCTA has approved mobility projects in Denton, Highland Village, and Lewisville for approximately \$10.6 million through July 2007. ELAP projects have proven to be beneficial to the participating cities. ELAP funds will be accrued from January 1, 2004 through December 31, 2007 and paid to the participating cities for approved transit projects by April 30, 2008. ELAP funds have been approved for the following mobility projects:

Denton – Eagle Drive – \$.3 Million Project

ELAP funds provided improvements to Eagle Drive from North Texas Boulevard to Carroll Boulevard. These transit related street improvements were needed in order to expand this corridor and advance mobility on one of Denton's main thoroughfares. This corridor contains five DCTA bus stops.

Denton – Colorado Boulevard – \$.9 Million Project

ELAP funds provided improvements to Colorado Boulevard from Loop 288 to Shady Oaks. This corridor connects the entire North and East sides of town to the retail district and major medical complexes. This corridor contains four DCTA bus stops and is also used by the ADA special assistance buses to transport ADA patrons to the medical facilities on the southern portion of town.

Denton – Signalization Timing – \$.2 Million Project

ELAP funds will be used to implement traffic signal coordination and timing improvements at thirty intersections. The intersections are located on major thoroughfares that are either traveled by or are located on a number of DCTA bus routes. The improvements will decrease congestion, increase mobility, and improve air quality.

Denton – East Hickory Street Reconstruction – \$.7 Million Project

ELAP funds will be used to improve East Hickory Street, a major collector, from Bell Avenue to Exposition. The project will improve traffic flow and increase vehicular capacity, which will positively impact DCTA services.

Denton – Shady Oaks Drive – \$.4 Million

ELAP funds will be used to improve Shady Oaks Drive, a major arterial, from Teasley Lane to Woodrow Lane. The project will improve traffic flow and increase vehicular capacity, which will positively impact DCTA services. This corridor contains two DCTA Connect bus stops and is also used by the DCTA Access service.

Denton – West Oak Street – \$1.3 Million

ELAP funds will be used to improve West Oak Street, a major arterial, from Bonnie Brae to Fulton. The project will improve traffic flow and increase vehicular capacity, which will positively impact DCTA services. This corridor is used by DCTA Connect, Access, and UNT service.

Lewisville – Garden Ridge Boulevard – \$3.0 Million Project

ELAP funds will be used to extend Garden Ridge Boulevard from Bellaire Boulevard to Corporate Drive. These street improvements are needed in order to expand the corridor and advance mobility on one of Lewisville's main thoroughfares allowing our Demand Response transit service to travel more efficiently and safely through the corridor. Sidewalks are included in this project to improve pedestrian mobility.

Lewisville – Fox Avenue – \$3.7 Million Project

ELAP funds will be used to reconstruct Fox Avenue from Valley Parkway to Interstate 35E. The street improvements are necessary to improve traffic flow and increase vehicular capacity, which will positively impact DCTA Connect and Access services.



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Highland Village – Inland Trails – \$.1 Million Project:

ELAP funds will provide for intersection improvements located at pedestrian trail to street crossings at three main roadways in Highland Village. Improvements at these intersections and roadway crossings were needed to enhance mobility along and across: Brazos Boulevard, Highland Village Road and Briarhill Boulevard. Without these connections, the trail would be broken into three individual sections, limiting mobility. The trail provides routes for alternate modes of transportation throughout Highland Village, potentially lessening dependency on vehicular thoroughfares.





Basis of Budgeting

Purpose of the Budget

The Texas Transportation Code Chapter 460 requires DCTA to prepare an annual budget. The budget serves many functions at DCTA. 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 the foundation for the long range Service Plan goals and is a building block for the DCTA twenty year plan. The twenty year plan is the long range 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 and objectives for the coming year.

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 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. Finally, the budget communicates our strategic plans to expand service and launch new service. Included in the current budget plans are the RailDCTA projects to develop and launch the rail service. One of our primary goals for 2008 is to develop and present a long term budget plan to the board of directors for approval. The budget and strategic plan help to keep the various departments centered on the goals and plans laid out before them.

The budget is a financial document. It identifies the resources 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 Denton County citizens about the financial condition of DCTA.

The budget provides a tool for the accounting staff to monitor the financial integrity and provides a way to measure performance. DCTA staff will also use 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. Staff will comply with the Budget Amendment Procedures as approved by the board of directors to provide timely, useful information for the management of DCTA resources.
3. Staff will carefully review all purchase requests and comply with the DCTA Procurement Policy as approved by the board of directors.
4. Staff will reconcile all actual expenditures to this budget and report material variances to the board on a monthly basis.
5. The budget will be used to establish standards and benchmarks and compare to the actual results of operations.

The budget is an operations guide that specifically describes the organization and function of each department within DCTA. Included in each departmental budget is a description of the department, goals and objectives for the coming fiscal year, a summary of staffing levels, and a summary of planned expenditures.

This budget is being submitted to the board in accordance with DCTA policy.



Denton County Transportation Authority 2007 – 2008 Budget

Basis for Accounting

DCTA is accounted for as a single entity enterprise fund and 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 (a) that are financed and operated in a manner similar to private business where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed and recovered primarily through user charges and tax collections; or (b) where 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. DCTA uses the accrual basis of accounting for the audited financial statements, external reporting, and internally for 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. Accrual budgeting is also used for non-operating revenues and expenditures. Capital expenditures and grant reimbursements are budgeted on an accrual basis by project.

Budget Procedures

DCTA adopted a budget amendment procedure and an annual operating budget development procedure in 2004. These procedures were reviewed and revised in 2006 with no changes in the current year.

Investment Policy

DCTA adopted an Investment Policy in 2004. The policy is reviewed annually, revised as needed and adopted by the board. The investment policy is available in the appendix.

The Budget Process

The budget process begins with identifying the next phase of implementation of the Service Plan. This drives the individual operational and technical goals and objectives. Once those goals and objectives are detailed, identification and delineation of the available revenues takes place.



Denton County Transportation Authority 2007 – 2008 Budget

Annual Budget Development Cycle

DCTA incorporated the following timeline to govern the budget preparation activities and provide guidance for the period in which those activities should be completed. The budget development cycle covers a six month period from April through September.

Month	Activity
April	President sets goals and objectives for the coming budget year and requests staff to prepare a balanced budget.
May	First draft budget prepared <ol style="list-style-type: none">1. Finance Department provides forms and format for staff to prepare the department's first draft budget.2. Staff prepares documentation and support for draft budget.3. Staff strives to be fiscally responsible by basing their estimates on historical data, adjusted for any economic trends or possible rate changes.4. Finance compiles the first draft budget for review by the President.
June	Second draft budget prepared <ol style="list-style-type: none">1. President's budget changes incorporated after first draft review.2. Deadline for staff to submit their respective departmental budgets with final changes.3. Finance compiles the second draft budget for the President's review.
July	July is spent fine-tuning the budget. The Finance department compiles the budget for presentation to the Finance Committee.
August	The President and staff present the proposed budget to the Finance Committee for further direction. <ol style="list-style-type: none">1. Any changes are made and the budget is updated. Proposed budget is presented to the board and the public at the August board meeting for further direction.
September	After comments are received following board and public review, the final budget is submitted for adoption at the September board meeting.



Accomplishments and Goals

Fiscal Year 2007 Accomplishments

DCTA made significant accomplishments in implementing components of the Service Plan, as well as creating the foundation for the professional and responsible operation of DCTA. DCTA successfully achieved major milestones, including:

- Delivered quality service to our customers
- Continued to explore transportation alternatives to decrease congestion, increase mobility, and improve air quality
- Continued building and enhancing local and regional relationships
- Continued professional development and staff training
- Conducted strategic board and staff retreats
- Implemented intergovernmental and public relations programs
- Implemented service improvements
- Launched Lewisville Connect Service
- Advanced the RailDCTA project into Preliminary Engineering and completed the Draft Environmental Impact Study
- Continued funding Enhanced Local Assistance Program (ELAP) Projects. The total amount approved for ELAP projects through June 2007 is \$10.6 million
- Initiated/Launched Connect and Access Service Brands
- Continued fleet modernization efforts
- Updated system operational and safety plans
- Identified rail station locations



Fiscal Year 2008 Goals and Objectives

The goals and objectives for Fiscal Year 2008 continue to build on the foundation created by the accomplishments of prior years. In FY 2008, DCTA will advance the RailDCTA project to achieve rail connectivity between Denton and Dallas by December 2010. In addition, local transit service improvements will be implemented. The FY 2008 goals are:

- Advance RailDCTA
- Review all available funding options
- Complete Right of Way agreements with DART and Denton
- Secure rail fleet
- Contract for land acquisition, station design, and construction
- Improve Customer Focus and Service Delivery
- Provide safe and reliable transit services
- Deliver quality service to our customers



Budget Categories and Description

The Budget reflects the implementation of the Service Plan and is dispersed through four major categories:

- Revenue and Other Income
- Operating Expenses
- Non-Operating Revenues and Expenses
- Capital Expenditures

The Revenue and Other Income is the source of income and cash to fund operating expenses for the day-to-day operations of DCTA. The operating expenses are the cost of providing the transportation services and planning and development of new services. The Non-Operating Revenues and Expenses are incidental revenues and expenses that are not generated through the regular operating activities of DCTA. The Capital Expenditure budget consists of expenditures associated with acquiring capital assets such as buses or bus-related facilities, modernization of fixed guideway facilities, and construction activity. The following table presents the three income statement categories for the FY 2008 budget, FY 2007 forecast, FY 2007 amended budget, FY 2006 actual results, and the variance from FY 2008 budget compared to FY 2007 forecast. The FY 2007 forecast consists of nine months actual financial results and three months projected.



Denton County Transportation Authority 2007 – 2008 Budget

Statement of Changes in Net Assets Budget Format

Fiscal Year 2008 Denton County Transportation Authority Budget Statements of Changes in Net Assets - Budget Format

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Revenue and Other Income					
Passenger revenues	\$ 420,825	\$ 354,607	\$ 442,405	\$ 201,552	\$ 66,218
Contract Service Revenue	2,027,040	1,960,480	1,915,909	1,644,794	66,560
Sales tax revenue	15,640,441	15,301,586	15,268,063	14,796,379	338,855
Federal grants and reimbursements	3,534,602	4,984,211	6,097,562	2,808,151	(1,449,609)
Total Revenue and Other Income	21,622,908	22,600,884	23,723,939	19,450,876	(977,976)
Operating Expenses					
Salary, Wages and Benefits	4,809,223	4,300,455	4,694,198	755,780	(508,768)
Services	1,266,735	3,705,416	3,405,113	2,361,773	2,438,681
Materials and Supplies	1,538,198	1,388,440	1,427,339	73,340	(149,758)
Utilities	68,820	73,050	43,200	10,471	4,230
Insurance, Casualties and Losses	453,048	382,065	300,767	135,434	(70,983)
Purchased Transportation Service	-	(38,904)	-	4,075,845	(38,904)
Miscellaneous	287,828	133,320	213,415	81,851	(154,508)
Leases and Rentals	315,708	318,048	344,337	194,116	2,340
Depreciation	1,320,046	1,369,271	1,609,650	914,830	49,225
Total Operating Expenses	10,059,606	11,631,161	12,038,019	8,603,440	1,571,555
Income Before Non-Operating Revenue and Expense	11,563,302	10,969,723	11,685,920	10,847,436	593,579
Non-Operating Revenues / (Expense)					
Enhanced Local Assistance Program	(1,042,184)	(3,825,397)	(3,817,016)	(3,699,095)	2,783,213
Investment Income (Net)	1,072,746	1,290,749	1,282,674	752,797	(218,003)
Total Non-Operating Revenue / (Expense)	30,562	(2,534,648)	(2,534,342)	(2,946,298)	2,565,210
Change in Net Assets	11,593,864	8,435,075	9,151,578	7,901,138	3,158,789
Net Assets, Beginning of Year	31,243,236	22,808,161	22,808,161	14,907,023	8,435,075
Net Assets, End of Year	\$ 42,837,099	\$ 31,243,236	\$ 31,959,739	\$ 22,808,161	\$ 11,593,864



Denton County Transportation Authority 2007 – 2008 Budget

Balanced Budget

DCTA is committed to maintaining a balanced budget, where expenses do not exceed current year revenues and reserve balances. The FY 2008 budgeted revenue, less operating expense without depreciation, is \$12.9 million. In addition, DCTA maintains a cash reserve balance of \$2.1 million for economic uncertainties and has adequate investments reserved for the short term RailDCTA project cost.

Revenue and Other Income

Department specific revenue budgets, such as Passenger Revenue are the responsibility of the particular department for the simple reason that the staff in the respective departments is the most knowledgeable source of information. Likewise, the CFO 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. Sales Tax Revenue is the largest revenue source accounting for 73% and 67% of the Revenue and Other Income in FY 2008 and FY 2007 respectively. DCTA sales tax rate is one half 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 between the state, cities, DCTA, and other taxing authorities.

Table 1 below presents the anticipated Revenue and Other Income by category. Chart 1 presents the percent of the overall revenue contributed by each revenue category for the FY 2008 budget and FY 2007 forecast. Chart 2 presents the annual revenue dollar amounts in rounded thousands by revenue category. The Revenue and Other Income budget include the following assumptions and variances:

1. Passenger Revenue (Favorable \$66 thousand)

Passenger Revenue consists of fare box collections and ticket sales for the DCTA bus and paratransit services. The 2008 budget includes increased passenger revenue over the 2007 forecast of \$66 thousand primarily due to a January 2007 increase for Access Service fares from \$.50 to \$2.50, and an increase in ridership, which has a favorable impact of \$31 thousand. Additionally, Commuter Express revenue for 2008 includes a \$25 thousand increase for UNT usage of Commuter Express service.

2. Contract Service Revenue (Favorable \$67 thousand)

Contract Service Revenue consists of revenue or income related to providing transit services to UNT and other non-member cities. The 2008 budget is higher than the 2007 forecast by \$67 thousand due to a contracted 3% increase in the UNT contract price, which has an impact of \$50 thousand. The balance of the variance is attributable to a budgeted 5% increase in UNT fuel costs which are passed through to UNT.

3. Sales Tax Revenue (Favorable \$339 thousand)

Sales Tax Revenue is an Other Income source for DCTA. DCTA collects a one-half percent sales tax in member cities. Sales tax revenue for the 2008 budget year is based on the 2007 revenue plus a conservative 2 percent increase for 2008. This results in a favorable variance of \$339 thousand over the 2007 forecast.

4. Federal and State Grant Revenue (Unfavorable \$1.4 million)

Grant revenue consists of revenue or income from various grants available to DCTA. Our 2008 budget is lower than 2007 forecast by \$1.4 million. In 2007 DCTA had access to the grants transferred from the member cities and those awarded directly to DCTA. The 2007 forecast of \$4.9 million included 2005, 2006 and 2007 5307 grant funds of \$4.8 million, which will be drawn in 2007, and \$135 thousand for JARC grants. For the 2008 Budget we are anticipating an increase in JARC grants to \$228 thousand as well as \$624 thousand for the South Lewisville Park and Ride facility; however, we are expecting a decrease of \$2.1 million in 5307 grant revenue to \$2.7 million as only 2008 grants are available for 2008.



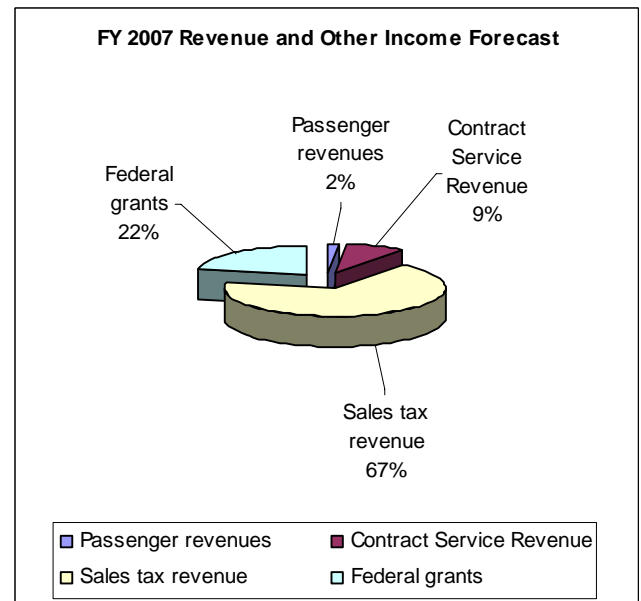
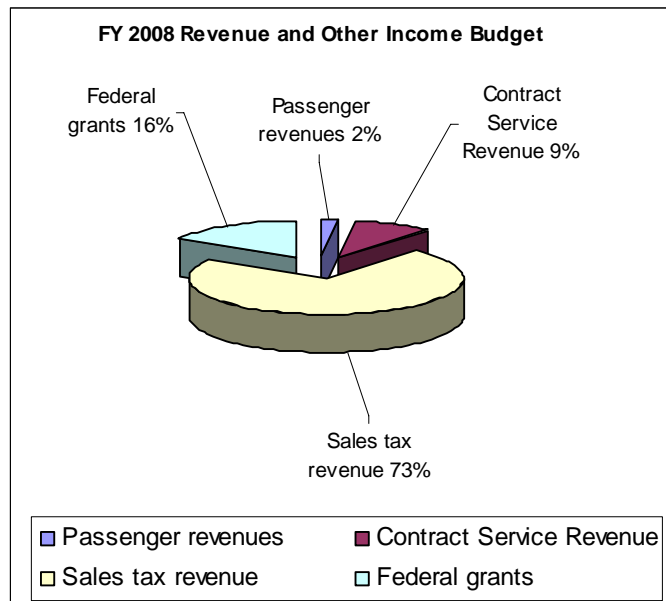
Denton County Transportation Authority 2007 – 2008 Budget

Table 1 – Revenue and Other Income

Fiscal Year 2008 Denton County Transportation Authority Budget Revenue and Other Income

Revenue and Other Income	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Passenger revenues	\$ 420,825	\$ 354,607	\$ 442,405	\$ 201,552	\$ 66,218
Contract Service Revenue	2,027,040	1,960,480	1,915,909	1,644,794	66,560
Sales tax revenue	15,640,441	15,301,586	15,268,063	14,796,379	338,855
Federal grants	3,534,602	4,984,211	6,097,562	2,808,151	(1,449,609)
Total Revenue and Other Income	\$ 21,622,908	\$ 22,600,884	\$ 23,723,939	\$ 19,450,876	\$ (977,976)
 Riders	 1,804,604	 1,750,516	 1,630,776	 1,520,434	 54,088
Revenue per Rider	1.36	1.32	1.45	1.21	0.04

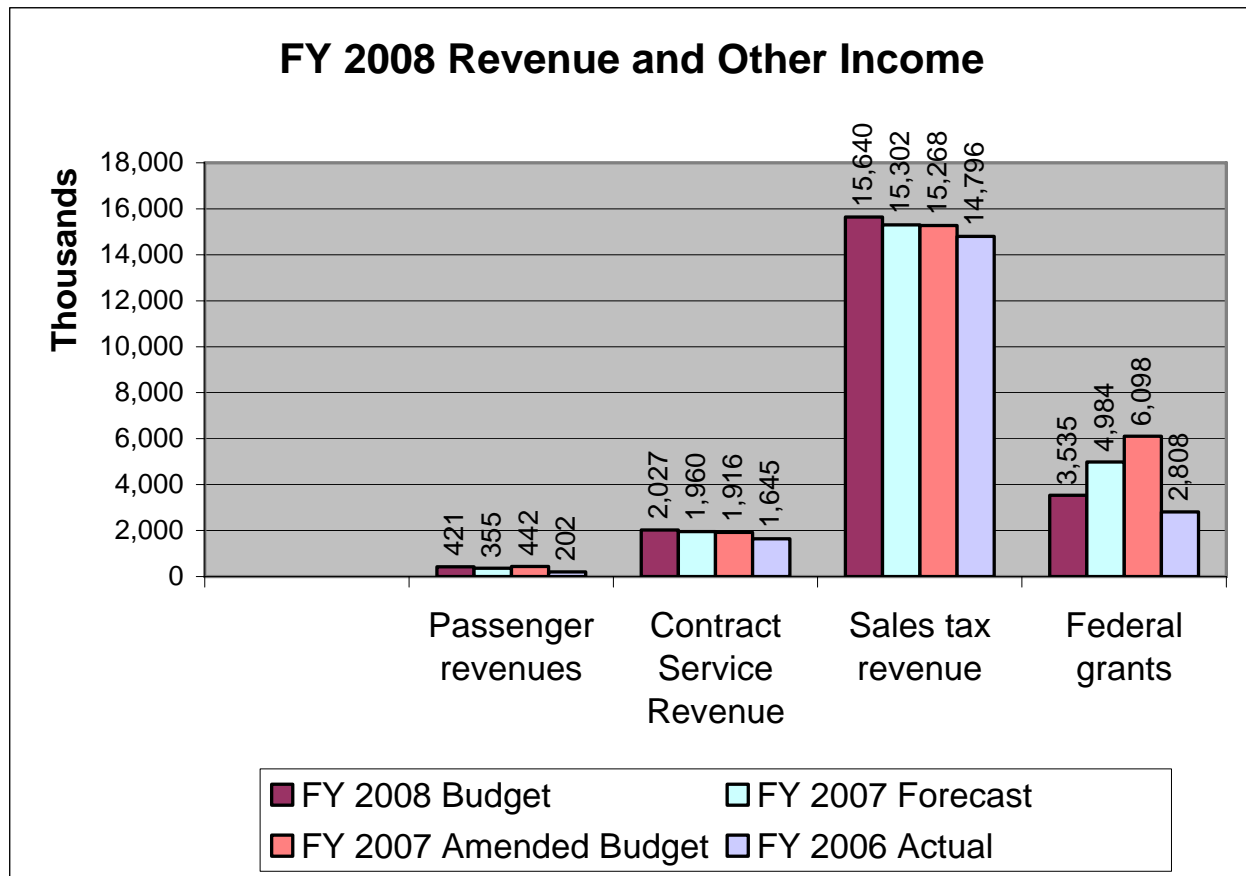
Chart 1 – Revenue and Other Income as a Percent of Total





Denton County Transportation Authority 2007 – 2008 Budget

Chart 2 – Revenue and Other Income by Year





Denton County Transportation Authority 2007 – 2008 Budget

Operating Expenses

The FY 2008 Operating Expense Budget includes cost related to the day-to-day operations of DCTA. DCTA implemented a new operating management service contract October 1, 2006. Under this type contract DCTA contracted with First Transit, Inc. to provide a General Manager (GM) and corporate support for human resource, benefits, and corporate oversight for the bus operations. First Transit, Inc. has created a wholly owned subsidiary, Transit Management of Denton County (TMDC) to provide the bus operations support for DCTA. DCTA provides the accounting, implements the required controls over expenditures, and processes the payments for the cost of running the day to day operations. Under this type management contract the expenses are reported in the natural expense categories of Salary and Wages, Services, Materials and Supplies, etc. In 2006, the contract for bus operations was a purchase of services contract. The detail of the natural expenses is not available to DCTA and therefore the comparisons to 2006 are not possible.

Table 2 and Chart 1 present total DCTA operating expenses and expense categories as a percent of total operating expense. The operating expense budget includes the following assumptions and variances:

1. Salary, Wages, and Fringe Benefits (Unfavorable \$509 thousand)

This expense category includes DCTA and TMDC payroll, employer taxes, employer insurance, and employer contributions to the 401a.

For DCTA, it is anticipated that the 2008 average FTE count will be 17, an increase of two positions over the 2007 budget. An unfavorable variance, from forecast, of \$252 thousand is primarily due to the addition of 4 full-time equivalent positions in 2008, a Marketing Assistant, a Project Manager, and a full time Administrative Assistant. Additionally, the Accounting Manager (.5 FTE in 2007), the VP of Project Management (.67 FTE in 2007) , and the VP of Communications & Marketing (.75 FTE in 2007) will all be included in Salary, Wages and Fringe Benefits for the entire 2008 fiscal year. We averaged 13 full-time equivalent positions in 2007 with 15 budgeted.

For TMDC, there is an unfavorable variance of \$257 thousand primarily due to reclassifying seasonal drivers to full time status and providing these full time drivers working under the UNT contract with benefits in 2008 which is anticipated to increase benefits expense by approximately \$119 thousand, primarily related to the employer share of health insurance premiums. Further, expansion of the Denton Connect fixed route service will create an increase of approximately \$75 thousand in salary and fringe benefit expense. An average merit salary increase of 3% for full time staff, assuming a midpoint starting point, will increase salary expense by \$35 thousand. A new 401k program is to be implemented in 2008 and the employer match for participating staff is expected to increase benefits expense by \$16 thousand.

2. Service Expense (Favorable \$2.4 million)

Service Expense consists of DCTA contracts and purchase of services from consultants and is lower than the prior year forecast by \$2.4 million primarily due to an expected decrease of \$2.4 million in URS expenses in 2008 for the Environmental Impact Study (EIS) as that contract will be finalized in the early part of fiscal year 2008. Rail design and related expenditures will be capitalized in the 2008 Budget.

3. Materials and supplies expense (Unfavorable \$150 thousand)

This expense category includes office supplies, non-capital expenditure for furniture and computer, fuel and lubricants for operations, etc. For DCTA, the 2008 budget for this category is higher than 2007 forecast by \$28 thousand for purchases of office desks, computers, file cabinets, and equipment in the CFO and President's department related to increased staff levels.

For TMDC, the unfavorable variance of \$122 thousand is primarily attributable to a projected increase of \$93 thousand in fuel costs as well as a \$53 thousand increase in parts expense, partially offset by an anticipated \$29 thousand reduction in tire expense.



Denton County Transportation Authority 2007 – 2008 Budget

4. Utilities expenses (Favorable \$4 thousand)

This expense category includes gas, electric and communication expenses. The 2008 budget is lower than the 2007 forecast by \$4 thousand.

5. Insurance expense (Unfavorable \$71 thousand)

This expense category budget item is higher than prior year by \$71 thousand primarily due to higher auto liability premiums of \$77 thousand associated with the increased valuation of the DCTA bus fleet.

6. Purchased transportation expense (Favorable \$39 thousand)

This favorable expense variance represents a reduction of accrued expenses from the final review and settlement of the purchase of transportation contracted services terminated September 30, 2006.

7. Miscellaneous expenses (Unfavorable \$155 thousand)

This expense category includes travel and lodging, dues and memberships, seminars and conferences, and other minor expenditures that do not fit into the categories above. This expense is higher than prior year forecast by \$155 thousand primarily due to increased expenditures in dues & subscriptions; sponsorships of events such as the annual Transportation Summit, conferences/seminars, and costs associated with memberships in such organizations as APTA, and associated travel related expenses for staff and board members.

8. Lease rent expense (Favorable \$2 thousand)

Lease rent expense includes DCTA facility leases at Denton, Parking for our Commuter Express Service, and office lease at the Stemmons location. The 2008 budget is lower than the prior year forecast by \$2 thousand primarily due to the closure of the Lewisville bus operations facility.

9. Depreciation expense (Unfavorable to budget \$49 thousand)

This expense category represents the expense of using our capital assets over time. The 2008 budget is lower than the prior year forecast primarily due to a decrease in depreciable assets as certain assets reach the end of their depreciable lives.



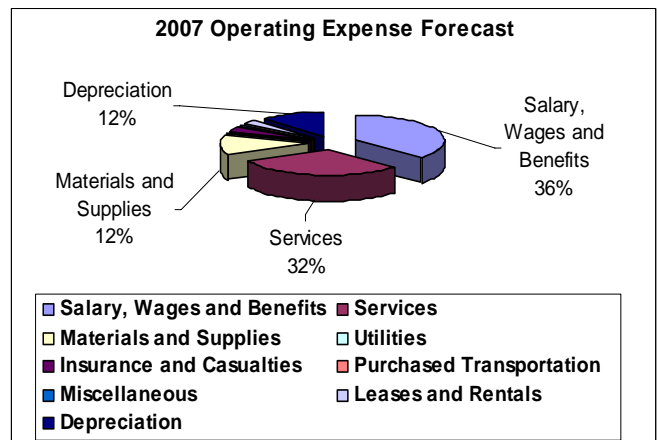
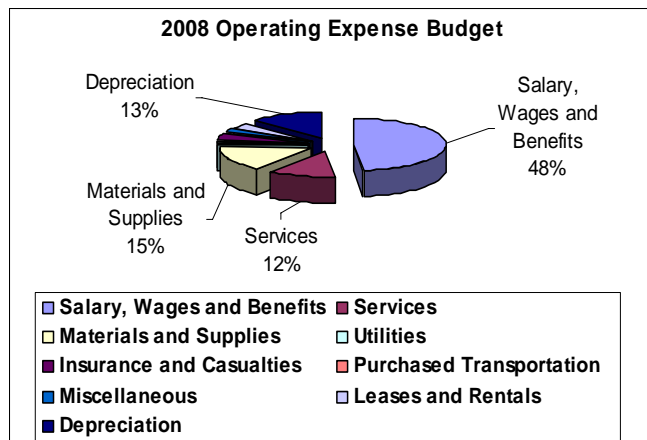
Denton County Transportation Authority 2007 – 2008 Budget

Table 2 – Operating Expenses

**Fiscal Year 2008 Denton County Transportation Authority Budget
Operating Expenses**

Operating Expense	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 4,809,223	\$ 4,300,455	\$ 4,694,198	\$ 755,780	\$ (508,768)
Services	1,266,735	3,705,416	3,405,113	2,361,773	2,438,681
Materials and Supplies	1,538,198	1,388,440	1,427,339	73,340	(149,758)
Utilities	68,820	73,050	43,200	10,471	4,230
Insurance and Casualties	453,048	382,065	300,767	135,434	(70,983)
Purchased Transportation	-	(38,904)	-	4,075,845	(38,904)
Miscellaneous	287,828	133,320	213,415	81,851	(154,508)
Leases and Rentals	315,708	318,048	344,337	194,116	2,340
Depreciation	1,320,046	1,369,271	1,609,650	914,830	49,225
Total Operating Expense	\$ 10,059,606	\$ 11,631,161	\$ 12,038,019	\$ 8,603,440	\$ 1,571,555

Chart 1 – Operating Expenses for 2008 and 2007 as a Percent of Total Operating Expense





Denton County Transportation Authority 2007 – 2008 Budget

Non-Operating Revenue and Expenses

The Non-Operating Revenues and Expenses are incidental revenues and expenses that are not generated through or directly related to the regular operating activities of DCTA.

Table 3 presents DCTA Non-Operating Revenue and Expenses. The Non-Operating Revenue and Expense budget includes the following assumptions and variances:

1. Enhanced Local Assistance Program (ELAP) (Favorable \$2.8 million)

ELAP expense represents the amount DCTA has recognized as payable to the member cities for mobility improvement programs in their cities. Member cities receive 25 percent of the DCTA sales tax revenues collected. This program ends in December 2007 and we are anticipating ELAP expenses to be only \$1.0 million in 2008 as compared to the 2007 forecast amount of \$3.8 million.

2. Net investment income (Unfavorable \$218 thousand)

Net investment income represents DCTA earnings from investments net of interest expense. DCTA has a diverse investment portfolio as allowed by the Investment Policy. The budgeted income for this category is lower than the prior year forecasted earnings by \$216 thousand due to decreased funds available for investment resulting from increased capital expenditures projected for 2008 resulting in interest income of \$1.1 million. DCTA has not included debt financing in the budget, therefore we have no interest expense.

DCTA's operating authority is granted under Chapter 460 of the Texas Transportation Code (Code). The Code allows DCTA to issue bonds and notes in amounts approved by the board for acquisitions, construction, repair, improvement, or extension of the DCTA public transportation system. DCTA debt issuances are limited in amount and duration depending on the type of debt issued and whether it is secured by sales and use tax revenues. DCTA has not incurred or planned for any debt issuance at this time, therefore we have not allowed for any interest expense in this budget.

Table 3 – Non-Operating Revenue and Expense

**Fiscal Year 2008 Denton County Transportation Authority Budget
Non-Operating Revenue / (Expense)**

Non-Operating Revenue / (Expense)	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Enhanced Local Assistance Program	\$ (1,042,184)	\$ (3,825,397)	\$ (3,817,016)	\$ (3,699,095)	\$ 2,783,213
Investment Income (Net)	1,072,746	1,290,749	1,282,674	752,797	(218,003)
Net Non-Operating Revenue / (Expense)	\$ 30,562	\$ (2,534,648)	\$ (2,534,342)	\$ (2,946,298)	\$ 2,565,210



Denton County Transportation Authority 2007 – 2008 Budget

Departmental Descriptions and Budget Detail

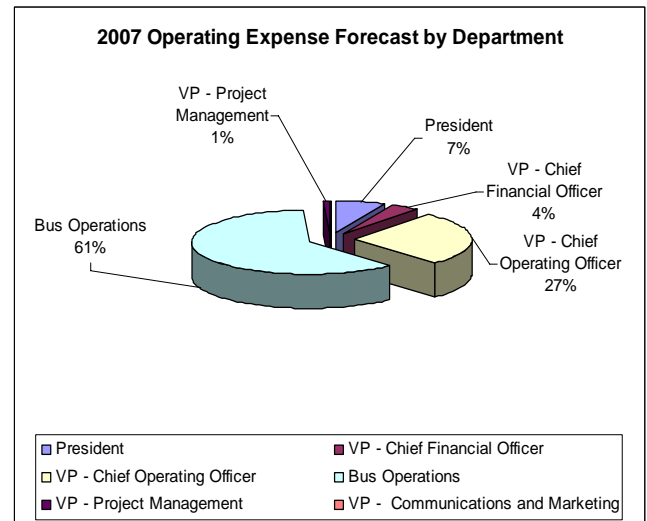
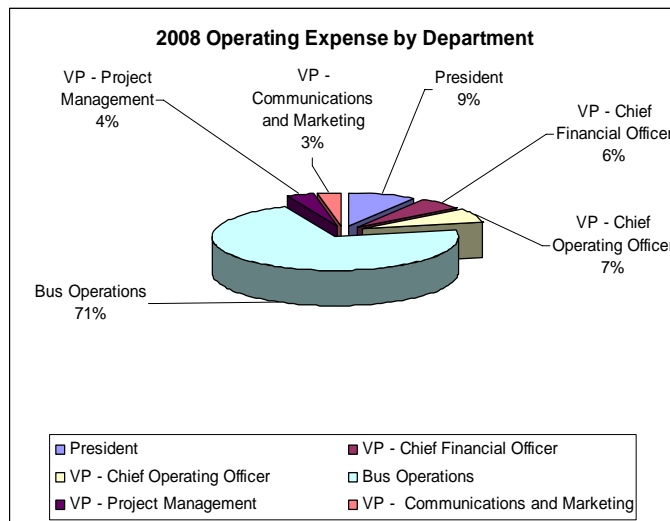
The Operating Budget includes six departments: President, VP Chief Financial Officer, VP Chief Operating Officer, Bus Operations, VP Project Management and VP Communications and Marketing. The following Table 4 and Chart 1 present the individual department budgets for FY 2008 and percentage of budget dollars consumed by the department in 2008 and 2007.

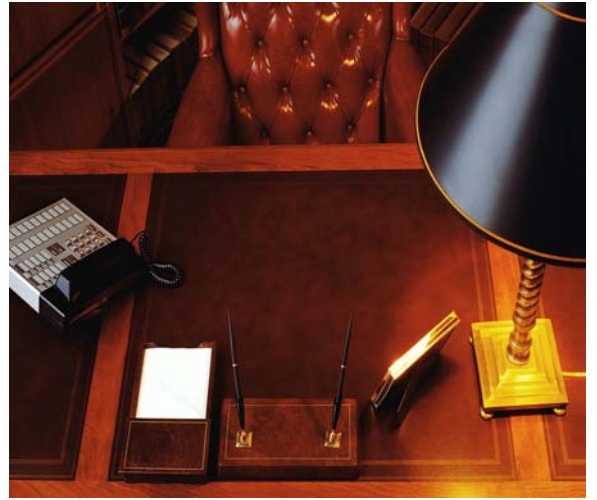
Table 4 – Operating Expense by Department

Fiscal Year 2008 Denton County Transportation Authority Budget Operating Expense Summary By Department

Department	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	variance Budget to Forecast Fav. / (Unfav.)
President	\$ 899,397	\$ 793,582	\$ 839,966	\$ 772,525	\$ (105,815)
VP - Chief Financial Officer	612,284	478,272	590,529	378,420	(134,012)
VP - Chief Operating Officer	685,579	3,138,622	2,960,350	2,242,940	2,453,043
Bus Operations	7,184,911	7,120,067	7,332,656	5,209,555	(64,844)
VP - Project Management	384,007	100,618	314,518	-	(283,389)
VP - Communications and Marketing	293,428	-	-	-	(293,428)
Total Operating Expense	\$ 10,059,606	\$ 11,631,161	\$ 12,038,019	\$ 8,603,440	\$ 1,571,555

Chart 1 – Operating Expenses for 2008 and 2007 by Department as a Percent of Total Operating Expense





80

President's Department



Denton County Transportation Authority 2007 – 2008 Budget

80 – President’s Department

Department Mission:

The mission of the President’s department is to provide professional leadership, guidance and coordination in the implementation of the policies established by the board of directors. The President’s department administers human resources, board support, EEO, records management, and coordinates legislative liaisons and General Counsel. The President 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. The department has a staff of three full time equivalent positions: the president, executive assistant /HR Manager, and receptionist.

2008 Goals:

- Advance RailDCTA
- Develop other funding options
- Complete Right of Way agreements with DART and Denton
- Secure rail fleet
- Contract station land acquisition
- Customer Focus and Service Delivery
- Provide safe and reliable transit services

Material Budget Items:

- Legislative Services in Austin and Washington
- Legal Services
- Materials and Supplies for all departments
- Lease of DCTA office space



Denton County Transportation Authority 2007 – 2008 Budget

Table 5 – President’s Departmental Budget

Fiscal Year 2008 Denton County Transportation Authority Budget President's Department

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 270,581	\$ 276,242	\$ 270,860	\$ 231,242	\$ 5,661
Services	268,435	243,117	261,354	303,954	(25,318)
Materials and Supplies	35,183	18,539	50,552	22,213	(16,644)
Utilities	10,020	9,153	10,020	8,671	(867)
Insurance and Casualties	-	-	-	23,733	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	154,921	90,677	117,688	59,645	(64,244)
Leases and Rentals	126,456	122,062	107,784	101,956	(4,394)
Depreciation	33,801	33,792	21,708	21,111	(9)
Total Other Operating Expense	\$ 899,397	\$ 793,582	\$ 839,966	\$ 772,525	\$ (105,815)
Positions					
President	1.00	1.00	1.00	1.00	-
Executive Assistant / HR Manager	1.00	1.00	1.00	1.00	-
Receptionist	1.00	1.00	1.00	1.00	-
Full Time Equivalent	3.00	3.00	3.00	3.00	-



81 VP Chief Financial Officer's Department



Denton County Transportation Authority 2007 – 2008 Budget

81 – VP Chief Financial Officer's Department

Department Mission:

The mission of the VP Chief Financial Officer's department is 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 control
- Surpass industry standards of financial management and reporting
- Be a resource for the President and board on financial matters, economic issues, and operational performance
- Monitor and report DCTA's financial performance
- Recommend effective allocation of resources and safeguard assets

The department has a staff of five full-time equivalents in the 2008 budget: the chief financial officer, accounts payable / receivable specialist, procurement manager, contracts manager, accounting manager, and an accountant. The staffing increase of one-half an FTE over the 2007 forecast is due to vacancies in the 2007 forecast. Departmental functions include responsibilities for the accounting and reporting functions, budget and twenty year plan, treasury and investing function, risk management, contracts and procurement, and maintaining and upgrading of information technology systems.

2008 Goals:

- Advance RailDCTA
 - Assist with contracting for RailDCTA
 - Develop plan and secure funding for RailDCTA
- Complete accounting policy and procedures manual
- Assist with Bus Facility contracting
- Complete and present a long range Twenty Year Plan to board for acceptance in FY 2008

Material Budget Items:

- Increased staff by .5 full time equivalents due to vacancies from 2007 being filled in 2008
- Increase in Services expense due to adding six month consulting service starting in April 2008 for contracting assistance with construction contracts related to the RailDCTA Project
- Increase Purchased Transportation expense due to one time adjustment in 2007 for final contract settlement
- Increased Miscellaneous Expenses for staff seminars and training sessions.



Denton County Transportation Authority 2007 – 2008 Budget

Table 6 – VP Chief Financial Officer’s Departmental budget

**Fiscal Year 2008 Denton County Transportation Authority Budget
VP - Chief Financial Officer**

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 397,358	\$ 360,718	\$ 404,153	\$ 252,486	\$ (36,640)
Services	161,056	112,508	104,340	114,216	(48,548)
Materials and Supplies	18,767	24,181	35,241	3,759	5,414
Utilities	720	720	720	720	-
Insurance and Casualties	11,976	12,794	23,736	-	818
Purchased Transportation	-	(38,904)	-	-	(38,904)
Miscellaneous	22,407	6,255	22,339	7,239	(16,152)
Leases and Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
Total Other Operating Expense	\$ 612,284	\$ 478,272	\$ 590,529	\$ 378,420	\$ (134,012)
Positions					
CFO	1.00	1.00	1.00	1.00	-
Accounts Payable / Receivable Spec.	1.00	1.00	1.00	1.00	-
Procurement Manager	1.00	0.96	1.00	1.00	(0.04)
Accounting Manager	1.00	0.54	-	-	(0.46)
Accountant	1.00	1.00	1.00	0.37	
Operations Accountant	-	-	1.00	-	
Full Time Equivalent	5.00	4.50	5.00	3.37	(0.50)

DCTA



82 VP Chief Operating Officer's Department



82 – VP Chief Operating Officer’s Department

Department Mission:

The mission of the VP Chief Operating Officer’s department is to provide for the implementation of the Service Plan, including the planning and programming for regional rail, interim regional express bus, local fixed route, and paratransit services; and ensuring compliance with Federal, state and local grant requirements and regulations. In addition, the COO’s department has responsibility for oversight of the bus operations department, which is budgeted as sub-department - 50. The department has a staff of three and one-half full time equivalent positions: the VP COO, shared administrative assistant, transportation manager, and planning manager. The number of full-time equivalents in this department has decreased by .99 from the 2007 forecast. The decrease is due to the transfer of a position for the communications and marketing manager to the newly created VP – Communications and Marketing department and also sharing the administrative assistant with the new department.

2008 Goals:

- Advance Rail DCTA
 - Receive Environmental Clearance
 - Develop operating and security plans
- Increase operational efficiencies and safety of provided services
- Assist in the development of transit facilities and service promotion for ridership gains
- Improve agency coordination within service area and the region

Material Budget Items:

- Decreased staff by .99 full time equivalents due to a planned reduction from a full time administrative assistant to a shared administrative assistant and transferring the Communications and Marketing function to a new department.
- Decrease in Services expense of \$2.4 million for consulting cost related to the environmental impact study.
- Increased Miscellaneous Expenses for staff seminars and training sessions.



Denton County Transportation Authority 2007 – 2008 Budget

Table 7 – VP Chief Operating Office's Departmental Budget

**Fiscal Year 2008 Denton County Transportation Authority Budget
VP - Chief Operating Officer**

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 294,929	\$ 360,803	\$ 367,495	\$ 272,052	\$ 65,874
Services	348,000	2,735,716	2,530,781	1,931,723	2,387,716
Materials and Supplies	5,700	21,834	30,450	23,122	16,134
Utilities	720	1,440	1,440	1,080	720
Insurance and Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	36,230	18,829	30,184	14,963	(17,401)
Leases and Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
Total Other Operating Expense	\$ 685,579	\$ 3,138,622	\$ 2,960,350	\$ 2,242,940	\$ 2,453,043
Positions					
Senior VP / COO	1.00	1.00	1.00	1.00	-
Administrative Assistant	0.50	0.83	1.00	0.08	0.33
Communications & Marketing Manager	-	0.66	1.00	0.50	0.66
Transportation Manager	1.00	1.00	1.00	1.00	-
Planning Manager	1.00	1.00	1.00	0.67	-
Design & Construction Manager	-	-	-	0.58	-
Full Time Equivalent	3.50	4.49	5.00	3.83	0.99



50 Bus Operations Department



Denton County Transportation Authority 2007 – 2008 Budget

50 – Bus Operations Department

Department Mission:

The Bus Operations Department is a sub-department that falls under the responsibility of the VP Chief Operations Officer. The bus operations department is responsible for delivering quality local transit service, planning, data collection, and ensuring compliance with Federal Transit Administration grant requirements and regulations. The department has budgeted for 99.85 full time equivalent positions which include drivers, maintenance, operations, and administration personnel. In 2006 DCTA contracted with First Transit, Inc. to manage the bus operations. Under this type of contract First Transit, Inc. provides a General Manager (GM) and corporate support for human resource, benefits, etc. The GM is an employee of the contractor and is not included in the full time equivalent employees. DCTA staff provides the accounting and required controls over expenditures and makes payments for the cost of running the day to day bus operations. The expenses are reported in the natural expense categories of Salary and Wages, Services, Materials and Supplies, etc. Under the previous operating purchase of service contract the detail of the natural expenses are not available and therefore the comparisons to FY 2006 are not possible. A staff increase of 1.69 full time equivalents is primarily due to vacancies in 2007.

2008 Goals:

- Improve Access efficiency to a monthly average of two passengers per hour.
- Reduce preventable accidents to no more than 1.5 per 100,000 miles.
- Maintain a system-wide on-time performance of 95%.
- Increase the miles between chargeable road calls to 15,000.

Material Budget Items:

- Increased staff by 1.69 full time equivalents
- Increase in Salary, Wages and Benefits primarily due to an increase in health and dental insurance as seasonal employees are now eligible to enter the plans.
- Decrease in Services expense of \$345 thousand primarily due to one time charges for branding and imaging cost of painting and decaling the DCTA bus fleet and contract employee fees from Employee Resource Administration fees for providing staff at TMDC. In 2008 TMDC will employ the bus operations staff.
- Increased Materials and Supplies expense of \$122 thousand for anticipated increase in fuel cost.
- Increased Insurance expense related to the increased value of the DCTA vehicle fleet.



Denton County Transportation Authority 2007 – 2008 Budget

Table 8 – Bus Operations Department

**Fiscal Year 2008 Denton County Transportation Authority Budget
Bus Operation's Department**

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 3,470,735	\$ 3,213,732	\$ 3,450,816	\$ -	\$ (257,003)
Services	268,644	613,550	408,630	11,880	344,906
Materials and Supplies	1,442,383	1,320,305	1,311,096	24,246	(122,078)
Utilities	55,200	61,257	30,300	-	6,057
Insurance and Casualties	441,072	369,271	277,031	111,701	(71,801)
Purchased Transportation	-	-	-	4,075,845	-
Miscellaneous	31,380	10,487	30,288	4	(20,893)
Leases and Rentals	189,252	195,986	236,553	92,160	6,734
Depreciation	1,286,245	1,335,479	1,587,942	893,719	49,234
Total Other Operating Expense	\$ 7,184,911	\$ 7,120,067	\$ 7,332,656	\$ 5,209,555	\$ (64,844)
 Riders	 1,804,604	 1,750,516	 1,630,776	 1,520,434	 54,088
Cost per Rider	\$ 3.98	\$ 4.07	\$ 4.50	\$ 3.43	\$ (0.09)
 Positions					
Bus Operators	62.10	62.16	62.16	-	0.06
Maintenance	15.75	15.00	15.00	-	(0.75)
Operations	18.00	17.00	11.00	-	(1.00)
Administration	4.00	4.00	11.00	-	-
Full Time Equivalent	99.85	98.16	99.16	-	(1.69)



Denton County Transportation Authority 2007 – 2008 Budget

Bus Operations Statistics

Access Operating Statistics

2008 Budget													
Operating Data	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Total
Passengers	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	50,652
Vehicle Revenue Hours	2,278	2,185	2,127	2,278	2,092	2,127	2,185	2,214	2,139	2,319	2,208	2,266	26,418
Total Operating Expense	\$87,949	\$90,096	\$97,914	\$95,427	\$84,671	\$89,209	\$86,356	\$96,859	\$107,180	\$114,261	\$103,750	\$88,183	\$1,141,855
Vehicle Revenue Miles	25,159	24,133	23,492	25,159	23,106	23,492	24,133	24,451	23,174	25,159	23,492	24,133	289,083
Farebox Revenue	\$9,144	\$8,791	\$8,570	\$9,144	\$8,438	\$8,570	\$8,791	\$8,900	\$8,461	\$9,144	\$8,570	\$8,791	\$105,314
Days of Operation	27	26	27	27	26	27	26	27	26	26	26	25	316
Key Performance Indicators													
Passengers per Hour	1.85	1.93	1.98	1.85	2.02	1.98	1.93	1.91	1.97	1.82	1.91	1.86	1.92
Cost Recovery Ratio	10%	10%	9%	10%	10%	10%	10%	9%	8%	8%	8%	10%	9%
Revenue per Passenger	\$2.17	\$2.08	\$2.03	\$2.17	\$2.00	\$2.03	\$2.08	\$2.11	\$2.00	\$2.17	\$2.03	\$2.08	\$2.08
Operating Cost per Passenger	\$20.84	\$21.34	\$23.20	\$22.61	\$20.06	\$21.13	\$20.46	\$22.95	\$25.39	\$27.07	\$24.58	\$20.89	\$22.54
Subsidy Per Passenger	\$18.67	\$19.26	\$21.17	\$20.44	\$18.06	\$19.10	\$18.38	\$20.84	\$23.39	\$24.90	\$22.55	\$18.81	\$20.46
Passengers per Mile	0.17	0.17	0.18	0.17	0.18	0.18	0.17	0.17	0.18	0.17	0.18	0.17	0.18

2007 Actuals													
Operating Data	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Total
Passengers	2,989	2,935	2,869	3,250	3,091	3,544	3,499	3,398	3,031	3,290	3,459	3,179	38,534
Vehicle Revenue Hours	1,560	1,716	1,732	1,802	1,652	2,058	2,039	2,098	1,940	1,904	1,945	1,740	22,186
Total Operating Expense	\$77,648	\$92,984	\$100,814	\$101,468	\$75,417	\$91,605	\$89,295	\$104,525	\$106,520	\$106,335	\$92,897	\$87,452	\$1,126,960
Vehicle Revenue Miles	19,110	21,694	20,120	20,333	19,402	22,734	21,887	22,363	21,027	19,339	20,592	18,421	247,022
Farebox Revenue	\$5,596	\$3,821	\$3,910	\$8,784	\$7,899	\$7,650	\$10,752	\$5,213	\$7,811	\$7,811	\$7,650	\$7,650	\$84,547
Days of Operation	31	29	30	30	28	31	30	30	30	30	31	29	359
Key Performance Indicators													
Passengers/Hour	1.9	1.7	1.7	1.8	1.9	1.7	1.7	1.6	1.6	1.3	1.4	1.8	1.68
Accidents/100,000 Miles	0.0	0.0	5.0	0.0	0.0	4.4	0.0	0.0	0.0	0.0	0.0	0.0	0.78
On-Time %	92%	95%	78%	96%	95%	94%	95%	94%	95%	94%	89%	99%	93%
Cost Recovery Ratio	5.2%	3.3%	3.2%	5.6%	7.5%	6.6%	11.9%	6.6%	7.3%	5.1%	74.4%	8.7%	12%
Revenue per Passenger	\$1.87	\$1.30	\$1.36	\$2.70	\$2.56	\$2.16	\$3.07	\$1.53	\$2.58	\$2.37	\$2.21	\$2.41	\$2.19
Operating Cost per Passenger	\$25.98	\$31.68	\$35.14	\$31.22	\$24.40	\$25.85	\$25.52	\$30.76	\$35.14	\$32.32	\$26.86	\$27.51	\$29.25
Subsidy per Passenger	\$24.63	\$30.64	\$34.01	\$29.47	\$22.57	\$24.14	\$22.48	\$28.73	\$32.58	\$30.67	\$6.88	\$25.10	\$25.70
Passengers/Mile	0.16	0.14	0.14	0.16	0.16	0.16	0.16	0.15	0.14	0.17	0.17	0.17	0.16



Denton County Transportation Authority 2007 – 2008 Budget

Commuter Express Operating Statistics

2008 Budget													
Operating Data	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Total
Passengers	5,735	4,582	3,740	4,800	4,909	4,909	5,143	4,582	4,255	4,114	4,255	5,237	56,261
Vehicle Revenue Hours	1,014	970	926	1,014	927	926	970	970	926	1,014	926	970	11,553
Total Operating Expense	\$60,277	\$61,592	\$66,642	\$65,539	\$58,402	\$60,802	\$59,230	\$66,628	\$71,641	\$78,068	\$69,069	\$59,574	\$777,464
Vehicle Revenue Miles	27,096	25,918	24,740	27,096	24,740	24,740	25,918	25,918	24,740	27,096	24,740	25,918	308,660
Farebox Revenue	\$14,126	\$11,704	\$9,937	\$12,162	\$12,391	\$12,391	\$12,882	\$11,704	\$11,017	\$10,722	\$11,016	\$13,099	\$143,151
Days of Operation	23	22	23	23	21	23	22	23	22	23	23	22	270
Key Performance Indicators													
Passengers per Hour	5.66	4.72	4.04	4.73	5.30	5.30	5.30	4.72	4.60	4.06	4.60	5.40	4.87
Cost Recovery Ratio	23%	19%	15%	19%	21%	20%	22%	18%	15%	14%	16%	22%	18%
Revenue per Passenger	\$2.46	\$2.55	\$2.66	\$2.53	\$2.52	\$2.52	\$2.50	\$2.55	\$2.59	\$2.61	\$2.59	\$2.50	\$2.54
Operating Cost per Passenger	\$10.51	\$13.44	\$17.82	\$13.65	\$11.90	\$12.39	\$11.52	\$14.54	\$16.84	\$18.98	\$16.23	\$11.36	\$13.82
Subsidy Per Passenger	\$8.05	\$10.89	\$15.16	\$11.12	\$9.38	\$9.87	\$9.02	\$11.99	\$14.25	\$16.37	\$13.64	\$8.86	\$11.28
Passengers per Mile	0.21	0.18	0.15	0.18	0.20	0.20	0.20	0.18	0.17	0.15	0.17	0.20	0.18

2007 Actuals													
Operating Data	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Total
Passengers	5,839	4,714	3,495	4,520	4,936	4,959	5,109	5,152	5,235	5,167	5,164	5,100	59,390
Vehicle Revenue Hours	507	450	535	570	546	597	655	686	655	655	717	592	7,165
Total Operating Expense	\$48,711	\$57,500	\$67,808	\$74,418	\$66,078	\$73,349	\$66,401	\$66,127	\$79,145	\$79,282	\$69,817	\$67,158	\$815,794
Vehicle Revenue Miles	10,516	9,201	13,873	14,784	14,374	15,488	21,000	22,000	21,000	21,000	23,060	19,114	205,410
Farebox Revenue	\$7,788	\$11,553	\$8,639	\$6,616	\$10,088	\$9,487	\$7,447	\$8,175	\$12,016	\$12,016	\$9,487	\$9,487	\$112,799
Days of Operation	22	20	20	21	20	22	21	22	21	21	23	29	262
Key Performance Indicators													
Passengers/Hour	11.5	10.5	6.5	7.9	9.0	8.3	7.8	7.5	8.0	7.9	8.2	8.6	8.48
Accidents/100,000 Miles	9.5	10.9	0.0	13.5	7.0	0.0	4.8	0.0	0.0	0.0	0.0	0.0	3.81
On-Time %	100%	95%	75%	92%	63%	95%	95%	92%	92%	90%	95%	99%	90%
Cost Recovery Ratio	25.0%	11.1%	10.0%	11.9%	9.4%	9.9%	14.1%	12.1%	14.8%	9.6%	52.9%	14.1%	16%
Revenue per Passenger	\$1.33	\$2.45	\$2.47	\$1.46	\$2.04	\$1.91	\$1.46	\$1.59	\$2.30	\$2.33	\$1.84	\$1.86	\$1.90
Operating Cost per Passenger	\$8.34	\$12.20	\$19.40	\$16.46	\$13.39	\$14.79	\$13.00	\$12.84	\$15.12	\$15.34	\$13.52	\$13.17	\$13.74
Subsidy per Passenger	\$6.26	\$10.84	\$17.46	\$14.50	\$12.13	\$13.33	\$11.16	\$11.28	\$12.88	\$13.87	\$6.37	\$11.31	\$11.50
Passengers/Mile	0.56	0.51	0.25	0.31	0.34	0.32	0.24	0.23	0.25	0.25	0.22	0.27	0.29



Denton County Transportation Authority 2007 – 2008 Budget

Connect Operating Statistics

2008 Budget													
Operating Data	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Total
Passengers	20,653	19,044	18,777	19,849	19,044	19,581	19,849	19,805	19,044	19,849	19,581	19,044	234,120
Vehicle Revenue Hours	3,205	2,996	2,924	3,125	2,946	3,004	3,076	3,053	2,946	3,125	3,004	2,996	36,400
Total Operating Expense	\$125,691	\$124,899	\$137,580	\$133,834	\$119,443	\$126,976	\$122,370	\$137,544	\$149,209	\$165,374	\$145,290	\$119,507	\$1,607,717
Vehicle Revenue Miles	43,851	40,880	39,862	42,654	40,301	41,059	42,076	41,637	40,301	42,654	41,059	40,880	497,214
Farebox Revenue	\$15,544	\$14,591	\$14,424	\$15,067	\$14,590	\$14,901	\$15,067	\$15,024	\$14,590	\$15,067	\$14,901	\$14,590	\$178,360
Days of Operation	27	26	27	27	26	27	26	27	26	26	26	25	316
Key Performance Indicators													
Passengers per Hour	6.44	6.36	6.42	6.35	6.46	6.52	6.45	6.49	6.46	6.35	6.52	6.36	6.43
Cost Recovery Ratio	12%	12%	10%	11%	12%	12%	12%	11%	10%	9%	10%	12%	11%
Revenue per Passenger	\$0.75	\$0.77	\$0.77	\$0.76	\$0.77	\$0.76	\$0.76	\$0.76	\$0.77	\$0.76	\$0.76	\$0.77	\$0.76
Operating Cost per Passenger	\$6.09	\$6.56	\$7.33	\$6.74	\$6.27	\$6.48	\$6.17	\$6.94	\$7.83	\$8.33	\$7.42	\$6.28	\$6.87
Subsidy Per Passenger	\$5.34	\$5.79	\$6.56	\$5.98	\$5.50	\$5.72	\$5.41	\$6.18	\$7.06	\$7.57	\$6.66	\$5.51	\$6.11
Passengers per Mile	0.47	0.47	0.47	0.47	0.47	0.48	0.47	0.48	0.47	0.47	0.48	0.47	0.47

2007 Actuals													
Operating Data	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Total
Passengers	17,600	18,978	23,634	17,611	17,785	19,963	18,495	19,540	19,937	18,338	21,910	17,722	231,513
Vehicle Revenue Hours	1,364	1,914	2,377	2,495	2,302	2,472	2,281	2,419	2,380	2,332	2,690	2,526	27,552
Total Operating Expense	\$88,061	\$112,941	\$127,428	\$139,792	\$103,961	\$119,866	\$103,675	\$128,472	\$134,203	\$133,913	\$126,513	\$120,549	\$1,439,374
Vehicle Revenue Miles	21,770	28,132	34,068	35,527	33,092	36,804	33,894	36,013	35,439	34,751	38,372	33,289	401,151
Farebox Revenue	\$12,269	\$6,553	\$3,479	\$14,477	\$13,442	\$14,736	\$18,778	\$16,705	\$17,516	\$17,516	\$14,736	\$14,972	\$165,179
Days of Operation	26	25	25	26	24	27	25	26	25	25	27	24	305
Key Performance Indicators													
Passengers/Hour	12.9	9.9	9.9	7.1	7.7	8.1	8.1	8.1	8.4	8.6	8.9	7.0	8.73
Accidents/100,000 Miles	0.0	3.6	0.0	2.8	0.0	2.7	0.0	0.0	8.5	2.9	2.6	0.0	1.92
On-Time %	99%	90%	60%	96%	97%	94%	92%	94%	99%	99%	94%	99%	93%
Cost Recovery Ratio	13.9%	5.5%	2.0%	7.4%	10.3%	8.8%	18.2%	13.2%	13.2%	10.1%	10.5%	12.4%	10%
Revenue per Passenger	\$0.70	\$0.35	\$0.15	\$0.82	\$0.76	\$0.74	\$1.02	\$0.85	\$0.88	\$0.96	\$0.67	\$0.84	\$0.73
Operating Cost per Passenger	\$5.00	\$5.95	\$5.39	\$7.94	\$5.85	\$6.00	\$5.61	\$6.57	\$6.73	\$7.30	\$5.77	\$6.80	\$6.22
Subsidy per Passenger	\$4.31	\$6.81	\$6.90	\$9.33	\$6.38	\$7.65	\$4.56	\$5.64	\$5.76	\$6.54	\$5.57	\$5.96	\$6.28
Passengers/Mile	0.81	0.67	0.69	0.50	0.54	0.54	0.55	0.54	0.56	0.58	0.62	0.53	0.59



Denton County Transportation Authority 2007 – 2008 Budget

UNT Operating Statistics

2008 Budget													
Operating Data	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Total
Passengers	232,065	180,597	76,584	111,507	180,760	135,248	159,935	56,768	24,742	19,170	57,843	228,352	1,463,571
Vehicle Revenue Hours	7,149	6,754	3,174	4,535	6,371	5,026	6,817	3,266	1,311	1,446	1,985	6,712	54,546
Total Operating Expense	\$260,715	\$255,163	\$172,091	\$195,252	\$244,143	\$209,784	\$253,264	\$168,763	\$98,567	\$130,350	\$137,363	\$246,172	\$2,371,627
Vehicle Revenue Miles	85,584	80,780	38,484	54,899	76,285	60,436	81,620	42,161	19,135	21,141	24,453	80,471	665,449
Farebox Revenue	\$246,991	\$226,775	\$123,187	\$141,295	\$234,685	\$196,320	\$247,192	\$148,507	\$62,238	\$58,780	\$75,582	\$259,488	\$2,021,040
Days of Operation	23	22	10	14	21	16	22	22	16	19	11	22	218
Key Performance Indicators													
Passengers per Hour	32.46	26.74	24.13	24.59	28.37	26.91	23.46	17.38	18.87	13.26	29.14	34.02	26.83
Cost Recovery Ratio	95%	89%	72%	72%	96%	94%	98%	88%	63%	45%	55%	105%	85%
Revenue per Passenger	\$1.06	\$1.26	\$1.61	\$1.27	\$1.30	\$1.45	\$1.55	\$2.62	\$2.52	\$3.07	\$1.31	\$1.14	\$1.38
Operating Cost per Passenger	\$1.12	\$1.41	\$2.25	\$1.75	\$1.35	\$1.55	\$1.58	\$2.97	\$3.98	\$6.80	\$2.37	\$1.08	\$1.62
Subsidy Per Passenger	\$0.06	\$0.15	\$0.64	\$0.48	\$0.05	\$0.10	\$0.03	\$0.35	\$1.46	\$3.73	\$1.06	(\$0.06)	\$0.24
Passengers per Mile	2.71	2.24	1.99	2.03	2.37	2.24	1.96	1.35	1.29	0.91	2.37	2.84	2.20

2007 Actuals													
Operating Data	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Total
Passengers	225,306	175,337	75,353	108,993	175,524	131,309	155,277	55,115	24,021	19,640	62,654	212,550	1,421,079
Vehicle Revenue Hours	6,125	5,268	2,969	3,223	5,549	4,650	5,847	3,531	1,459	1,461	2,114	3,410	45,606
Total Operating Expense	\$246,978	\$244,052	\$191,328	\$185,711	\$249,498	\$215,128	\$263,531	\$211,186	\$100,104	\$100,442	\$190,214	\$204,286	\$2,402,458
Vehicle Revenue Miles	70,158	62,749	34,584	40,461	69,004	57,499	72,513	43,573	18,202	18,212	26,901	43,116	556,972
Farebox Revenue	\$275,312	\$202,251	\$125,675	\$139,559	\$273,076	\$184,089	\$243,621	\$147,921	\$66,529	\$144,529	\$75,000	\$75,000	\$1,952,562
Days of Operation	31	27	20	28	28	23	30	24	21	21	25	29	307
Key Performance Indicators													
Passengers/Hour	36.8	33.3	25.4	33.8	31.6	28.2	26.6	15.6	16.5	13.4	34.4	62.3	29.83
Accidents/100,000 Miles	5.7	3.2	2.9	7.4	2.9	1.7	2.8	2.3	0.0	0.0	0.0	0.0	2.41
On-Time %	99%	98%	89%	91%	92%	99%	99%	99%	99%	99%	99%	99%	97%
Cost Recovery Ratio	113.6%	69.4%	55.3%	61.8%	92.7%	77.9%	92.9%	71.1%	67.4%	61.7%	53.7%	37%	71%
Revenue per Passenger	\$1.22	\$1.15	\$1.67	\$1.28	\$1.56	\$1.40	\$1.57	\$2.68	\$2.77	\$7.36	\$1.20	\$0.35	\$1.37
Operating Cost per Passenger	\$1.10	\$1.39	\$2.54	\$1.70	\$1.42	\$1.64	\$1.70	\$3.83	\$4.17	\$5.11	\$3.04	\$0.96	\$1.69
Subsidy per Passenger	(\$0.15)	\$0.43	\$1.13	\$0.65	\$0.10	\$0.36	\$0.12	\$1.11	\$1.36	\$1.96	\$1.41	\$0.61	\$0.49
Passengers/Mile	3.21	2.79	2.18	2.69	2.54	2.28	2.14	1.26	1.32	1.08	2.33	4.93	2.55



83

VP Project Management Department



Denton County Transportation Authority 2007 – 2008 Budget

83 – VP Project Management

Department Mission:

The mission of the VP Project Management Department is to direct the development of the rail component of the Service Plan and development and implementation of the Capital Improvement Program. The department has a budget for three positions, the VP PM, design and construction manager and a full time administrative assistant position. The increase of two full time equivalent positions is due to vacancies in 2007 and the addition of the administrative assistant in 2008.

2008 Goals:

- Advance RailDCTA
 - Complete Preliminary Engineering to 35% design by December 2007
 - Advance Final Design to 80% complete by December 2008
 - Contract/Procure station land acquisition
- Design and Procure Bus Operations Facility by April 2008 – and Begin Construction
- Complete initial phase of passenger amenities program

Material Budget Items:

- Increase in Salary, Wages and Benefits of \$155 thousand due to filing 2007 vacancies in 2008 and the addition of a full time administrative assistant in 2008.
- Increase in Services expense of \$99 thousand due to miscellaneous consulting contracts

Table 9 – Project Management Department

Fiscal Year 2008 Denton County Transportation Authority Budget VP - Project Management Department

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 243,577	\$ 88,960	\$ 200,874	\$ -	\$ (154,617)
Services	100,020	525	100,008	-	(99,495)
Materials and Supplies	14,015	3,581	-	-	(10,434)
Utilities	1,440	480	720	-	(960)
Insurance and Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	24,955	7,072	12,916	-	(17,883)
Leases and Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
Total Other Operating Expense	\$ 384,007	\$ 100,618	\$ 314,518	\$ -	\$ (283,389)
Positions					
VP Project Management	1.00	0.67	1.00	-	(0.33)
Administrative Assistant	1.00	0.25	-	-	(0.75)
Design & Construction Manager	1.00	0.08	1.00	-	(0.92)
Full Time Equivalent	3.00	1.00	2.00	-	(2.00)



85

VP Communications and Marketing



85 – VP Communications and Marketing

Department Mission:

The mission of the VP Communications and Marketing is to provide critical external and internal communications support for staff, consultants and the DCTA board of directors, to develop marketing strategies for all DCTA services, and to promote and enhance the organization's brand identity through effective marketing, communications and public relations activities. Additionally, the communications and marketing department manages all media inquiries and public involvement activities related to major service changes and initiatives.

2008 Goals:

- Advance RailDCTA
 - Develop brand identity for RailDCTA Project
 - Develop communications and public involvement strategies for remaining engineering, design and construction phases of RailDCTA project
- Increase ridership on Commuter Express and Connect services
- Raise local, regional and national awareness of DCTA and its current and future services.
- Develop Marketing Plan
- Develop Public Participation Plan

Material Budget Items:

- The communications and marketing department is a new department created August 1, 2007. The communication and marketing function was originally budgeted in the VP – Chief Operating Officers department for 2007.



Denton County Transportation Authority 2007 – 2008 Budget

Table 10 – VP Communications and Marketing Department

Fiscal Year 2008 Denton County Transportation Authority Budget VP - Communications and Marketing

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	\$ 132,043	\$ -	\$ -	\$ -	\$ (132,043)
Services	120,580	-	-	-	(120,580)
Materials and Supplies	22,150	-	-	-	(22,150)
Utilities	720	-	-	-	(720)
Insurance and Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	17,935	-	-	-	(17,935)
Leases and Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
Total Other Operating Expense	\$ 293,428	\$ -	\$ -	\$ -	\$ (293,428)
Positions					
VP Communications & Marketing	1.00	0.16	-	-	(0.84)
Administrative Assistant	0.50	0.08	-	-	(0.42)
Marketing Assistant	1.00	-	-	-	(1.00)
Full Time Equivalent	2.50	0.24	-	-	(2.26)



Capital Expenditure Budget



Denton County Transportation Authority 2007 – 2008 Budget

Capital Budget

The Capital Expenditure Budget includes planned expenditures to support the operational activities of DCTA bus operations and development of the RailDCTA Project. The FY 2008 capital expenditure budget includes rail stations, rail design and design support, park and ride lots, and passenger amenities. Expenditures for the capital budget total approximately \$21.7 million. Table 11 presents the Capital Expenditure Budget for FY 2008.

Capital projects were assessed for inclusion in this budget based on the following criteria:

1. Is the project mandatory as a result of federal or state legal requirements?
2. Is the project necessary to carry out the goals and objectives of DCTA's Service Plan?
3. Is the project dictated by recommended replacement criteria or needed to maintain a state of good repair and quality service?
4. Does DCTA have the necessary resources to implement the project?

Primary to these outlays are the global considerations to advance the RailDCTA project, improve service delivery through high quality, safe, and reliable equipment and amenities, as well as to implement fleet operation standards and system security enhancements.

In general, there are two primary categories in the capital budget with requirements for capital expenditures in the coming fiscal year, Bus Operations and RailDCTA.

In order to comply with guidance provided by Generally Accepted Accounting Principles for revenue recognition and proper accrual of assets and liabilities, the revenue budget excludes a Regional Toll Funding Initiative (RTFI) application for \$313 million. At the time these grants are awarded and the funds are available to DCTA, staff will request budget amendments to add the award to the revenue budget and request the board authority to obligate DCTA under contracts for the following unfunded long lead time capital assets:

1. \$71.5 million to design and build Light Rail – New Technology Vehicles
2. \$11.8 million to design and build a rail vehicle maintenance facility
3. \$23.0 million for rail, ties and other track material



Bus Operations

Project Number: B01-2008 – Security System Video Units

Project Name: On-Board Video Surveillance and Security System

Project Status:

DCTA will solicit potential vendors through a Request for Proposal (RFP) process to design, produce, and install a video surveillance system on five (5) transit vehicles. This system is necessary to comply with FTA required expenditures for security.

Project Need/Purpose/Description:

The implementation of the surveillance and security system is to provide added security to the traveling public as well as provide a mechanism for DCTA to document and verify operational issues that might arise from accidents and incidents both inside and outside the vehicle. The use of video surveillance within transit vehicles is becoming an industry standard and has the potential to reduce insurance costs that could arise from fraudulent claims.

This project will include the necessary camera equipment, wiring, and back-office support structure to initiate the system and outfit the on-board surveillance.

Expenditure Plan Description:

DCTA estimates approximately seven (7) months to complete the project.

Source funds projected are:

- Federal	\$0
- Local	\$71,000
- Total	\$71,000

Project Schedule:

- RFP/Procurement	October 2007 – December 2007
- Board Contract Award	December 2007
- Production	January 2008 - March 2008
- System Installation	April 2008
- Contract Complete	April 2008

Cost Estimates:

- On-Board Cameras (Seven per vehicle)	\$30,000
- Back-Office System (Computer)	\$3,000
- Digital Video Recorder(s)	\$35,000
- Installation	\$3,000



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: B02-2008 – Passenger Amenities Benches and Shelters

Project Name: Passenger Amenities Install Benches and Shelters

Project Status:

As designated recipient and grantee for the Denton-Lewisville FTA 5307 (formula) urbanized area allocation, a portion of these funds are required to be spent on transit enhancements. DCTA has developed a passenger amenities program which will consist of passenger waiting shelters, benches, and signage.

DCTA is currently underway with the procurement phase of this project.

Project Need/Purpose/Description:

Passenger amenities are a vital component of all successful transit operations. Strategically placed waiting areas that are safe, comfortable, and easily identifiable to the transit agency allow passengers to access the service with protection from the elements. These amenities also promote DCTA services as Connect route information can be displayed at each shelter location.

This project will allow DCTA to acquire and install approximately twelve (12) passenger shelters and twenty-four (24) benches along the fixed routes in Denton and Lewisville.

Expenditure Plan Description:

DCTA estimates approximately twelve (12) months to complete the project.

Source funds projected are:

- Federal	\$111,401
- Local	\$32,599
- Total	\$144,000

Project Schedule:

- RFP/Procurement	August 2007 – September 2007
- Board Contract Award	October 2007
- Production/Install	November07 – December 2007
- Contract Complete	December 2007



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: B03-2008 – Mobile Bus Lift

Project Name: Mobile Hydraulic Bus Lift for Maintenance Facility

Project Status:

Upon adoption of the budget, DCTA will solicit potential vendors through a competitive price quotation process to deliver one (1) mobile hydraulic vehicle lift. The lift will be housed in the Maintenance Shop in Denton.

Project Need/Purpose/Description:

The mobile lift is required to perform routine and specialized vehicle maintenance for the DCTA fleet. A mobile or transportable lift was needed in order to minimize costs and to ensure the lift can be relocated to the new Operations and Maintenance facility when completed. The lift will allow DCTA to perform regular preventive maintenance schedules as is required by FTA funded vehicles.

Expenditure Plan Description:

DCTA estimates approximately one (1) month to complete the project.

Source funds projected are:

- Federal	\$0
- Local	\$25,000
- Total	\$25,000

Project Schedule:

- Procurement	October 2007
- Project Complete	November 2007



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: B04-2008 – Supervisor Support Van

Project Name: Supervisor Support Van – ADA Accessible

Project Status:

DCTA Bus Operations supervises the daily service provided in Denton, Highland Village, and Lewisville. An analysis of the fleet used by the street supervisors indicated the need for a larger vehicle equipped with wheelchair access could improve response time to road calls and the movement of personnel.

DCTA will procure this item through the State Procurement Contract that contains pre-bid vehicles and complies with DCTA competitive procurement guidelines.

Project Need/Purpose/Description:

Street supervisors monitor daily operations and respond to service delays and missed trips occasionally by moving passengers on the impacted service directly to destination. At times this requires the use of a wheelchair accessible vehicle which is not currently in the DCTA supervisor fleet. Bringing a wheelchair accessible supervisor vehicle on-line will allow the movement of patrons from both the Connect and Access system in road call situations with a better response time. The vehicle is also more conducive to moving more passengers at one time than is a standard sedan during midday operator relief.

Expenditure Plan Description:

DCTA estimates approximately seven (7) months to complete the project.

Source funds projected are:

- Federal	\$0
- Local	\$35,000
- Total	\$35,000

Project Schedule:

- Procurement State Contract	October 2007 – December 2007
- Board Contract Award	December 2007
- Vehicle Delivery	March 2008
- Contract Complete	April 2008



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: B05-2008 – Park and Ride Facility

Project Name: South Lewisville Park and Ride Facility

Project Status:

In 2007, DCTA was awarded a grant under the Congestion Mitigation Air Quality Improvement Program (CMAQ). The grant is for acquisition or construction of a Park and Ride Facility to be located in South Lewisville. This facility will allow greater benefit to our Commuter Express riders and also provide parking for Ride Share and Car Pooling. DCTA Commuter Express Bus Operations currently leases customer parking spaces from Cinemark Texas Properties, LTD in Lewisville and will be able to terminate this contract after construction of this facility.

Project Need/Purpose/Description:

DCTA has committed to the construction of this facility. The South Lewisville Park and Ride Facility would provide vehicle parking with access to the DCTA Commuter Express and Connect Bus services, as well as future access to RailDCTA Regional Rail service. The project will include property acquisition, design and construction of the facility. A minimum of 200 parking spaces will be provided in the initial phase to serve the existing bus services with expansion to approximately 640 parking spaces to serve both bus and rail services as RailDCTA begins service. The facility will include passenger amenities such as passenger shelters, bike racks, waste receptacles and public notification/information boards. The design will also coordinate access to the site for a Hike and Bike Trail that is proposed to connect South Lewisville with the Denton Rail Trail that currently ends in Corinth.

Expenditure Plan Description:

DCTA estimates approximately twelve (12) months to complete the project. Total expenditures in 2008 are estimated to be \$1,767,578 with the balance of \$534,422 to be paid in 2009

Source funds projected are:

- Federal	\$624,544
- Local 2008	\$1,143,034
- Local 2009	\$534,422
- Total	\$2,302,000

Project Schedule:

- Land Acquisition	January 2008
- Construction	February 2008 – January 2009
- Complete	January 2009



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: B06-2008 – Operations and Maintenance Facility

Project Name: Operations and Maintenance Facility

Project Status:

The Bus Maintenance Facility Project is scheduled to start in November 2007. It will provide a central location to maintain the DCTA Bus Fleet. This facility will include accommodations for the current fleet as well as provide for expansion to handle anticipated fleet growth. General amenities will include; maintenance bays; overhaul bays; in-ground pits; parts and tool storage; specialty repair areas; fuel, oil and lubricant distribution and recovery systems; vehicle wash systems; bus parking; employee parking; supervisory offices and support staff work rooms. The configuration of the maintenance areas and support facilities will be designed to accommodate the variety of buses that make up the DCTA Fleet.

Project Need/Purpose/Description:

DCTA began bus operations with the transfer of assets from the Cities of Denton and Lewisville on October 1, 2005. With the transfer of assets we contracted for leased facilities with the Cities where the vehicles are stored and maintained. With the purchase of new larger vehicles and the implementation of Commuter Express service DCTA has outgrown the current maintenance facility and needs to centralize the operations at a larger facility.

Expenditure Plan Description:

DCTA estimates approximately fourteen (14) months to complete the project. Total expenditures in 2008 are estimated to be \$3,368,322 with the balance of \$3,131,678 to be paid in 2009

Source funds projected are:

- Federal	\$0
- Local 2008	\$3,368,322
- Local 2009	\$3,131,678
- Total	\$6,500,000

Project Schedule:

- Land Acquisition	November 2007
- Construction	December 2007 – January 2009
- Complete	January 2009



RailDCTA

Project Number: R01-2008 – Rail Station Site Acquisition and Preparation

Project Name: Rail Stations

Project Status:

Commencing in January 2008, and continuing through December 2008, DCTA will acquire acreage, design, and start construction for five rail stations.

Project Need/Purpose/Description:

The acquisition of the station sites of the proposed rail stations is necessary and design is necessary to keep the project on schedule for the planned construction commencing in January 2009.

Expenditure Plan Description:

DCTA estimates approximately twelve (12) months to complete this phase of the project.

Source funds projected for FY 2008 are:

- Federal	\$0
- Local 2008	\$5,989,500
- Total	\$5,989,500

Project Schedule:

- Procurement	January to July 2008
- Project Complete	December 2008



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: R02-2008 – Rail Design

Project Name: Rail Design and Design Support

Project Status:

DCTA is currently negotiating change orders required to advance the project to final design stage.

Project Need/Purpose/Description:

This project will advance the RailDCTA Project from the Preliminary Design phase to the Final Design of the project. The Final Design documents will be utilized in the procurement process for the construction of the RailDCTA Project. Final Design will generally include: coordination with governmental agencies, acquiring required permits, preparation of right-of-way maps, property parcel maps and acquisition documentation. Also included are traffic control plans and final design details for the track work, crossings, drainage, utilities, signals, environmental mitigation, corridor improvements, relocation of the existing Denton Rail Trail, station facilities and amenities and the rail maintenance facility. Design support during construction and acceptance testing will also be included in these services.

Expenditure Plan Description:

DCTA estimates approximately twenty-four (42) months to complete the final design and design support during construction of this project.

Source funds projected are:

- Federal 5307	\$2,494,231
- Local 2008	\$5,839,103
- Local 2009 through 2011	\$1,666,666
- Total	\$10,000,000

The total estimated cost for this project is \$10,000,000 to be expended over two fiscal years.

Project Schedule:

- Contract	September 2007 to November 2007
- Project Complete	April 2011



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: R03-2008 – Support Contract

Project Name: Support Contract

Project Status:

Commencing in January 2008 DCTA will issue a RFQ to solicit and contract with potential vendors to provide professional support services to the RailDCTA project.

Project Need/Purpose/Description:

The Support Services Contract will provide professional services to assist DCTA personnel with implementation, monitoring and evaluation of contractor and consultant performance during the final design phase and throughout construction of RailDCTA and other capital projects. The contract is anticipated to provide services in the following specialties: independent cost estimates for construction; construction schedule preparation, review and analysis; contract compliance reviews and audits; construction safety administration, evaluation and inspections; change control administration, evaluation and recommendations; environmental compliance administration, evaluation and inspections during construction; and other support service as needed.

Expenditure Plan Description:

DCTA estimates approximately thirty-nine (39) months to complete the support services project.

Source funds projected for FY 2008 are:

- Federal	\$0
- Local 2008	\$1,000,000
- Local 2009 through 2011	\$1,000,000
- Total	\$2,000,000

The total estimated cost for this project is \$2,000,000 over a three year period

Project Schedule:

- Procurement	January 2008 to December 2010
- Project Complete	April 2011



Denton County Transportation Authority 2007 – 2008 Budget

Project Number: R04-2008 Rail Service Facility

Project Name: Rail Service and Inspection Facility

Project Status:

It is anticipated that funds will be expended in November 2007 for initial acquisition and basic design of a rail service and inspection facility.

Project Need/Purpose/Description:

The rail service and maintenance facility will provide a central location for light maintenance and fueling of the DCTA rail vehicles.

Expenditure Plan Description:

The projected expenditure is the only anticipated expenditure in FY 2008 related to the rail service and inspection facility and is for acquisition of land and basic design work.

Source funds projected for FY 2008 are:

- Federal	\$0
- Local 2008	\$958,320
- Local 2009 and 2010	\$9,555,000
- Total	\$10,513,320

Project Schedule:

- Procurement	November 2007
- Project Complete	December 2010



Denton County Transportation Authority 2007 – 2008 Budget

Table 11 – Capital Expenditure Budget

Fiscal Year 2008 Denton County Transportation Authority Budget Capital Budget

<u>Project Number</u>	<u>Project Description</u>	<u>Project Cost</u>
<u>Bus Operations</u>		
B01-2008	Security System - Video Units	\$ 71,000
B02-2008	Passenger Amenities Install Benches and Shelters	144,000
B03-2008	Mobile Bus Lift for Maintenance Facility	25,000
B04-2008	Supervisor Support Van - ADA Accessible	35,000
B05-2008	South Lewisville Park and Ride Facility	1,767,578
B06-2008	Operations and Maintenance Facility	<u>3,368,322</u>
	Total Bus Operations	\$ 5,410,900
<u>RailDCTA</u>		
R01-2008	Rail Station Site Acquisition and Preparation	\$ 5,989,500
R02-2008	Rail Design and Design Support	8,333,334
R03-2008	Support Contract	1,000,000
R04-2008	Rail Service and Inspection Facility	<u>958,320</u>
	Total RailDCTA	\$ 16,281,154
	Total Capital Expenditures	<u>\$ 21,692,054</u>



Denton County Transportation Authority 2007 – 2008 Budget

Appendix

Glossary of terms:

Glossary of terms is designed to assist the reader in understanding terms associated with public finance.

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 Contributions, Grants and Reimbursements are sources of financing for the transportation operations and DCTA.

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 Assets – The change in equity resulting from the current year activities.

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

Department – 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.

Enhanced Local Assistance Program (ELAP) – An expense incurred through a financial improvement program for DCTA participating cities. This expense is generally 25% of the DCTA sales tax collections and can be used to provide transportation related improvements within the participating cities.

Enterprise Fund – A fund established to account for operations (a) that are financed and operated in a way similar to private business enterprises. Where the intent of the governing body is that the costs (expenses, including depreciation) for providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and tax collections; or (b) where 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.

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.



Denton County Transportation Authority 2007 – 2008 Budget

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.

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.

Miscellaneous – Expense consisting of expenses that can not be attributed to any of the other major expense categories.

Net Investment Income – Consists of interest income from authorized investments, net of interest expense related to debt financing.

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

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.

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

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

Reserves – Funds set aside for economic uncertainties.

Salary, Wages and Fringe 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.



Denton County Transportation Authority 2007 – 2008 Budget

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.

Services – 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.

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



Denton County Transportation Authority 2007 – 2008 Budget

Budget Amendment Number 2007-01 for FY 2007



Board of Directors Memo

April 26, 2007

Subject: 1(c) Approval of Resolution 111-07 for FY 2007 Budget Amendment Number 2007-1

Revenue and Other Income

1. Federal Grant Revenue

Expense

2. URS/EIS Contract Expenditures
3. Branding & Imaging of Buses

Background

The DCTA budget is prepared months in advance of the actual expenditures. It is unlikely that the actual amount of the expenditures will be known at the time of the budget preparation. Therefore, during the fiscal year, it may become necessary to reforecast the annual expenditures and modify the budget by amendment. DCTA's Administrative Procedure Number 2006-01 allows staff to make budget amendments when there is a material change in an operating expense line item that is greater than \$100,000 and twenty-five percent of the budgeted amount. Amending the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff.

Revenue and Other Income

1. The Federal Grants and Reimbursement line item is a revenue source for DCTA and was originally budgeted at \$ 6.7 million for FY 2007. This budget amendment is necessary to reflect the latest information related to DCTA federal grant applications and transfers. Staff is recommending DCTA decrease the FY 2007 budget for Federal Grant and Reimbursements to \$6.1 million. Attachment I provides additional information for this amendment request by month. Based on our current estimates, it is anticipated that there will be a reduction of \$.6 million from the current year budget.

Expense

2. The URS Environmental Impact Study (EIS) was originally budgeted to cost \$7.6 million over a 24 month period starting October 2005 and ending November 2007. Based on the adopted budget, the projected FY 2007 cost was estimated to be \$4.5 million. From the latest URS and staff reforecast in April 2007, staff is proposing a reduction in the FY 2007 budget of \$ 1.4 million. Attachment II provides additional information for current actual and estimated cost.
3. The FY 2007 operating budget did not include expenses for the DCTA branding and imaging. October 2006 the Board approved a contract in the amount of \$123,936 to paint and decal fifteen buses and to decal an additional twenty four buses. Staff is proposing an amendment to increase the budget for branding and imaging expenses by \$123,936 to reflect the amount spent in FY 2007. Attachment III provides additional information for current actual and estimated cost.



Denton County Transportation Authority 2007 – 2008 Budget

Need

In order to improve financial reporting and communicate financial results to the board DCTA needs to approve the proposed budget amendments as allowed by Administrative Procedure Number 2006-01

Financial Impact

The proposed budget amendments reduce the FTA grant revenue budget by \$.6 million and also reduce the current fiscal year operating expense budget by a net \$1.2 million. These budget changes should have the same effect on the DCTA actual results and result in a net cash flow increase of \$.6 million.

Committee Review

Budget Amendment Number 2007-1 was reviewed by the Finance Committee.

Recommendation

It is the staff's recommendation that the Board approve Budget Amendment Number 2007-1 for Federal Grants Revenue, URS/EIS Contract Expenditures, and the Branding/Imaging of DCTA buses.

Sincerely,

A handwritten signature in black ink, appearing to read "John O. Hedrick", is written over a horizontal line.

John O. Hedrick
President

TLH



Denton County Transportation Authority 2007 – 2008 Budget

DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 111-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING FISCAL YEAR 2007 BUDGET AMENDMENT NUMBER 2007-1 ATTACHED HERETO AS EXHIBIT "A", AND PROVIDING AN EFFECTIVE DATE

WHEREAS, DCTA budget is a well calculated estimate as to what will be needed for expenditures in the fiscal year; and

WHEREAS, budget estimates are often prepared months in advance of the actual expenditures and the possibility that the actual amount of the expenditure will be known in exact terms at the time of the budget preparation is unlikely; and

WHEREAS, during the fiscal year, it may become necessary to reforecast the annual expenditures and modify the budget by amendment; and

WHEREAS, the Board of Directors of the DCTA desires to amend the fiscal year 2007 budget as set forth in Exhibit "A".

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

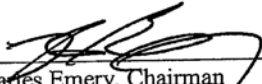
SECTION 1. The Budget Amendment number 2007-1 attached hereto as Exhibit "A" be and the same is hereby adopted; and shall amend the original budget adopted September 21, 2006 from and after the effective date of this resolution.

SECTION 2. That all provisions of the resolutions of the Board of Directors of the DCTA, 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 3. This resolution shall become effective immediately upon its passage and approval.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 26TH DAY OF APRIL, 2007.

APPROVED:


Charles Emery, Chairman

ATTEST:

APPROVED AS TO FORM:


Dottie Palumbo, Secretary


Peter G. Smith, General Counsel



Denton County Transportation Authority 2007 – 2008 Budget

Exhibit A Attachment I

DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

Number: 2007-1

Type: Amendment x
Revision _____

	Current Budgeted Amount	Amendment Adjustment Amount	Adjusted Budget Amount
Revenue and Other Income			
90413xx - Federal Grant Revenue	6,686,806	(589,244)	6,097,562
Total Revenue and Other Income Account Activity	6,686,806	(589,244)	6,097,562

Explanation:

Federal Grant Revenue and Other Income

Based on current grant estimates and applications for FTA 5307 funds staff is requesting a budget amendment to reduce current year budget revenue by \$589,244. See Attachment I for monthly variances and amendment amounts.

Date: 4/18/07

Date: 4-18-07

Date: 4/18/07

Requested By

Reviewed By

President



Denton County Transportation Authority 2007 – 2008 Budget

Attachment I

Federal Grant Revenue Budget Amendment for 2007														
Account	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	TOTAL	
9041310 <u>DCTA 5307 Operating Assistance</u>														
	Budget	147,827	147,067	137,501	141,688	147,260	81,232	-	-	-	-	-	802,575	
	Actual	351,285	146,949	160,661	170,864	195,289	(46,256)	-	-	-	-	-	968,792	
	Variance (Budget vs Actual)	(203,458)	118	(13,160)	(29,176)	(48,029)	127,488	-	-	-	-	-	(166,217)	
9041311 <u>DCTA 5307 Planning</u>														
	Budget	474,761	427,094	300,800	260,022	349,057	302,178	266,283	254,285	140,835	-	-	2,775,315	
	Actual	-	-	-	-	-	1,409,917	184,000	292,000	352,000	220,000	220,000	2,909,917	
	Variance (Budget vs Actual)	474,761	427,094	300,800	260,022	349,057	(1,107,739)	82,283	(37,715)	(211,165)	(232,000)	(220,000)	(134,602)	
9041313 <u>DCTA 5307 Preventive Maint.</u>														
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	
	Actual	47,741	93,468	100,113	105,174	58,758	68,933	60,000	60,000	60,000	60,000	60,000	834,187	
	Variance (Budget vs Actual)	(47,741)	(93,468)	(100,113)	(105,174)	(58,758)	(68,933)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(834,187)	
9041312 <u>DCTA 5307 Capital</u>														
	Budget	681,188	91,200	-	158,400	-	180,000	238,000	208,000	728,000	-	520,000	304,128	3,108,916
	Actual	-	534,240	-	-	-	-	-	-	-	707,369	-	1,241,609	
	Variance (Budget vs Actual)	681,188	(443,040)	-	158,400	-	180,000	238,000	208,000	728,000	-	(187,369)	304,128	1,867,307
9041345 <u>DCTA JARC</u>														
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	
	Actual	6,519	6,108	7,180	8,628	8,000	16,960	14,826	15,532	14,826	16,238	13,414	143,057	
	Variance (Budget vs Actual)	(6,519)	(6,108)	(7,180)	(8,628)	(8,000)	(16,960)	(14,826)	(15,532)	(14,826)	(16,238)	(13,414)	(143,057)	
<u>TOTAL 5307 Grants</u>														
	Budget	1,303,776	665,361	438,301	560,110	496,317	563,410	504,283	462,285	868,835	-	520,000	304,128	6,686,806
	Actual	405,545	780,765	257,954	284,666	262,047	1,449,554	258,826	367,532	426,826	306,826	1,003,607	293,414	6,097,562
	Variance (Budget vs Actual)	898,231	(115,404)	180,347	275,444	234,270	(886,144)	245,457	94,753	442,009	(306,826)	(483,607)	10,714	589,244



Denton County Transportation Authority 2007 – 2008 Budget

Attachment II

DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

Number: 2007-1

Type: Amendment x
Revision _____

	Current Budgeted Amount	Amendment Adjustment Amount	Adjusted Budget Amount
Expense			
8250321 - URS/EIS Contract Expenditure for 2007	4,501,143	(1,346,724)	3,154,419
Total Expense Account Activity	4,501,143	(1,346,724)	3,154,419

Explanation:

URS/EIS Contract Expenditure for 2007:

The URS/EIS project was originally budgeted for \$4,501,143 in FY2007. Expenditures for this project were reforecast in April resulting in a reduction of \$1,346,724 from the current year budget. See Attachment II for monthly variances and amendment amounts.

Date: 4/18/07
Date: 4-18-07
Date: 4/18/07

Requested By Ludovici P
Reviewed By Greg Z. Horvath
President John E. Horvath



URS/EIS Budget Amendment for 2007-1

- 75 -



Denton County Transportation Authority 2007 – 2008 Budget

Attachment III

DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

		Number:		2007- 1
Type:	Amendment	<u> x </u>		
	Revision	<u> </u>		
		Current Budgeted Amount	Amendment Amount	Amended Budget Amount
<hr/>				
Expense				
5650348 - DCTA's 2007 Branding & Imaging		-	123,936	123,936
<hr/>				
Total Expense Account Activity		-	123,936	123,936
<hr/> <hr/>				

Explanation:

Expense

The Board approved an amount of \$123,936 authorizing DCTA through TMDC to perform the following tasks:
Paint and Decal fourteen buses

Decal twelve new Gillig buses and ten Champion buses

As per the DCTA's Administrative Procedure Number 2006-01 when there is a material change in an operating expense line item that is greater than \$100,000 and twenty-five percent of the budgeted amount, this amount needs to be included in the FY 2007 adopted budget as an amendment to the original budget. Amending the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff.

Date: 4/18/07
Date: 4-18-07
Date: 4/18/07

Requested By

Reviwed By

President

[Signature]
[Signature]
[Signature]



Denton County Transportation Authority 2007 – 2008 Budget

Budget Amendment Number 2007-02 for FY 2007



Board of Directors Memo

September 27, 2007

Subject: 1(g) Resolution 117-07 for FY 2007 Budget Amendment Number 2007-2

Background

The DCTA budget is prepared months in advance of the actual expenditures. It is unlikely that the actual amount of the expenditures will be known at the time of the budget preparation. Therefore, during the fiscal year, it may become necessary to reforecast the annual expenditures and modify the budget by amendment. DCTA's Administrative Procedure Number 2006-01 allows staff to make budget amendments when there is a material change in an operating expense line item that is greater than \$100,000 and twenty-five percent of the budgeted amount. Amending the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff.

Expense

The URS Environmental Impact Study (EIS) was originally budgeted to cost \$7.6 million over a 24 month period starting October 2005 and ending November 2007. Based on the adopted budget, the projected FY 2007 cost was estimated to be \$4.5 million. The adopted budget was subsequently amended in April 2007 to reduce the FY 2007 cost estimate to \$3.2 million. From the latest staff reforecast in September 2007, staff is proposing an additional reduction of \$825 thousand, which is a 26% decrease from the amended budget. Attachment I provides additional information for current actual and estimated cost.

Identified Need

In order to comply with Administrative Procedure Number 2006-01 and improve financial reporting, The Board needs to approve the proposed budget amendment. This resolution will change the 2007 amended budget numbers and staff will update the proposed FY 2008 Budget accordingly.

Financial Impact

The proposed budget amendments reduce the current fiscal year operating expense budget by \$825 thousand. This budget change should have the same effect on the DCTA actual results and result in a net cash flow increase of \$825 thousand.

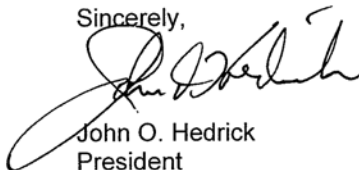
Committee Review

The Finance Committee reviewed this budget amendment September 18, 2007.

Recommendation

Staff recommends the Board of Directors approve Resolution 117-07 for FY 2007 Budget Amendment Number 2007-2.

Sincerely,



John O. Hedrick
President

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Denton County Transportation Authority 2007 – 2008 Budget

DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 117-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING FISCAL YEAR 2007 BUDGET AMENDMENT NUMBER 2007-2 ATTACHED HERETO AS EXHIBIT "A", AND PROVIDING AN EFFECTIVE DATE

WHEREAS, DCTA budget is a well calculated estimate as to what will be needed for expenditures in the fiscal year; and

WHEREAS, budget estimates are often prepared months in advance of the actual expenditures and the possibility that the actual amount of the expenditure will be known in exact terms at the time of the budget preparation is unlikely; and

WHEREAS, during the fiscal year, it may become necessary to reforecast the annual expenditures and modify the budget by amendment; and

WHEREAS, the Board of Directors of the DCTA desires to amend the fiscal year 2007 budget as set forth in Attachment "I".

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


SECTION 1. The Budget Amendment number 2007-2 attached hereto as Attachment "I" be and the same is hereby adopted; and shall amend the original budget adopted September 21, 2006 from and after the effective date of this resolution.

SECTION 2. That all provisions of the resolutions of the Board of Directors of the DCTA, 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 3. This resolution shall become effective immediately upon its passage and approval.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 27TH DAY OF SEPTEMBER, 2007.

APPROVED:


Charles Emery, Chairman

ATTEST:


Dorothy Palumbo, Secretary

APPROVED AS TO FORM:


Peter G. Smith, General Counsel



Denton County Transportation Authority 2007 – 2008 Budget

Attachment I

DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

Number: 2007-2

Type: Amendment x
Revision _____

	Current Budgeted Amount	Amendment Adjustment Amount	Adjusted Budget Amount
Expense			
8250321 - URS/EIS Contract Expenditure for 2007	3,154,419	(825,438)	2,328,981
Total Expense Account Activity	3,154,419	(825,438)	2,328,981

Explanation:

URS/EIS Contract Expenditure for 2007:

The URS/EIS project was originally budgeted for \$4,501,143 in FY2007. Budget Amendment 2007-1 revised the budget to \$3,154,419. Expenditures for this project were reforecast in September resulting in a reduction of \$825,438, which is 26% of the amended budget. See Attachment I amounts for monthly variances and amendment.

Date: 9/21/07



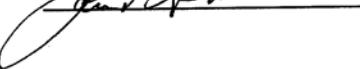
Date: 9/21/07

Date: 9/20/07

Requested By

Reviewed By

President



URS/EIS Budget Amendment for 2007-2

- 80 -



Denton County Transportation Authority 2007 – 2008 Budget

Budget Transfer Number 2007-T1 for FY 2007



Board of Directors Memo

April 26, 2007

Subject: 2(b) Discussion FY 2007 Budget Transfer Number 2007-T1

Revenue and Other Income

1. Investment Income

Expense

2. Various Expense Account Reclassifications

Background

The DCTA budget is prepared months in advance of the actual expenditures. It is unlikely that the actual amount of the expenditures will be known at the time of the budget preparation. Budget Transfers are defined in the DCTA Administrative Procedure Number 2006-01 as a material transfer of funds between departments or specific line items in the budget. Budget transfers may be required due to the material changes in the operating plan or an unforeseen change in contract terms and other unforeseen changes in DCTA service requirements. Transferring the projected budgeted expenses to the appropriate budget line item for material changes will provide better forecasting and management tools for the Board and DCTA staff.

Revenue and Other Income

1. Investment Income (see Attachment I) pertains to a reclassification of investment income to the respective income accounts. The original budget was set up with all interest income booked to a single investment income account. To improve tracking and identify income from our individual investments, staff will transfer \$560,531 from the Investment Income account to three accounts to more accurately classify the types of investment income earned. The three accounts used to book Interest Income are TexStar Interest Income, Sweep Account Income, and Money Market Income.

Expense

2. Expense Transfers (see Attachment II) pertains to the reclassification of FY 2007 budget amounts for the following items:
 - a. The original operating budget for salary and wages in the administration and maintenance departments was overstated, resulting in a favorable variance each month, while the supervisors and dispatchers department was understated. The related medicare and social security budgets were also overstated for administration and maintenance departments with the supervisors and dispatchers department being understated.
 - b. The original operating budget for health insurance was overstated for the UNT, Access, and Commuter Express bus operations departments and understated for the administration, maintenance, and supervisor and dispatcher departments, therefore staff will transfer the amounts as indicated in Attachment II.



Denton County Transportation Authority 2007 – 2008 Budget

- c. The original operating budget for uniform expense was included in the fringe benefit expense. All uniform expense will be accounted for as service expenses. This budget transfer will align the actual expense with the budgeted amounts.
- d. The original budget for workers compensation insurance was classified as a fringe benefit expense. The workers compensation expense should be classified as an insurance expense; therefore staff will transfer the amounts as indicated in Attachment II to insurance expense.
- e. The budget for utilities expense was allocated to the various bus services departments; however, the metered expenses for utilities will be accounted for in the administration and maintenance departments as billed to the locations, therefore staff will transfer the amounts as indicated in Attachment II between the departments.
- f. To more accurately report budget to actual and budgeted expense within the departments, the cell phone / radio expenses related to bus operations will be reallocated to the various bus services departments based on the number of phones utilized in the service, therefore staff will transfer the amounts as indicated in Attachment II to between the departments.
- g. The budget for the Denton Solid Waste Parking lease will be transferred to the Denton Service Facility Rent budget to match the actual lease/rent payments for facilities at this site.

Need

DCTA's Administrative Procedure Number 2006-01 allows the President to approve Budget Transfers and to communicate the transfers to the Board.

Financial Impact

Budget Transfer 2007-T1 and 2007-T2 are reclassification of existing budget amounts to improve reporting and analysis. There is no financial impact related to these transfers.

Committee Review

The Finance Committee has reviewed the budget transfers.

Recommendation

No recommendation required, this is a Board Budget Transfer communication.

Sincerely,

A handwritten signature in black ink, appearing to read "John O. Hedrick", is written over a horizontal line.

John O. Hedrick
President
TLH



Denton County Transportation Authority 2007 – 2008 Budget

Attachment I

DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET TRANSFER

Number: 2007-T1

Type: Transfer Revision x

	Current Budget Amount	Budget Transfer Amount	Adjusted Budget Amount
FROM:			
9040712 - Investment Income	1,282,674	(560,531)	722,143
Total	1,282,674	(560,531)	722,143
TO:			
9040711 - Interest Income TexSTAR		447,153	447,153
9040713 - Sweep Account Income		29,900	29,900
9040714 - Money Market Income		83,478	83,478
Total	1,282,674	0.00	1,282,674

Explanation:

In the adopted budget FY 2007 we budgeted Investment Income as a single amount in account number 9040712 - Investment Income. DCTA will reclass the Investment Income and book it to the respective accounts to improve reporting and analysis. The three accounts are 9040711 - Interest Income TexSTAR, 9040713 - Sweep Account Income, 9040714 - Money Market Income. This is a budget transfer and will not change the original budgeted Investment Income.

Date: 4/18/07
Date: 4-18-07
Date: 4/18/07

Requested By [Signature]
Reviewed By [Signature]
President [Signature]



Denton County Transportation Authority 2007 – 2008 Budget

Attachment II

TRANSPORTATION MANAGEMENT OF DENTON COUNTY, INC. BUDGET TRANSFER

Type:	Transfer Revision	X	Number	2007- T1	
			Current Budget Amount	Budget Transfer Amount	Adjusted Budget Amount
FROM:	5050110 - S&W ST - Admin		324,480.00	(81,561.55)	242,918.45
FROM:	5650110 - S&W ST - Maintenance		421,212.00	(74,376.81)	346,835.19
TO:	5750110 - S&W ST - Sup & Disp		328,638.00	155,938.36	484,576.36
FROM:	5050201 - ER Medicare & OASDI - Admin		25,968.00	(7,526.25)	18,441.75
FROM:	5650201 - ER Medicare & OASDI Ops - Maint		33,696.00	(5,413.60)	28,282.40
TO:	5750201 - ER Medi & OASDI Ops Sup & Disp		26,286.00	12,939.84	39,225.84
FROM:	5150203 - Health Ins Ops - Ct		110,400.00	(70,900.24)	39,499.76
FROM:	5250203 - Health Ins Ops - UNT		91,200.00	(88,763.71)	2,436.29
FROM:	5350203 - Health Insurance Ops- Access		80,400.00	(29,052.70)	51,347.30
FROM:	5450203 - Health Insurance Ops - CE		60,000.00	(37,429.25)	22,570.75
TO:	5450203 - Health Insurance Ops - Maint		0.00	41,815.03	41,815.03
TO:	5750203 - Health Insurance Ops - Sup & Disp		0.00	51,320.38	51,320.38
TO:	5050203 - Health Ins - Admin		0.00	133,010.49	133,010.49
FROM:	5150223 - Uniforms - Ct		5,004.00	(5,004.00)	0.00
FROM:	5250223 - Uniforms - UNT		5,004.00	(5,004.00)	0.00
FROM:	5350223 - Uniforms-Access		2,496.00	(2,496.00)	0.00
FROM:	5450223 - Uniforms - CE		2,496.00	(2,496.00)	0.00
TO:	5350323 - Uniforms - Access		0.00	2,496.00	2,496.00
TO:	5450323 - Uniforms - CE		0.00	2,496.00	2,496.00
TO:	5050323 - Uniforms - Admin		0.00	10,008.00	10,008.00
FROM:	5150230 - Workers Comp - Ct		22,746.00	(22,746.00)	0.00
FROM:	5250230 - Workers Comp - UNT		40,560.00	(40,560.00)	0.00
FROM:	5350230 - Workers Comp - Access		18,420.00	(18,420.00)	0.00
FROM:	5450230 - Workers Comp -CE		8,831.00	(8,831.00)	0.00
FROM:	5650230 - Workers Comp - Maint		16,842.00	(16,842.00)	0.00
FROM:	5750230 - Workers Comp - Sup & Disp		1,644.00	(1,644.00)	0.00
TO:	5350620 - Workers Comp - Access		0.00	18,420.00	18,420.00
TO:	5450620 - Workers Comp -CE		0.00	8,831.00	8,831.00
TO:	5650620 - Workers Comp - Maint		0.00	16,842.00	16,842.00
TO:	5750620 - Workers Comp - Sup & Disp		0.00	1,644.00	1,644.00
TO:	5150620 - Workers Comp Ops - Ct		0.00	22,746.00	22,746.00
TO:	5250620 - Workers Comp Ops - UNT		0.00	40,560.00	40,560.00
FROM:	5150541 - Utilities - Connect		2,400.00	(2,400.00)	0.00
FROM:	5250541 - Utilities - UNT		3,300.00	(3,300.00)	0.00
FROM:	5350541 - Utilities - Access		1,200.00	(1,200.00)	0.00
FROM:	5450541 - Utilities - Commuter Express		900.00	(900.00)	0.00
FROM:	5550541 - Utilities - Reg Connect		900.00	(900.00)	0.00
TO:	5050533 - Utilities - Admin		0.00	2,705.70	2,705.70
TO:	5650541 - Utilities - Maint		0.00	5,994.30	5,994.30
FROM:	5150531 - Telephone/Radio - Connect		9,600.00	(8,686.22)	913.78
FROM:	5350531 - Telephone/Radio - Access		3,600.00	(1,537.70)	2,062.30
FROM:	5550531 - Telephone/Radio - Reg Connect		1,200.00	(1,200.00)	0.00
TO:	5050531 - Telephone/Radio - Admin		0.00	8,337.60	8,337.60
TO:	5250531 - Telephone/Radio - UNT		4,800.00	2,908.11	7,708.11
TO:	5450531 - Telephone/Radio - Commuter Expr		2,400.00	178.21	2,578.21
FROM:	5051212 - Denton Solid Waste Parking Lease		28,872.00	(28,872.00)	0.00
TO:	5051202 -Denton Service Facility Rent		113,760.00	28,872.00	142,632.00
TOTAL			1,799,255.00	(0.00)	1,799,255.00

Explanation:

See Board of Directors Memo: Budget Transfer Number 2007-T1

Date 4-18-07
Date 4-18-07
Date 4/18/07

Requested By

Reviewed By

President



Denton County Transportation Authority 2007 – 2008 Budget

Investment Policy

DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 110-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING INVESTMENT POLICY ATTACHED HERETO AS EXHIBIT "A"; DECLARING THAT THE BOARD OF DIRECTORS HAS COMPLETED ITS REVIEW OF THE INVESTMENT POLICY AND INVESTMENT STRATEGIES OF THE DCTA AND THAT EXHIBIT "A" RECORDS ANY CHANGES TO EITHER THE INVESTMENT POLICY OR INVESTMENT STRATEGIES; APPOINTING THE INVESTMENT OFFICERS AND AUTHORIZING INVESTMENT TRANSACTIONS ON BEHALF OF THE DCTA; APPROVING WIRE TRANSFERS USED IN THE PROCESS OF INVESTING; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, it is the policy of the DCTA that the administration of its funds and the investment of those funds shall be handled as its highest public interest; and

WHEREAS, investments 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 the DCTA and conforming to all applicable state statutes governing the investment of public funds;

WHEREAS, in accordance with the Public Funds Investment Act, Chapter 2256, TEXAS GOVERNMENT CODE, the Board of Directors by resolution adopted an investment policy; and

WHEREAS, Section 2256.005, Tex. Government Code requires the Board of Directors to review the investment policies and investment strategies not less than annually and to adopt a resolution or order stating the review has been completed and recording any changes made to either the investment policies or investment strategies.

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

SECTION 1. That the DCTA Investment Policy attached hereto as Exhibit "A" be and the same is hereby adopted and shall govern the investment policies and investment strategies for the DCTA, and shall define the authority of the investment officials of the DCTA from and after the effective date of this resolution.

SECTION 2. That the Board of Directors of the DCTA has completed its review of the investment policies and investment strategies and any changes made to either the investment policies or investment strategies are recorded in Exhibit "A" hereto.



Denton County Transportation Authority 2007 – 2008 Budget

SECTION 3. The DCTA Chief Financial Officer Terry L. Howerter is hereby designated the Investment Officer and the DCTA President, John O. Hederick is designated the Alternate Investment Officer.

SECTION 4. The Investment Officer and Alternate Investment Officer are hereby authorized to engage in investment transactions on behalf of DCTA

SECTION 5. The Investment Officers authorized by this resolution shall also be authorized to approve wire transfers used in the process of investing.

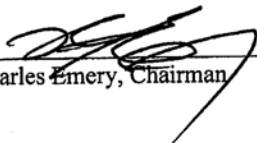
SECTION 6. The Investment Officers shall designate a liaison/deputy in writing in the event circumstances require timely action and the Investment Officers are unavailable.

SECTION 7. That all provisions of the resolutions of the Board of Directors of the DCTA, 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 8. This resolution shall become effective immediately upon its passage and approval.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 26TH DAY OF APRIL, 2007.

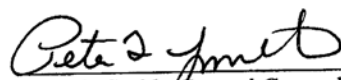
APPROVED:


Charles Emery, Chairman

ATTEST:


Dottie Palumbo, Secretary

APPROVED AS TO FORM:


Peter G. Smith, General Counsel



Denton County Transportation Authority 2007 – 2008 Budget

Exhibit A

DENTON COUNTY TRANSPORTATION AUTHORITY INVESTMENT POLICY

I. POLICY STATEMENT

The Denton County Transportation Authority (DCTA) policy is that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments 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 and conforming to all applicable state statutes governing the investment of public funds.

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

II. SCOPE

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

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

III. OBJECTIVES AND STRATEGY

DCTA's policy is that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety of principal, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity by market sector, credit, and maturity. 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 match anticipated cash flow requirements, the weighted average maturity (WAM) of the overall portfolio may not exceed twelve months.

Safety of Principal

Safety of principal is the foremost objective of DCTA. Investments of DCTA 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, limiting investment types to those specifically authorized by this policy, diversification of investments, and monitoring credit ratings on selected investment types.



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Liquidity

DCTA's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated. The portfolio will be structured so that investments mature concurrent with cash needs. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in investments that offer same-day liquidity for unanticipated cash demands. 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 herein, 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 of the portfolio. "Market yield-to-maturity" may be defined as the rolling average yield of the current six-month Constant Maturity Treasury (CMT).

DCTA 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. Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order 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, Board Policy, and the management of banking services.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct 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 President of DCTA is designated as the Alternate Investment Officer of DCTA. The Investment Officer is responsible for investment management decisions and activities. 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 operation of the investment program which are consistent with this Investment Policy.



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Procedures will include reference to safekeeping, require and include the "Bond Market Association (BMA) 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.

Authorization Resolution

A Trading 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 Trading 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:

"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, 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 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 the DCTA.

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.



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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, its agencies and instrumentalities, and government sponsored enterprises, not to exceed two years to stated maturity, excluding collateralized mortgage obligations (CMOs);

B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of written depository agreement with that bank, not to exceed one year to stated maturity;

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

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

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

If additional types of securities are approved for investment by public funds by state statutes, they will not be eligible for investment by DCTA until this policy has been amended and the amended version 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 made by DCTA will be made through either DCTA's banking services bank or a primary 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 certain criteria as determined by the Investment Officer. The following criteria must be met by those firms on the list:

- A. provision of an audited financial statement each year,
- B. proof of certification by the National Association of Securities Dealers (NASD) and provision of CRD number,



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- C. proof of current registration with the State Securities Commission, and
- D. completion of a DCTA questionnaire.

Every broker/dealer and bank with which DCTA transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm 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 without any discretionary authority to transact business on behalf of DCTA.

If DCTA has contracted with a Registered Investment Advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of DCTA. The advisor shall recommend broker selection criteria to the DCTA Investment Officer for approval. The advisor shall annually present a list of its authorized broker/dealers to the DCTA for review and likewise shall execute the aforementioned written instrument stating that the advisor has reviewed the DCTA investment policy and has implemented reasonable procedures and controls in an effort 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 resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. 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 50%
Fully insured or collateralized CDs	Not to exceed 30%
Repurchase agreements	100%
Money Market Funds	100%
Local Government Investment Pools	
Liquidity Pools	100%
Maximum percent ownership of pool	Not to exceed 10%

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,



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Exhibit A

thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not invest more than 20% of the portfolio for a period greater than one (1) year. Unless matched to a specific requirement, the Investment Officer may not 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 basis and be held in safekeeping by either DCTA, an independent third party financial institution, or DCTA's designated banking services depository.

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

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

Collateralization

Collateralization is required on time and demand deposits over the FDIC insurance coverage of \$100,000, and repurchase agreements.

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

XII. PERFORMANCE EVALUATION AND REPORTING

A comprehensive quarterly investment report shall be prepared by the Investment Officer or Investment Advisor within ten (10) days following the fiscal quarter end and be presented to the DCTA Board the month following the fiscal quarter end. As required by 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
- C. contain a summary statement, prepared in compliance with generally accepted accounting principles that states:
 - a. beginning book and market value for the reporting period;
 - b. additions or changes to the market value during the period;
 - c. ending book and market value for the period; and
 - d. fully accrued interest for the reporting period;
- D. state the beginning book value and market value of each separately invested asset at the beginning and 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



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Exhibit A

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 they provide their latest audited financial statements to DCTA.

XIV. TRAINING REQUIREMENT

The DCTA Investment Officer shall attend at least one investment training session within twelve months of taking office or assuming duties, and not less often than once every two fiscal years shall receive not less than ten hours of instruction relating to investment responsibilities. The investment training session shall be provided by an independent source approved by the Board of Directors. See Attachment I for a list of Board approved independent investment training sources. Contingent upon Board approval, additional "independent sources" from which investment training may be obtained shall include a professional organization, an institute of higher learning, or any sponsor other than a business organization with whom DCTA may engage in an investment transaction. Such training shall include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

XV. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose 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 the DCTA Treasurer or DCTA's independent auditors.



Denton County Transportation Authority 2007 – 2008 Budget

Exhibit A

XVII. INVESTMENT POLICY ADOPTION BY DCTA BOARD

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

Adopted this the 26th day of April, 2007.

BY:

 4/26/07
Chairman Date

ATTEST:

 4-26-2007
Secretary Date

Record of Actions:

Adopted: April 22, 2004

Revised: March 24, 2005

Adopted April 24, 2005

Re-Adopted: April 28, 2005

Adopted April 27, 2006

Adopted April 26, 2007



Denton County Transportation Authority 2007 – 2008 Budget

Attachment I

Board Approved Independent Investment Training Sources

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



Denton County Transportation Authority 2007 – 2008 Budget

Resolution 116-07 - Adoption FY 2008 Operating and Capital Budget



Board of Directors Memo

September 27, 2007

Subject: 5(b) Discussion/Approval of Resolution 116-07 to Adopt FY 2008 Operating and Capital Budget

Background

The Texas Transportation Code Chapter 460 requires the preparation of an annual budget for DCTA. DCTA staff has prepared the proposed FY 2008 budget and presented it to the Board of Directors and public on August 23, 2007 for review and comment. The proposed FY 2008 budget presented in August was increased by \$30 thousand to include additional funding for the Regional Transit Initiative in support of the Joint Recommendation for Regional Rail in North Central Texas. In addition, \$44 thousand was transferred from Salary, Wages, and Benefits expense to Services expenses to reflect the reclassification of compensation for a Contacts Manager position to consulting services. The FY 2008 Operating and Capital Budget is now presented for adoption by the Board of Directors.

Identified Need

DCTA has a legal obligation to prepare an annual budget.

Financial Impact

The FY 2008 Budget document details the financial obligations committed to by the Board upon adoption.

Committee Review

The proposed FY 2008 Budget was reviewed by the Finance Committee September 18, 2007.

Recommendation

Staff recommends the Board of Directors approve Resolution 116-07 to Adopt FY 2008 Operating and Capital Budget.

Sincerely,

John O. Hedrick
President

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Denton County Transportation Authority 2007 – 2008 Budget

DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 116-07

A RESOLUTION PROVIDING FOR ADOPTION OF THE DENTON COUNTY TRANSPORTATION AUTHORITY OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2008, BEGINNING OCTOBER 1, 2007 AND ENDING SEPTEMBER 30, 2008; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH THE BUDGET AS ADOPTED; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the prepared budget has been presented to the public for review and comment; and

WHEREAS, the budget has 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 2008 budget as hereinafter set forth, meets the legal and practical requirements of the 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 2008 attached as Exhibit "A" and Exhibit "B" 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 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.

SECTION 3. 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 27TH DAY OF SEPTEMBER, 2007.

APPROVED:


Charles Emery, Chairman

ATTEST:

APPROVED AS TO FORM:


Dorothy Palumbo, Secretary


Peter G. Smith, General Counsel



Denton County Transportation Authority 2007 – 2008 Budget

Exhibit A

Fiscal Year 2008 Denton County Transportation Authority Budget Statements of Changes in Net Assets - Budget Format

Description	FY 2008 Budget	FY 2007 Forecast	FY 2007 Amended Budget	FY 2006 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Revenue and Other Income					
Passenger revenues	420,825	354,607	442,405	201,552	66,218
Contract Service Revenue	2,027,040	1,960,480	1,915,909	1,644,794	66,560
Sales tax revenue	15,640,441	15,301,586	15,268,063	14,796,379	338,855
Federal grants and reimbursements	3,534,602	4,984,211	6,097,562	2,808,151	(1,449,609)
Total Revenue and Other Income	21,622,908	22,600,884	23,723,939	19,450,876	(977,976)
Operating Expenses					
Salary, Wages and Benefits	4,809,223	4,300,455	4,694,198	755,780	(508,768)
Services	1,266,735	3,705,416	3,405,113	2,361,773	2,438,681
Materials and Supplies	1,538,198	1,388,440	1,427,339	73,340	(149,758)
Utilities	68,820	73,050	43,200	10,471	4,230
Insurance, Casualties and Losses	453,048	382,065	300,767	135,434	(70,983)
Purchased Transportation Service	-	(38,904)	-	4,075,845	(38,904)
Miscellaneous	287,828	133,320	213,415	81,851	(154,508)
Leases and Rentals	315,708	318,048	344,337	194,116	2,340
Depreciation	1,320,046	1,369,271	1,609,650	914,830	49,225
Total Operating Expenses	10,059,606	11,631,161	12,038,019	8,603,440	1,571,555
Income Before Non-Operating Revenue and Expense	11,563,302	10,969,723	11,685,920	10,847,436	593,579
Non-Operating Revenues / (Expense)					
Enhanced Local Assistance Program	(1,042,184)	(3,825,397)	(3,817,016)	(3,699,095)	2,783,213
Investment Income (Net)	1,072,746	1,290,749	1,282,674	752,797	(218,003)
Total Non-Operating Revenue / (Expense)	30,562	(2,534,648)	(2,534,342)	(2,946,298)	2,565,210
Change in Net Assets	11,593,864	8,435,075	9,151,578	7,901,138	3,158,789
Net Assets, Beginning of Year	31,243,236	22,808,161	22,808,161	14,907,023	8,435,075
Net Assets, End of Year	42,837,099	31,243,236	31,959,739	22,808,161	11,593,864



Denton County Transportation Authority 2007 – 2008 Budget

Exhibit B

Fiscal Year 2008 Denton County Transportation Authority Budget Capital Budget

<u>Project Name</u>	<u>Cost</u>
<u>BUS OPERATIONS</u>	
Security System (Video Units) for 5 Buses	71,000
Passenger Amenities (Benches Shelters)	144,000
1 set of mobile lifts	25,000
Supervisor Support Van with ADA accessibility	35,000
Park and Ride Facility - Total Budget \$2,292,578	1,767,578
Operations and Maintenance Facility - Total Budget \$6,500,000	3,368,322
<u>RailDCTA</u>	
Rail Stations	5,989,500
Rail Design and Design Support - Total Budget \$10,000,000	8,333,334
Support Contract - Total Budget \$2,000,000	1,000,000
Rail Service and Inspection Facility	958,320
Total Capital Expenditures	21,692,054