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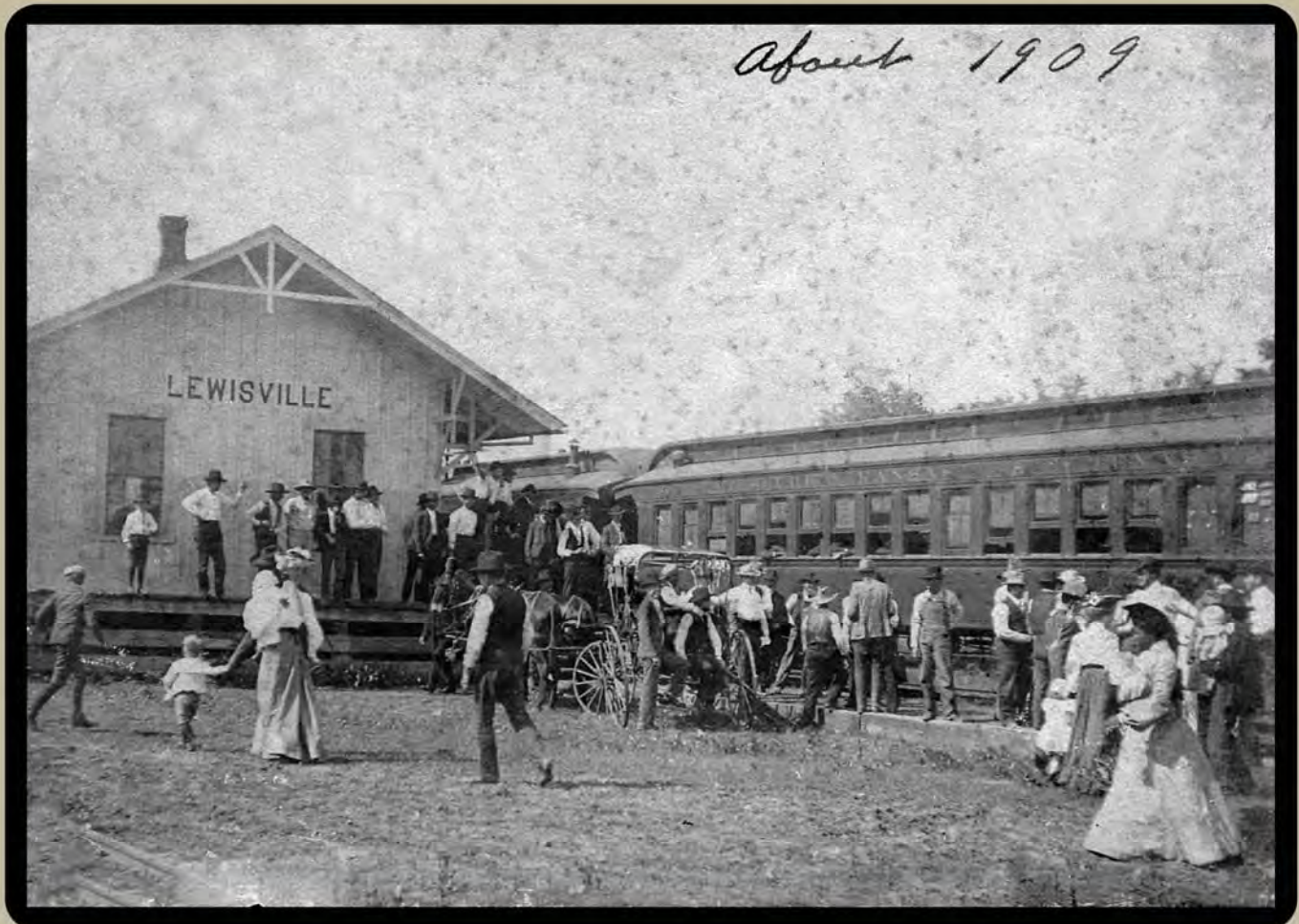
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# **Denton County Transportation Authority**

**2008-2009 OPERATING & CAPITAL BUDGET  
AS ADOPTED SEPTEMBER 25TH, 2008**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Denton County Transportation Authority  
Texas**

For the Fiscal Year Beginning

**October 1, 2007**

*Charles S. Cox*

President

*Jeffrey R. Enos*

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, 2007.

# **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) 2008 – 2009 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. In November 2007, DCTA expanded Access service and in December 2007, Route 22 servicing the Highland Village area was launched as a pilot program. We will continue to evaluate bus services to provide cost effective service to our riders. In the 2009 budget year, DCTA will begin construction on a new \$8.1 million facility for bus operations. 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.

### **The Rail Project**

In 2005, DCTA's Board of Directors adopted the consultant's recommendation that regional rail along the former Missouri-Kansas-Texas Railroad (MKT) corridor be selected as the Locally Preferred Alternative. DCTA completed the Final Environmental Impact Determination (FEID) for the proposed passenger rail line between Denton and Carrollton. The FEID presents the rail project's purpose and need, describes alternatives considered and identifies the potential environmental impacts and proposed mitigation for the regional rail service.

On August 3, 2007 DCTA submitted a Regional Toll Revenue Funding Initiative (RTRFI) request for funding to the North Central Texas Council of Governments (NCTCOG). The funding request was for 80% funding for a \$313 million regional rail 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, ten Light Rail New Technology Vehicles, and a rail vehicle maintenance facility. On January 24, 2008, the Regional Transportation Commission (RTC) approved RTRFI funding of \$57.2 million for the Light Rail Vehicles and the remaining \$193 million was approved on August 21, 2008. At this time, DCTA is 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 2008 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

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## 2009 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 2008 – 2009 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 connecting Denton County 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**

<b>Board Member</b>	<b>Position</b>	<b>Appointed by</b>
Charles Emery	Chairman	Lewisville
Charles Correll	Vice – Chairman	Denton County Unincorporated
Dorothy Palumbo	Secretary	Highland Village
Jeff Snowden	Treasurer	Frisco
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
Guy L. McElroy	Member	Denton
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.

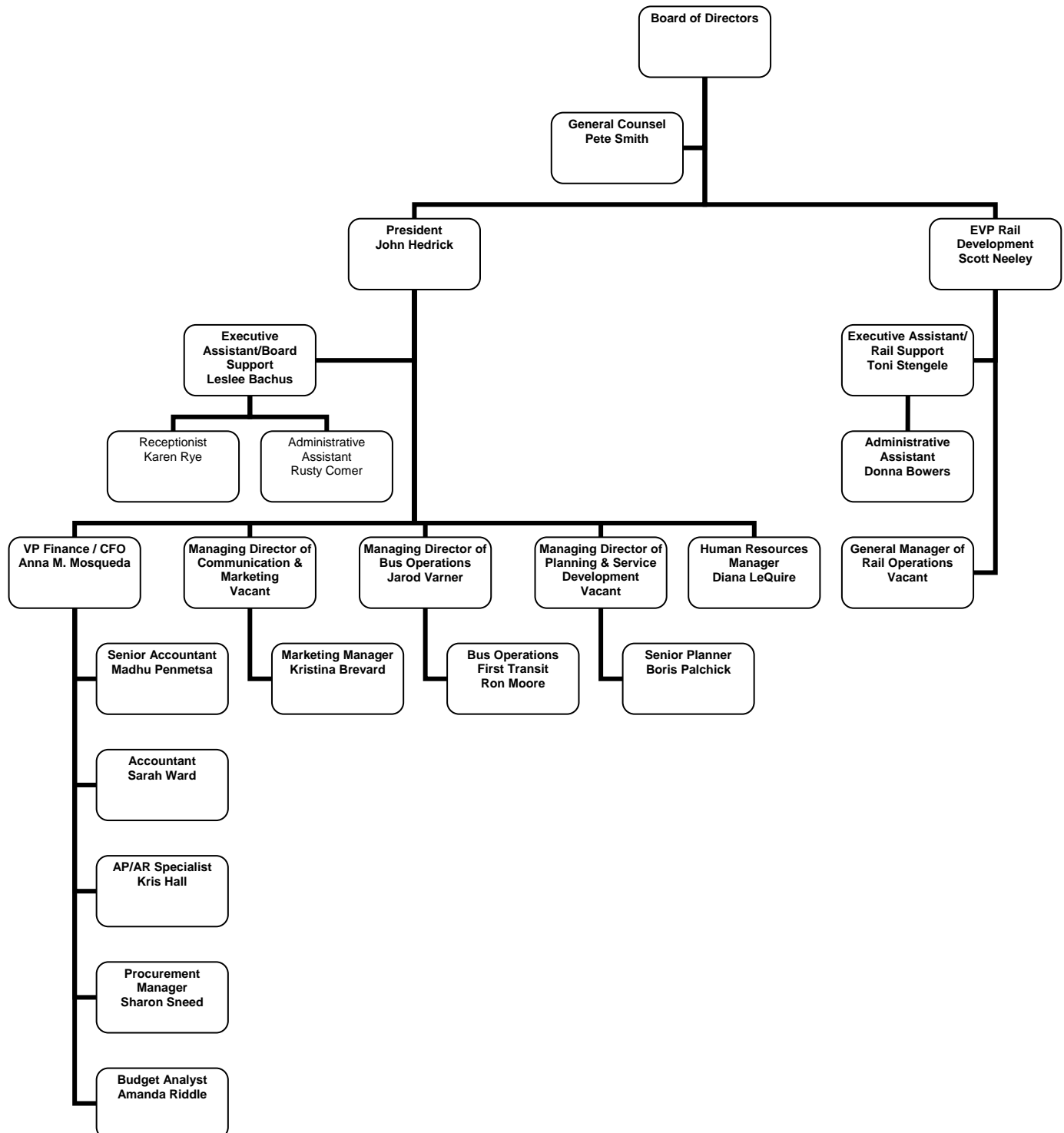




## Denton County Transportation Authority 2008 – 2009 Budget

### DCTA Organization Chart

Currently, DCTA has a staff of fifteen full time associates. The 2009 budget provides for a staff of twenty full time equivalent positions, an increase of three positions over the 2008 budget of seventeen. The organization chart for the 2009 staffing plan is outlined below:





## Denton County Transportation Authority 2008 – 2009 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. In previous budget periods, each department was represented as a separate entity. The FY 2009 budget structure has changed to represent a more functional overview of DCTA. The individual departments are now grouped under the following divisions: G&A Support Services, Rail Services, and Bus Services. The G&A Support Services division represents the departments of the President, Chief Financial Officer, Managing Director of Communications & Marketing, Managing Director of Bus Operations, Managing Director of Planning & Service Development, and Human Resources. Rail Services correspond to the Rail Development Team, which consists of the Executive Vice President of Rail Development and supporting staff. Bus Services signify the Transit Management of Denton County staff that supports all of the day to day bus services for DCTA.

As seen in the table below, the FY 2008 Budget included seventeen full time equivalent (FTE) positions. The FY 2009 Budget reflects the reorganization of the DCTA staff and structure. It accounts for the elimination of two positions previously budgeted and an additional five new positions to accommodate the growing needs of the company.

**Fiscal Year 2009 Denton County Transportation Authority Budget  
Full Time Equivalent Staff Summary by Division**

Division	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
G&A Support Services	16.25	15.18	17.00	13.05	(1.07)
Rail Services	4.15	-	-	-	(4.15)
<b>Total DCTA FTE Staff</b>	<b>20.40</b>	<b>15.18</b>	<b>17.00</b>	<b>13.05</b>	<b>(5.22)</b>
Bus Services	101.12	107.04	99.85	98.16	5.92
<b>Total FTE Staff with Operations</b>	<b>121.52</b>	<b>122.22</b>	<b>116.85</b>	<b>111.21</b>	<b>0.70</b>

### 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 in 2010.

### The Rail 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 connecting Denton County with DART light rail transit facilities. DCTA intends to partner with DART to develop a seamless service for DCTA and DART riders.

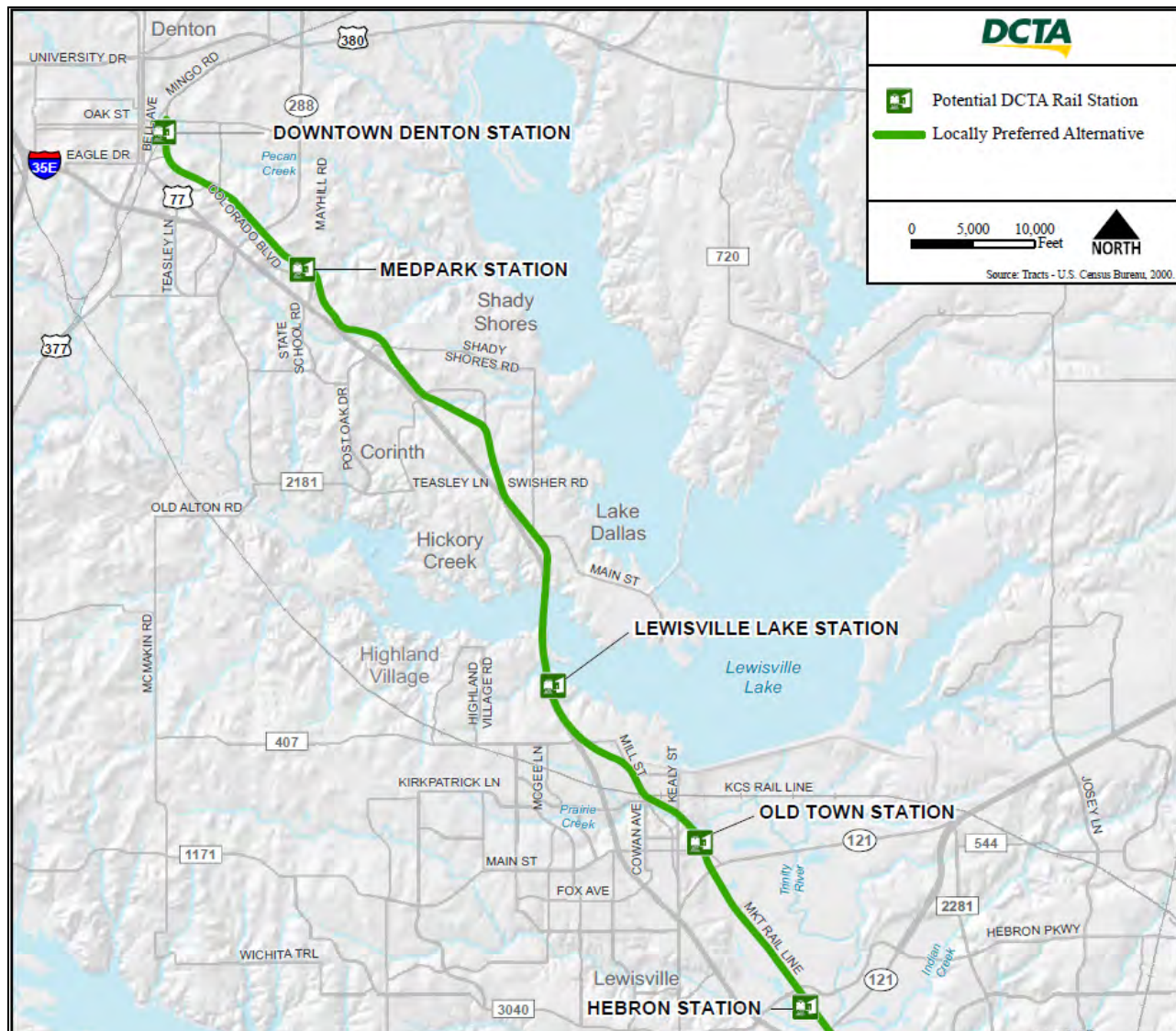
In 2004-2005, DCTA conducted an Alternatives Analysis Study that considered many alternatives. This included extensive community and citizen involvement and identified the proposed rail line as the best and most cost-effective mobility solution for the county and region. It cited the impacts of projected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



## Denton County Transportation Authority 2008 – 2009 Budget

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 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.

August 3, 2007, DCTA submitted a Regional Toll Revenue 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 rail 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. On January 24, 2008, the Regional Transportation Commission (RTC) approved RTRFI funding of \$57.2 million for the Light Rail Vehicles and the remaining \$193.0 million was approved on August 21, 2008. At this time, DCTA is 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.





## **Denton County Transportation Authority 2008 – 2009 Budget**

### **DCTA Commuter Express**

DCTA's Commuter Express started May 30, 2006 and provides a comfortable express coach service from Denton and Lewisville to the Dallas Central Business District (CBD), as well as reverse trips from Dallas to the 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 in late 2010. This has been a popular service and provides approximately 87,000 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. Commuter Express coaches operate daily from each location and for the reverse commute in the morning. 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 park and rides in Lewisville and 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 2009 budget reflects an increase in this service of .73% from the 2008 forecast.

### **DCTA Connect – Fixed Route and UNT Bus Service**

In December 2007, DCTA launched its Connect service in Highland Village under a pilot program. The service now operates in Denton, Lewisville, and Highland Village.

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, 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.

DCTA Connect service in the City of Highland Village operates Monday through Friday from approximately 7:15 a.m. to 6:10 p.m., with no service on Saturday. Destinations include the Wal-Mart, The Shops of Highland Village, and the Kroger at FM 407.

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 2009 budget reflects an increase in this service of 4.73% over the 2008 forecast.





## Denton County Transportation Authority 2008 – 2009 Budget

### DCTA Access – Paratransit Services

The DCTA Access service offers curb to curb ADA Paratransit service in Denton, Lewisville, and Highland Village and elderly and disabled demand-response (Non-ADA) service for the residents of Denton, Lewisville, Highland Village, Hickory Creek, and Corinth. Access passengers can schedule trips to begin and end anywhere in the participating cities listed above. Paratransit service is provided by DCTA for residents living within ¾-mile from the Connect local fixed transit routes and is available to residents with Americans with Disabilities Act eligibility. All other trips within the service area are classified as Non-ADA. 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.

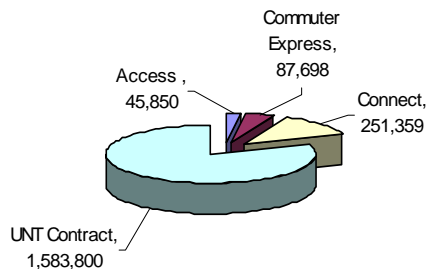
The 2009 budget reflects an increase in this service of .09% over the 2008 forecast.

The following table presents DCTA Ridership information by type of service. The budget includes a 5.6% increase in Ridership primarily due to growth in the Connect and UNT Contract service.

### Fiscal Year 2009 Denton County Transportation Authority Budget Denton County Transportation Authority Ridership Statistics

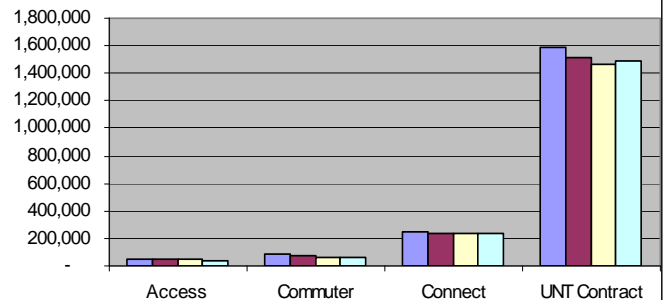
Service	2009 Budget	2008 Forecast	2008 Amended Budget	2007 Actual	2006 Actual
Access	45,850	44,134	50,652	36,752	41,721
Commuter Express	87,698	74,011	56,261	61,344	16,333
Connect	251,359	234,410	234,120	236,085	185,154
UNT Contract	1,583,800	1,512,475	1,463,571	1,491,178	1,277,226
<b>Total Riders</b>	<b>1,968,707</b>	<b>1,865,030</b>	<b>1,804,604</b>	<b>1,825,359</b>	<b>1,520,434</b>
<b>Percent of Increase / (Decrease)</b>	<b>5.6%</b>	<b>2.2%</b>	<b>-1.1%</b>	<b>20.1%</b>	<b>6.5%</b>
<b>Revenue per Rider</b>	<b>\$ 1.44</b>	<b>\$ 1.42</b>	<b>\$ 1.36</b>	<b>\$ 1.32</b>	<b>\$ 1.21</b>
<b>Cost per Rider</b>	<b>4.21</b>	<b>4.07</b>	<b>3.98</b>	<b>3.93</b>	<b>3.43</b>
<b>Subsidy per Rider</b>	<b>\$ 2.77</b>	<b>\$ 2.65</b>	<b>\$ 2.62</b>	<b>\$ 2.60</b>	<b>\$ 2.22</b>

2009 Riders by Service



Access Commuter Express Connect UNT Contract

2009 Riders by Service



2009 Budget 2008 Forecast 2008 Amended Budget 2007 Actual

### Current DCTA Bus Service Routes





### **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.





## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Enhanced Local Assistance Program**

The Enhanced Local Assistance Program (ELAP) was a mobility improvement program for participating member cities. It provided financial assistance for mobility projects approved by DCTA for a maximum period of four years. Funding was available to participating cities at an amount equal to twenty-five percent of DCTA sales and use tax collections from the respective city. DCTA paid \$10.4 million to the participating cities for approved transit projects in FY08, for a total of \$14.3 million in financial assistance. The cities are required to report expenditures of the final fund transfer for the approved program projects to DCTA on a monthly basis with the required documentation. If any find that a fund transfer balance exists after completion of the programmed projects, the unexpended balance shall be returned to DCTA on or before January 1, 2009. 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 – \$.5 Million Project**

ELAP funds were used to improve East Hickory Street, a major collector, from Bell Avenue to Exposition. The project has improved traffic flow and increased vehicular capacity, which has positively impacted 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.

#### **Denton – Shady Oaks & Brinker - \$1.5 Million**

ELAP funds will be used to construct and replace a section of pavement for the Shady Oaks roadway. This transit related street improvement will improve the circulation in this area by completing these streets and advance mobility on two of Denton's projected busier thoroughfares. This project will also reduce maintenance costs to DCTA and citizen vehicles by providing more linkages that currently require vehicles to take more circuitous routes.



## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Denton – Mingo Street Reconstruction - \$.7 Million**

ELAP funds will be used to improve Mingo Street, a major secondary arterial. The project will improve the corridor and advance mobility on one of Denton's busiest thoroughfares, positively impacting DCTA services. This corridor is used by DCTA Connect and Access.

### **Denton – Advanced Traffic Management System - \$.2 Million**

ELAP funds will be used to purchase and install an Advanced Traffic Management System for the City of Denton's traffic signal system. This would allow a traffic operations center to monitor and respond to trouble calls more effectively, would allow for a reduction in delays at intersections, and in turn would lower emissions, fuel consumption, and wear and tear on equipment. This would positively impact all of the services offered by DCTA.



### **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 – \$4.2 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.

### **Lewisville – Valley Ridge Boulevard - \$.9 Million**

ELAP funds will be used to design and complete Valley Ridge Boulevard from business 121 to the Rail Yards Sports Complex south of business 121. This will improve traffic flow, which will have a positive impact on DCTA Connect and Access.



### **Highland Village – Inland Trails – \$.05 Million Project:**

ELAP funds provided 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.

### **Highland Village – Thirty-Five Passenger Shuttle Bus - \$.1 Million**

ELAP funds will be used to acquire, maintain, and operate a thirty-five passenger shuttle bus in the City of Highland Village. It will be used to provide shuttle service to the elderly or disabled residents of Highland Village. Future plans for the service include transporting citizens to the DCTA rail stations, increasing use of public transportation, increased mobility, and a decrease in roadway congestion.



## Denton County Transportation Authority 2008 – 2009 Budget

### Highland Village – Bus Shelter - \$.05 Million

ELAP funds will be used to design and construct a bus shelter for DCTA Connect Route 22 in the retail center located in the northeast corner of FM 407 and FM 2499 in the City of Highland Village. The project will increase the comfort of the DCTA Connect passengers by providing an ADA accessible area to wait for the bus.

### Highland Village – ADA Accessible Ramps, Crossings, & Signalization - \$.1 Million

ELAP funds will be used for the design, construction, and maintenance of ADA accessible ramps and at-grade pedestrian crossings and the related signalization. The project will have a positive impact on DCTA service.





## **Denton County Transportation Authority 2008 – 2009 Budget**

### **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, objectives for the coming year, and a snapshot view of the following four years.

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 are the plans to develop and launch the rail service. One of our primary goals for 2009 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 sources 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 2008 – 2009 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.

### **Debt Policy**

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.

A bond issued by DCTA may have a maturity of up to 30 years from the date of issuance. A bond, any portion of which is secured by sales tax revenues and that has a maturity of five years or longer, may not be issued until an election is held and the proposition is approved by a majority of the votes.

DCTA may issue negotiable notes payable from any of the revenue sources to pay for any lawful expenditure, other than principal and interest on debt. The notes shall be payable over a period not to exceed five years from the date of issuance and DCTA may not have outstanding notes in excess of \$10 million at any one time.

Please refer to Chapter 460 of the Texas Transportation Code for further information.





## Denton County Transportation Authority 2008 – 2009 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"><li>1. Finance Department provides forms and format for staff to prepare the department's first draft budget.</li><li>2. Staff prepares documentation and support for draft budget.</li><li>3. Staff strives to be fiscally responsible by basing their estimates on historical data, adjusted for any economic trends or possible rate changes.</li><li>4. Finance compiles the first draft budget for review by the President.</li></ol>
June	Second draft budget prepared <ol style="list-style-type: none"><li>1. President's budget changes incorporated after first draft review.</li><li>2. Deadline for staff to submit their respective departmental budgets with final changes.</li><li>3. Finance compiles the second draft budget for the President's review.</li></ol>
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"><li>1. Any changes are made and the budget is updated.</li></ol> 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.





## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Accomplishments and Goals**

#### **Fiscal Year 2008 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
- DCTA paid \$10.4 million to the participating cities for approved transit projects through ELAP in FY08, for a total of \$14.3 million in financial assistance
- Updated system security and safety plans
- Implemented DCTA Connect service to Highland Village
- Added a Park-and-Ride Facility at FM 407 serving the residents of North Lewisville & Highland Village
- Adopted the DCTA Public Involvement Plan
- Secured \$20 Million in funding through a Bond Issuance of Sales Tax Revenue Bonds
- Secured over \$250 Million in funding for the Rail Project through the Regional Tollway Revenue Funding Initiative (RTRFI)
- Advanced the Rail Project design to a level of 65% completion
- Completed design of passenger amenities along the Connect bus route
- Identified and finalized rail station locations
- Finalized the Bus Operations & Maintenance Facility location and secured the land
- Developed and awarded the CM/GC and Support Services RFQ for the Rail Project
- Developed and awarded the Rail Car RFP for the Light Rail Vehicles
- DCTA was recognized by the FTA for creatively boosting ridership by 17% over a 2 year period and was awarded the "Success in Enhancing Ridership Award"



### **Fiscal Year 2009 Goals and Objectives**

The goals and objectives for Fiscal Year 2009 continue to build on the foundation created by the accomplishments of prior years. In FY 2009, DCTA will advance the Rail Project to achieve rail connectivity between Denton and Dallas by December 2010. In addition, local transit service improvements will be implemented. The FY 2009 goals are:

- Advance the Rail Project
- Review additional funding sources and execute the DCTA financial plan
- Complete the final design for the Rail Project
- Finalize land acquisitions and station designs
- Begin construction on the Rail Project
- Improve Customer Focus and Service Delivery
- Provide safe and reliable transit services
- Deliver quality service to our customers



## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Budget Categories and Description**

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

- Revenue and Other Income
  - Revenue and Other Income is the source of income and cash to fund operating expenses for the day-to-day operations of DCTA
- Operating Expenses
  - Operating Expenses are the cost of providing the transportation services and planning and development of new services.
- Non-Operating Revenues and Expenses
  - Non-Operating Revenues and Expenses are incidental revenues and expenses that are not generated through the regular operating activities of DCTA.
- Capital Expenditures
  - Capital Expenditures 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 2009 budget, FY 2008 forecast, FY 2008 amended budget, FY 2007 actual results, and the variance from FY 2009 budget compared to FY 2008 forecast. The FY 2008 forecast consists of nine months actual financial results and three months projected.



## Denton County Transportation Authority 2008 – 2009 Budget

### Statement of Changes in Net Assets Budget Format

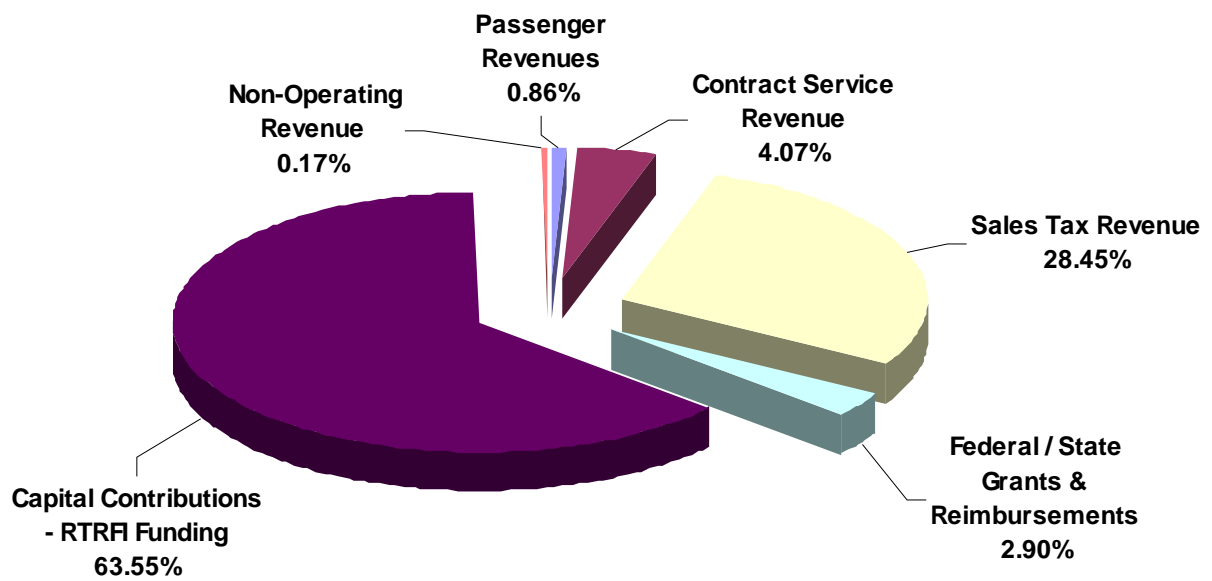
#### Fiscal Year 2009 Denton County Transportation Authority Budget Statements of Changes in Net Assets - Budget Format

	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
<b>Revenue and Other Income</b>					
Passenger Revenues	493,082	470,557	426,825	390,692	22,525
Contract Service Revenue	2,343,824	2,181,444	2,021,040	2,026,719	162,380
Sales Tax Revenue	16,385,000	15,905,351	15,640,441	15,530,584	479,649
Federal / State Grants & Reimbursements	1,669,612	3,459,601	3,416,684	5,932,487	(1,789,989)
Capital Contributions - RTRFI Funding	36,594,000	-	-	-	36,594,000
<b>Total Revenue and Other Income</b>	<b>57,485,518</b>	<b>22,016,953</b>	<b>21,504,990</b>	<b>23,880,482</b>	<b>35,468,565</b>
<b>Operating Expenses</b>					
Salaries, Wages & Fringe Benefits	5,320,148	4,891,187	4,809,223	4,357,178	(428,961)
Services	1,369,104	975,923	1,171,252	3,489,508	(393,181)
Materials & Supplies	2,361,439	1,671,146	1,538,198	1,404,945	(690,293)
Utilities	75,168	66,259	68,820	76,865	(8,909)
Insurance, Casualties & Losses	490,469	439,122	453,048	388,924	(51,347)
Purchased Transportation Service	-	-	-	(38,904)	-
Miscellaneous	197,648	189,907	287,828	143,361	(7,741)
Leases & Rentals	299,694	320,470	315,708	319,087	20,776
Depreciation	1,019,428	1,384,254	1,320,046	1,379,929	364,826
<b>Total Operating Expenses</b>	<b>11,133,098</b>	<b>9,938,268</b>	<b>9,964,123</b>	<b>11,520,893</b>	<b>(1,194,830)</b>
<b>Income Before Non-Operating Revenue and Expense</b>	<b>46,352,420</b>	<b>12,078,685</b>	<b>11,540,867</b>	<b>12,359,589</b>	<b>34,273,735</b>
<b>Non-Operating Revenue / (Expenses)</b>					
Enhanced Local Assistance Program	-	(1,067,836)	(1,042,184)	(3,882,647)	1,067,836
Net Investment Income / (Expenses)	1,372,929	1,043,067	1,072,746	1,319,946	329,862
Non-Operating Revenue / (Expenses)	(1,470,000)	(234,947)	(300,000)	-	(1,235,053)
<b>Non-Operating Revenue</b>	<b>(97,071)</b>	<b>(259,716)</b>	<b>(269,438)</b>	<b>(2,562,701)</b>	<b>162,645</b>
<b>Change in Net Assets</b>	<b>46,255,349</b>	<b>11,818,969</b>	<b>11,271,429</b>	<b>9,796,888</b>	<b>34,436,380</b>
<b>Net Assets, Beginning of Year</b>	<b>36,522,880</b>	<b>24,703,911</b>	<b>24,703,911</b>	<b>14,907,023</b>	<b>11,818,969</b>
<b>Net Assets, End of Year</b>	<b>82,778,229</b>	<b>36,522,880</b>	<b>35,975,340</b>	<b>24,703,911</b>	<b>46,255,349</b>

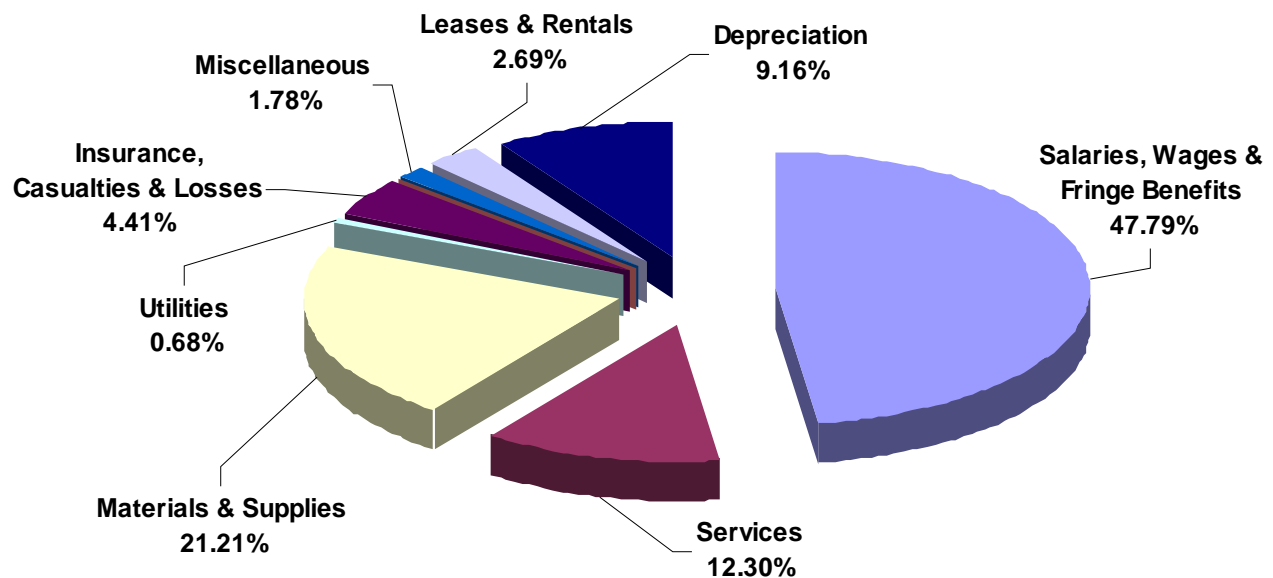


## Denton County Transportation Authority 2008 – 2009 Budget

### DCTA Operating Revenues - 2009



### DCTA Operating Expenses - 2009



**Balanced Budget**



## Denton County Transportation Authority 2008 – 2009 Budget

DCTA is committed to maintaining a balanced budget, where expenses do not exceed current year revenues and reserve balances. The FY 2009 budgeted revenue, less operating expense without depreciation, is \$47.4 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 rail 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. 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 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 2009 budget and FY 2008 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 \$23 thousand)**

Passenger Revenue consists of fare box collections and ticket sales for the DCTA bus and paratransit services. The 2009 budget includes increased passenger revenue over the 2008 forecast of \$23 thousand primarily due to a combined increase of 1.72% in ridership on the DCTA Connect, Access, and Commuter Express services.

**2. Contract Service Revenue (Favorable \$162 thousand)**

Contract Service Revenue consists of revenue or income related to providing transit services to UNT and other non-member cities. The 2009 budget is higher than the 2008 forecast by \$162 thousand mainly due to a substantial increase in fuel costs, which are passed through to UNT. The balance of the variance is attributable to a contracted 3% increase in the UNT contract price.

**3. Sales Tax Revenue (Favorable \$480 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 2009 budget year is based on the 2008 revenue and is a conservative estimate with a 2% increase over the last period.

**4. Federal and State Grant Revenue (Unfavorable \$1.8 million)**

Grant revenue consists of revenue or income from various grants available to DCTA. Our 2009 budget is lower than 2008 forecast by \$1.8 million. This decrease is mainly attributed to a decrease of \$1.8 million in 5307 grants that DCTA received in prior periods for the planning phase of the rail project. These 5307 funds offset expenses incurred by DCTA for the Environmental Impact Study. DCTA also received \$625 thousand in FY 2008 from CMAQ funds for the Hebron Park & Ride Facility.

**5. Capital Contributions – RTRFI Funding (Favorable \$36.6 million)**

For the 2009 budget we are anticipating a significant increase in funding resulting from the Regional Toll Revenue Funding Initiative (RTRFI) related to the financing of the rail project. DCTA will receive 80% funding for the \$312.7 million project and expects to receive \$36.6 million in FY 2009 based on our capital expenditure schedule.





## Denton County Transportation Authority 2008 – 2009 Budget

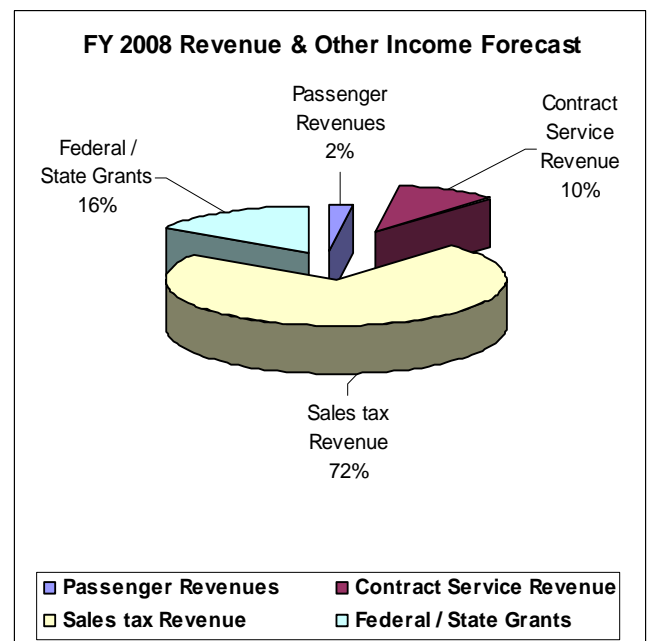
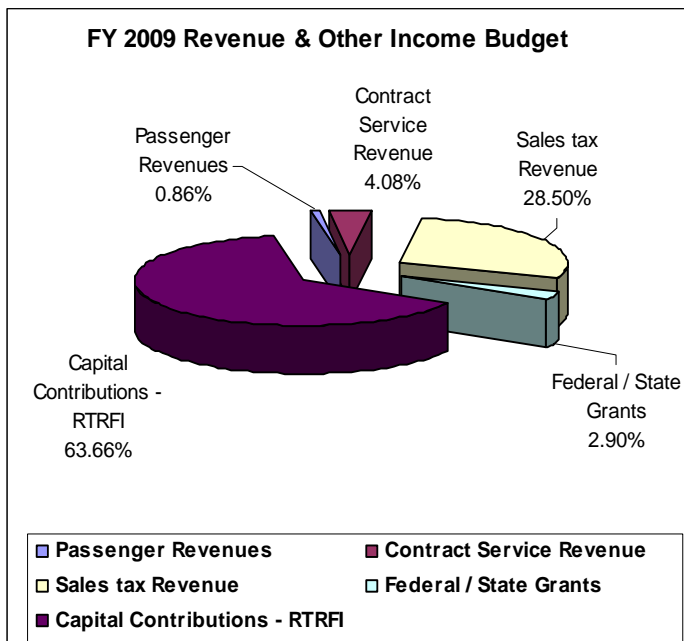
**Table 1 - Revenue and Other Income**

### Fiscal Year 2009 Denton County Transportation Authority Budget Revenue & Other Income

Revenue and Other Income	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Passenger Revenues	493,082	470,557	426,825	390,692	22,525
Contract Service Revenue	2,343,824	2,181,444	2,021,040	2,026,719	162,380
Sales tax Revenue	16,385,000	15,905,351	15,640,441	15,530,584	479,649
Federal / State Grants	1,669,612	3,459,601	3,416,684	5,932,487	(1,789,989)
Capital Contributions - RTRFI	36,594,000	-	-	-	36,594,000
<b>Total Revenue and Other Income</b>	<b>57,485,518</b>	<b>22,016,953</b>	<b>21,504,990</b>	<b>23,880,482</b>	<b>35,468,565</b>
<b>Riders</b>	<b>1,968,707</b>	<b>1,865,030</b>	<b>1,804,604</b>	<b>1,825,359</b>	<b>103,677</b>
<b>Revenue per Rider*</b>	<b>1.44</b>	<b>1.42</b>	<b>1.36</b>	<b>1.32</b>	<b>0.02</b>

\*Based on Passenger Revenue & Contract Service Revenue only

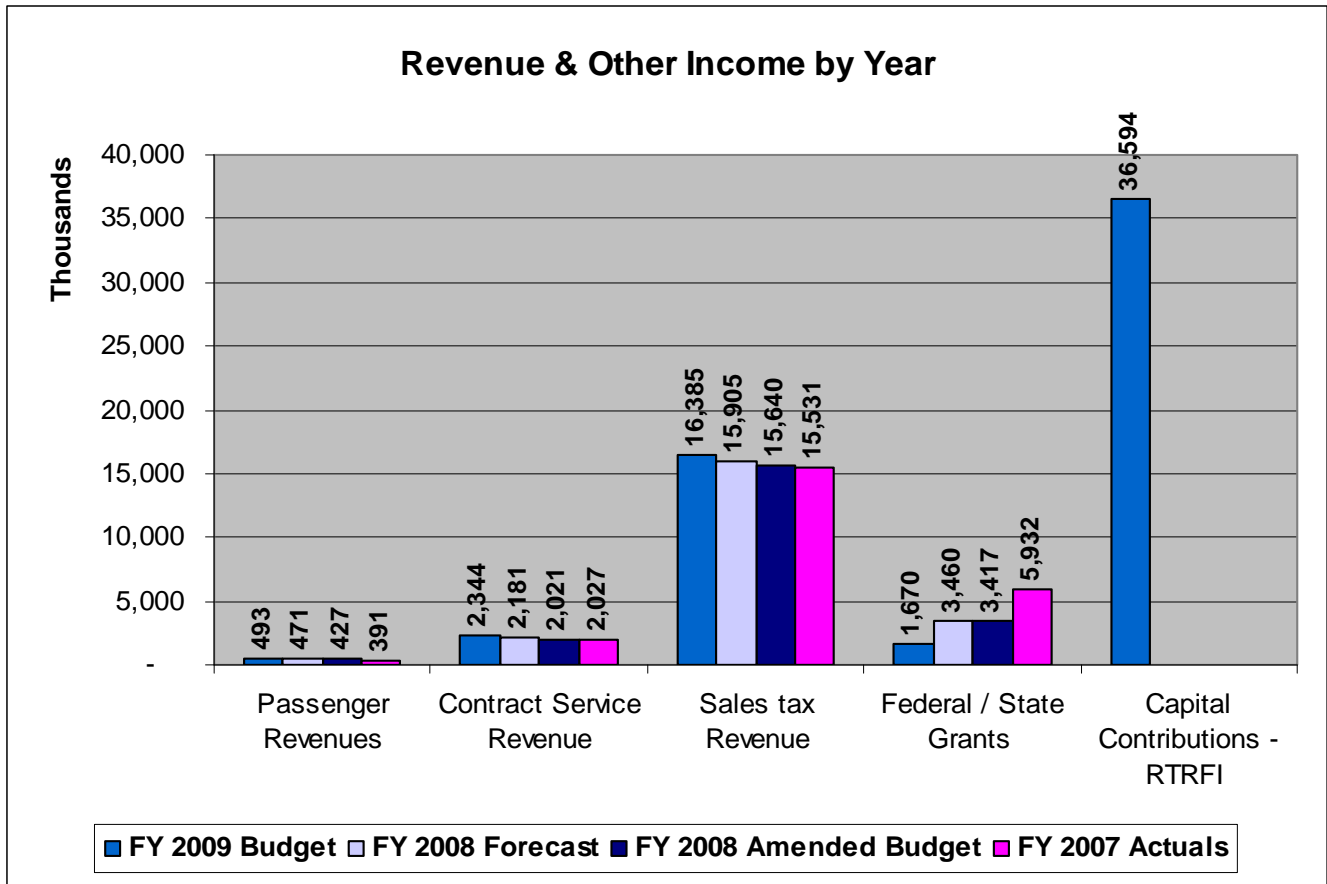
**Chart 1 - Revenue & Other Income as a Percent of Total**





## Denton County Transportation Authority 2008 – 2009 Budget

Chart 2 - Revenue & Other Income by Year





## Denton County Transportation Authority 2008 – 2009 Budget

### Operating Expenses

The FY 2009 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. DCTA contracted with First Transit, Inc. to provide a General Manager (GM) and corporate support for human resources, 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 of management contract the expenses are reported in the natural expense categories of Salary and Wages, Services, Materials and Supplies, etc. Operating expenses and capital expenditures related to the rail project will be capitalized in the 2009 Budget.

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 \$429 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 2009 average FTE count will be 20, an increase of 3 positions over the 2008 budget. An unfavorable variance, from forecast, of \$28 thousand is primarily due to the addition of 6 full-time equivalent positions in 2009, two administrative assistants (.17 FTE in FY 08), a General Manager of Rail Operations, a Senior Planner (.17 FTE in FY 08), a Budget Analyst (.45 FTE in FY 08), and a Human Resources Manager (.44 FTE in FY 08). The total additional expense for salary, wages, and fringe benefits for these additional employees is \$376 thousand but is offset due to Rail Services division expense of \$347 thousand being transferred to capital. We averaged 15 full-time equivalent positions in 2008 with 17 budgeted.

For TMDC, there is an unfavorable variance of \$401 thousand primarily due to an increase in wages for the bus operators, maintenance, supervisors, and dispatch departments. This overall increase accounts for \$263 thousand and is being implemented in FY 2009 in order for TMDC to retain the employees and in turn, reduce turnover, overtime, and training expenses. Further, in 2009 there has been a substantial increase in the participants of the health insurance programs, and this, along with a 5% increase in benefit premiums, results in a \$138 thousand increase to benefits expense.

**2. Service Expense (Unfavorable \$393 thousand)**

Service Expense consists of DCTA contracts and purchase of services from consultants and is higher than the prior year forecast by \$393 thousand primarily due to the Very Small Starts Alternatives Analysis, which accounts for \$250 thousand of the variance. This study will identify future corridors that provide opportunities for enhanced transit investment. An additional \$155 thousand is the cost attributed to the I-35W Feasibility Study.

**3. Materials and supplies expense (Unfavorable \$690 thousand)**

This expense category includes office supplies, non-capital expenditure for furniture and computer, fuel and lubricants for operations, etc. For DCTA, the 2009 budget for this category is higher than 2008 forecast by \$29 thousand. An increase in advertising and promotional material accounts for \$24 thousand of the variance and is due to the additional costs associated with the rail project. The remaining \$5 thousand is for purchases of office desks, computer software, file cabinets, and equipment in the President's department related to increased staff levels.

For TMDC, the unfavorable variance of \$661 thousand is attributable to a projected increase in fuel costs.



## **Denton County Transportation Authority 2008 – 2009 Budget**

**4. Utilities expenses (Unfavorable \$9 thousand)**

This expense category includes gas, electric and communication expenses. The 2009 budget is higher than the 2008 forecast by \$9 thousand mainly due to an increase in personnel and office space.

**5. Insurance expense (Unfavorable \$51 thousand)**

This expense category budget item is higher than prior year by \$51 thousand primarily due to higher workers compensation premiums of \$61 thousand. This expense is offset by a decrease of \$12 thousand in insurance expenses for TMDC.

**6. Miscellaneous expenses (Unfavorable \$8 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. The increase of \$8 thousand over the FY 08 forecast is attributable to number of factors. The Managing Director of Bus Operations was accepted into the APTA Leadership Program for FY 09 and is required to attend three training sessions which requires additional travel in the FY 09 budget. Also, DCTA has added a Human Resources Department for FY09. This is a critical part in laying the ground work for a growing company and accounts for \$8 thousand in additional expenses to attend seminars and training sessions. Finally, FY09 is a legislative year which will account for an increase in travel expenses for the Board and the President's department.

**7. Lease rent expense (Favorable \$21 thousand)**

Lease rent expense includes DCTA facility leases at Denton, parking for our Commuter Express Service, and office leases at the Stemmons location. The 2009 budget is lower than the prior year forecast by \$21 thousand primarily due to the Denton Service Facility rent being reduced by \$49 thousand based on the terms of the contract. This reduction was offset by a \$33 thousand increase in the DCTA office lease for the additional office space where the Rail Services group is now located.

**8. Depreciation expense (Favorable to budget \$365 thousand)**

This expense category represents the expense of using our capital assets over time. The 2009 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.



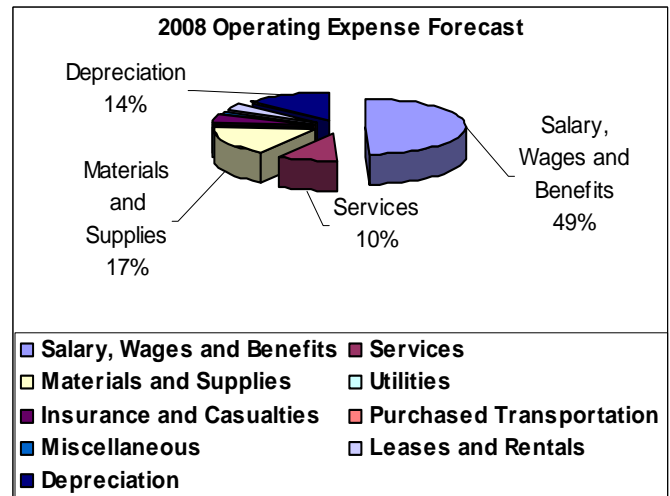
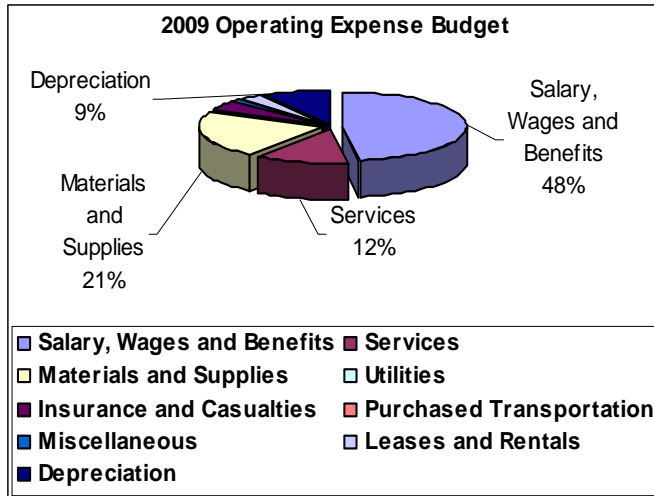
## Denton County Transportation Authority 2008 – 2009 Budget

**Table 2 - Operating Expenses**

### Fiscal Year 2009 Denton County Transportation Authority Budget Operating Expenses

Operating Expense	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages and Benefits	5,320,148	4,891,187	4,809,223	4,357,178	(428,961)
Services	1,369,104	975,923	1,171,252	3,489,508	(393,181)
Materials and Supplies	2,361,439	1,671,146	1,538,198	1,404,945	(690,293)
Utilities	75,168	66,259	68,820	76,865	(8,909)
Insurance and Casualties	490,469	439,122	453,048	388,924	(51,347)
Purchased Transportation	-	-	-	(38,904)	-
Miscellaneous	197,648	189,907	287,828	143,361	(7,741)
Leases and Rentals	299,694	320,470	315,708	319,087	20,776
Depreciation	1,019,428	1,384,254	1,320,046	1,379,929	364,826
<b>Total Operating Expense</b>	<b>11,133,098</b>	<b>9,938,268</b>	<b>9,964,123</b>	<b>11,520,893</b>	<b>(1,194,830)</b>

**Chart 1 - Operating Expenses as a Percent of Total Operating Expense**





## Denton County Transportation Authority 2008 – 2009 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 \$1.1 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 ended in December 2007, with the last payments made to the participating cities in April 2008 creating a favorable variance of \$1.1 million.

**2. Net investment income (Favorable \$330 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 higher than the prior year forecasted earnings by \$330 thousand. The gross investment income projected for DCTA is \$1.98 million. The substantial increase over the FY 2008 forecast is a result of additional cash flows needed for the rail project. The \$1.98 million in gross investment income is decreased \$608 thousand due to the interest expense and debt fees associated with Series 2008 Bond Issuance.

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.

**3. Non-Operating Expenses (Unfavorable \$1.2 million)**

Non-operating expenses are incidental expenses that are not generated through the regular operating activities. The budgeted expense for this category is \$1.2 million higher than the FY08 forecast due to the construction cost related to the Trinity Mills platform with DART.

**Table 3 - Non-Operating Revenue and Expense**

**Fiscal Year 2009 Denton County Transportation Authority Budget  
Non-Operating Revenue / (Expense)**

<b>Non-Operating Revenue / (Expense)</b>	<b>FY 2009 Budget</b>	<b>FY 2008 Forecast</b>	<b>FY 2008 Amended Budget</b>	<b>FY 2007 Actual</b>	<b>Variance Budget to Forecast Fav. / (Unfav.)</b>
Enhanced Local Assistance Program	-	(1,067,836)	(1,042,184)	(3,882,647)	1,067,836
Investment Income (Net)	1,372,929	1,043,067	1,072,746	1,319,946	329,862
Non-Operating Revenue / (Expense)	<u>(1,470,000)</u>	<u>(234,947)</u>	<u>(300,000)</u>	<u>-</u>	<u>(1,235,053)</u>
<b>Net Non-Operating Revenue / (Expense)</b>	<b><u>(97,071)</u></b>	<b><u>(259,716)</u></b>	<b><u>(269,438)</u></b>	<b><u>(2,562,701)</u></b>	<b><u>162,645</u></b>





## Denton County Transportation Authority 2008 – 2009 Budget

### Statement of Cash Flows

#### Fiscal Year 2009 Denton County Transportation Authority Budget Statement of Cash Flows

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
<b>Beginning Cash Balance</b>	<b>48,539,341</b>	<b>19,024,401</b>	<b>30,551,322</b>	<b>36,511,528</b>	<b>23,852,095</b>
<b>Operating Activities</b>					
Operating Revenue	2,836,906	3,148,968	4,621,083	5,074,991	5,292,283
Sales Tax Revenue	16,385,000	17,194,985	18,046,410	18,939,993	19,877,823
Bus Operating Expenses*	(7,291,121)	(7,484,258)	(7,759,851)	(8,005,725)	(8,288,595)
Rail Operating Expenses***	-	-	(5,306,351)	(8,625,639)	(9,044,005)
G&A Operating Expenses*	(2,822,549)	(2,844,487)	(2,619,261)	(2,722,340)	(2,834,328)
<b>Total Operating Activities</b>	<b>9,108,236</b>	<b>10,015,208</b>	<b>6,982,030</b>	<b>4,661,280</b>	<b>5,003,178</b>
<b>Investing Activities</b>					
Bus Capital Expenditure	(5,249,662)	(3,729,054)	-	(677,266)	-
Rail Capital Expenditure	(130,722,047)	(160,540,000)	(18,792,500)	-	-
G&A Capital Expenditure	-	-	-	-	(3,000,000)
Non-Operating Expense**	(1,470,000)	(1,470,000)	-	-	-
Investment Income	1,372,929	468,026	823,207	762,617	493,868
Federal Grants & Reimbursements	1,669,612	3,047,629	3,149,773	3,255,340	3,364,446
Capital Contributions - RTRFI Funding	36,594,000	160,988,000	52,578,000	-	-
<b>Total Investing Activities</b>	<b>(97,805,168)</b>	<b>(1,235,399)</b>	<b>37,758,480</b>	<b>3,340,691</b>	<b>858,314</b>
<b>Financing Activities</b>					
Debt Issuance	60,453,612	28,729,054	-	-	-
Debt Payment	(1,271,620)	(25,981,942)	(38,780,304)	(20,661,404)	(15,328,304)
<b>Total Financing Activities</b>	<b>59,181,992</b>	<b>2,747,112</b>	<b>(38,780,304)</b>	<b>(20,661,404)</b>	<b>(15,328,304)</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(29,514,940)</b>	<b>11,526,921</b>	<b>5,960,206</b>	<b>(12,659,433)</b>	<b>(9,466,812)</b>
<b>Ending Cash Balance</b>	<b>19,024,401</b>	<b>30,551,322</b>	<b>36,511,528</b>	<b>23,852,095</b>	<b>14,385,283</b>

\* Operating expenses net of depreciation expense

\*\*Construction cost associated with Trinity Mills platform with DART

\*\*\*Rail operating expenses will be capitalized thru the construction phase of the Rail Project

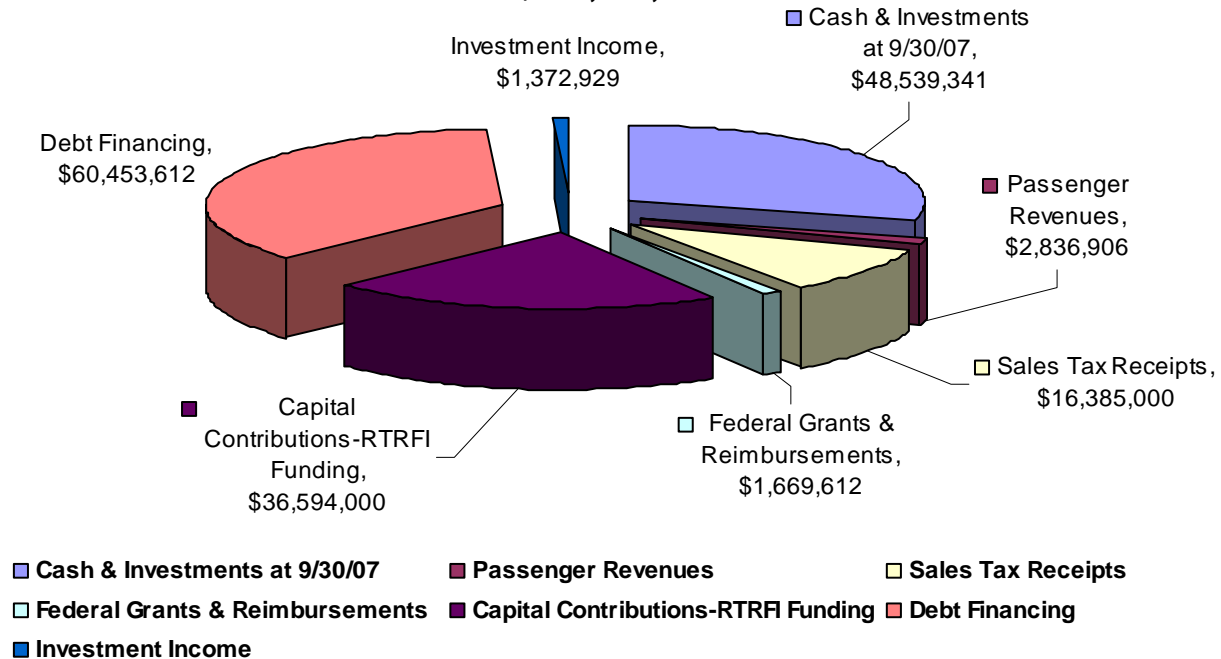


## Denton County Transportation Authority 2008 – 2009 Budget

### DCTA FY 2009 Funding Sources & Expenditures

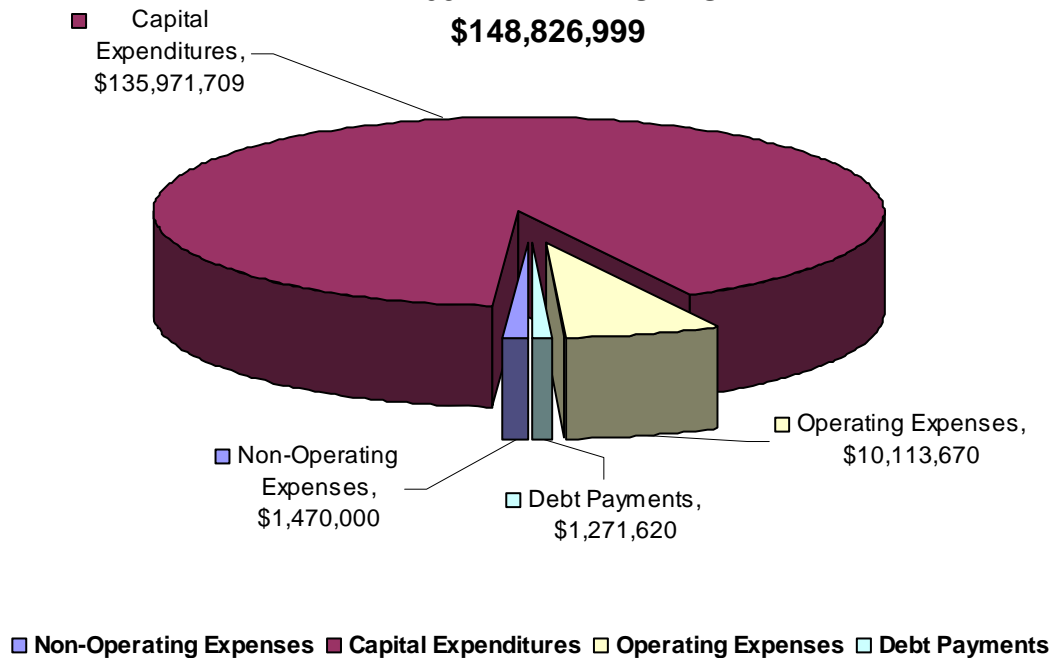
#### FY 09 FUNDING SOURCES

**\$167,851,400**



#### FY 09 EXPENDITURES

**\$148,826,999**





## Denton County Transportation Authority 2008 – 2009 Budget

### Departmental Descriptions and Budget Detail

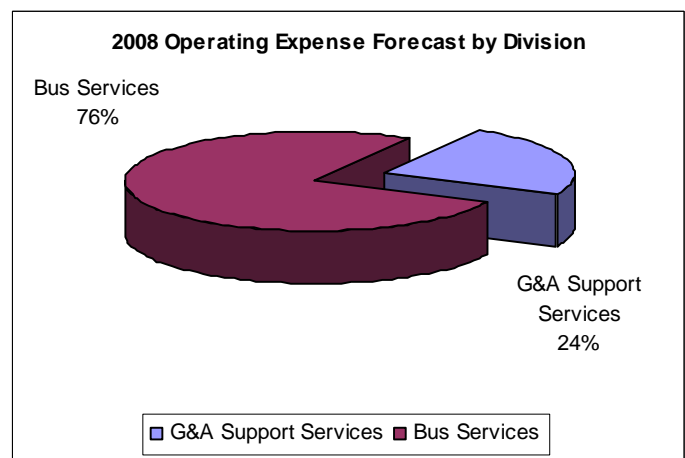
The Operating Budget includes three divisions: G&A Support Services, Rail Services, and Bus Services. The G&A Support Services division represents the departments of the President, Chief Financial Officer, Managing Director of Communications & Marketing, Managing Director of Bus Operations, Managing Director of Planning & Service Development, and Human Resources. Rail Services correspond to the Rail Development Team, which consists of the Executive Vice President of Rail Development and supporting staff. Bus Services signify the Transit Management of Denton County staff that supports all of the day to day bus services for DCTA. Table 4 and Chart 1 below present the operating expense budgets by division for FY 2009 and a percentage of budget dollars consumed by the divisions in 2009 and 2008.

**Table 4 - Operating Expense by Division**

#### Fiscal Year 2009 Denton County Transportation Authority Budget Operating Expense Summary By Division

Division	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
G&A Support Services	2,840,094	2,350,793	2,779,212	4,350,203	(489,301)
Rail Services	-	-	-	-	-
Bus Services	8,293,004	7,587,475	7,184,911	7,170,690	(705,529)
<b>Total Operating Expense</b>	<b>11,133,098</b>	<b>9,938,268</b>	<b>9,964,123</b>	<b>11,520,893</b>	<b>(1,194,830)</b>

**Chart 1 - Operating Expenses by Division as a Percent of Total Operating Expense**



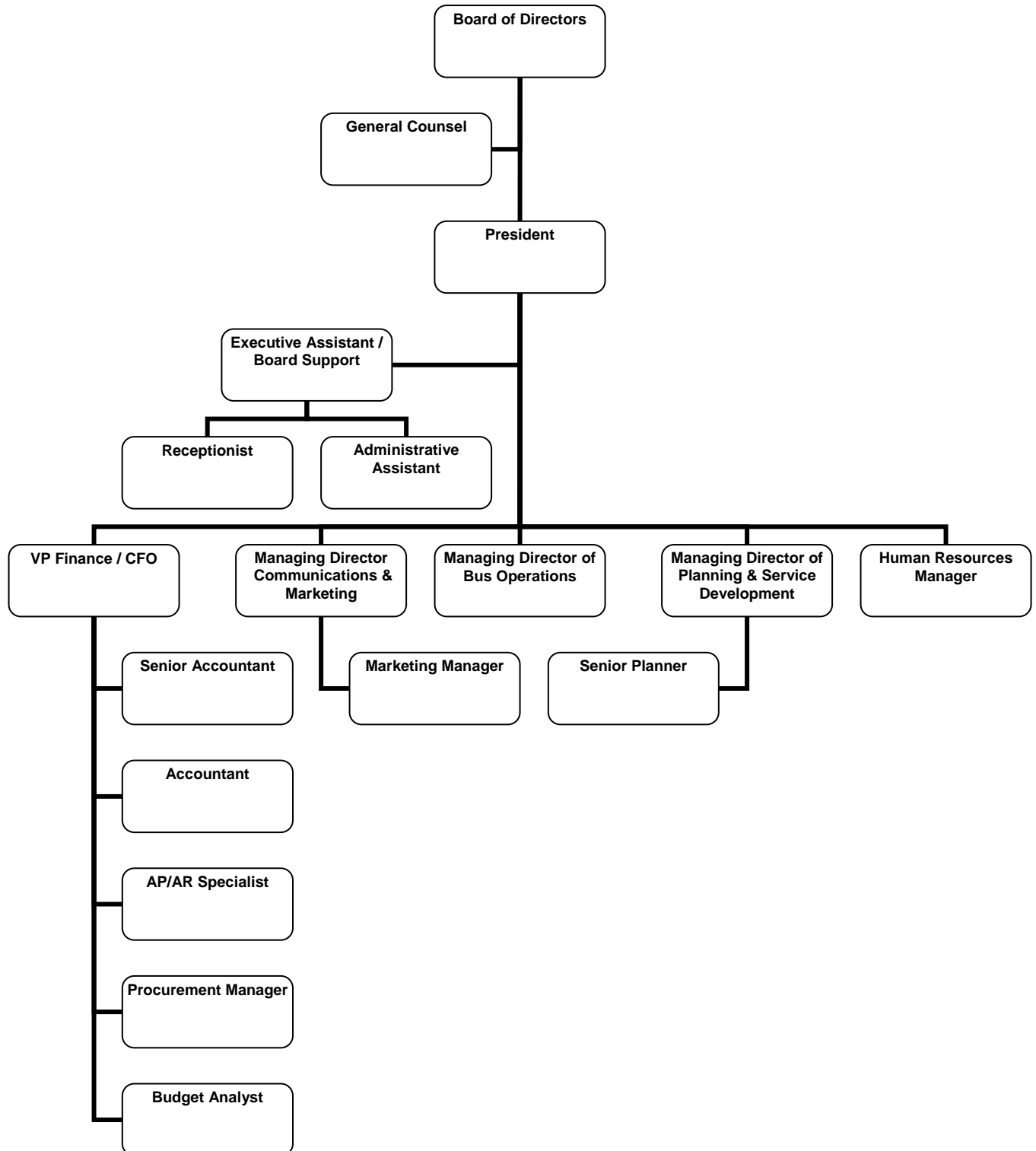


# **G&A Support Services**



## Denton County Transportation Authority 2008 – 2009 Budget

### G&A Support Services





## Denton County Transportation Authority 2008 – 2009 Budget

### General Description

G&A Support Services consists of six distinct departments that provide critical support services to both the DCTA Bus Services and the Rail Services division.

**President's Department** – To provide professional leadership, guidance, and coordination in the implementation of the policies established by the Board of Directors. The President's department administers Board support, 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 four full time equivalent positions: the president, executive assistant / Board Support, receptionist, and administrative assistant.

**VP Finance / CFO's Department** - 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 six full-time equivalents in the 2009 budget: the CFO, AP/AR specialist, senior accountant, accountant, procurement manager, and budget analyst. 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.

**Managing Director of Communications & Marketing Department** - 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. This department has a staff of two full-time equivalents in the 2009 budget: the Managing Director of Communications & Marketing and a marketing manager.

**Managing Director of Bus Operations Department** - To plan, direct, manage and oversee the activities and programs of the Bus Operations department, which is budgeted as a sub-department 50. This department directs all of the Authority's bus operations and maintenance functions including local fixed-route, commuter, demand response, and university services as well as capital improvement projects. Further, this subdivision is responsible for the provision of safe, customer focused and efficient bus services; vehicle maintenance and cleaning; customer service; purchasing; and labor relations. This department consists of the Managing Director of Bus Operations in the 2009 budget.





## **Denton County Transportation Authority 2008 – 2009 Budget**

**Managing Director of Planning & Service Development Department-** To provide direction in all planning and service development functions for the organization. The department is responsible for service improvement planning, capital improvement planning, major investment studies, environmental studies, federal grant programming and reporting, operational data reporting and analysis, development review, and management of auxiliary services. This department has a staff of two full-time equivalents in the 2009 budget: Managing Director of Planning & Service Development and a senior planner.

**Human Resources Department –** To manage and direct the Authority's human resource and personnel functions. The department administers programs in recruiting, compensation, employee relations and communications, performance appraisal systems, and safety and training programs. Other key functions include the development and administration of the employee benefit programs and maintenance of all official personnel records and related record keeping. The HR department also ensures all programs comply with applicable local, state, and federal legal requirements. This department consists of a Human Resource Manager.





## **Denton County Transportation Authority 2008 – 2009 Budget**

### **2009 Planned Projects and Goals**

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#### **President's Department**

- Advance the Rail Project
- Review funding options and secure funding for the Rail Project
- Complete the final design for the Rail Project
- Contract all station land acquisition
- Begin construction on the Rail Project
- Customer focus and service delivery
- Provide safe and reliable transit services

#### **VP Finance / CFO's Department**

##### **Finance**

- Advance the Rail Project
  - To provide support to the Rail Services Division and meet goals as defined in the critical path
- Review funding options and secure funding for the Rail Project
  - To secure a contract with COG and TxDOT for the RTRFI funds to be applied to the Rail Project
  - Secure funding through the issuance of debt as required
  - Submit federal grant applications and report federal grant activity on a timely basis
- Submit the 2009 Budget Document to the Government Finance Officers Association (GFOA) for consideration for the Distinguished Budget Presentation Award
- Facilitate the development of the DCTA Business Plan
- Develop a DCTA Debt Plan

##### **Contracts and Procurement**

- Provide timely procurement for inventory, material, equipment, and supplies
- Award and administer contracts to support implementation of the Rail Project

#### **Managing Director of Communications & Marketing Department**

- Advance the Rail Project
  - Develop brand and station identity for the Rail Project
  - Develop and implement a rail safety education program
  - Launch the marketing campaign for the Rail Project
- Continue to increase ridership on Commuter Express and Connect Services
- Raise local, regional, and national awareness of DCTA thru community involvement
- Inform and educate the Hispanic Community within Denton and Lewisville about the DCTA services available
- Develop a 3-year marketing plan and strategy
- Develop Community Events Transportation Program to work with local community groups on transportation implementation for special events
- Customer focus and service delivery
  - Coordinate with the Citizen's Advisory Teams on communication initiatives to improve DCTA's quality of service

#### **Managing Director of Bus Operations Department**

- Customer focus and service delivery
  - Implement a "Secret Shopper" program to ensure a high level of customer service by vehicle operators and call center representatives
- Provide safe and reliable transit services
  - Maintain fleet reliability through 100% on-time performance of preventative maintenance
- Reach a level of 50% completion on the construction of the Bus Operations & Maintenance Facility
- Implement workable solutions developed in partnership with the Citizen Advisory Teams to improve bus operations



## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Managing Director of Planning & Service Development Department**

- Advance the Rail Project
  - Provide support for the Rail Project station planning
  - Provide support for the Rail Project service and operations planning
- Commence and achieve a 75% completion of the I-35 W Feasibility Study
- Develop and implement data collection and reporting plan for current operations
- Ensure DCTA maintenance of eligibility for federal funding
- Collaborate with regional partners in planning improved regional mobility
- Coordinate with member cities to guide DCTA TOD program

### **Human Resources Department**

- Implement innovative strategies and programs designed to acquire and retain staff
- Implement aggressive recruitment strategies to employ vacancy challenges such as mechanics, and bus operators
- Review TMDC benefits and risk of consolidation
- Aggressively promote health and wellness to optimize the productivity of the workforce and mitigate the cost of healthcare
- Update job analysis and job descriptions for DCTA positions
- Develop, plan, and implement policies and procedures within the Employee Handbook
- Review and compare DCTA benefits for improvement and cost savings



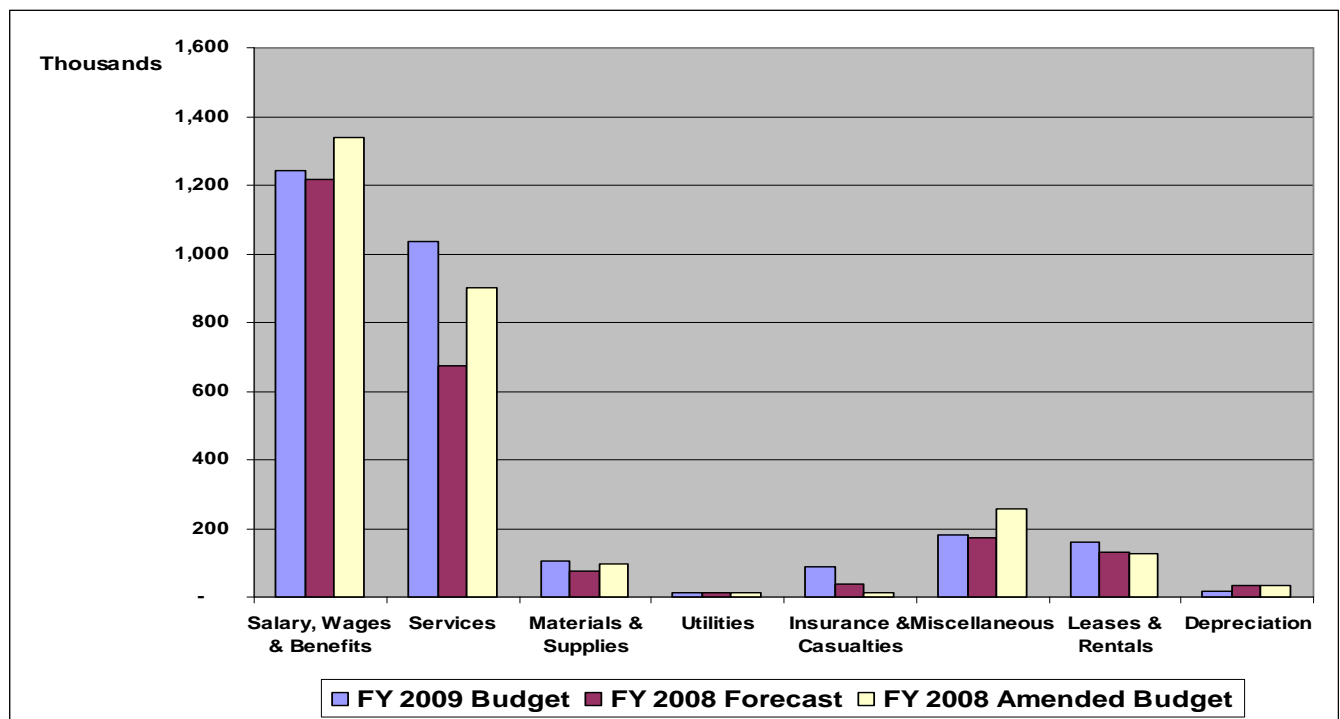
## Denton County Transportation Authority 2008 – 2009 Budget

**Table 5 – G&A Support Services Budget**

**Fiscal Year 2009 Denton County Transportation Authority Budget  
G&A Support Services**

Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages & Benefits	1,244,107	1,215,893	1,338,488	1,088,944	(28,214)
Services	1,034,470	672,084	902,608	2,903,914	(362,386)
Materials & Supplies	104,263	75,054	95,815	80,608	(29,209)
Utilities	13,080	12,214	13,620	11,747	(866)
Insurance & Casualties	87,845	36,218	11,976	12,962	(51,627)
Purchased Transportation	-	-	-	(38,904)	-
Miscellaneous	179,328	174,360	256,448	135,078	(4,968)
Leases & Rentals	159,456	131,956	126,456	122,062	(27,500)
Depreciation	17,545	33,014	33,801	33,792	15,469
<b>Total Other Operating Expense</b>	<b>2,840,094</b>	<b>2,350,793</b>	<b>2,779,212</b>	<b>4,350,203</b>	<b>(489,301)</b>
<b>Department</b>					
President	4.00	3.00	3.00	3.00	(1.00)
VP - CFO	6.00	5.27	5.00	4.50	(0.73)
Managing Director - Bus Operations	1.00	1.00	-	-	-
Managing Director - Planning & Service	2.15	1.17	-	-	(0.98)
Managing Director - Communications	2.10	0.97	-	-	(1.13)
VP - Communications & Marketing	-	0.53	2.50	0.16	0.53
VP - Project Management	-	1.00	3.00	1.06	1.00
VP - COO	-	-	3.50	4.33	-
EVP - Rail Development	-	2.24	-	-	2.24
Human Resources	1.00	-	-	-	(1.00)
<b>Full Time Equivalent</b>	<b>16.25</b>	<b>15.18</b>	<b>17.00</b>	<b>13.05</b>	<b>(1.07)</b>

**Chart 1 - G&A Support Services Trend Analysis of Operating Expenses**





## Denton County Transportation Authority 2008 – 2009 Budget

### G&A Support Services Budget Summary by Department

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b>President's Department</b>					
Salary, Wages & Benefits	\$ 316,800	\$ 260,154	\$ 270,581	\$ 269,566	\$ (56,646)
Services	212,926	194,423	268,435	241,113	(18,503)
Materials & Supplies	33,530	24,189	35,183	23,651	(9,341)
Utilities	10,920	9,334	10,020	9,107	(1,586)
Insurance & Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	120,010	109,303	154,921	92,181	(10,707)
Leases & Rentals	159,456	131,956	126,456	122,062	(27,500)
Depreciation	17,545	33,014	33,801	33,792	15,469
<b>Total Other Operating Expense</b>	<b>\$ 871,187</b>	<b>\$ 762,373</b>	<b>\$ 899,397</b>	<b>\$ 791,472</b>	<b>\$ (108,814)</b>

#### Material Budget Items:

- Increased staff by one full-time equivalent due to vacancies from 2008 being filled in 2009
- Legislative Services in Washington and Austin
- Legal Services
- Materials and supplies for all departments due to increased staff
- Additional office space for Rail Services Division

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b>VP Finance / CFO's Department</b>					
Salary, Wages & Benefits	\$ 485,609	\$ 381,343	\$ 397,358	\$ 359,320	\$ (104,266)
Services	112,500	152,794	161,056	106,134	40,294
Materials & Supplies	20,000	18,790	18,767	32,068	(1,210)
Utilities	720	720	720	720	-
Insurance & Casualties	9,345	36,218	11,976	12,962	26,873
Purchased Transportation	-	-	-	-	-
Miscellaneous	15,557	19,000	22,407	7,811	3,443
Leases & Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ 643,731</b>	<b>\$ 608,865</b>	<b>\$ 612,284</b>	<b>\$ 519,015</b>	<b>\$ (34,866)</b>

#### Material Budget Items:

- Increased staff by one full-time equivalents with the addition of a Budget Analyst
- Increase in insurance expense due to the annual increase in premiums



## Denton County Transportation Authority 2008 – 2009 Budget

### G&A Support Services Budget Summary by Department

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b>Managing Director of Communications &amp; Marketing Department</b>					
Salary, Wages & Benefits	\$ 142,706	\$ 114,836	\$ 132,043	\$ 9,005	\$ (27,870)
Services	270,740	128,188	185,580	-	(142,552)
Materials & Supplies	48,500	19,257	22,150	-	(29,243)
Utilities	1,440	540	720	60	(900)
Insurance & Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	13,510	14,058	17,935	-	548
Leases & Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ 476,896</b>	<b>\$ 276,879</b>	<b>\$ 358,428</b>	<b>\$ 9,065</b>	<b>\$ (200,017)</b>

#### Material Budget Items:

- Increased staff by one full-time equivalents due to vacancies from 2008 being filled in 2009
- Production and distribution of internal and external newsletters
- Installation of billboard advertisements for bus and rail services
- Installation of "Schedule Holders" at bus stops
- Increased printing of marketing brochures and ride guides
- Pre-launch campaign for the rail project

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b>Managing Director of Bus Operations Department</b>					
Salary, Wages & Benefits	\$ 83,272	\$ -	\$ -	\$ -	\$ (83,272)
Services	\$ 2,500	-	-	-	(2,500)
Materials & Supplies	\$ -	-	-	-	-
Utilities	\$ -	-	-	-	-
Insurance & Casualties	\$ -	-	-	-	-
Purchased Transportation	\$ -	-	-	-	-
Miscellaneous	\$ 11,764	-	-	-	(11,764)
Leases & Rentals	\$ -	-	-	-	-
Depreciation	\$ -	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ 97,536</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (97,536)</b>

#### Material Budget Items:

- The Managing Director of Bus Operations Department is a newly created department. The Bus Operations function was originally budgeted in the VP Chief Operating Officer's department for 2008



## Denton County Transportation Authority 2008 – 2009 Budget

### G&A Support Services Budget Summary by Department

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b>Managing Director of Planning &amp; Service Development Department</b>					
Salary, Wages & Benefits	\$ 137,720	\$ -	\$ -	\$ -	\$ (137,720)
Services	405,000	-	-	-	(405,000)
Materials & Supplies	2,233	-	-	-	(2,233)
Utilities	-	-	-	-	-
Insurance & Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	10,087	-	-	-	(10,087)
Leases & Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ 555,040</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (555,040)</b>

#### Material Budget Items:

- The Managing Director of Planning & Service Development Department is a newly created department. This function was originally budgeted in the VP Chief Operating Officer's department for 2008
- Increase of one full-time equivalent for 2009 with the addition of the Senior Planner position
- Includes the I-35 W Feasibility Study
- Very Small Starts Alternatives Analysis

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b>VP / COO's Department</b>					
Salary, Wages & Benefits	\$ -	\$ 271,901	\$ 294,929	\$ 353,202	\$ 271,901
Services	-	168,769	187,517	2,556,387	168,769
Materials & Supplies	-	9,776	5,700	21,318	9,776
Utilities	-	720	720	1,380	720
Insurance & Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	(38,904)	-
Miscellaneous	-	20,876	36,230	23,082	20,876
Leases & Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ -</b>	<b>\$ 472,042</b>	<b>\$ 525,096</b>	<b>\$ 2,916,465</b>	<b>\$ 472,042</b>

#### Material Budget Items:

- The VP-Chief Operating Officer's Department has been restructured for the 2009 fiscal year and is no longer located under the G&A Support Services division. The COO's departmental function has been redirected for FY2009 and is now focused solely on rail development. This new division is called Rail Services and will account for all operating expenses and revenues beginning FY2009.





## Denton County Transportation Authority 2008 – 2009 Budget

### G&A Support Services Budget Summary by Department

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b><u>VP - Project Management</u></b>					
Salary, Wages & Benefits	\$ -	\$ 187,659	\$ 243,577	\$ 97,851	\$ 187,659
Services	-	27,910	100,020	280	27,910
Materials & Supplies	-	3,042	14,015	3,571	3,042
Utilities	-	900	1,440	480	900
Insurance & Casualties	-	-	-	-	-
Purchased Transportation	-	-	-	-	-
Miscellaneous	-	11,123	24,955	12,004	11,123
Leases & Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ -</b>	<b>\$ 230,634</b>	<b>\$ 384,007</b>	<b>\$ 114,186</b>	<b>\$ 230,634</b>

#### Material Budget Items:

- The VP-Project Management Department has been restructured for the 2009 fiscal year and is no longer located under the G&A Support Services division. The function of the VP-Project Management department will be utilized on a consultant basis by project and the expense will be accounted for in the Rail Services division beginning in FY 2009.

Program / Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended	FY 2007 Actual	Variance Budget to Forecast
<b><u>Human Resource Manager</u></b>					
Salary, Wages & Benefits	\$ 78,000	\$ -	\$ -	\$ -	\$ (78,000)
Services	30,804	-	-	-	(30,804)
Materials & Supplies	-	-	-	-	-
Utilities	-	-	-	-	-
Insurance & Casualties	78,500	-	-	-	(78,500)
Purchased Transportation	-	-	-	-	-
Miscellaneous	8,400	-	-	-	(8,400)
Leases & Rentals	-	-	-	-	-
Depreciation	-	-	-	-	-
<b>Total Other Operating Expense</b>	<b>\$ 195,704</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (195,704)</b>

#### Material Budget Items:

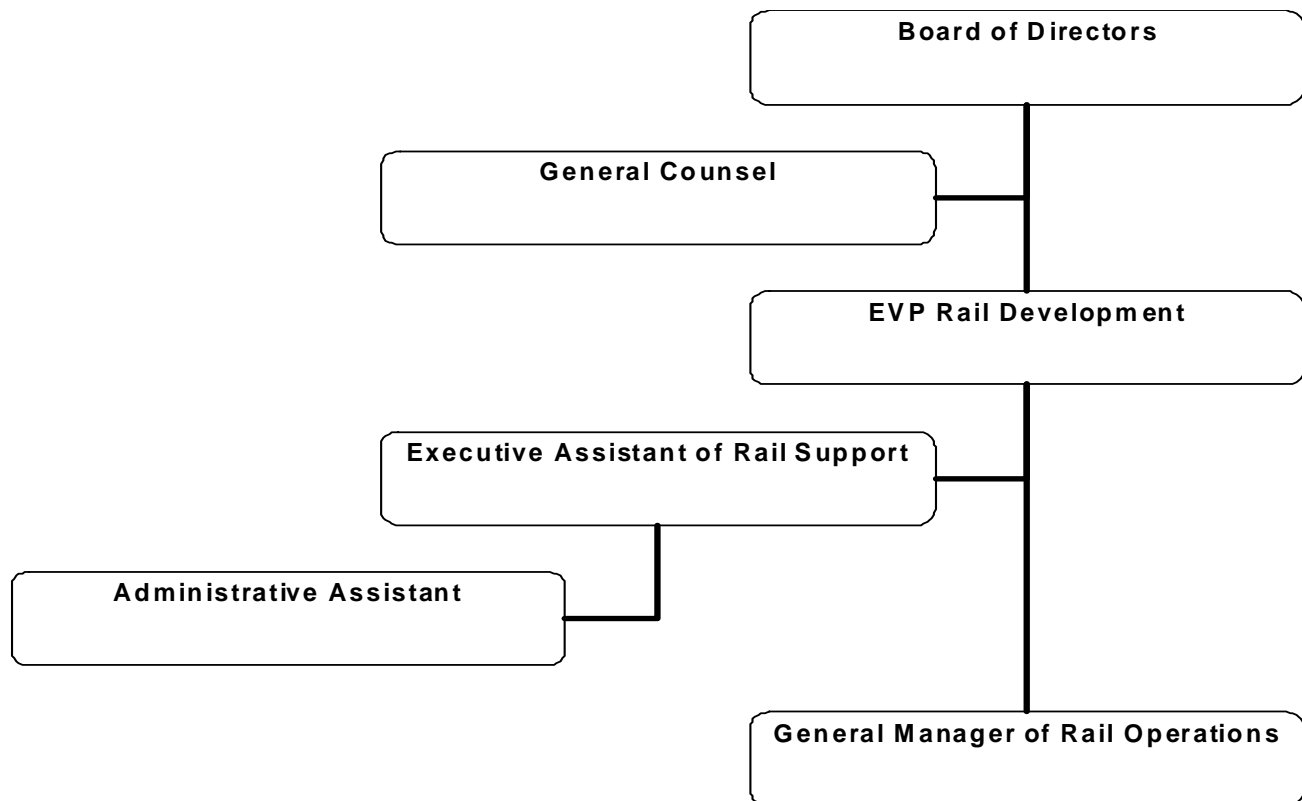
- The Human Resources Department is a newly created department. The Human Resources function was originally budgeted in the VP of Finance / Chief Financial Officer's department for 2008



# Rail Services



## **Rail Services**



## **General Description**

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**Rail Development** – The Rail Development team provides leadership, oversight, and implementation efforts leading to the execution of the regional rail component in the DCTA Service Plan. Primary to the activities undertaken by this section of DCTA include real estate acquisition, rail design, fleet acquisitions, internal and external agency coordination, TOD and planning, rail operations, rail maintenance, safety/security, brand development, rail marketing, and public involvement. The staff includes the Executive Vice President, Executive Assistant, Administrative Assistant, and General Manager of Rail Operations. The team is supported with a number of professional consulting service contracts including design, support services, and a Construction Management/General Contractor.



## **2009 Planned Projects and Goals**

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### **Executive Vice President of Rail Development Department**

- Advance the Rail Project
  - Increase the level of coordination efforts with program stakeholders including member jurisdictions, DART, NCTCOG, FRA, FTA, TxDOT, and other regional organizations
  - Complete final operating plans for service initiation
  - Complete final system security and safety plans
  - Minimize mission creep and program risk by executing project tasks on schedule and within budget
- Complete the final design for the Rail Project
  - Complete final design efforts including constructability review for the Rail Project
  - Complete design of prototype railcar and move first article of fleet into production with the selected manufacturer
- Complete station site acquisitions for the Rail Project
- Initiate construction efforts of the Rail Project including the corridor, station areas, and Rail Operations & Maintenance Facility
- Continue professional development and training for staff
- Increase the level of coordination with local jurisdictions on TOD planning efforts related to the Rail Project



## Denton County Transportation Authority 2008 – 2009 Budget

**Table 6 – Rail Services Budget**

**Fiscal Year 2009 Denton County Transportation Authority Budget  
Rail Services**

Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages & Benefits	347,490	-	-	-	(347,490)
Services	414,117	-	-	-	(414,117)
Materials & Supplies	14,400	-	-	-	(14,400)
Utilities	3,120	-	-	-	(3,120)
Miscellaneous	22,550	-	-	-	(22,550)
<b>*Total Other Operating Expense</b>	<b>801,677</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(801,677)</b>

\*For comparison purposes only. Rail operating expenses will be transferred to Construction Work In Progress during construction phase of the rail project

**Department**

Rail Development	4.15	-	-	-	(4.15)
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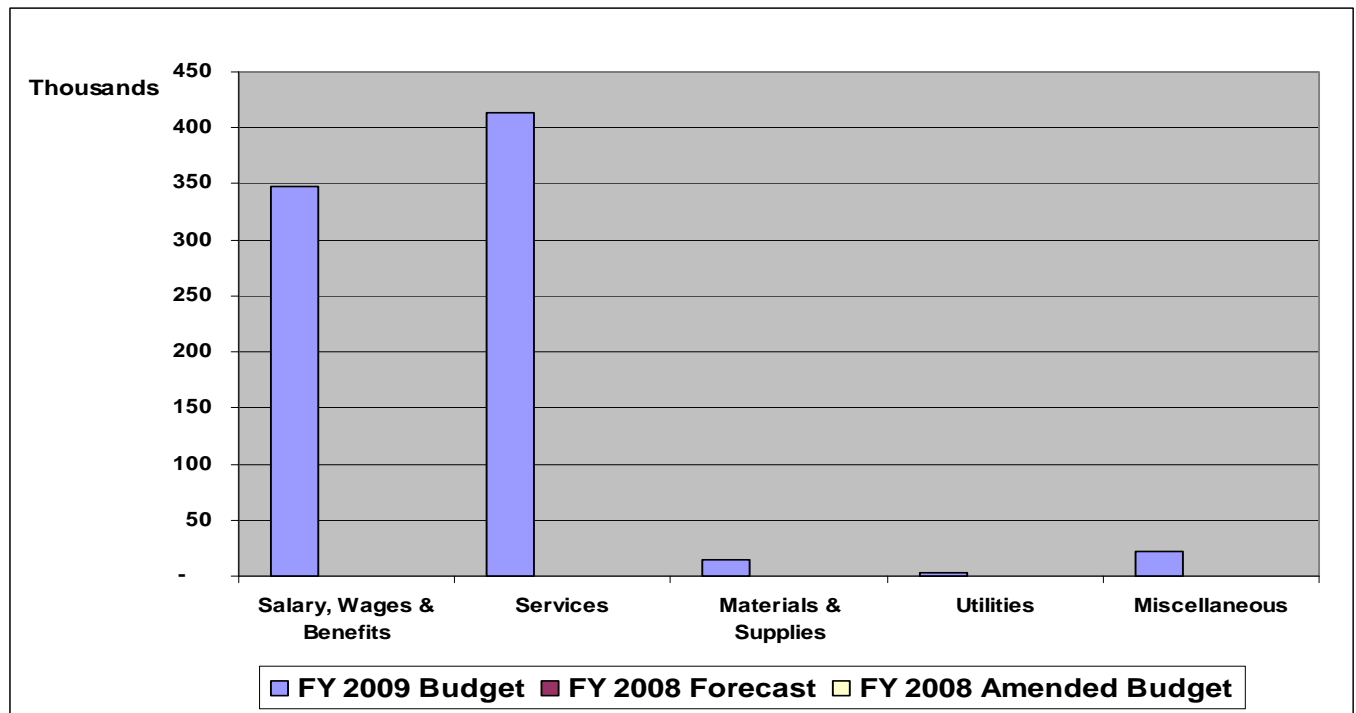
**Full Time Equivalent**

<b>4.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4.15)</b>
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**Material Budget Items:**

- The Rail Development Department is a newly created department within DCTA. This function was originally budgeted in the VP Chief Operating Officer's Department in previous period and has since been restructured for FY 2009. The responsibilities of the COO department have been allocated to specialized areas accounted for in FY 2009
- Services include consulting costs associated with the Rail Project

**Chart 1 - Rail Services Trend Analysis of Operating Expenses**



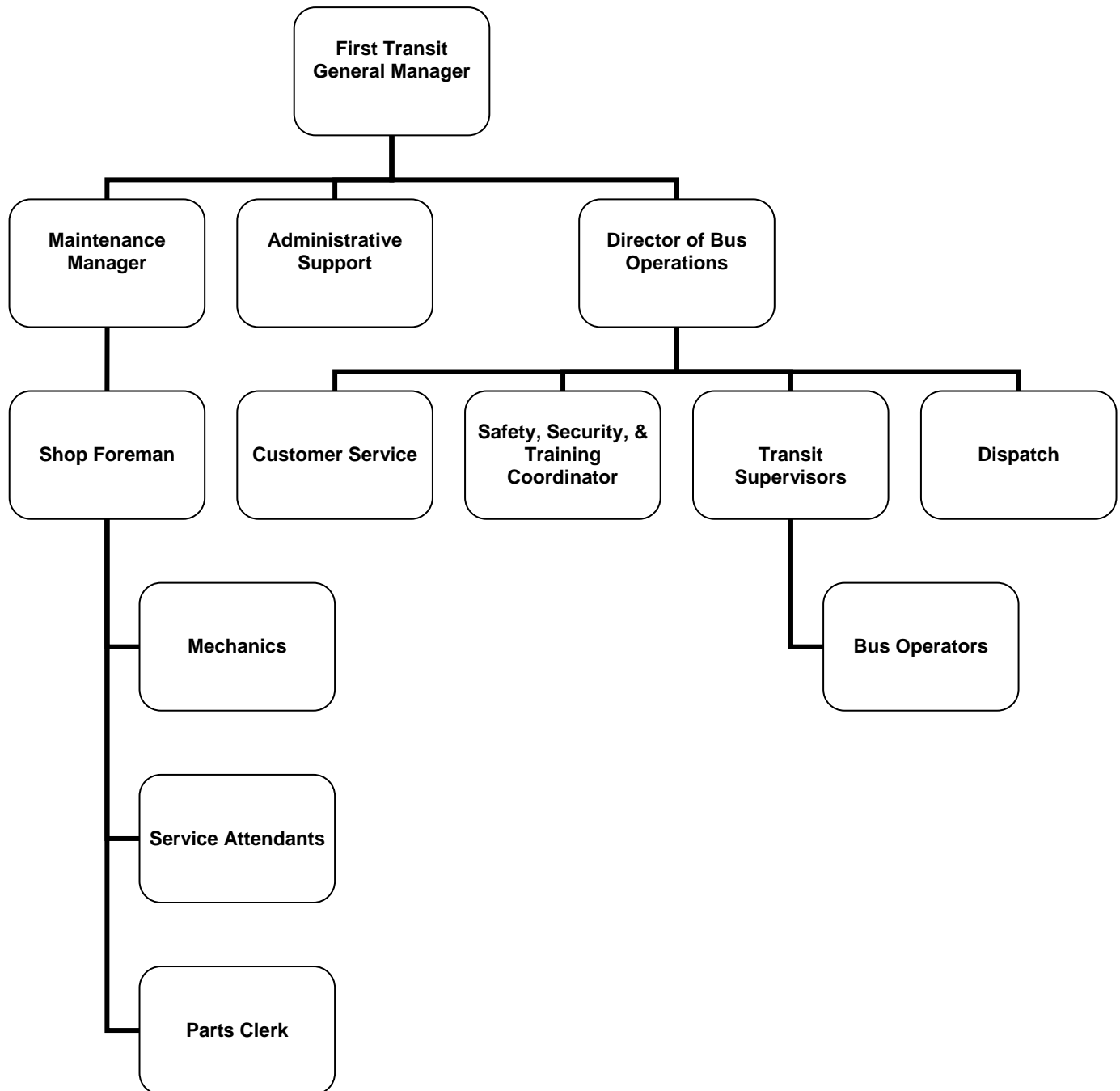




# Bus Services



**Bus Services**







### **General Description**

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The Bus Operations Department is a sub-department that falls under the responsibility of the Managing Director of Bus Operations. 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 101 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.

### **2009 Planned Projects and Goals**

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- 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
- Provide safe and reliable transit services
  - Maintain fleet reliability through 100% on-time performance of preventative maintenance



## Denton County Transportation Authority 2008 – 2009 Budget

**Table 7 – Bus Services Budget**

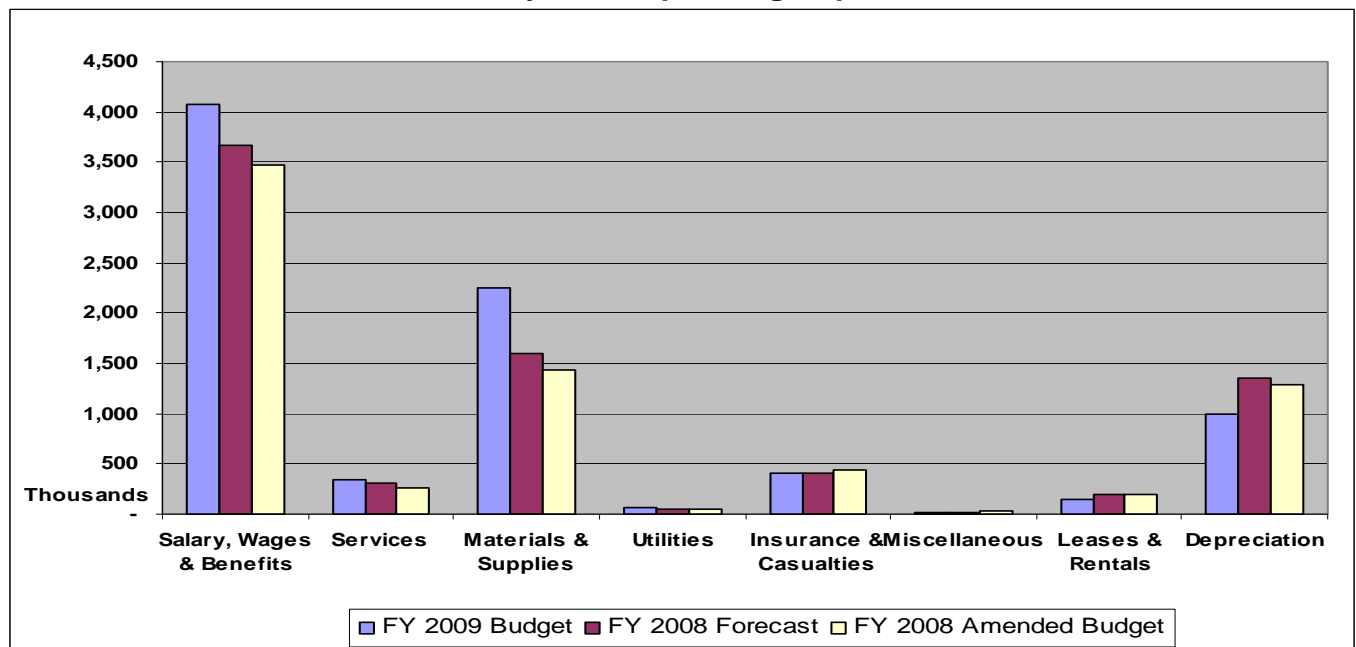
**Fiscal Year 2009 Denton County Transportation Authority Budget  
Bus Services**

Description	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
Salary, Wages & Benefits	4,076,041	3,675,294	3,470,735	3,268,234	(400,747)
Services	334,634	303,839	268,644	585,594	(30,795)
Materials & Supplies	2,257,176	1,596,092	1,442,383	1,324,337	(661,084)
Utilities	62,088	54,045	55,200	65,118	(8,043)
Insurance & Casualties	402,624	402,904	441,072	375,962	280
Miscellaneous	18,320	15,547	31,380	8,283	(2,773)
Leases & Rentals	140,238	188,514	189,252	197,025	48,276
Depreciation	1,001,883	1,351,240	1,286,245	1,346,137	349,357
<b>Total Other Operating Expense</b>	<b>8,293,004</b>	<b>7,587,475</b>	<b>7,184,911</b>	<b>7,170,690</b>	<b>(705,529)</b>
<b>Riders</b>	<b>1,968,707</b>	<b>1,865,030</b>	<b>1,804,604</b>	<b>1,825,359</b>	<b>103,677</b>
<b>Cost per Rider</b>	<b>\$ 4.21</b>	<b>\$ 4.07</b>	<b>\$ 3.98</b>	<b>\$ 3.93</b>	<b>\$ 0.14</b>
<b>Positions</b>					
Bus Operators	67.12	73.04	62.10		5.92
Maintenance	15.00	15.00	15.75		-
Operations	15.00	15.00	18.00		-
Administration	4.00	4.00	4.00		-
<b>Full Time Equivalent</b>	<b>101.12</b>	<b>107.04</b>	<b>99.85</b>	<b>-</b>	<b>5.92</b>

**Material Budget Items:**

- Increase in Salary, Wages, and Benefits due to an increase in wages for bus operators, maintenance, and supervisors and dispatchers. There has also been a substantial increase in participants of the benefit programs and the addition of a 401k program.
- Increased Materials and Supplies expense primarily due to the anticipated increase in fuel expense

**Chart 1 - Bus Services Trend Analysis of Operating Expenses**





## Denton County Transportation Authority 2008 – 2009 Budget

### Bus Operations Statistics

#### Access Operating Stats

<b>2009 Budget</b>													
<b>Operating Data</b>	<b>Oct-08</b>	<b>Nov-08</b>	<b>Dec-08</b>	<b>Jan-09</b>	<b>Feb-09</b>	<b>Mar-09</b>	<b>Apr-09</b>	<b>May-09</b>	<b>Jun-09</b>	<b>Jul-09</b>	<b>Aug-09</b>	<b>Sep-09</b>	<b>Total</b>
Passengers	4,110	3,480	3,720	3,820	3,600	3,940	3,940	3,650	3,940	4,060	3,820	3,770	45,850
Vehicle Revenue Hours	2,163	1,832	1,958	2,011	1,895	2,074	2,074	1,921	2,074	2,137	2,011	1,984	24,132
Total Operating Expense	\$ 113,094	\$ 103,363	\$ 118,987	\$ 114,656	\$ 103,695	\$ 114,276	\$ 109,941	\$ 117,348	\$ 132,397	\$ 133,712	\$ 125,283	\$ 107,693	\$ 1,394,446
Vehicle Revenue Miles	34,935	29,580	31,620	32,470	30,600	33,490	33,490	31,025	33,490	34,510	32,470	32,045	389,725
Farebox Revenue	\$ 11,396	\$ 9,821	\$ 10,421	\$ 10,671	\$ 10,121	\$ 10,971	\$ 10,971	\$ 10,246	\$ 10,971	\$ 11,271	\$ 10,671	\$ 10,546	\$ 128,077
Days of Operation	27	24	26	26	24	26	26	25	26	26	26	25	307
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 52.28	\$ 56.43	\$ 60.77	\$ 57.03	\$ 54.73	\$ 55.11	\$ 53.02	\$ 61.09	\$ 63.85	\$ 62.57	\$ 62.31	\$ 54.28	\$ 57.79
Cpst per Mile	\$ 3.24	\$ 3.49	\$ 3.76	\$ 3.53	\$ 3.39	\$ 3.41	\$ 3.28	\$ 3.78	\$ 3.95	\$ 3.87	\$ 3.86	\$ 3.36	\$ 3.58
Passengers per Hour	2	2	2	2	2	2	2	2	2	2	2	2	2
Cost Recovery Ratio	10%	10%	9%	9%	10%	10%	10%	9%	8%	8%	9%	10%	9%
Revenue per Passenger	\$ 2.77	\$ 2.82	\$ 2.80	\$ 2.79	\$ 2.81	\$ 2.78	\$ 2.78	\$ 2.81	\$ 2.78	\$ 2.78	\$ 2.79	\$ 2.80	\$ 2.79
Operating Cost per Passenger	\$ 27.52	\$ 29.70	\$ 31.99	\$ 30.01	\$ 28.80	\$ 29.00	\$ 27.90	\$ 32.15	\$ 33.60	\$ 32.93	\$ 32.80	\$ 28.57	\$ 30.41
Subsidy Per Passenger	\$ 24.75	\$ 26.88	\$ 29.19	\$ 27.22	\$ 25.99	\$ 26.22	\$ 25.12	\$ 29.34	\$ 30.82	\$ 30.15	\$ 30.01	\$ 25.77	\$ 27.62
<b>2008 Actuals</b>													
<b>Operating Data</b>	<b>Oct-07</b>	<b>Nov-07</b>	<b>Dec-07</b>	<b>Jan-08</b>	<b>Feb-08</b>	<b>Mar-08</b>	<b>Apr-08</b>	<b>May-08</b>	<b>Jun-08</b>	<b>*Jul-08</b>	<b>*Aug-08</b>	<b>*Sep-08</b>	<b>Total</b>
Passengers	3,355	3,127	2,594	3,664	3,391	3,917	4,222	3,707	3,494	4,221	4,221	4,221	44,134
Vehicle Revenue Hours	1,796	1,740	1,483	1,720	1,977	1,839	2,192	2,110	1,946	2,319	2,208	2,266	23,596
Total Operating Expense	\$ 99,973	\$ 90,389	\$ 93,059	\$ 88,890	\$ 91,734	\$ 91,653	\$ 99,216	\$ 114,896	\$ 123,118	\$ 114,261	\$ 103,750	\$ 88,183	\$ 1,199,122
Vehicle Revenue Miles	25,508	26,699	23,973	28,411	29,721	28,335	32,257	30,093	28,940	25,159	23,492	24,133	326,721
Farebox Revenue	\$ 9,264	\$ 8,453	\$ 6,920	\$ 8,531	\$ 9,465	\$ 8,720	\$ 10,453	\$ 8,178	\$ 8,007	\$ 9,144	\$ 8,570	\$ 8,791	\$ 104,496
Days of Operation	31	25	25	26	25	26	26	26	26	26	26	25	313
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 55.66	\$ 51.95	\$ 62.75	\$ 51.68	\$ 46.40	\$ 49.84	\$ 45.26	\$ 54.45	\$ 63.27	\$ 49.27	\$ 46.99	\$ 38.92	\$ 50.82
Cost per Mile	\$ 3.92	\$ 3.39	\$ 3.88	\$ 3.13	\$ 3.09	\$ 3.23	\$ 3.08	\$ 3.82	\$ 4.25	\$ 4.54	\$ 4.42	\$ 3.65	\$ 3.67
Passengers/Hour	2	2	2	2	2	2	2	2	2	2	2	2	2
Cost Recovery Ratio	9.3%	9.4%	7.4%	9.6%	10.3%	9.5%	10.5%	7.1%	6.5%	8.0%	8.3%	10.0%	8.7%
Revenue per Passenger	\$ 2.76	\$ 2.70	\$ 2.67	\$ 2.33	\$ 2.79	\$ 2.23	\$ 2.48	\$ 2.21	\$ 2.29	\$ 2.17	\$ 2.03	\$ 2.08	\$ 2.37
Operating Cost per Passenger	\$ 29.80	\$ 28.91	\$ 35.87	\$ 24.26	\$ 27.05	\$ 23.40	\$ 23.50	\$ 30.99	\$ 35.24	\$ 27.07	\$ 24.58	\$ 20.89	\$ 27.17
Subsidy per Passenger	\$ 27.04	\$ 26.20	\$ 33.21	\$ 21.93	\$ 24.26	\$ 21.17	\$ 21.02	\$ 28.79	\$ 32.95	\$ 24.90	\$ 22.55	\$ 18.81	\$ 24.80

\*July, August, and September 08 information is based on the FY 2008 Budget figures



# Denton County Transportation Authority 2008 – 2009 Budget

## Commuter Express Operating Statistics

<b>2009 Budget</b>													
<b>Operating Data</b>	<b>Oct-08</b>	<b>Nov-08</b>	<b>Dec-08</b>	<b>Jan-09</b>	<b>Feb-09</b>	<b>Mar-09</b>	<b>Apr-09</b>	<b>May-09</b>	<b>Jun-09</b>	<b>Jul-09</b>	<b>Aug-09</b>	<b>Sep-09</b>	<b>Total</b>
Passengers	8,861	6,392	5,945	6,411	7,494	8,654	9,067	6,898	6,476	6,799	6,600	8,101	87,697
Vehicle Revenue Hours	717	592	686	655	623	686	686	623	686	717	655	655	7,980
Total Operating Expense	\$ 72,154	\$ 64,817	\$ 76,955	\$ 70,905	\$ 66,110	\$ 72,048	\$ 70,083	\$ 71,524	\$ 80,025	\$ 81,335	\$ 75,797	\$ 68,362	\$ 870,116
Vehicle Revenue Miles	23,300	19,247	22,287	21,274	20,261	22,287	22,287	20,261	22,287	23,300	21,274	21,274	259,334
Farebox Revenue	\$ 17,456	\$ 12,591	\$ 11,712	\$ 12,630	\$ 14,762	\$ 17,047	\$ 17,863	\$ 13,589	\$ 12,758	\$ 13,394	\$ 13,003	\$ 15,958	\$ 172,763
Days of Operation	23	19	22	21	20	22	22	20	22	23	21	21	256
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 100.65	\$ 109.45	\$ 112.22	\$ 108.32	\$ 106.05	\$ 105.07	\$ 102.20	\$ 114.73	\$ 116.70	\$ 113.45	\$ 115.80	\$ 104.44	\$ 109.04
Cost per Mile	\$ 3.10	\$ 3.37	\$ 3.45	\$ 3.33	\$ 3.26	\$ 3.23	\$ 3.14	\$ 3.53	\$ 3.59	\$ 3.49	\$ 3.56	\$ 3.21	\$ 3.36
Passengers per Hour	12	11	9	10	12	13	13	11	9	9	10	12	11
Cost Recovery Ratio	24%	19%	15%	18%	22%	24%	25%	19%	16%	16%	17%	23%	20%
Revenue per Passenger	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97
Operating Cost per Passenger	\$ 8.14	\$ 10.14	\$ 12.94	\$ 11.06	\$ 8.82	\$ 8.33	\$ 7.73	\$ 10.37	\$ 12.36	\$ 11.96	\$ 11.48	\$ 8.44	\$ 9.92
Subsidy Per Passenger	\$ 6.17	\$ 8.17	\$ 10.97	\$ 9.09	\$ 6.85	\$ 6.36	\$ 5.76	\$ 8.40	\$ 10.39	\$ 9.99	\$ 9.51	\$ 6.47	\$ 7.95
<b>2008 Actuals</b>													
<b>Operating Data</b>	<b>Oct-07</b>	<b>Nov-07</b>	<b>Dec-07</b>	<b>Jan-08</b>	<b>Feb-08</b>	<b>Mar-08</b>	<b>Apr-08</b>	<b>May-08</b>	<b>Jun-08</b>	<b>*Jul-08</b>	<b>*Aug-08</b>	<b>*Sep-08</b>	<b>Total</b>
Passengers	7,726	6,588	4,509	6,413	6,871	5,990	7,737	6,553	8,018	4,114	4,255	5,237	74,011
Vehicle Revenue Hours	717	623	592	686	655	649	686	655	655	1,014	926	970	8,828
Total Operating Expense	\$ 93,034	\$ 76,011	\$ 74,957	\$ 74,781	\$ 70,013	\$ 65,005	\$ 73,483	\$ 65,544	\$ 77,639	\$ 78,068	\$ 69,069	\$ 59,574	\$ 877,179
Vehicle Revenue Miles	23,138	20,120	19,114	22,132	21,126	20,982	22,132	21,126	21,126	27,096	24,740	25,918	268,750
Farebox Revenue	\$ 18,929	\$ 13,388	\$ 11,676	\$ 14,934	\$ 16,084	\$ 16,004	\$ 14,712	\$ 17,440	\$ 18,012	\$ 10,722	\$ 11,016	\$ 13,099	\$ 176,016
Days of Operation	23	20	20	22	21	21	22	21	22	23	23	22	260
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 129.75	\$ 122.01	\$ 126.62	\$ 109.01	\$ 106.89	\$ 100.16	\$ 107.12	\$ 100.07	\$ 118.53	\$ 76.99	\$ 74.59	\$ 61.42	\$ 99.36
Cost per Mile	\$ 4.02	\$ 3.78	\$ 3.92	\$ 3.38	\$ 3.31	\$ 3.10	\$ 3.32	\$ 3.10	\$ 3.68	\$ 2.88	\$ 2.79	\$ 2.30	\$ 3.26
Passengers/Hour	11	11	8	9	10	9	11	10	12	4	5	5	8
Cost Recovery Ratio	20.3%	17.6%	15.6%	20.0%	23.0%	24.6%	20.0%	26.6%	23.2%	13.7%	15.9%	22.0%	20.1%
Revenue per Passenger	\$ 2.45	\$ 2.03	\$ 2.59	\$ 2.33	\$ 2.34	\$ 2.67	\$ 1.90	\$ 2.66	\$ 2.25	\$ 2.61	\$ 2.59	\$ 2.50	\$ 2.38
Operating Cost per Passenger	\$ 12.04	\$ 11.54	\$ 16.62	\$ 11.66	\$ 10.19	\$ 10.85	\$ 9.50	\$ 10.00	\$ 9.68	\$ 18.98	\$ 16.23	\$ 11.38	\$ 11.85
Subsidy per Passenger	\$ 9.59	\$ 9.51	\$ 14.03	\$ 9.33	\$ 7.85	\$ 8.18	\$ 7.60	\$ 7.34	\$ 7.44	\$ 16.37	\$ 13.64	\$ 8.87	\$ 9.47

\*July, August, and September 08 information is based on the FY 2008 Budget figures



# Denton County Transportation Authority 2008 – 2009 Budget

## Connect Operating Statistics

<b>2009 Budget</b>													
<b>Operating Data</b>	<b>Oct-08</b>	<b>Nov-08</b>	<b>Dec-08</b>	<b>Jan-09</b>	<b>Feb-09</b>	<b>Mar-09</b>	<b>Apr-09</b>	<b>May-09</b>	<b>Jun-09</b>	<b>Jul-09</b>	<b>Aug-09</b>	<b>Sep-09</b>	<b>Total</b>
Passengers	23,615	18,931	19,083	19,769	20,517	22,982	23,581	20,142	19,938	20,418	20,152	22,231	251,359
Vehicle Revenue Hours	3,189	2,740	3,061	2,996	2,806	3,061	3,061	2,868	3,061	3,127	2,996	2,934	35,901
Total Operating Expense	\$ 183,255	\$ 168,549	\$ 208,797	\$ 185,585	\$ 168,171	\$ 184,116	\$ 178,130	\$ 188,648	\$ 209,166	\$ 210,033	\$ 197,037	\$ 171,949	\$ 2,253,436
Vehicle Revenue Miles	44,427	38,176	42,647	41,737	39,086	42,647	42,647	39,956	42,647	43,557	37,449	36,669	491,642
Farebox Revenue	\$ 15,130	\$ 12,295	\$ 12,388	\$ 12,804	\$ 13,258	\$ 14,752	\$ 15,117	\$ 13,034	\$ 12,912	\$ 13,204	\$ 13,043	\$ 14,305	\$ 162,242
Days of Operation	27	24	26	26	24	26	26	25	26	26	26	25	307
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 57.46	\$ 61.51	\$ 68.21	\$ 61.95	\$ 59.94	\$ 60.14	\$ 58.19	\$ 65.77	\$ 68.33	\$ 67.17	\$ 65.77	\$ 58.62	\$ 62.77
Cost per Mile	\$ 4.12	\$ 4.42	\$ 4.90	\$ 4.45	\$ 4.30	\$ 4.32	\$ 4.18	\$ 4.72	\$ 4.90	\$ 4.82	\$ 5.26	\$ 4.69	\$ 4.58
Passengers per Hour	7	7	6	7	7	8	8	7	7	7	7	8	7
Cost Recovery Ratio	8%	7%	6%	7%	8%	8%	8%	7%	6%	6%	7%	8%	7%
Revenue per Passenger	\$ 0.64	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.64	\$ 0.64	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.64	\$ 0.65
Operating Cost per Passenger	\$ 7.76	\$ 8.90	\$ 10.94	\$ 9.39	\$ 8.20	\$ 8.01	\$ 7.55	\$ 9.37	\$ 10.49	\$ 10.29	\$ 9.78	\$ 7.73	\$ 8.97
Subsidy Per Passenger	\$ 7.12	\$ 8.25	\$ 10.29	\$ 8.74	\$ 7.55	\$ 7.37	\$ 6.91	\$ 8.72	\$ 9.84	\$ 9.64	\$ 9.13	\$ 7.09	\$ 8.32
<b>2008 Actuals</b>													
<b>Operating Data</b>	<b>Oct-07</b>	<b>Nov-07</b>	<b>Dec-07</b>	<b>Jan-08</b>	<b>Feb-08</b>	<b>Mar-08</b>	<b>Apr-08</b>	<b>May-08</b>	<b>Jun-08</b>	<b>*Jul-08</b>	<b>*Aug-08</b>	<b>*Sep-08</b>	<b>Total</b>
Passengers	20,591	19,697	17,681	19,660	18,736	17,658	20,143	20,401	21,369	19,849	19,581	19,044	234,410
Vehicle Revenue Hours	2,882	2,644	2,762	2,945	2,819	2,843	2,941	2,893	2,853	3,125	3,004	2,996	34,707
Total Operating Expense	\$ 172,904	\$ 132,515	\$ 158,374	\$ 137,851	\$ 133,025	\$ 139,284	\$ 141,912	\$ 142,584	\$ 166,498	\$ 165,374	\$ 145,290	\$ 119,507	\$ 1,755,118
Vehicle Revenue Miles	39,729	36,436	37,818	40,340	39,015	39,697	41,143	40,266	39,909	42,654	41,059	40,880	478,947
Farebox Revenue	\$ 16,908	\$ 16,618	\$ 13,450	\$ 14,879	\$ 18,137	\$ 14,104	\$ 18,393	\$ 16,641	\$ 16,377	\$ 15,067	\$ 14,901	\$ 14,590	\$ 190,065
Days of Operation	27	25	25	26	25	26	26	26	26	26	26	25	309
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 59.99	\$ 50.12	\$ 57.34	\$ 46.81	\$ 47.19	\$ 48.99	\$ 48.25	\$ 49.29	\$ 58.36	\$ 52.92	\$ 48.37	\$ 39.89	\$ 50.57
Cost per Mile	\$ 4.35	\$ 3.64	\$ 4.19	\$ 3.42	\$ 3.41	\$ 3.51	\$ 3.45	\$ 3.54	\$ 4.17	\$ 3.88	\$ 3.54	\$ 2.92	\$ 3.66
Passengers/Hour	7	7	6	7	7	6	7	7	7	6	7	6	7
Cost Recovery Ratio	9.8%	12.5%	8.5%	10.8%	13.6%	10.1%	13.0%	11.7%	9.8%	9.1%	10.3%	12.2%	10.8%
Revenue per Passenger	\$ 0.82	\$ 0.84	\$ 0.76	\$ 0.76	\$ 0.97	\$ 0.80	\$ 0.91	\$ 0.82	\$ 0.77	\$ 0.76	\$ 0.76	\$ 0.77	\$ 0.81
Operating Cost per Passenger	\$ 8.40	\$ 6.73	\$ 8.96	\$ 7.01	\$ 7.10	\$ 7.89	\$ 7.05	\$ 6.99	\$ 7.79	\$ 8.33	\$ 7.42	\$ 6.28	\$ 7.49
Subsidy per Passenger	\$ 7.58	\$ 5.88	\$ 8.20	\$ 6.25	\$ 6.13	\$ 7.09	\$ 6.13	\$ 6.17	\$ 7.03	\$ 7.57	\$ 6.66	\$ 5.51	\$ 6.68

\*July, August, and September 08 information is based on the FY 2008 Budget figures



# Denton County Transportation Authority 2008 – 2009 Budget

## UNT Operating Statistics

<b>2009 Budget</b>													
<b>Operating Data</b>	<b>Oct-08</b>	<b>Nov-08</b>	<b>Dec-08</b>	<b>Jan-09</b>	<b>Feb-09</b>	<b>Mar-09</b>	<b>Apr-09</b>	<b>May-09</b>	<b>Jun-09</b>	<b>Jul-09</b>	<b>Aug-09</b>	<b>Sep-09</b>	<b>Total</b>
Passengers	246,000	159,900	70,100	141,245	183,600	143,755	174,800	58,900	25,680	25,800	83,720	270,300	1,583,800
Vehicle Revenue Hours	6,189	4,631	2,684	3,771	5,410	4,600	5,963	2,543	1,282	1,293	1,915	5,686	45,967
Total Operating Expense	\$ 321,396	\$ 259,946	\$ 174,335	\$ 261,945	\$ 292,047	\$ 256,547	\$ 313,115	\$ 167,017	\$ 102,524	\$ 184,207	\$ 135,542	\$ 304,504	\$ 2,773,123
Vehicle Revenue Miles	74,307	55,611	32,223	45,273	64,959	55,227	71,595	30,527	15,386	15,512	22,991	68,277	551,889
Farebox Revenue	\$ 316,992	\$ 237,821	\$ 138,912	\$ 194,109	\$ 277,407	\$ 236,258	\$ 305,505	\$ 131,730	\$ 67,656	\$ 68,190	\$ 101,590	\$ 297,654	\$ 2,373,824
Days of Operation	27	21	11	17	24	19	26	21	22	23	12	25	248
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 51.93	\$ 56.13	\$ 64.94	\$ 69.47	\$ 53.98	\$ 55.77	\$ 52.51	\$ 65.67	\$ 79.96	\$ 142.50	\$ 70.78	\$ 53.55	\$ 60.33
Cost per Mile	\$ 4.33	\$ 4.67	\$ 5.41	\$ 5.79	\$ 4.50	\$ 4.65	\$ 4.37	\$ 5.47	\$ 6.66	\$ 11.87	\$ 5.90	\$ 4.46	\$ 5.02
Passengers per Hour	40	35	26	37	34	31	29	23	20	20	44	48	34
Cost Recovery Ratio	99%	91%	80%	74%	95%	92%	98%	79%	66%	37%	75%	98%	86%
Revenue per Passenger	\$ 1.29	\$ 1.49	\$ 1.98	\$ 1.37	\$ 1.51	\$ 1.64	\$ 1.75	\$ 2.24	\$ 2.63	\$ 2.64	\$ 1.21	\$ 1.10	\$ 1.50
Operating Cost per Passenger	\$ 1.31	\$ 1.63	\$ 2.49	\$ 1.85	\$ 1.59	\$ 1.78	\$ 1.79	\$ 2.84	\$ 3.99	\$ 7.14	\$ 1.62	\$ 1.13	\$ 1.75
Subsidy Per Passenger	\$ 0.02	\$ 0.14	\$ 0.51	\$ 0.48	\$ 0.08	\$ 0.14	\$ 0.04	\$ 0.60	\$ 1.36	\$ 4.50	\$ 0.41	\$ 0.03	\$ 0.25
<b>2008 Actuals</b>													
<b>Operating Data</b>	<b>Oct-07</b>	<b>Nov-07</b>	<b>Dec-07</b>	<b>Jan-08</b>	<b>Feb-08</b>	<b>Mar-08</b>	<b>Apr-08</b>	<b>May-08</b>	<b>Jun-08</b>	<b>*Jul-08</b>	<b>*Aug-08</b>	<b>*Sep-08</b>	<b>Total</b>
Passengers	249,743	186,041	70,711	135,816	188,808	127,124	174,960	45,610	28,297	19,170	57,843	228,352	1,512,475
Vehicle Revenue Hours	6,390	5,521	2,797	3,758	5,760	4,216	6,106	3,010	1,401	1,446	1,985	6,712	49,102
Total Operating Expense	\$ 293,190	\$ 271,173	\$ 173,031	\$ 202,370	\$ 275,484	\$ 224,333	\$ 302,496	\$ 160,345	\$ 112,037	\$ 130,350	\$ 137,363	\$ 246,172	\$ 2,528,344
Vehicle Revenue Miles	79,296	67,725	35,432	47,298	70,904	51,964	75,698	36,767	16,974	21,141	24,453	80,471	608,124
Farebox Revenue	\$ 293,273	\$ 255,424	\$ 122,860	\$ 167,177	\$ 253,979	\$ 186,939	\$ 297,915	\$ 139,735	\$ 70,292	\$ 58,780	\$ 75,582	\$ 259,488	\$ 2,181,444
Days of Operation	31	27	19	27	29	26	30	23	16	19	11	22	280
<b>Key Performance Indicators</b>													
Cost per Hour	\$ 45.88	\$ 49.12	\$ 61.86	\$ 53.85	\$ 47.83	\$ 53.21	\$ 49.54	\$ 53.27	\$ 79.97	\$ 90.15	\$ 69.20	\$ 36.68	\$ 51.49
Cost per Mile	\$ 3.70	\$ 4.00	\$ 4.88	\$ 4.28	\$ 3.89	\$ 4.32	\$ 4.00	\$ 4.36	\$ 6.60	\$ 6.17	\$ 5.62	\$ 3.06	\$ 4.16
Passengers/Hour	39	34	25	36	33	30	29	15	20	13	29	34	31
Cost Recovery Ratio	100%	94%	71%	83%	92%	83%	98%	87%	63%	45%	55%	105%	86%
Revenue per Passenger	\$ 1.17	\$ 1.37	\$ 1.74	\$ 1.23	\$ 1.35	\$ 1.47	\$ 1.70	\$ 3.06	\$ 2.48	\$ 3.07	\$ 1.31	\$ 1.14	\$ 1.44
Operating Cost per Passenger	\$ 1.17	\$ 1.46	\$ 2.45	\$ 1.49	\$ 1.46	\$ 1.76	\$ 1.73	\$ 3.52	\$ 3.96	\$ 6.80	\$ 2.37	\$ 1.08	\$ 1.67
Subsidy per Passenger	\$ (0.00)	\$ 0.08	\$ 0.71	\$ 0.26	\$ 0.11	\$ 0.29	\$ 0.03	\$ 0.45	\$ 1.48	\$ 3.73	\$ 1.07	\$ (0.06)	\$ 0.23

\*July, August, and September 08 information is based on the FY 2008 Budget figures



# **Capital Expenditure Budget**





## **Capital Expenditure Budget**

The Capital Expenditure Budget includes planned expenditures to support the operational activities of DCTA bus operations and development of the rail project. The FY 2009 capital expenditure budget includes rail design and construction, park and ride facility, Bus Operations and Maintenance Facility, security systems for the buses, and staff support vehicles. Expenditures for the capital budget total approximately \$136.0 million. The following table presents the Capital Expenditure Budget for FY 2009.

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 rail 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 the Rail Project.



## Denton County Transportation Authority 2008 – 2009 Budget

### Bus Operations

#### Project Number B05- 2008 Park and Ride Facility

**Project Name:** Hebron 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 the acquisition and construction of a Park & Ride Facility to be located in South Lewisville. The Hebron Park & Ride Facility will provide vehicle parking with access to the DCTA Commuter Express and Connect bus services, as well as future access to the regional rail service.

**Project Need/Purpose/Description:**

The project will include land acquisition, design, and construction of the facility. A minimum of 200 parking spaces will be provided in the initial phase to serve existing bus services with the ability to expand to approximately 600 parking spaces to serve both bus and rail services when the rail commences service. The facility will include such passenger amenities as shelters, bike racks, waste receptacles, and public notification/information boards. The design will also coordinate access to the site from a hike & bike trail which is proposed to connect South Lewisville with the Denton Rail Trail which currently ends in Corinth.

**Expenditure Plan Description:**

DCTA estimates planned capital expenditures to commence in September 2008 and continue for ten to twelve (10-12) months, completing in FY 2009.

**Source funds projected are:**

- Federal	\$ 624,544
- Local 2008	\$ 819,206
- Local 2009	\$1,881,250
- TOTAL	\$3,325,000

**Project Schedule:**

<u>Item</u>	<u>Dates</u>	<u>Cost</u>
Land Acquisition	September 2008	\$1,400,000
Design	Sept - Dec 08	\$ 175,000
Construction	Dec 08 – Sept 09	\$1,750,000



## Denton County Transportation Authority 2008 – 2009 Budget

### Project Number: B06-2008 Operations and Maintenance Facility

**Project Name:** Bus Operations and Maintenance Facility

**Project Status:**

The Bus Operations and Maintenance facility project began in FY08. It will be located within the city of Denton and include accommodations for the current fleet as well as provide for expansion to handle anticipated growth. General amenities will include maintenance bays, overhaul bays, 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 administrative staff work rooms.

Depending on the specific tract of land purchased for development, a portion may be used in conjunction with the Rail Project.

**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 seventeen (17) months to complete the project. Total expenditures in FY08 were \$1,160,000 and are estimated to be \$3,253,612 in FY09. The remaining balance of \$3,729,055 to be paid in FY2010.

**Source funds projected are:**

- Federal	\$ 0
- RTRFI	\$ 0
- Local 2008	\$1,160,000
- Local 2009	\$3,253,612
- Local 2010	\$3,729,055
- Total	\$8,142,667

**Project Schedule:**

<u>Item</u>	<u>Dates</u>	<u>Cost</u>
Land Acquisition	Sept 08	\$1,160,000
Design	Oct 08 – April 09	\$ 590,000
Construction	May 09 – April 10	\$6,392,667



## Denton County Transportation Authority 2008 – 2009 Budget

### Project Number B07-2009 Security System Video Units

**Project Name:** On-Board Video Surveillance and Security System

**Project Status:**

The project will include the production and installation of a video surveillance system on seventeen (17) transit vehicles. This system will be funded by FTA 5307 funds, of which 1% must be spent on security. The project will satisfy FTA safety spending requirements for FY08 and FY09. \$71,000 was included, but not expended, for this project in the FY08 capital budget

**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, digital video recorders and back-office equipment to outfit the on-board surveillance systems.

**Expenditure Plan Description:**

DCTA estimates approximately six (6) months to complete the project.

**Source funds projected are:**

- Federal	\$ 91,840
- Local	\$ 22,960
- TOTAL	\$114,800

**Project Schedule:**

Procurement	September 08 – November 08
Board Contract Award	November 08
System Installation	December 08 – February 09
Contract Complete	February 09

**Cost Estimates:**

On-Board Cameras (Seven/vehicle)	\$30,600
Digital Video Recorders	\$72,000
Back-Office System	\$ 2,000
Installation	\$10,200



## **The Rail Project**

### **Project Number: R06-2009 Rail Project Development**

**Project Name: Rail Project Development / Construction**

#### **Project Status:**

The Rail Project is the primary component of DCTA's service plan. This planned 21 mile regional rail line and adjacent bicycle and pedestrian path, links the cities along the I-35E corridor with DART LRT at Trinity Mills in Carrollton, and is scheduled to be in-service December 2010.

#### **Project Need/Purpose/Description:**

Strongly endorsed by Denton County voters, this project has been identified locally and regionally as a priority solution to the mobility issues facing Denton County and North Central Texas. The Rail Project will provide connectivity to key traffic generators in the county including retail, medical, employment centers, and area universities. As an important component of the region's proposed regional rail network and larger regional transportation system, the Rail Project will provide connectivity to the DART Green Line and other DART and DCTA services with the potential for future seamless travel throughout North Central Texas.

The \$312.7 million project includes the 21-mile regional rail line with four stations connecting Denton County with DART's Green Line in Carrollton at the Trinity Mills station. Further components of the project include a bicycle and pedestrian trail within the rail corridor, enhanced crossings to improve traffic flow, Light Rail-New Technology Vehicles, and a rail vehicle maintenance facility.

There are four planned station locations along the rail corridor. The planned station locations were selected in cooperation with area residents, businesses and municipalities to ensure that the locations meet the ridership needs of the community and provide easy access for residents. The selected station locations are Old Town Lewisville, Lewisville Lake, Med Park, and Downtown Denton.

The Diesel Multiple Unit is the proposed rail car to be used along the 21-mile rail corridor. To provide for future seamless interface with DART's LRT line south of Trinity Mills, the development of a Light Rail-New Technology vehicle is required. This new vehicle, which encompasses a large portion of the cost of this project, could work well in other corridors throughout the region as identified in the Mobility 2030 Plan.

The rail vehicle maintenance facility, which is also included in the rail project, would provide the supporting infrastructure necessary for train operations and would be used to inspect, repair, clean, and store the regional rail vehicles.

The Rail Project will provide not only rail, but also bicycle and pedestrian linkage throughout the corridor. The project includes the relocation and improvement of a bicycle and pedestrian facility between Denton and Corinth. Additionally, this project includes the construction of a new trail south of Corinth to the South Lewisville Park-and-Ride Facility at Hebron Parkway.

#### **Expenditure Plan Description:**

This project was included in the August 2007 Regional Toll Revenue Funding Initiative (RTRFI) application. The total projected capital cost of the Rail Project is \$312.7 million and DCTA has requested 80% funding from the RTRFI and plans to provide the required \$63 million local share from revenue and debt issuance. On January 24, 2008, the Regional Transportation Commission (RTC) approved RTRFI



## **Denton County Transportation Authority 2008 – 2009 Budget**

funding of \$57.2 million for the Light Rail Vehicles and the remaining \$193.0 million was approved in August 2008.

**Source funds projected are:**

- Federal	\$ 0
- RTRFI	\$250,160,000
- Local 2008	\$ 541,491
- Local 2009	\$ 26,132,009
- Local 2010	\$ 32,108,000
- Local 2011	\$ 3,758,500
- TOTAL	\$312,700,000

The total estimated cost for this project is \$312,700,000 to be expended over three fiscal years.

**Project Schedule:**

Project Begin Date	October 2008
Project Complete	December 2010



## Denton County Transportation Authority 2008 – 2009 Budget

### Project Number: R07-2009 Staff Support Vehicles

**Project Name:** Staff Support Vehicles

**Project Status:**

Staff will preview the State Bid List for applicable support vehicles for this procurement. Two standard light duty trucks and a standard sedan are required for staff support on the construction site. These vehicles will be procured in December 2008. Fuel efficiency will be a major factor in the procurement, with a preference for hybrid vehicles.

**Project Need/Purpose/Description:**

Staff has identified a need to purchase three (3) support vehicles to be used in the mobilization/construction period of the rail program as well as continued operation during revenue service for bus and rail. Two of these vehicles will be light duty trucks and one will be a standard sedan. These vehicles are necessary in order to make site visits to the construction and operations venue without asking personnel to use their own vehicle. In addition, one of the vehicles will serve as a pool car for DCTA staff in order to cut down on mileage reimbursements provided to staff without car allowances.

**Expenditure Plan Description:**

DCTA estimates approximately three (3) months to complete the procurement and delivery of these vehicles and they should be on-site near the end of December 2008.

**Source funds projected are:**

- Federal	\$	0
- RTRFI	\$	0
- Local	\$62,000	
- TOTAL	\$62,000	
-		

The total estimated cost of this project is:

- Light Duty Truck (2 @ \$22,000)	= \$44,000
- Standard Sedan	= \$18,000

**Project Schedule:**

Procurement	October 2008
Project Complete	December 2008





## Denton County Transportation Authority 2008 – 2009 Budget

**Table 8 - Capital Expenditure Budget**

### Fiscal Year 2009 Proposed Denton County Transportation Authority Capital Budget

<u>Project Number</u>	<u>Project Description</u>	<u>Project Cost</u>
<b><u>Bus Operations</u></b>		
B05-2008	Hebron Park and Ride Facility	\$ 1,881,250
B06-2008	Operations and Maintenance Facility	3,253,612
B07-2009	Security System - Video Units	114,800
<b>Total Bus Operations</b>		<b>\$ 5,249,662</b>
<b><u>Rail Project</u></b>		
*R06-2009	Rail Development/Construction	\$ 130,660,047
R07-2009	Staff Support Vehicles	62,000
<b>Total Rail Project</b>		<b>\$ 130,722,047</b>
<b>Total Capital Expenditures</b>		<b><u>\$ 135,971,709</u></b>

\* The Rail Development / Construction Project cost is based on a conservative schedule for budget adoption purposes. However, a more aggressive schedule is anticipated but will not be finalized until December 2008-January 2009 timeframe. This more accelerated schedule would require at least another \$50 million for FY09.



## Denton County Transportation Authority 2008 – 2009 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.

**Fixed Assets** – Assets of a long term character which are intended to continue to be held or



## Denton County Transportation Authority 2008 – 2009 Budget

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 2008 – 2009 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 2008 – 2009 Budget

### Budget Amendment Number 2008-01 for FY 2008



#### **Board of Directors Memo**

**March 25, 2008**

**Subject: 1 f) Approval of Resolution 10-08 for Capital and Operating Expense  
Budget Amendments**

#### **Capital**

Advisory Team Support

#### **Expense**

RailDCTA Branding and Imaging Study  
Trinity Mills Design Cost – DART

#### **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 for new items or 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 amounts. Amending the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff.

#### **Capital**

1. The DCTA board will be adding an Advisory Support Team to assist with the RailDCTA project. Charges for these services will be included in the rail design capital accounts. This budget amendment is necessary to reflect the latest information in the capital budget related to the Advisory Team support. Staff is recommending DCTA board increase the FY 2008 budget by adding project R05-2008-Advisory Team Support. The project charges for this activity will be approximately \$6,000 per month or \$42,000 for the balance of this fiscal year. Attachment I provides additional information for current estimated cost.

#### **Expense**

1. At the February 28, 2008 board meeting, the board authorized the President to negotiate a contract with for the RailDCTA Branding and Imaging Study subject to board approval of a budget amendment. The \$65,000 costs, related to this contract, were not included in the original budget adopted September 2007. Staff is recommending the DCTA board increase the FY 2008 expense budget by \$65,000 for the RailDCTA Branding and Imaging Study contract. Attachment II provides additional information for current estimated cost.



## Denton County Transportation Authority 2008 – 2009 Budget

2. The FY 2008 operating expense budget does not include expenses for the DART Trinity Mills rail design ILA. May 24, 2007 the board authorized the President to execute an ILA with DART for rail design efforts to accommodate DCTA movements into the Trinity Mills station of the Green Line. The ILA was completed on September 14, 2007. The \$300,000 costs, related to this ILA, were not included in the original budget adopted September 2007. Staff is recommending the DCTA board to increase the FY 2008 expense budget by \$300,000 for the RailDCTA / DART Trinity Mills rail design ILA. Attachment III provides additional information for current estimated cost.

### **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 increase the capital budget by \$42,000 and the expense budget by \$365,000 for FY 2008.

### **Committee Review**

Budget Amendment Number 2008-01 was reviewed by the Finance Committee March 18, 2008.

### **Recommendation**

Staff recommends the DCTA Board of Directors adopt Resolution 10-08 to approve Capital and Operating Expense Budget Amendment Number 2008-01.

Sincerely,

A handwritten signature in black ink, appearing to read "John O. Hedrick", is written over a printed name and title.

John O. Hedrick  
President

mp



## Denton County Transportation Authority 2008 – 2009 Budget

### DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 10-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING FISCAL YEAR 2008 BUDGET AMENDMENT NUMBER 2008-01 OPERATING AND CAPITAL BUDGET AMENDMENTS ATTACHED HERETO AS EXHIBIT "A" AND EXHIBIT "B" RESPECTIVELY, 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 2008 Operating and Capital budgets as set forth in Exhibits "A" and "B".

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

**SECTION 1.** The Budget Amendment number 2008-01 attached hereto as Exhibits "A" and "B" be, and the same is hereby adopted; and shall amend the original budget adopted September 27, 2007 from and after the effective date of this resolution.

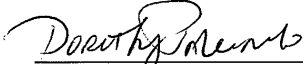
**SECTION 2.** That all provisions of the resolutions of the Board of Directors of the DCTA, in conflict with the provisions of this resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this resolution shall remain in full force and effect.

**SECTION 3.** This resolution shall become effective immediately upon its passage and approval.

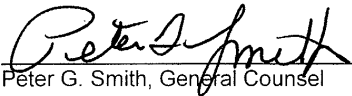
**DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THE 25TH DAY OF MARCH, 2008 APPROVED:**

  
Charles Emery, Chairman

**ATTEST:**

  
Dottie Palumbo, Secretary

**APPROVED AS TO FORM:**

  
Peter G. Smith, General Counsel

65486





# Denton County Transportation Authority 2008 – 2009 Budget

1F

Attachment I

## DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

Type:	Amendment	<u>          x          </u>	Number:	<u>          2008-01          </u>
	Revision	<u>                          </u>		
	Current Budgeted Amount	Amendment Amount	Amended Budget Amount	
<b>Capital</b>				
1660. Construction Work in Progress	-	42,000	42,000	
Total Expense Account Activity	-	42,000	42,000	

### Explanation:

#### Capital

1. The DCTA board will add an Advisory Support Team to assist with the RailDCTA project. Charges for these services will be included in the rail design capital accounts. This budget amendment is necessary to reflect the latest information in the capital budget related to the Advisory Team support.

Date: 3-20-08

Date: 3-20-08

Date: 3/20/08

Requested By

Revised By

President

Madhuai P

R. J. Renteria

John D. Smith



## Denton County Transportation Authority 2008 – 2009 Budget

Attachment II

### DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

		Number:		2008-01
Type:	Amendment	<u>x</u>		
	Revision	<u></u>		
	Current Budgeted Amount	Amendment Amount	Amended Budget Amount	
Expense				
8550330 - RailDCTA's Branding & Imaging Campaign	-	65,000	65,000	
Total Expense Account Activity	-	65,000	65,000	

#### Explanation:

##### Expense

In February 2008 the Board approved a request for the President to enter into a contract in the amount of \$65,000.00 subject to budget approval. The following core components of the RailDCTA brand will be designed as appropriate to reflect the attitudes and expectations of prospective riders:

1. Service Name
2. Logo
3. Tagline.

Date: 3/20/08

Date: 3-20-08

Date: 3/20/08

Requested By

Revised By

President

*Madame P*  
*2.2. Haworth*  
*[Signature]*



# Denton County Transportation Authority 2008 – 2009 Budget

Attachment III

## DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

		Number:		2008-01
Type:	Amendment	x		
	Revision			
		Current Budgeted Amount	Amendment Amount	Amended Budget Amount
<b>Expense</b>				
9040740 - Trinity Mills Design Cost - DART		-	300,000	300,000
Total Expense Account Activity		-	300,000	300,000

### Explanation:

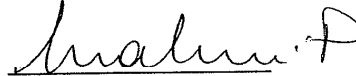
#### Expense

The Board approved an amount of \$300,000 and authorized DCTA to perform the following tasks:  
DCTA and DART entered in to an interlocal agreement to modify the existing design of the proposed DART LRT improvements to accommodate the DCTA Rail Platform and to preserve the ability to interline between the DCTA and LRT tracks in the future.

Date: 3/20/08

Date: 3-20-08

Date: 3/20/08

Requested By 

Reviwed By 

President 



# Denton County Transportation Authority 2008 – 2009 Budget

Exhibit A

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

Description	Original Budget	Amendments	Amended Budget
<b>Revenue and Other Income</b>			
Passenger revenues	\$ 420,825	\$ -	\$ 420,825
Contract Service Revenue	2,027,040	-	2,027,040
Sales tax revenue	15,640,441	-	15,640,441
Federal grants and reimbursements	3,534,602	-	3,534,602
<b>Total Revenue and Other Income</b>	<b>21,622,908</b>	<b>-</b>	<b>21,622,908</b>
<b>Operating Expenses</b>			
Salary, Wages and Benefits	4,809,223	-	4,809,223
Services	1,266,735	65,000	1,331,735
Materials and Supplies	1,538,198	-	1,538,198
Utilities	68,820	-	68,820
Insurance, Casualties and Losses	453,048	-	453,048
Purchased Transportation Service	-	-	-
Miscellaneous	287,828	-	287,828
Leases and Rentals	315,708	-	315,708
Depreciation	1,320,046	-	1,320,046
<b>Total Operating Expenses</b>	<b>10,059,606</b>	<b>65,000</b>	<b>10,124,606</b>
<b>Income Before Non-Operating Revenue and Expense</b>	<b>11,563,302</b>	<b>(65,000)</b>	<b>11,498,302</b>
<b>Non-Operating Revenues / (Expense)</b>			
Enhanced Local Assistance Program	(1,042,184)	-	(1,042,184)
Investment Income (Net)	1,072,746	-	1,072,746
Trinity Mills Design Cost - DART	-	(300,000)	(300,000)
<b>Total Non-Operating Revenue / (Expense)</b>	<b>30,562</b>	<b>(300,000)</b>	<b>(269,438)</b>
<b>Change in Net Assets</b>	<b>11,593,864</b>	<b>(365,000)</b>	<b>11,228,864</b>
<b>Net Assets, Beginning of Year</b>	<b>31,243,236</b>	<b>-</b>	<b>31,243,236</b>
<b>Net Assets, End of Year</b>	<b>\$ 42,837,099</b>	<b>\$ (365,000)</b>	<b>\$ 42,472,099</b>



## Denton County Transportation Authority 2008 – 2009 Budget

Exhibit B

### Fiscal Year 2008 Denton County Transportation Authority Budget Capital Budget

<u>Project Description</u>	<u>Original Capital Budget</u>	<u>Amendments</u>	<u>Amended Capital Budget</u>
<b><u>Bus Operations</u></b>			
Security System - Video Units	\$ 71,000	\$ -	71,000
Passenger Amenities Install Benches and Shelters	144,000	-	144,000
Mobile Bus Lift for Maintenance Facility	25,000	-	25,000
Supervisor Support Van - ADA Accessible	35,000	-	35,000
South Lewisville Park and Ride Facility	1,767,578	-	1,767,578
Operations and Maintenance Facility	3,368,322	-	3,368,322
Total Bus Operations	<u>\$ 5,410,900</u>	<u>\$ -</u>	<u>\$ 5,410,900</u>
<b><u>RailDCTA</u></b>			
Rail Station Site Acquisition and Preparation	\$ 5,989,500	\$ -	\$ 5,989,500
Rail Design and Design Support	8,333,334	-	8,333,334
Support Contract	1,000,000	-	1,000,000
Rail Service and Inspection Facility	958,320	-	958,320
Advisory Team Support	-	42,000	42,000
Total RailDCTA	<u>\$ 16,281,154</u>	<u>\$ 42,000</u>	<u>\$ 16,323,154</u>
Total Capital Expenditures	<u>\$ 21,692,054</u>	<u>\$ 42,000</u>	<u>\$ 21,734,054</u>



## Denton County Transportation Authority 2008 – 2009 Budget

### Budget Amendment Number 2008-02 for FY 2008



#### **Board of Directors Memo**

**May 22, 2008**

**Subject: 1(b)** Approval of Resolution 15-08 for Revenue and Operating Expense Budget Amendments

#### **Federal Grant Revenue – Attachment I / Exhibit I-A**

1. Preventative Maintenance
2. Planning
3. JARC Operating Assistance
4. Congestion Mitigation Air Quality Grant (CMAQ)

#### **Expense – Attachment II / Exhibit II-A**

1. URS/EIS Budget Amendment

#### **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 for new items or 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 line item amounts. Amending the budget for material changes will provide a better forecasting and management tool for the Board and DCTA staff.

#### **Federal Grant Revenue – Attachment I / Exhibit I-A**

1. In the original budget DCTA planned to apply 5307 funds to the EIS and final design expenditures. After the FEID is approved by the board, DCTA will not be able to apply for grant revenue in relation to the final design expenditures. Therefore, DCTA is forecasting 5307 funds of \$742,786 in preventive maintenance grants to be available in FY 2008 and will reallocate the FY 2008 grant application to provide for the preventative maintenance expenditures and allow us to draw down these funds. This budget item will increase the grant revenue by \$742,786.
2. In the original budget DCTA planned to apply 5307 funds to the EIS and final design expenditures. After the FEID is approved by the board, DCTA will not be able to apply for grant revenue in relation to the final design expenditures. Therefore, DCTA will reduce the budgeted grant planning revenue of \$2,682,058 to \$1,885,248 for URS/EIS planning only and will reallocate the FY 2008 grant application to provide for the preventative maintenance expenditures in item 1 above. This budget item will decrease the grant revenue by \$796,810.
3. The JARC grant was reforecast in April to reflect \$164,106 for FY 2008, as opposed to the original budget amount of \$228,000. This creates a decrease in the grant revenue of \$63,894 which will be received in future periods.
4. DCTA has received a CMAQ grant for the Hebron Parkway Park and Ride. The original budget reflected a receipt of \$624,544 in January 2008. Staff now anticipates receiving these funds in September 2008. This will have no financial impact on the FY 2008 budget. Attachment I provides additional information for current actual and estimated budget cost.



## Denton County Transportation Authority 2008 – 2009 Budget

### Expense - Attachment II / Exhibit II-A

1. The URS/EIS expense was originally budgeted for \$225,000 in FY 2008. The actual expense for this project was \$64,517, resulting in a reduction of \$160,483 from the current year budget. Staff is recommending a decrease of the FY 2008 expense budget by \$160,483 for the URS/EIS expense. Attachment II provides additional information for current actual and estimated budget cost.

### Need

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

### Financial Impact

The proposed budget amendments decrease the revenue for DCTA by \$117,918 and decrease the operating expense by \$160,483 for FY 2008.

### Committee Review

Budget Amendment Number 2008-02 has been reviewed by the Finance Committee May 20, 2008.

### Recommendation

It is the staff's recommendation that the Board adopt Resolution Number 15-08 for Revenue and Operating Expense Budget Amendments.

Sincerely,

A handwritten signature in black ink, appearing to read "John O. Hedrick".

John O. Hedrick  
President

AR





## Denton County Transportation Authority 2008 – 2009 Budget

### DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 15-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPROVING FISCAL YEAR 2008 BUDGET AMENDMENT NUMBER 2008-02 OPERATING BUDGET AMENDMENT ATTACHED HERETO AS EXHIBIT "A" RESPECTIVELY, 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 2008 operating budget as set forth in Exhibit "A".

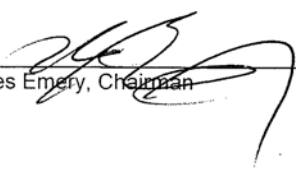
**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY THAT:**

**SECTION 1.** The Budget Amendment number 2008-02 attached hereto as Exhibit "A" be, and the same is hereby adopted; and shall amend the original budget adopted September 27, 2007 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 22ND DAY OF MAY, 2008 APPROVED:**

  
Charles Emery, Chairman

**ATTEST:**

  
Dottie Palumbo, Secretary

**APPROVED AS TO FORM:**

  
Peter G. Smith, General Counsel

65486



## Denton County Transportation Authority 2008 – 2009 Budget

Attachment I

### DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

Type:	Amendment	<u>x</u>	Number:	<u>2008-02</u>	
	Transfer	<u></u>			
			Current Budgeted Amount	Amendment Amount	Amended Budget Amount
<b>Federal Grant Revenue</b>					
Preventative Maintenance			-	742,786	742,786
Planning			2,682,058	1,885,248	(796,810)
JARC Operating Assistance			228,000	164,106	(63,894)
Congestion Mitigation Air Quality Grant (CMAQ)			624,544	624,544	-
<b>Total Federal Grant Revenue</b>			3,534,602	3,416,684	(117,918)

#### Explanation:

Please see attached Board of Directors Memo dated May 22, 2008.

Date: 5-14-08

Date: 5-16-08

Date: \_\_\_\_\_

Requested By

*Amanda Riddle*

Reviewed By

*J.L. Henderson*

President

\_\_\_\_\_



# Denton County Transportation Authority 2008 – 2009 Budget

Exhibit I-A

Federal Cash Grant & Reimbursements - Budget Amendment for 2008													
	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
Preventative Maintenance													
	-	-	-	-	-	-	-	-	-	-	-	-	-
	23,822	79,544	62,200	61,308	86,284	77,132	68,496	65,000	57,000	45,000	47,000	70,000	742,786
	23,822	79,544	62,200	61,308	86,284	77,132	68,496	65,000	57,000	45,000	47,000	70,000	742,786
Planning													
	60,000	60,000	593,334	533,334	533,333	800,000	102,057	-	-	-	-	-	2,682,058
	242,204	202,240	322,217	352,730	294,514	128,032	343,311	-	-	-	-	-	1,885,248
	182,204	142,240	(271,117)	(180,604)	(238,819)	(671,968)	241,254	-	-	-	-	-	(796,810)
JARC Operating Assistance													
	14,000	14,000	14,000	14,000	14,000	14,000	24,000	24,000	24,000	24,000	24,000	24,000	228,000
	7,976	14,000	14,000	14,351	14,000	14,000	15,779	14,000	14,000	14,000	14,000	14,000	164,106
	(6,024)	-	-	351	-	-	(8,221)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(63,894)
Congestion Mitigation Air Quality Grant (CMAQ)													
	-	-	-	624,544	-	-	-	-	-	-	-	-	624,544
	-	-	-	-	-	-	-	-	-	-	-	-	624,544
	-	-	-	(624,544)	-	-	-	-	-	-	-	-	-



## Denton County Transportation Authority 2008 – 2009 Budget

Attachment II

### DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BUDGET AMENDMENT

Type:	Amendment	<u>          x          </u>	Number:		<u>          2008-02          </u>
	Transfer	<u>                          </u>			
			Current Budgeted Amount	Amendment Amount	Amended Budget Amount
Expense					
URS/EIS Budget Amendment			225,000	160,483	64,517
Total Expense Account Activity			225,000	160,483	64,517

**Explanation:**

Please see attached Board of Directors Memo dated May 22, 2008.

Date: 5-16-08  
Date: 5-16-08  
Date:           

Requested By Amanda Riddle  
Reviewed By J. J. Hester  
President



**URS/EIS Budget Amendment for 2008**

[illegible]



## Denton County Transportation Authority 2008 – 2009 Budget

Exhibit A

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

Description	Original Budget	Amendments	Amended Budget
<b>Revenue and Other Income</b>			
Passenger revenues	\$ 420,825	\$ -	\$ 420,825
Contract Service Revenue	2,027,040	-	2,027,040
Sales tax revenue	15,640,441	-	15,640,441
Federal grants and reimbursements	3,534,602	(117,918)	3,416,684
<b>Total Revenue and Other Income</b>	<b>21,622,908</b>	<b>(117,918)</b>	<b>21,504,990</b>
<b>Operating Expenses</b>			
Salary, Wages and Benefits	4,809,223	-	4,809,223
Services	1,266,735	(95,483)	1,171,252
Materials and Supplies	1,538,198	-	1,538,198
Utilities	68,820	-	68,820
Insurance, Casualties and Losses	453,048	-	453,048
Purchased Transportation Service	-	-	-
Miscellaneous	287,828	-	287,828
Leases and Rentals	315,708	-	315,708
Depreciation	1,320,046	-	1,320,046
<b>Total Operating Expenses</b>	<b>10,059,606</b>	<b>(95,483)</b>	<b>9,964,123</b>
<b>Income Before Non-Operating Revenue and Expense</b>	<b>11,563,302</b>	<b>(22,435)</b>	<b>11,540,867</b>
<b>Non-Operating Revenues / (Expense)</b>			
Enhanced Local Assistance Program	(1,042,184)	-	(1,042,184)
Investment Income (Net)	1,072,746	-	1,072,746
Trinity Mills Design Cost - DART	-	(300,000)	(300,000)
<b>Total Non-Operating Revenue / (Expense)</b>	<b>30,562</b>	<b>(300,000)</b>	<b>(269,438)</b>
<b>Change in Net Assets</b>	<b>11,593,864</b>	<b>(322,435)</b>	<b>11,271,429</b>
<b>Net Assets, Beginning of Year</b>	<b>31,243,236</b>	<b>-</b>	<b>31,243,236</b>
<b>Net Assets, End of Year</b>	<b>\$ 42,837,099</b>	<b>\$ (322,435)</b>	<b>\$ 42,514,664</b>



## Denton County Transportation Authority 2008 – 2009 Budget

### Investment Policy



Board of Directors Memo

April 24, 2008

Subject: 1(d) Approval of Resolution 11-08 Annual Approval of Investment Policy

#### Background

It is the policy of the Denton County Transportation Authority (DCTA) 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. While DCTA staff strives to maximize the yield on our investments, increasing the market yield-to-maturity will be secondary to the requirements for safety and liquidity.

It is the intent of DCTA to be in complete compliance with local law and the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). The Act requires that the Board of Directors review the Investment Policy annually.

#### Need

The DCTA Board needs to fulfill the legal requirement for an annual review and approval of the Investment Policy. Staff has determined that the 2007 Investment Policy, provided with this memo, required no changes for 2008. The President and Chief Financial Officer as the Alternate Investment Officer and Investment Officer for DCTA will remain unchanged.

#### Financial Impact

The changes in the Investment Policy will have minimal financial impact. DCTA staff will continue to invest in a manner that will provide the maximum security of principal invested while meeting the daily cash flow needs within the guidelines of the policy.

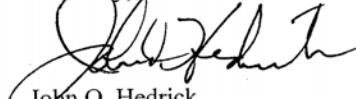
#### Committee Review

Legal counsel and the Finance Committee have reviewed the Investment Policy and verified compliance with current accounting and legal requirements under the Act.

#### Recommendation

It is staff's recommendation that the Board approve resolution number 11-08 Annual Approval of the DCTA Investment Policy.

Sincerely,



John O. Hedrick  
President

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## Denton County Transportation Authority 2008 – 2009 Budget

### DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 11-08

**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 2008 – 2009 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 24TH DAY OF APRIL, 2008.**

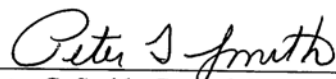
**APPROVED:**

  
Charles Emery, Chairman

**ATTEST:**

  
Dottie Palumbo, Secretary

**APPROVED AS TO FORM:**

  
Peter G. Smith, General Counsel



## **Denton County Transportation Authority 2008 – 2009 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.





## Denton County Transportation Authority 2008 – 2009 Budget

### Exhibit A

#### 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.



## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Exhibit A**

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.



## Denton County Transportation Authority 2008 – 2009 Budget

### Exhibit A

#### 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,





## Denton County Transportation Authority 2008 – 2009 Budget

### Exhibit A

- 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:

<b>Security Type</b>	<b>Max % of Portfolio</b>
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,





## Denton County Transportation Authority 2008 – 2009 Budget

### 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



## **Denton County Transportation Authority 2008 – 2009 Budget**

### **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 2008 – 2009 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 24<sup>th</sup> day of April, 2008.

BY:

Chairman  \_\_\_\_\_ Date

ATTEST:

Secretary  9-25-08 \_\_\_\_\_ 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

Adopted April 24, 2008



## **Denton County Transportation Authority 2008 – 2009 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 2008 – 2009 Budget

### Resolution Number 19-08 - Adoption of the FY 2009 Operating and Capital Budget



#### Board of Directors Memo

September 25, 2008

**Subject: 4b) Discussion/Approval of Resolution 19-08 to Adopt FY 2009 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 2009 budget. The Proposed Budget was presented to the Finance Committee for their review and comments at meetings on August 19, 08 and September 16, 08. Changes recommended by the Finance Committee were incorporated and the Proposed FY2009 Budget was presented to the Board of Directors and public on August 28, 2008 for review and comment. The proposed FY 2009 budget presented in August has been revised to account for additional grants of \$284,000 pertaining to JARC and New Freedom Grants that DCTA has been awarded. The FY 2009 Operating and Capital Budget is now presented for adoption by the Board of Directors.

**Identified Need:**

The FY 2009 Operating and Capital Budget is prepared and presented for approval by the governing body in compliance with State law.

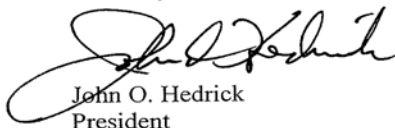
**Financial Impact:**

The FY 2009 Budget document details the financial obligations committed to by the Board upon adoption.

**Recommendation:**

Staff recommends the Board of Directors approve Resolution 19-08 to adopt the FY 2009 Operating and Capital Budget.

Sincerely,



John O. Hedrick  
President





## **Denton County Transportation Authority 2008 – 2009 Budget**

### **DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 19-08**

**A RESOLUTION PROVIDING FOR ADOPTION OF THE DENTON COUNTY TRANSPORTATION AUTHORITY OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2009, BEGINNING OCTOBER 1, 2008 AND ENDING SEPTEMBER 30, 2009; 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 2009 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 2009 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.



## Denton County Transportation Authority 2008 – 2009 Budget

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE  
DENTON COUNTY TRANSPORTATION AUTHORITY THE 25<sup>TH</sup> DAY OF  
SEPTEMBER, 2008.


APPROVED:

  
\_\_\_\_\_  
Charles Emery, Chairman

ATTEST:

  
\_\_\_\_\_  
Dorothy Palumbo, Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Peter G. Smith, General Counsel  
(69216)





# Denton County Transportation Authority 2008 – 2009 Budget

## Exhibit A

### Fiscal Year 2009 Denton County Transportation Authority Budget Statements of Changes in Net Assets - Budget Format

	FY 2009 Budget	FY 2008 Forecast	FY 2008 Amended Budget	FY 2007 Actual	Variance Budget to Forecast Fav. / (Unfav.)
<b>Revenue and Other Income</b>					
Passenger Revenues	493,082	470,557	426,825	390,692	22,525
Contract Service Revenue	2,343,824	2,181,444	2,021,040	2,026,719	162,380
Sales Tax Revenue	16,385,000	15,905,351	15,640,441	15,530,584	479,649
Federal / State Grants & Reimbursements	1,669,612	3,459,601	3,416,684	5,932,487	(1,789,989)
Capital Contributions - RTRFIFunding	36,594,000	-	-	-	36,594,000
<b>Total Revenue and Other Income</b>	<b>57,485,518</b>	<b>22,016,953</b>	<b>21,504,990</b>	<b>23,880,482</b>	<b>35,468,565</b>
<b>Operating Expenses</b>					
Salaries, Wages & Fringe Benefits	5,320,148	4,891,187	4,809,223	4,357,178	(428,961)
Services	1,369,104	975,923	1,171,252	3,489,508	(393,181)
Materials & Supplies	2,361,439	1,671,146	1,538,198	1,404,945	(690,293)
Utilities	75,168	66,259	68,820	76,865	(8,909)
Insurance, Casualties & Losses	490,469	439,122	453,048	388,924	(51,347)
Purchased Transportation Service	-	-	-	(38,904)	-
Miscellaneous	197,648	189,907	287,828	143,361	(7,741)
Leases & Rentals	299,694	320,470	315,708	319,087	20,776
Depreciation	1,019,428	1,384,254	1,320,046	1,379,929	364,826
<b>Total Operating Expenses</b>	<b>11,133,098</b>	<b>9,938,268</b>	<b>9,964,123</b>	<b>11,520,893</b>	<b>(1,194,830)</b>
<b>Income Before Non-Operating Revenue and Expense</b>	<b>46,352,420</b>	<b>12,078,685</b>	<b>11,540,867</b>	<b>12,359,589</b>	<b>34,273,735</b>
<b>Non-Operating Revenue / (Expenses)</b>					
Enhanced Local Assistance Program	-	(1,067,836)	(1,042,184)	(3,882,647)	1,067,836
Net Investment Income / (Expenses)	1,372,929	1,043,067	1,072,746	1,319,946	329,862
Non-Operating Revenue / (Expenses)	(1,470,000)	(234,947)	(300,000)	-	(1,235,053)
<b>Non-Operating Revenue</b>	<b>(97,071)</b>	<b>(259,716)</b>	<b>(269,438)</b>	<b>(2,562,701)</b>	<b>162,645</b>
<b>Change in Net Assets</b>	<b>46,255,349</b>	<b>11,818,969</b>	<b>11,271,429</b>	<b>9,796,888</b>	<b>34,436,380</b>
<b>Net Assets, Beginning of Year</b>	<b>36,522,880</b>	<b>24,703,911</b>	<b>24,703,911</b>	<b>14,907,023</b>	<b>11,818,969</b>
<b>Net Assets, End of Year</b>	<b>82,778,229</b>	<b>36,522,880</b>	<b>35,975,340</b>	<b>24,703,911</b>	<b>46,255,349</b>



## Denton County Transportation Authority 2008 – 2009 Budget

### Exhibit B

#### Fiscal Year 2009 Proposed Denton County Transportation Authority Capital Budget

<u>Project Number</u>	<u>Project Description</u>	<u>Project Cost</u>
<b><u>Bus Operations</u></b>		
B05-2008	Hebron Park and Ride Facility	\$ 1,881,250
B06-2008	Operations and Maintenance Facility	3,253,612
B07-2009	Security System - Video Units	<u>114,800</u>
<b>Total Bus Operations</b>		<b>\$ 5,249,662</b>
<b><u>Rail Project</u></b>		
R06-2009	Rail Development/Construction	\$ 130,660,047
R07-2009	Staff Support Vehicles	<u>62,000</u>
<b>Total Rail Project</b>		<b>\$ 130,722,047</b>
<b>Total Capital Expenditures</b>		<b><u>\$ 135,971,709</u></b>



## **Denton County Transportation Authority 2008 – 2009 Budget**

### **Resolution Number 20-08 – Appointing new CFO as Investment Officer**

#### **DENTON COUNTY TRANSPORTATION AUTHORITY RESOLUTION NO. 20-08**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) APPOINTING THE CHIEF FINANCIAL OFFICER AS THE INVESTMENT OFFICER FOR DCTA AND APPOINTING THE PRESIDENT AS THE ALTERNATE INVESTMENT OFFICER; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Directors of DCTA previously adopted a resolution designating the then DCTA Chief Financial Officer Terry L. Howerter as the Investment Officer and the DCTA President, John O. Hedrick as the Alternate Investment Officer; and

**WHEREAS**, Terry L. Howerter is no longer employed by DCTA and Anna M. Mosqueda is the current Chief Financial Officer; and

**WHEREAS**, the Board of Directors desires to name Anna M. Mosqueda as the Investment Officer and John O. Hedrick will remain the Alternate Investment Officer.

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

**SECTION 1.** The DCTA Chief Financial Officer Anna M. Mosqueda is hereby designated as the Investment Officer and the DCTA President, John O. Hedrick is designated the Alternate Investment Officer.

**SECTION 2.** The Investment Officer and Alternate Investment Officer are hereby authorized to engage in investment transactions on behalf of DCTA

**SECTION 3.** The Investment Officers authorized by this resolution shall also be authorized to approve wire transfers used in the process of investing.

**SECTION 4.** The Investment Officers shall designate a liaison/deputy in writing in the event circumstances require timely action and the Investment Officers are unavailable.

**SECTION 5.** 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 6.** 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 25TH DAY OF SEPTEMBER, 2008.**



## Denton County Transportation Authority 2008 – 2009 Budget

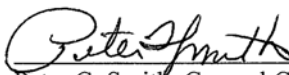
**APPROVED:**

  
\_\_\_\_\_  
Charles Emery, Chairman

**ATTEST:**

  
\_\_\_\_\_  
Dottie Palumbo, Secretary

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Peter G. Smith, General Counsel