North Central Texas
Council Of Governments
FY 2020 Proposed Budget

Executive Board Meeting
August 22, 2019
Characteristics of NCTCOG budgeting and contrasts with typical local government budgeting.

- Funding is comprised primarily of grants and local contracts for services.
- Each grant is a separate contract with its own grant period and funding amount. Grants can encompass more than one fiscal year.
- Continuously evolving as program needs change and funding opportunities become available. Additional awarded funding approved during the budget year.
- Scope of work, funding, and expenditure limitations are regulated by the individual grant or contract, rather than the planned program summary.

High inter-departmental dependency and cooperation.

- Common objectives (i.e. environmental, air quality and transportation programs).
- Multi-disciplinary approach (i.e. operating departments, computer services, finance and accounting teams).
NCTCOG FY 2020 Proposed Budget
Orientation to the Budget Highlights

• Programs Ending and/or Funding Transitions:
  – TCEQ – AirCheck funding – ($23.7 million decrease).
  – NCT9-1-1 – Transition from State Funding to District/Local funding – (11.0 million decrease).
  – NCT9-1-1 – District Full Year Impact – ($1.2 million increase).

• In-Kind Match Funds Changes of Note:
  – Transportation Match – ($3.5 million increase).
  – Emergency Preparedness: Safe Room Rebate Program – ($0.8 million decrease).

• Cyclical Funding Changes – Programs administered on a two-year cycle, with the first
  year for planning and the second year for implementation.
  – Research and Information Services: Aerial Photography – ($1.2 million decrease).
  – Environment & Development: Solid Waste Management – ($1.0 million decrease).

• Programs with Future Funding not Confirmed
  – Emergency Preparedness: Safe Room Rebate Program – ($0.9 million decrease).
  – Environment & Development: CTP/FEMA – ($0.8 million decrease).

• Transportation State and Federal – TxDOT, FTA, EPA – ($7.5 million increase).
• One-time Funding – Fund Balance for Leasehold Improvements $425 thousand.
• Agency Focus on Compliance
## Funding Sources

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>State and Federal Grants</td>
<td>$172,222,730</td>
<td>$202,419,909</td>
<td>$(30,197,179)</td>
</tr>
<tr>
<td>Local Contracts/Grants</td>
<td>9,839,248</td>
<td>9,730,680</td>
<td>108,568</td>
</tr>
<tr>
<td>In-Kind Match Funds</td>
<td>15,741,065</td>
<td>20,003,565</td>
<td>(4,262,500)</td>
</tr>
<tr>
<td>Membership Dues</td>
<td>737,409</td>
<td>722,878</td>
<td>14,531</td>
</tr>
<tr>
<td>Training Revenues</td>
<td>1,014,803</td>
<td>821,192</td>
<td>193,611</td>
</tr>
<tr>
<td>Separate Entities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Employees Benefit Coop.</td>
<td>1,642,876</td>
<td>1,690,547</td>
<td>(47,671)</td>
</tr>
<tr>
<td>NCT9-1-1</td>
<td>10,459,266</td>
<td>9,211,593</td>
<td>1,247,673</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$211,657,397</td>
<td>$244,600,364</td>
<td>$(32,942,967)</td>
</tr>
<tr>
<td>Fund Balance Transfer *</td>
<td>425,000</td>
<td></td>
<td>425,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$212,082,397</td>
<td>$244,600,364</td>
<td>$(32,517,967)</td>
</tr>
</tbody>
</table>

*For leasehold improvements*
### NCTCOG FY 2020 Proposed Budget

#### STATE

<table>
<thead>
<tr>
<th>Agency</th>
<th>FY 2020</th>
<th>% of Total Funding</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Workforce Commission (TWC)</td>
<td>$ 89,326,231</td>
<td>42.20%</td>
<td>$ 89,816,614</td>
<td>($490,383)</td>
</tr>
<tr>
<td>Texas Department of Transportation (TxDOT)</td>
<td>48,971,453</td>
<td>23.14%</td>
<td>44,837,844</td>
<td>4,133,609</td>
</tr>
<tr>
<td>Texas Health &amp; Human Services (HHS)</td>
<td>8,213,837</td>
<td>3.88%</td>
<td>8,009,552</td>
<td>204,285</td>
</tr>
<tr>
<td>Governor's Office (OOG)</td>
<td>2,846,798</td>
<td>1.35%</td>
<td>2,733,496</td>
<td>113,302</td>
</tr>
<tr>
<td>Texas Commission on Environmental Quality (TCEQ)</td>
<td>834,571</td>
<td>0.39%</td>
<td>25,487,356</td>
<td>(24,652,785)</td>
</tr>
<tr>
<td>Texas Department of Public Safety (DPS)</td>
<td>682,599</td>
<td>0.32%</td>
<td>1,579,454</td>
<td>(896,855)</td>
</tr>
<tr>
<td>State Energy Conservation Office (SECO)</td>
<td>20,000</td>
<td>0.01%</td>
<td>125,000</td>
<td>(105,000)</td>
</tr>
<tr>
<td>Texas Department of Agriculture (TDA)</td>
<td>19,049</td>
<td>0.01%</td>
<td>18,916</td>
<td>133</td>
</tr>
<tr>
<td>Commission on State Emergency Communications (CSEC)</td>
<td>-</td>
<td>0.00%</td>
<td>11,048,911</td>
<td>(11,048,911)</td>
</tr>
<tr>
<td><strong>TOTAL STATE</strong></td>
<td>$ 150,914,538</td>
<td>71.30%</td>
<td>$ 183,657,143</td>
<td>($32,742,605)</td>
</tr>
</tbody>
</table>

#### FEDERAL

<table>
<thead>
<tr>
<th>Agency</th>
<th>FY 2020</th>
<th>% of Total Funding</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Transit Administration (FTA)</td>
<td>$ 16,367,386</td>
<td>7.73%</td>
<td>$ 14,862,457</td>
<td>$1,504,929</td>
</tr>
<tr>
<td>Environmental Protection Agency (EPA)</td>
<td>3,953,462</td>
<td>1.87%</td>
<td>2,042,402</td>
<td>1,911,060</td>
</tr>
<tr>
<td>Federal Emergency Management Agency (FEMA)</td>
<td>852,000</td>
<td>0.40%</td>
<td>1,650,650</td>
<td>(798,650)</td>
</tr>
<tr>
<td>United States Department of Commerce (US DOC)</td>
<td>70,000</td>
<td>0.03%</td>
<td>105,000</td>
<td>(35,000)</td>
</tr>
<tr>
<td>United States Department of Energy (US DOE)</td>
<td>65,344</td>
<td>0.03%</td>
<td>50,146</td>
<td>15,198</td>
</tr>
<tr>
<td>Federal Highway Administration (FHWA)</td>
<td>-</td>
<td>0.00%</td>
<td>52,111</td>
<td>(52,111)</td>
</tr>
<tr>
<td><strong>TOTAL FEDERAL</strong></td>
<td>$ 21,308,192</td>
<td>10.06%</td>
<td>$ 18,762,766</td>
<td>$2,545,426</td>
</tr>
</tbody>
</table>

**TOTAL STATE AND FEDERAL**

<table>
<thead>
<tr>
<th>FY 2020</th>
<th>% of Total Funding</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 172,222,730</td>
<td>81.36%</td>
<td>$ 202,419,909</td>
<td>($30,197,179)</td>
</tr>
</tbody>
</table>
NCTCOG FY 2020 Proposed Budget

Funding Changes

State and Federal Grant Changes – $30.2 million net decrease, primarily comprised of:

• Transportation – $16.2 million net decrease, primarily comprised of:
  – Texas Commission on Environmental Quality (TCEQ) – ($23.7 million decrease).
  • AirCheck TX Program
  – Federal Highway Administration (FHWA) – ($52 thousand decrease).
  – Texas Department of Transportation (TXDOT) – ($4.1 million increase).
  – Environmental Protection Agency (EPA) – ($1.9 million increase).
  – Federal Transit Authority (FTA) – ($1.5 million increase).
  – Department of Energy (DOE) – ($15 thousand increase).

• Environment & Development – $1.9 million net decrease comprised of:
  – Texas Commission on Environmental Quality (TCEQ) – ($962 thousand decrease).
  • Solid Waste Biennium Grant – Planning Year

• Workforce – $490 thousand decrease comprised of:
  – Texas Workforce Commission (TWC) – ($490 thousand decrease).
NCTCOG FY 2020 Proposed Budget Funding Changes

State and Federal Grant Changes – $30.2 million net decrease (Continued)

– Emergency Preparedness – $783 thousand net decrease comprised of:
  – Texas Department of Public Safety: Safe Room Rebate – ($896 thousand decrease).
  – Governor’s Office – ($113 thousand increase).

– Area Agency on Aging – $204 thousand increase comprised of:
  – Texas Health and Human Services (HHS) – ($204 thousand increase).

– Agency Management – $35 thousand decrease comprised of:

– Regional 9-1-1 – $11.0 million decrease comprised of:
  – Commission on State Emergency Communications (CSEC)* – ($11.0 million decrease).

*Transition from CSEC to District/Local funding
NCTCOG FY 2020 Proposed Budget Funding Changes

Local Contracts & Other Revenue – $1.5 million net increase, primarily due to:

- Transportation – ($723 thousand increase).
- Area Agency on Aging – ($474 thousand increase).
- Regional Police Academy – ($165 thousand increase).
- General Fund Interest Income – ($80 thousand increase).
- Emergency Preparedness – ($51 thousand increase).
- Research and Information Services – ($1.2 million decrease).
- Separate Entities:
  - NCT9-1-1 District* – ($1.2 million increase).
  - Public Employee Benefits Cooperative – ($47 thousand decrease).

In-Kind Match Funds – $4.3 million net decrease, primarily due to:

- Transportation – ($3.5 million increase).
- Area Agency on Aging – ($6.7 million decrease).
  - Reduction of Local match requirements
- Emergency Preparedness – ($937 thousand decrease).
- Workforce Development – ($53 thousand decrease).
- Agency Management – Department of Commerce – ($35 thousand decrease).

Total Change to Funding – $32.9 million net decrease

*Transition from CSEC to District/Local funding
Transportation

– Total expenditures net decrease of $11.7 million primarily comprised of:
  • AirCheck State Funding – ($23.7 million decrease).
  • Clean Technologies: Revolving Loan – ($2.8 million decrease).
  • Regional Vanpool Program – ($1.2 million decrease).
  • North TX Regional Reduction Emissions Project – ($1.0 million decrease).
  • Transit – ($491 thousand decrease).
  • Transit Oriented Development – ($472 thousand decrease).
  • Environmental Stewardship – ($471 thousand decrease).
  • Preliminary Engineering for Regional Trail – ($400 thousand decrease).
  • Travel Model Improvement – ($379 thousand decrease).
  • Downtown Dallas Pilot Study – ($347 thousand decrease).
  • Regional Parking Analysis – ($250 thousand decrease).
  • Land-use Transportation: FW Active Transportation Plan – ($250 thousand decrease).
Transportation (Continued)

– Total expenditures net decrease of $11.7 million, primarily comprised of:
  • EPA DERA 2018 – Clean Fleets North Texas – ($4.0 million increase).
  • EPA DERA 2018 – Freight Diesel Emissions Reduction – ($3.3 million increase).
  • Automated Vehicles Projects – ($2.5 million increase).
  • Regional Transit Planning Assistance – ($1.8 million increase).
  • TRE Shuttle: TRE Centerpoint Station and DFW Airport – ($1.4 million increase).
  • Travel Survey and Data Collection Program – ($1.0 million increase).
  • Highspeed Rail Initiatives and Support – ($982 thousand increase).
  • 2005-2006 Sustainable Development Infrastructure – ($896 thousand increase).
  • Roadway and Transit Technical Support – ($782 thousand increase).
  • Managed Lane System – ($671 thousand increase).
  • Intermodal Transportation Hub Planning Study – ($450 thousand increase).
  • Access and Mobility Partnership – ($429 thousand increase).
  • Harry Hines Corridor: Preliminary Design – ($361 thousand increase).
  • Public Involvement, Outreach & Education – ($335 thousand increase).
  • Regional Safety Program – ($300 thousand increase).
  • Asset Information Planning Tool – ($251 thousand increase).
  • Regional Trip Reduction – ($214 thousand increase).
NCTCOG FY 2020 Proposed Budget
Total Expenditures

Environment & Development
– Total expenditures net decrease of $1.8 million, primarily comprised of:
  • Solid Waste Management (Planning Year) – ($1.0 million decrease).
  • Cooperative Technical Partnership (CTP) FEMA – ($787 thousand decrease).
  • State Energy Conservation Office (SECO) – ($40 thousand decrease).

Workforce
– Total expenditures net decrease of $630 thousand, primarily comprised of:
  • NEG Oil/Gas (One-time Grant) – ($360 thousand decrease).
  • Childcare Funding – ($313 thousand decrease).
  • Workforce Innovations Opportunities Act (WIOA) – ($245 thousand decrease).
  • Business Service Award – ($105 thousand decrease).
  • Vocational Rehabilitation – ($205 thousand increase).
  • Temporary Assistance for Needy Families (TANF) – ($133 thousand increase).
NCTCOG FY 2020 Proposed Budget
Total Expenditures

Emergency Preparedness

– Total expenditures net decrease of $1.7 million, primarily comprised of:
  • Safe Room Rebate – ($1.9 million total decrease).
    • Includes decrease in Pass-through expenditures of $882 thousand.
  • Emergency Preparedness Local Projects – ($149 thousand increase).
  • State Homeland Security Grant Program (SHSGP) – ($117 thousand increase).

Research & Information Services

– Total expenditures net decrease of $1.0 million, primarily comprised of:
  • Fee for Service – Aerial Photography (Off Year) – ($1.2 million decrease).
  • Information Services (Network Support) – ($383 thousand increase).
    • Salary/Merit/Fringe – ($150 thousand increase).
    • Repurposed Web Developer to Cybersecurity Analyst – ($100 thousand increase).
    • Premier Support for Microsoft Products & Services – ($75 thousand increase).
    • Security-related Maintenance & Testing – ($58 thousand increase).
  • Departmental Support – ($194 thousand decrease).
    • Air Check and Air Quality Funding – ($194 thousand decrease).
Area Agency on Aging

– Total expenditures net decrease of $6.0 million, primarily comprised of:
  • Reduced requirement for reporting Subrecipient InKind – ($6.7 million decrease).
  • Pass-through to Subrecipients for Nutrition and Transportation Services – ($397 thousand increase).
  • Contract Services – ($241 thousand increase).

Agency Administration

– Total expenditures net increase of $826 thousand, primarily comprised of:
  • Facilities Management – ($280 thousand increase).
  • Depreciation for Leasehold Improvements – ($140 thousand increase).
  • Compliance Initiatives – ($250 thousand increase).
    ▪ Laserfiche Requisition to Check Process – ($75 thousand increase).
    ▪ Centralization through Indirect for Accounting/HR/Purchasing/Risk & Compliance (Net Add) – ($75 thousand increase).
    ▪ IT Security Framework ($100 thousand increase).
  • Merit/Fringe – ($152 thousand increase).
Agency Management

- Total expenditures net decrease of $60 thousand, primarily comprised of:
  - Economic Development Grant – Regional support – ($70 thousand decrease).
  - Miscellaneous projects – ($10 thousand increase).

Community Services

- Total expenditures net increase of $175 thousand, primarily comprised of:
  - Regional Police Academy – ($160 thousand increase).
  - North Texas Share Cooperative* / TDI** – ($15 thousand increase).

Regional 9-1-1

- Total expenditures net decrease of $11.0 million.
  - Transition to NCT9-1-1 District.

*All costs are net of inter-departmental transfers

**These costs are offset by training and user fees
NCTCOG FY 2020 Proposed Budget

Total Expenditures

Separate Entities

- **NCT9-1-1 District**
  - Total expenditures net increase of $1.1 million.

- **Public Employee Benefits Cooperative**
  - Total expenditures net decrease of $62 thousand.

**Total Net Change to Expenditures** – $32.5 million net decrease.
## NCTCOG FY 2020 Proposed Budget

### Total Expenditures

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Development</td>
<td>$88,459,526</td>
<td>$89,089,465</td>
<td>$(629,939)</td>
</tr>
<tr>
<td>Transportation</td>
<td>82,548,030</td>
<td>94,240,969</td>
<td>(11,692,939)</td>
</tr>
<tr>
<td>Agency Administration</td>
<td>11,217,273</td>
<td>10,391,361</td>
<td>825,912</td>
</tr>
<tr>
<td>Area Agency on Aging</td>
<td>10,652,129</td>
<td>16,710,240</td>
<td>(6,058,111)</td>
</tr>
<tr>
<td>Research &amp; Information Services</td>
<td>9,055,054</td>
<td>10,067,175</td>
<td>(1,012,121)</td>
</tr>
<tr>
<td>Emergency Preparedness</td>
<td>3,670,546</td>
<td>5,345,074</td>
<td>(1,674,528)</td>
</tr>
<tr>
<td>Environment &amp; Development</td>
<td>2,900,271</td>
<td>4,710,213</td>
<td>(1,809,942)</td>
</tr>
<tr>
<td>Community Services</td>
<td>2,437,546</td>
<td>2,261,935</td>
<td>175,611</td>
</tr>
<tr>
<td>Agency Management (1)</td>
<td>1,087,408</td>
<td>1,161,544</td>
<td>(74,136)</td>
</tr>
<tr>
<td>Regional 9-1-1</td>
<td>-</td>
<td>11,014,741</td>
<td>(11,014,741)</td>
</tr>
</tbody>
</table>

### Separate Entities

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCT 9-1-1</td>
<td>10,115,336</td>
<td>9,040,763</td>
<td>1,074,573</td>
</tr>
<tr>
<td>Public Employee Benefits</td>
<td>1,347,824</td>
<td>1,409,547</td>
<td>(61,723)</td>
</tr>
<tr>
<td>Cooperative</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Total Proposed Expenditures

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Proposed Expenditures</td>
<td>$223,490,943</td>
<td>$255,443,027</td>
<td>$(31,952,084)</td>
</tr>
<tr>
<td>Less: Interdepartmental Charges (2)</td>
<td>(12,233,546)</td>
<td>(11,142,663)</td>
<td>(1,090,883)</td>
</tr>
<tr>
<td>Plus: Leasehold Improvements (3)</td>
<td>825,000</td>
<td>300,000</td>
<td>525,000</td>
</tr>
<tr>
<td>Net Expenditures</td>
<td>$212,082,397</td>
<td>$244,600,364</td>
<td>$(32,517,967)</td>
</tr>
</tbody>
</table>

(1) Includes Public Affairs  
(2) Includes Direct Service Charges and Indirect Overhead  
(3) Includes $425,000 from Fund Balance for FY2020
Personnel and Fringe Benefits

– 395 full-time positions and 54 temporary/part-time positions.

– Net Increase of 2 full-time positions.

– Healthcare 8% increase.

– 3% merit pool.
NCTCOG FY 2020 Proposed Budget

<table>
<thead>
<tr>
<th>Full-time Positions</th>
<th>FY 2020 Budget</th>
<th>FY 2019 Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation</td>
<td>167</td>
<td>169</td>
<td>(2)</td>
</tr>
<tr>
<td>Workforce Development</td>
<td>48</td>
<td>44</td>
<td>4</td>
</tr>
<tr>
<td>Agency Administration</td>
<td>43</td>
<td>43</td>
<td>-</td>
</tr>
<tr>
<td>Research &amp; Information Services</td>
<td>35</td>
<td>35</td>
<td>-</td>
</tr>
<tr>
<td>Area Agency on Aging</td>
<td>24</td>
<td>24</td>
<td>-</td>
</tr>
<tr>
<td>Environment &amp; Development</td>
<td>14</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Emergency Preparedness</td>
<td>12</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Community Services(^{(1)})</td>
<td>9</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>Agency Management(^{(2)})</td>
<td>5</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>PEBC</td>
<td>5</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>NCT9-1-1</td>
<td>33</td>
<td>33</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>395</strong></td>
<td><strong>393</strong></td>
<td><strong>2</strong></td>
</tr>
</tbody>
</table>

\(^{(1)}\) NTX Share, RPA, TDI, and Criminal Justice

\(^{(2)}\) Includes Public Affairs
Transportation (-2)
  Air Quality Operations (-10)
  Contract and Risk Specialist II (2)
  Transportation Planner I/II (2)
  Communications Specialist I (1)
  Communications Supervisor (1)
  Transportation Planner I (1)
  Transportation Planner II (1)

Workforce Development (4)
  Early Childhood Specialist (4)

Agency Administration (0)
  Fiscal Analyst (-1)
  Auditor (1)

Research & Information Services (0)
  Web Developer (-1)
  Cybersecurity Analyst I (1)
Remaining Steps In Budget Process.

– Answer any questions today.
– Provide for public hearing and budget adoption resolution at September’s Board meeting.
– Prepare budget document for filing with the Board and state agencies.
– Monitor FY 2019 budget year close out.
– Implement FY 2020 budget beginning October 1.
– Present status of programs and need for budget amendments throughout the year as new programs and funding become available.