



Proposed FY 2025 Annual Budget & 20-Year Financial Plan

**Committee-of-the-Whole
*Budget & Finance Item***
August 13, 2024

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Overview

- Financial planning calendar
- Proposed FY 2025 budget recap
- Board requests
 - 3% operating growth
 - 0% operating growth
 - Capital Improvement Program (CIP) changes
- Discussion

A yellow and white bus is parked on a city street. In the background, there are several tall skyscrapers under a blue sky with some clouds. The bus has a white roof and yellow accents. The text "Financial Planning Calendar" is overlaid in the center of the image in a bold, dark blue font, enclosed in a yellow rectangular border.

Financial Planning Calendar

FY 2025 Financial Planning Calendar

Date	Action/Briefing
April 9	COTW approval of Financial Standards for FY 2025 Annual Budget and 20-Year Financial Plan
April 12	Budget and Finance Committee – FY 2025 financial outlook
April 16	Board approval of Financial Standards for FY 2025 Annual Budget and 20-Year Financial Plan
May 8	Budget and Finance Committee – Amendments to FY 2025 Financial Standards and FY 2025 budget discussion
May 14	COTW approval of amendments to FY 2025 Financial Standards
May 20	Budget and Finance Committee – MAIF discussion and FY 2025 capital budget overview
June 11	Board approval of amendments to FY 2025 Financial Standards
June 17	Budget and Finance Committee – FY 2025 operating budget overview
July 16	Present President & CEO’s Proposed FY 2025 Annual Budget and 20-Year Financial Plan to COTW
July 30	Board Mini-Workshop on Proposed FY 2025 Annual Budget and 20-Year Financial Plan
August 13	COTW/Board approval to distribute Proposed FY 2025 Annual Budget and 20-Year Financial Plan to SACs
August 14	Budget and Finance Committee
September 5	Briefing for service area city managers and finance directors
September 10	COTW approval of FY 2025 Annual Budget and 20-Year Financial Plan
September 24	Board approval of FY 2025 Annual Budget and 20-Year Financial Plan

A yellow and white bus is parked on a city street. The bus has a white roof and yellow accents. It is positioned in front of several tall, modern buildings with glass facades. The sky is blue with some clouds. The overall scene is a city street with a bus and skyscrapers.

Proposed FY 2025 Budget

FY 2025 Sources (\$M)

Revenues	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed	% Variance
Sales Tax Revenues	\$834.4	\$870.8	\$910.2	4.5%
Operating Revenues	56.3	56.3	60.8	8.1%
Interest Income	51.3	39.9	26.4	(33.7%)
Formula Federal Funding	68.0	121.5	74.6	(38.6%)
Discretionary Federal Funding	14.2	38.0	186.7	391.6%
Other Operating Contributions	21.6	18.3	19.5	6.4%
Other Capital Contributions	10.4	16.9	23.6	39.7%
Total Revenue	\$1,056.1	\$1,161.7	\$1,301.9	12.1%
Debt	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed	% Variance
Long-Term Debt	\$54.0	\$334.6	\$519.4	55.4%
Commercial Paper	0	62.0	25.0	(37.0%)
Total Debt	\$54.0	\$396.6	\$544.4	37.4%

Proposed FY 2025 Budget (\$M)

	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed	% Variance
Operating	\$635.3	\$687.2	\$725.2	5.5%
Capital & Non-Operating	604.6	894.4	885.3	(1.0%)
Debt Service	197.9	221.6	222.2	0.3%
Total	\$1,437.8	\$1,803.3	\$1,832.7	1.6%

- Financial Plan is structurally balanced
- Complies with all Financial Standards
- Aligns with Strategic Plan

FY 2025 Budget Highlights

- Continued investments in safety, cleanliness, and reliability:
 - Full-year funding for FY 2024 increases in bus, light rail, and GoLink
 - New contract for improved paratransit and GoLink service
 - Permanent funding for Clean Teams
 - Increased funding for security guards
- Modernization of our systems, vehicles, and facilities, including:
 - Designing and purchasing state-of-the-art replacements for aging bus and light rail fleets
 - Upgrading and increasing bus stop amenities to facilitate accessible, secure, and informative environment for bus riders
 - Testing and installing new TVMs and passenger information displays at stations and stops



**FY 2025
Operating Budget**

Identified Savings from FY 2024

- Benefits are performing significantly better than FY 2024 budget and can be reduced
 - Maintains path to 80/20 share
- Pension can be reduced from \$10M to \$8M
 - Still almost double actuarially determined contribution
- OPEB is fully funded and can be reduced by \$1.5M
- Reduction in Police & FEO positions (not people)
 - Recognizes long-term challenge of filling all budgeted roles
 - Offsets security guard contract to increase security presence
- 1.5% reduction across the board (excluding other savings)

Total FY 2024 Operating Budget (\$M)	\$687.2
Sources of Funds	
Health Benefits	(5.3)
Pension/OPEB	(3.5)
20 Police Officers (@ \$70K less 25%)	(1.3)
12 FEOs (@ \$44K less 25%)	(0.5)
1.5% Op. Budget (excl. other savings)	(8.7)
Identified Savings Subtotal	(19.3)

FY 2025 Operating Budget

Total FY 2024 Operating Budget (\$M)	\$687.2	
Subtotal Identified Savings	(19.3)	
Uses of Funds		
Full-Year Funding of New FY 2024 Service (Seamless Service)	5.4	
Police Security Guard Contract (Quality Service)	4.7	Contractual Increases \$36.5M
IT Contracts (Empowered Agency)	3.6	
TRE/Herzog Increase (Quality Service) (50% reimbursed by Trinity Metro)	2.3	
Automated Passenger Counter (APC) Study (Quality Service)	0.3	
Services: Cleaning, Benefits, Communications, Service Planning, Maintenance of Way (Quality Service)	2.6	
Safety Training and Monitoring (Quality Service)	0.8	
Paratransit (Transdev) (Seamless Service)	10.0	
GoLink (Transdev + Ridership Growth) (Seamless Service)	11.8	
Shuttles (Seamless Service)	0.4	
Materials & Supplies, including Corrective and Condition-based Maintenance (Quality Service)	5.1	
Fuel/Electricity (Quality Service)	0.5	
Merit and Wage Increases @ 3% (Culture of Contribution)	9.7	
Increases Subtotal	57.2	
Total FY 2025 Proposed Operating Budget	\$725.2	

A photograph of a city street with a white and yellow food truck in the center. The truck is partially enclosed by a yellow rectangular box. The background shows tall buildings and a cloudy sky. A sign on a building to the right reads "#HungerActionMonth" and "NFPB.org/HAM".

Board Requests



3% Cap on Operating Growth

3% Cap Overview

- 3% cap on operating growth = **\$707.9M** in FY 2025
 - Proposed budget included \$19.3M in reductions (91% admin and 9% operations)
 - Need to cut an additional \$17.3M beyond the proposed budget
 - Not all reductions could be done effective 10/1/24
- Additional funding reductions:
 - \$5.5M full-year funding in admin (32%)
 - \$11.8M partial-year funding in operations, effective ~4/1/25 (68%)

Additional Reductions with 3% Cap

Sources of Funds	Partial-Year Funding	Full-Year Funding	Description/Potential Impact
Administrative Reductions			
Pension Contribution	(2.0)	(2.0)	Slow path to full funding by reducing pension contribution to \$6M; could impact later budgets if contribution amounts need to increase
Agency Contingency	(0.9)	(0.9)	Reduce general agency reserve; eliminate options for one-time special projects or studies
Executive Bonuses	(0.2)	(0.2)	Reduce executive bonus pool by 20%; senior executives are most impacted
Vacancies	(1.9)	(1.9)	Eliminate 15 and reclassify 3 vacant positions
Voluntary Department Reductions	(0.5)	(0.5)	Reduce budgets for Board Support, Communications, EEO, General Counsel, HR, and Service Planning
<i>Administrative Reductions Subtotal</i>	<i>(5.5)</i>	<i>(5.5)</i>	

Additional Reductions (cont.)

Sources of Funds	Partial-Year Funding	Full-Year Funding	Route/Service Location
Operations Reductions			
<i>Eliminate or reduce specific routes not meeting standards</i>			
45 Marsalis (reduction)	(0.7)	(1.4)	Dallas
234 Parker	(1.1)	(2.2)	Plano
245 Shiloh	(1.1)	(2.2)	Richardson/Garland
Lakewood GoLink	(0.5)	(0.9)	Dallas
<i>Eliminate specific routes with high subsidy per passenger but otherwise performing</i>			
305 Addison Express	(0.9)	(1.9)	Addison
308 NW Plano Express	(0.4)	(0.8)	Plano
378 Red Bird Express	(0.4)	(0.8)	Dallas
383 Lake Ray Hubbard Express	(0.2)	(0.4)	Garland
<i>Eliminate duplicative services</i>			
402 NorthPark Shuttle	(0.2)	(0.4)	Dallas
South Dallas GoLink	(0.5)	(1.0)	Dallas
Inland Port GoLink	(0.3)	(0.6)	Dallas

Additional Reductions (cont.)

Sources of Funds	Partial-Year Funding	Full-Year Funding	Description/Potential Impact
Operations Reductions (cont.)			
Armed Security Guard Contract	(1.6)	(1.6)	Reduce increase to \$3.1M; includes wage increases for officers to \$31.50/hour but no expanded coverage at employee facilities, on Silver Line, or for TVM mechanics/Clean Teams
GoLink	(0.3)	(0.5)	Reduce budget for GoLink TNC service through policy/process changes
Light Rail Frequency Improvements	(2.0)	(2.0)	Halt September implementation of increased weekend frequency included in FY 2024 budget
Bus Service Improvements	(1.6)	(3.2)	Reverse/halt implementation of new and improved bus routes and service included in FY 2024 budget
<i>Operations Reductions Subtotal</i>	<i>(11.8)</i>	<i>(19.8)</i>	
<i>Admin + Ops Reductions Subtotal</i>	<i>(17.3)</i>	<i>(25.3)</i>	
Total FY 2025 Budget w/ 3% Op. Growth	\$707.9	n/a	

Implementation Requirements

- These service changes would trigger provisions of the Texas Transportation Code Chapter 452 that require the Board to call and conduct a public hearing
- Adoption of these changes would also require Title VI analysis with mitigation if issues are found
 - Could significantly reduce estimated savings that would have to be offset with other system changes
- Will require 2-3 months minimum after adoption to prepare customer information, select operators, and complete other pre-implementation activities

A city street scene with a bus and tall buildings, overlaid with a yellow box containing text. The background shows a city street with a bus in the foreground and several tall buildings in the background. The scene is overlaid with a semi-transparent yellow filter. A yellow rectangular box is centered in the image, containing the text "0% Cap on Operating Growth" in bold blue font.

0% Cap on Operating Growth

0% Cap Overview

- 0% cap = **\$687.2M** in FY 2025
 - Proposed budget = \$725.2M (includes \$19.3M in reductions)
 - 3% cap = \$707.9M (additional \$17.3M in reductions)
 - 0% cap requires *another* \$20.7M in reductions beyond 3% cap
- Would require a mix of cuts
- Board did not request this scenario during Mini-Workshop, but staff received subsequent one-on-one requests

Additional Reductions with 0% Cap

- Service cuts
 - Frequency reductions (bus/light rail/TRE)
 - Route elimination (bus)
 - Paratransit/GoLink
- Reduction in force across the agency
- Contracts and preventative maintenance
- Implications:
 - High risk to ridership and passenger revenue
 - Likely reduces federal formula funding



Capital Budget

Capital Budget Changes (\$000s)

Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<i>Remove from 20-Year Financial Plan</i>					
Signals - NWROF Yard Switch	(\$1,714)	(\$1,286)			
Stair Replacement at Royal Lane and Walnut Hill/Denton Stations	(940)				
Tunnel Emergency Ventilation Fan Controls	(674)	(336)			
TRE Bi-Level Overhaul Specification Development	(591)				
Tunnel Emergency Ventilation Fan Spare Parts	(500)				
COMM - NRV Purchase	(330)				
Cityplace and Tunnel Equipment Room Door Replacements	(250)	(250)			
TRE Resurface Service Track Roads w/Asphalt	(247)	(63)			
NFPA Code Compliant Stairwell Pressurization Fans	(239)	(61)			
Kiest Station Adjacent Lot Fencing	(224)				
NRV Hi-Rail Trucks	(200)	(50)			
Equipment for Cityplace and Aerial Stations	(170)				
Signals - Service Truck Crane	(120)				
Signals - NWROF Wire Trough	(25)				
Extension Ladder for Monroe Shops	(11)				

Capital Budget Changes (cont.)

Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<i>Cash Flow Changes*</i>					
1401 Pacific DART HQ Construction	(39,509)	(9,991)			
1401 Pacific DART HQ Design		5,000			
Bus Corridor Improvements	(12,748)			12,748	
Unified Signal System - Design & Construction	(41,984)	(66,980)	(14,216)	209	9,896
<i>Additional Projects</i>					
PA/FS Bus Facilities Concrete Repairs	300				
Concrete Replacement at CROF	140				
PA/FS Rail Facilities Concrete Replacement	450				
Green and Orange Line Elevator Modernization	750				
<i>Budget Reduction</i>					
CROF Wheel Truing Replacement	(68)	(1,568)			
Total	(\$98,562)	(\$73,539)	(\$14,216)	\$12,957	\$9,896

*Moves \$160.7M to FY 2030 or beyond



Conclusion

Summary

	FY 2025 Proposed	Board Request: 3% Cap + Capital	Variance from Proposed	Board Request: 0% Cap	Variance from Proposed
Operating	\$725.2	\$707.9	(\$17.3)	\$687.2	(\$38.0)
Capital & Non-Operating	885.3	817.2	(68.1)	817.2	(68.1)
Debt Service	222.2	222.2	0	222.2	0
Total	\$1,832.7	\$1,747.1	(\$85.6)	\$1,726.6	(\$106.1)

- Next step: Resolution to distribute proposed FY 2025 budget to cities



Appendix

The background image shows a city street with a white bus in the foreground and several tall, modern skyscrapers in the background. The scene is overlaid with a semi-transparent yellow filter. A yellow rectangular box is centered on the page, containing the text "Alignment with Strategic Plan" in a bold, blue, sans-serif font.

Alignment with Strategic Plan

Strategic Plan



Empowered Agency

Build a nimble organization that can act quickly and effectively by streamlining processes and empowering employees.

- Conducting an organizational assessment
 - Procurement
 - Organizational hiring, retention, growth
 - Data leadership and systems
- Learning to become a nimble, more efficient operation

Strategic Plan



Culture of Contribution

Create a culture that aligns roles and responsibilities with the DART vision, deepens organizational trust, and encourages growth.

- Bus Facilities Master Plan to improve working conditions for drivers and mechanics
- Finalizing HQ plans
- Employee engagement in the community through volunteering

Strategic Plan



Quality Service

Deliver a quality customer experience defined by strong rider advocacy and built on professional pride and continuous improvement.

- Security
 - Continue Transit Security Officer program
 - Expand security guard presence across our facilities
- Cleanliness
 - Integrated Clean Teams into operations
 - Upgrade elevators with polycarbonate panels
- Reliability
 - Completed asset assessment; next step is developing funding and implementation plan
 - System Modernization Program for bus, rail, and facilities
 - Repair Green and Orange Line underpass wall

Strategic Plan



Seamless Mobility

Integrate mobility options to create a seamless travel experience defined by frequency and reliability that positions DART as first in mind.

- Fully funded FY 2024 service enhancements, including GoLink
- Complete the Silver Line and begin revenue service in late FY 2025 or early FY 2026
- Update fare structure to be more understandable and easier to use
- Begin replacement of ticket vending machines (TVMs) with more customer-friendly options
- Upgrade passenger information displays

Strategic Plan



Fantastic Spaces

Create fantastic spaces that add value to our communities, enhance the rider experience, and foster a sustainable and thriving region.

- Advance 11 transit-oriented development (TOD) projects in Addison, Carrollton, Dallas, Garland, Plano, and Richardson
- Finalize area plans with cities
- Review real estate assets for opportunities to support economic development
- Upgrade and replace bus stop amenities across the system with focus on safety, comfort, and accessibility

Strategic Plan



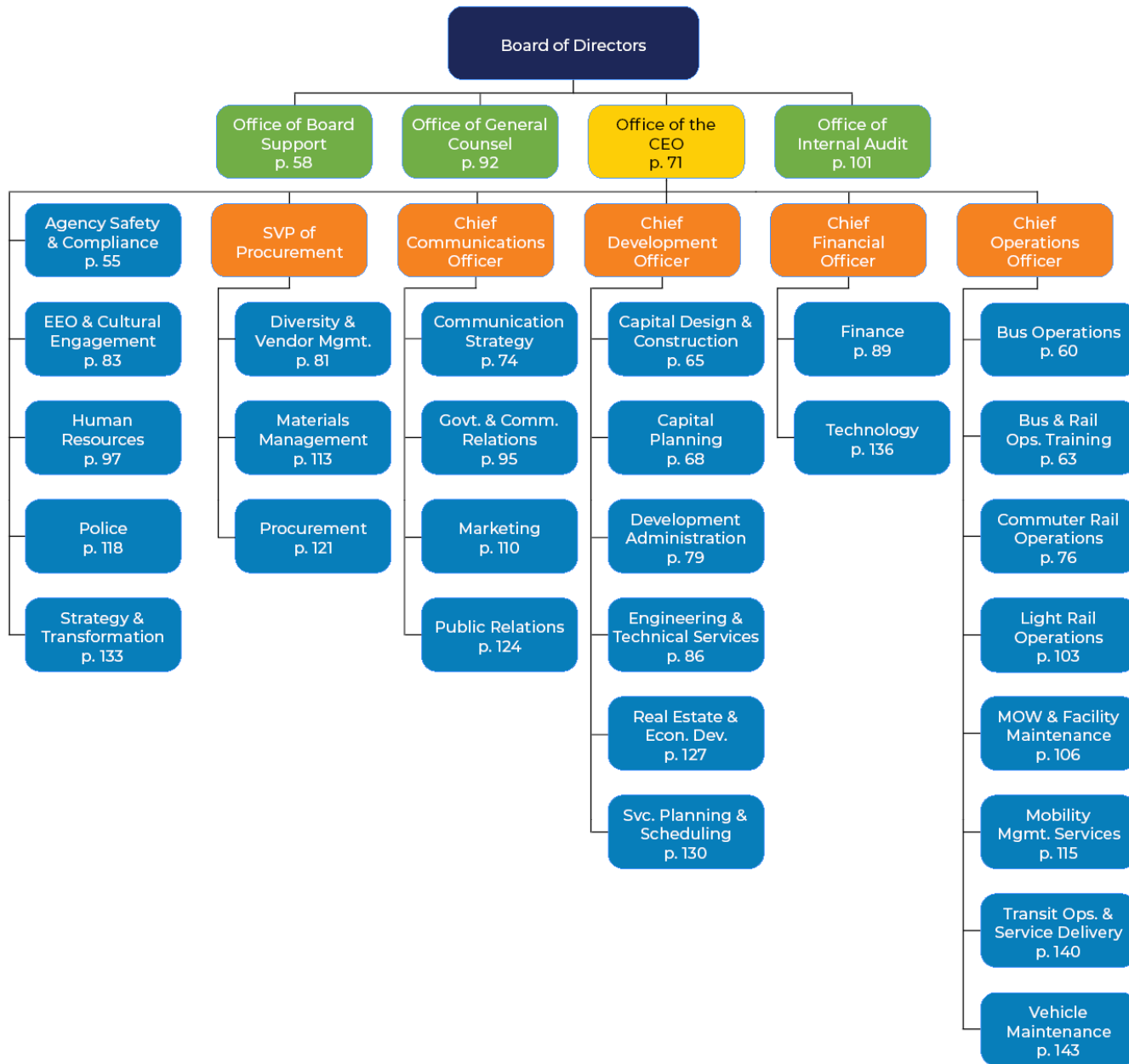
Strategic Relationships

Position DART as a collaborative leader and recognized regional economic and mobility asset.

- Finalize, review, and integrate Cost of Services report and Regional Transit 2.0 studies
- Focus on transparent communications
- Continue to build and improve relationships with special event partners (State Fair, sports teams, World Cup)



Operating Budget



Operating Expenses by Mode (\$M)

Mode	2022 Actual	2023 Actual	2024 Budget	FY25 Proposed	\$ Variance	% Variance
Bus	\$269.9	\$336.6	\$351.1	\$361.2	\$10.2	2.9%
Light Rail	194.0	205.2	213.5	223.4	9.9	4.6%
Streetcar	1.4	1.2	2.4	3.2	0.7	29.5%
Commuter Rail	40.4	35.0	48.3	49.3	.97	2.0%
Paratransit	37.6	40.9	52.5	63.0	10.6	20.1%
GoLink	7.4	16.4	19.4	25.0	5.6	29.1%
Total	\$550.8	\$635.3	\$687.2	\$725.2	\$37.9	5.5%

Operating Overview (\$M)

Operating Expenses	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed	\$ Variance	% Variance
Salaries & Wages	257.2	293.5	310.3	310.0	325.6	15.2	4.9%
Benefits & Taxes	111.2	133.5	133.8	124.5	128.0	(5.8)	(4.4%)
Services	55.2	66.5	80.1	81.1	86.2	6.1	7.6%
Materials & Supplies	42.9	49.9	52.6	56.8	57.2	4.6	8.7%
Utilities & Communications	17.6	18.8	20.1	21.6	20.6	0.5	2.6%
Claims & Insurance	8.6	7.8	10.6	10.8	10.6	0.0	0.0%
Purchased Transportation	65.7	75.4	92.4	92.8	114.5	22.2	24.0%
Leases, Rentals, Taxes, & Other	5.2	5.4	8.7	7.1	8.6	(0.1)	(1.1%)
Capital & Reserves	(12.8)	(15.5)	(21.4)	(18.6)	(26.1)	(4.7)	21.9%
Total	\$550.8	\$635.3	\$687.2	\$685.9	\$725.2	\$37.9	5.5%
YoY % Increase		15.3%	8.2%		5.5%		

Budget by EVP (\$M)

Operating Expenses	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed	FY 2025 to FY 2024 Budget
Agency Benefits*	\$(0.6)	\$11.5	\$(0.0)	\$(3.8)	\$0.1	
Agency Initiatives (General Function)*	2.2	(11.1)	(18.7)	(17.1)	(10.1)	(45.8%)
Board Direct Reports (Salazar/Gamez/Koloc)	5.5	5.6	7.1	6.1	7.0	(1.2%)
Business Services (Shelton - Interim)	13.6	13.9	14.9	13.3	15.8	6.1%
CFO (Adelman)	50.6	55.4	69.3	68.5	71.6	3.2%
Communications (Molina)	13.4	16.2	20.4	17.3	21.1	3.6%
Development (Leggett)	19.9	24.8	28.6	27.2	28.0	(1.8%)
President & CEO (Lee)	48.4	59.9	73.2	68.3	74.8	2.1%
Strategy & Transformation (Shelton)	0.1	0.6	2.3	2.3	3.0	32.0%
Transit Operations & Service Delivery (Jackson)	397.7	458.5	490.1	503.0	513.9	4.9%
Total Operating Expenses	\$550.8	\$635.3	\$687.2	\$685.1	\$725.2	5.5%

*These allocations are used for budget and accounting purposes and do not report to a specific EVP

Positions by EVP

Operating Expenses	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed
Agency Initiatives*	0	62	0	0
Board Direct Reports (Salazar/Gamez/Koloc)	33	33	34	34
Business Services (Shelton - Interim)	128	134	142	142
CFO (Adelman)	190	195	222	218
Communications (Molina)	102	111	117	117
Development (Leggett)	121	128	135	135
President & CEO (Lee)	491	483	486	454
Strategy & Transformation (Shelton)	10	6	7	10
Transit Operations & Service Delivery (Jackson)	2,685	2,652	2,732	2,732
Total Operating Expenses	3,760	3,804	3,875	3,842

*62 positions were temporarily held for reclassification



Wages, Merit, Bonuses, & Benefits

Merit Increases – Salaried

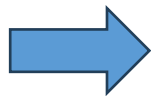
- Performance Management Process (PMP) is used to give feedback to employees, ensure performance meets expectations, and allow for documentation for future reference
- Period is October 1 – September 30
- Merit pool is determined each fiscal year during the budget process
- Merit increases paid first full pay period in December
- Must be in position for at least 6 months during fiscal year
- Employees at max of range receive lump sum vs. increase to base pay

Merit Pool Process (FY23)

Merit Ratings:

- Outstanding = 5
- Exceeds Expectations = 4
- Meets Expectations = 3
- Needs Improvement = Below 3

Percentage increases are assigned based on total merit pool available (Average 3.3%)



Score Range	Count of Scores in Range	% Increase	Value of Increase (21 Pay Periods)
Needs Improvement	11	0.00%	\$0
Meets Expectations	286	3.00%	\$574,156
Exceeds Expectations	251	3.75%	\$734,631
Outstanding	15	5.00%	\$55,884
Totals	563	Total Cost of Raise	\$1,364,671
		Total Pool Available	\$1,502,949
		Value Over/(Under)	\$138,278

Reaching Performance Milestone (RPM) – Salaried Bonus

- All salaried employees up to Senior Manager level are eligible
- Based on percentage of Board goals attained, capped at \$1,400/year
- Typically paid in December of each calendar year
- Must receive a PMP score of 3.0 or higher to earn bonus
- Must have been in position by April 1 of fiscal year
- No discipline higher than documentation of counseling

Example:

John Doe, Bus Ops Manager
Board Goal Attainment: 80%
Cap: \$1,400

Formula:

$$80\% \times \$1,400 = \underline{\$1,120}$$

Executive Bonus – Salaried

- Only Directors and above are eligible
- Based on percentage of Board goals attained
- Typically paid in December of each calendar year
- Must receive a PMP score of 3.0 or higher to earn bonus
- Must have been in position by April 1 of fiscal year
- No discipline higher than documentation of counseling

EVP	10% eligibility
VP	8% eligibility
AVP	6% eligibility
Director	4% eligibility

Example:

John Doe, VP Marketing
Annual Salary: \$100,000
Board Goal Attainment: 80%

Formula:

$$\$100,000 \times 80\% \times 10\% = \underline{\$8,000}$$

Agency Retirement Contributions – All Employees

- After 180 days, employees are eligible to contribute from 2-50% of their pay to a 401(k) plan
 - DART contributes 50 cents for every dollar the employee contributes, up to 6% of pay
- In addition (after 180 days) employees are eligible to benefit from DART's Money Purchase Plan (MPP)
 - The agency contributes 7.7% of employee's eligible pay into a separate investment account

Example:

John Doe, VP Marketing
Annual Salary: \$100,000

Employee 401(k) Contribution
6%, or \$6,000/annually

Agency Contribution
401(k) match: \$3,000
MPP contribution: \$7,700

Summary of Salaried Comp

Compensation	Salaried Staff	Executives
Merit Increase	0-5%, Performance-Based	0-5%, Performance-Based
Bonus	% of \$1,400, based on agency goal attainment	% of salary, based on agency goal attainment
Retirement	7.7% to MPP	7.7% to MPP
401(k) Plan	Match up to 3% for 6% of EE contributions	Match up to 3% for 6% of EE contributions
Medical & Dental	Subsidize medical at 83%/17%, dental at 65%/35%	Subsidize medical at 83%/17%, dental at 65%/35%

Wage Progressions – Hourly

- Step plans based on tenure and/or attaining a skill
- Plans range from 3-6 steps
- Wage increase achieved as EE progresses to next step
- Once top step is reached, wage is increased only with cost of living and/or market adjustment

Step	Full-Time and Part-Time Bus/Rail Operators	FY24 Base Rate
1	First 12 months	\$23.77
2	After 12 months	\$25.35
3	After 24 months	\$26.94
4	After 36 months	\$28.52
5	After 48 months	\$30.11
6	After 60 months	\$31.69

Cost of Living Adjustments – Hourly

- For hourly employees only
- Subject to budget availability
- Given across the board to all hourly employees
- Historically been an average of 3%
- In 2022, replaced COLA with market adjustments from agency-wide Market Study recommendations

Summary of Hourly Comp

Compensation	Hourly Staff
Wage Increase	Based on years of service and agreed-upon rates
Cost of Living	Based on budget availability
Retirement	7.7% to MPP
401(k) Plan	Match up to 3% for 6% of EE contributions
Incentive	Exceptional Attendance Award, max \$2,250
Medical & Dental	Subsidize medical at 83%/17%, dental at 65%/35%

Operating Budgets by Department (\$M)

Operating Expenses	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed	FY 2025 to FY 2024
Agency Initiatives ¹	\$15.0	\$4.4	\$(2.2)	\$1.2	\$7.9	(465.8%)
Agency Safety & Compliance	1.9	2.6	3.7	3.3	4.6	23.6%
Benefits	(0.6)	11.5	(0.0)	(3.8)	0.1	0.1%
Board Support, Office of	0.9	0.9	1.2	0.9	1.2	1.6%
Bus Operations	194.4	221.8	155.8	155.0	157.1	0.8%
Bus & Rail Operations Training ²			9.3	8.1	9.0	(3.1%)
Capital Design & Construction ³	8.4	10.1	8.9	8.3	7.5	(15.9%)
Capital P&D Allocation	(12.8)	(15.5)	(16.5)	(18.3)	(18.0)	8.9%
Capital Planning	1.3	1.5	2.2	2.0	2.1	(6.7%)
CEO, Office of the	1.4	1.6	2.9	2.7	3.0	1.2%
Chief Administrative Office	1.5	0.6				0.0%
Communications Strategy	0.9	1.5	3.1	2.8	2.8	(8.1%)
Commuter Rail Operations	33.0	31.8	37.0	35.7	38.6	4.3%
Development Administration ³			3.5	3.3	3.7	6.9%
Diversity & Vendor Management	1.4	1.3	1.2	1.1	1.2	(1.0%)

Operating Budgets by Department (\$M)

Operating Expenses	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed	FY 2025 to FY 2024
EEO & Cultural Engagement		0.3	1.2	1.0	1.4	14.8%
Engineering & Technical Services	2.7	4.7	6.0	5.8	5.9	(1.4%)
Finance	23.2	24.2	30.4	29.8	28.9	(4.8%)
General Counsel, Office of	3.1	3.4	4.3	3.5	4.2	(2.5%)
Government & Community Relations	1.7	1.8	2.5	2.3	2.6	3.5%
Human Resources	4.4	6.5	7.0	6.3	7.1	0.1%
Internal Audit, Office of	1.5	1.4	1.7	1.7	1.7	0.2%
Light Rail Operations	61.1	73.0	34.8	34.1	33.6	(3.5%)
Marketing	10.0	11.7	11.7	10.1	11.3	(3.7%)
Materials Management	6.9	7.9	8.6	8.4	8.4	(1.9%)
Mobility Management Services	37.6	48.1	64.8	67.3	85.3	31.7%
MOW & Facility Maintenance	70.3	82.1	87.7	91.5	89.3	1.9%
Police	39.2	48.3	58.3	55.1	58.7	0.7%
Procurement	5.3	4.6	5.1	3.9	6.1	21.5%
Public Relations ⁴	0.8	1.2	3.1	3.0	4.5	42.0%

Operating Budgets by Department (\$M)

Operating Expenses	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed	FY 2025 to FY 2024
Real Estate & Economic Development ³			2.1	2.0	2.2	2.2%
Regional Rail ROW	0.1	0.1	0.1	0.1	0.2	50.0%
Service Planning & Scheduling	7.4	8.5	5.8	5.7	6.6	13.7%
Strategy & Transformation ⁵	0.1	0.6	2.3	2.3	3.0	32.0%
Technology	27.4	31.1	39.0	38.7	42.7	9.5%
Transit Operations & Service Delivery	1.3	1.6	2.1	1.8	2.3	9.4%
Vehicle Maintenance ²			98.5	109.2	98.6	0.0%
Total Operating Expenses	\$550.8	\$635.3	\$687.2	\$685.9	\$725.2	5.5%

¹This category is necessary to budget operating costs correctly

²New department created from existing cost centers in Bus Operations and Light Rail Operations

³New department created by splitting Capital Program Development

⁴New department created from existing cost centers in Marketing

⁵Formerly Innovation, now reporting to the Chief of Staff

Budget Allocation by Mode (\$M)

	Total	Direct	Indirect	G&A
Bus	\$361.2	\$214.7	\$111.4	\$35.2
Light Rail	223.4	87.0	114.6	21.8
Streetcar	3.2	1.3	1.6	0.3
Commuter Rail	49.3	38.7	5.8	4.8
GoLink	25.0	22.8	(0.3)	2.4
Paratransit	63.0	47.2	9.7	6.1
Total Operating	\$725.2	\$411.7	\$242.8	\$70.7

Positions by Department

Department	FY 2022	FY 2023	FY 2024	FY 2025
Agency Initiatives		62		
Agency Safety & Compliance	16	22	27	27
Board Support, Office of	5	5	6	6
Bus Operations	1,822	1,726	1,413	1,415
Bus & Rail Operations Training			36	37
Business Innovation	7	7		
Capital Design & Construction	33	43	28	28
Capital Planning	10	13	14	14
CEO, Office of the	8	10	6	6
Communication Strategy			9	9
Commuter Rail Operations	15	10	10	10
Development Administration			24	24
Diversity & Vendor Management	15	7	9	9
EEO & Cultural Engagement		8	8	8
Engineering & Technical Services	51	50	35	35
Finance	107	108	124	123

Positions by Department

Department	FY 2022	FY 2023	FY 2024	FY 2025
General Counsel	19	19	19	19
Government & Community Relations	13	13	14	14
Human Resources	38	43	43	43
Internal Audit, Office of	9	9	9	9
Light Rail Operations	792	497	323	320
MOW & Facility Maintenance		365	386	386
Marketing	89	89	78	78
Materials Management	79	79	80	80
Mobility Management Services	49	46	46	46
Police	429	400	402	370
Procurement	34	48	53	53
Public Relations		9	16	16
Real Estate & Economic Development			12	12
Service Planning & Scheduling	27	22	22	22
Strategy & Transformation	10	6	10	10
Technology	76	80	95	95

Positions by Department

Department	FY 2022	FY 2023	FY 2024	FY 2025
Transit Operations & Service Delivery	7	8	11	11
Vehicle Maintenance			507	507
Grand Total Agency	3,760	3,804	3,875	3,842

Positions by Category

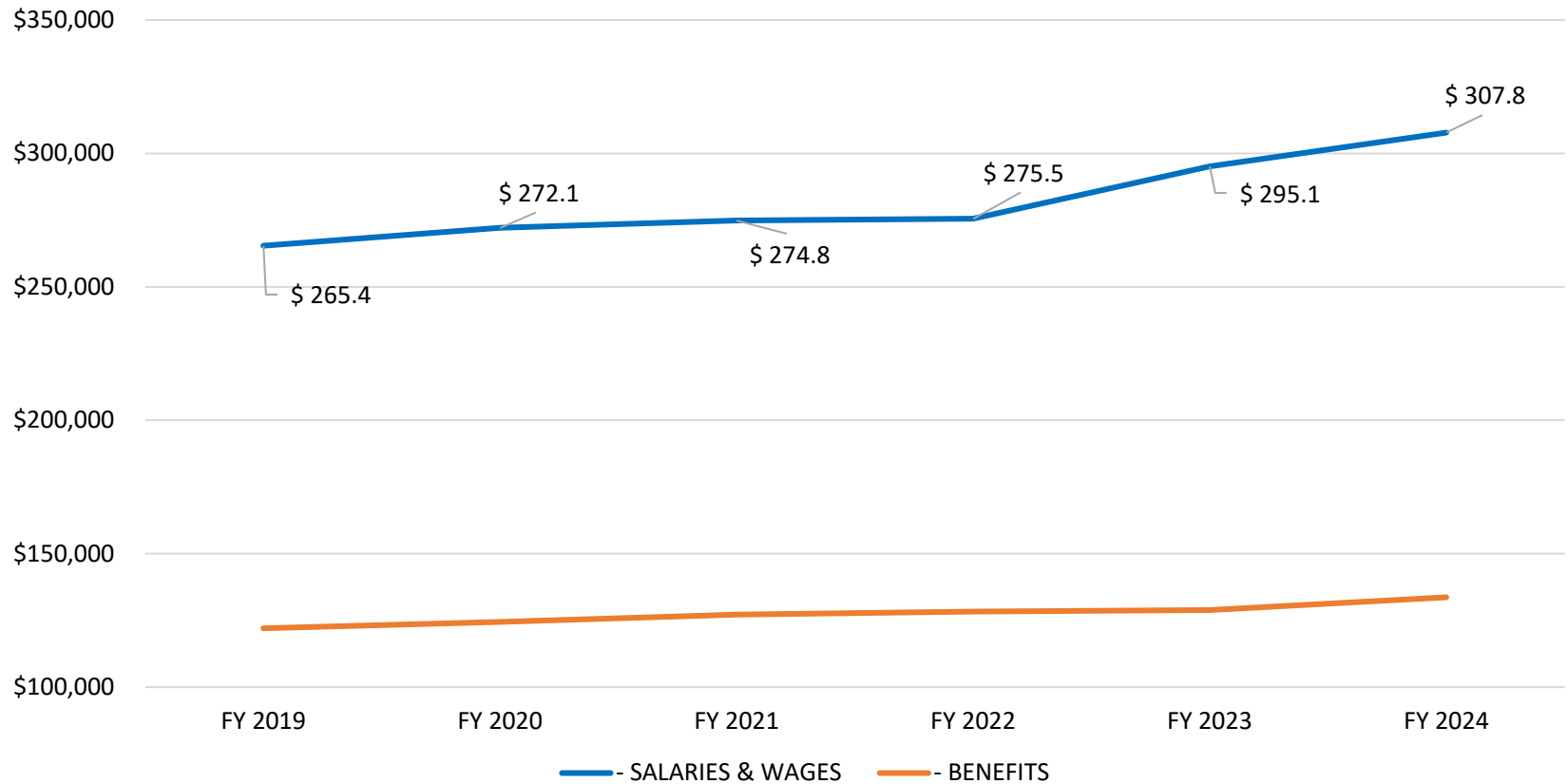
Category	FY 2022	FY 2023	FY 2024	FY 2025
Bus Operator	1,290	1,211	1,261	1,261
Light Rail Operator	214	226	226	226
Non-Operator Hourly	852	854	868	868
Administrative	1,404	1,451	1,520	1,487
Unassigned for Reclassification	0	62	0	0
Grand Total Agency	3,760	3,804	3,875	3,842

Salaries & Wages (\$M)

Object Classification	FY22 Actuals	FY23 Actuals	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Operator Payroll	89,331	105,977	108,771	108,680	113,224	4,452	4.1%
Non-Operator Payroll	46,691	50,109	56,512	52,810	59,297	2,785	4.9%
Non-Operator Overtime	9,147	14,244	5,314	13,394	5,891	577	10.9%
Admin Payroll	94,849	111,377	130,602	122,519	130,362	(241)	(0.2%)
Admin Overtime	4,768	7,922	3,888	8,632	4,008	120	3.1%
Part-Time/Temporary	550	555	678	534	526	(152)	(22.4%)
Merit & Bonuses	11,866	3,343	4,581	3,384	12,263	7,682	167.7%
Total Salaries	\$257,201	\$293,527	\$310,346	\$309,953	\$325,571	\$15,225	4.9%

Salary & Benefit History

FY 2019-FY 2024 (\$000s)



Overtime Hours by Department

Department	FY 2022	FY 2023	FY 2024 (May)
Agency Safety & Compliance	284	163	18
Board Support	325	424	189
Bus Operations	415,047	398,464	235,421
Business Innovation			
Capital Program Development	2	322	177
Chief of Staff			
Communications	16	29	
Commuter Rail	153		
DART Police	19,756	45,805	41,747
Development			
Diversity	12		
EEO & Cultural Engagement			
Engineering & Technical Services	147	129	8
Executive Office		3	8
Finance	761	2,790	279
General Counsel	26	2	4
Government & Community Relations			
Human Resources	71	85	25
Internal Audit			
MOW & Facility Maintenance			
Marketing & Communications	14,961	10,049	4,512
Materials Management	8,878	5,952	3,117
Mobility Management Services	578	1,192	501
Procurement	19	72	12
Public Relations	572	716	474
Rail Operations	126,162	163,910	104,926
Service Planning & Scheduling	15	2	6
Technology	262	488	244
Transit Operations & Service Delivery	4,670	11,299	7,085
Total	668,907	741,158	481,518



Benefits & Taxes (\$M)

Object Classification	FY22 Actuals	FY23 Actuals	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Health/Medical Plans	\$40.1	\$45.2	\$56.2	\$49.7	\$49.3	(\$7.0)	(12.4%)
Pension & 401K Plans	33.6	53.9	41.7	42.5	41.3	(0.4)	(1.0%)
FICA	19.3	21.5	23.7	23.5	24.9	1.2	5.0%
Workers' Compensation	14.2	8.6	8.9	6.3	8.9	0.0	0.0%
Paid Absences Liability	2.3	1.4	1.6	0.0	1.6	0.0	0.0%
Service Incentive Pay	0.5	0.6	0.6	0.9	0.6	(0.0)	(0.0%)
Unemployment & Other	1.1	2.3	1.0	1.7	1.3	0.3	33.9%
Total Benefits	\$111.2	\$133.5	\$133.8	\$124.5	\$128.0	(\$5.8)	(4.4%)

Health Care Benefits

Summary of 5-Year Contribution Plan

Calendar Year	Year 1 - 2024	Year 2 - 2025	Year 3 - 2026	Year 4 - 2027	Year 5 - 2028
Claims	\$1,571.60	\$1,535.98	\$1,646.57	\$1,765.12	\$1,892.21
Fixed Costs	(\$89.32)	\$14.88	\$23.73	\$35.63	\$51.34
Gross Cost	\$1,482.28	\$1,550.86	\$1,670.30	\$1,800.75	\$1,943.55
Employer HSA Contributions	\$5.83	\$5.84	\$5.84	\$5.84	\$5.84
Employee Contributions	(\$264.63)	(\$292.16)	(\$322.80)	(\$356.78)	(\$394.46)
Net Cost	\$1,223.48	\$1,264.54	\$1,353.34	\$1,449.81	\$1,554.93
ER/EE Split	82.5% / 17.5%	81.5% / 18.5%	81.0% / 19.0%	80.5% / 19.5%	80.0% / 20.0%

Prepared by Marsh McLennan Agency LLC (MMA)

- Goal of 5-year contribution plan is 80/20% employer/employee cost split
 - DART is in Year 1
 - Contributions projected to increase 10.9% each year to reach goal in Year 5
- Year 1 reflects MMA's year-end forecast for 2024
- Year 2 reflects MMA's projection for 2025 assuming HPN Flex plan remains in place and \$300K stop-loss option is implemented
- For Years 3-5, claims and fixed costs are increased by MMA's book of business trends

Defined Benefit Plan (\$M)

	9/30/23	3/31/24
Assets		
Market Value	\$205.6	\$226.1
Actuarial Value (AVA)	\$218.8	
Liabilities		
Actuarial Accrued Liability (AAL)	\$250.5	
Unfunded Liability	\$31.7	
Funded % (AVA/AAL)	87.3%	
Discount Rate	6.25%	

Participants		COLA: 5% annual cap
Active	48	
Terminated Vested	98	
In-Pay	886	
Total	1,032	

Contributions	Required	Actual	Funded
FY 2024	\$4.1	\$10.0	87.3%
FY 2023	\$5.5	\$27.0	84.5%
FY 2022	\$5.1	\$10.0	84.4%
FY 2021	\$5.5	\$10.0	83.8%
Asset Allocation	Target Range	3/31/24	
Domestic Equity	30%-50%	40.2%	
International Equity	0%-20%	8.8%	
Fixed Income	30%-50%	37.5%	
Real Estate	0%-15%	9.2%	
Alternatives	0%-10%	0.0%	
Cash	0%-5%	4.4%	
Approx. Annual Benefit Payments	~\$19 million		

Investment Advisors:

- CBIZ
- 3(21)

Services (\$M)

Object Classification	FY22 Actuals	FY23 Actuals	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Maintenance/Contract Repair Services	\$24.6	\$27.3	\$28.3	\$29.0	\$29.4	\$1.1	4.0%
Computer Svcs / Software License Fees	10.3	13.6	19.1	20.7	19.6	0.6	3.1%
HR & Benefits-Related Services	3.0	4.0	2.7	2.9	3.0	0.3	10.6%
Other Consulting Services	4.1	5.3	8.3	8.0	8.9	0.5	6.4%
Security Services	3.1	3.9	6.4	7.0	11.1	4.7	73.2%
Legal, Auditing, & Other Professional Services	1.6	1.4	2.4	1.4	2.4	0.0	1.4%
Advertising, Marketing, & Public Info Services	2.7	3.9	4.0	3.5	3.8	(0.2)	(4.3%)
Credit Card Processing Fees	0.9	1.2	1.0	1.5	1.0	0.0	0.0%
Environmental, Engineering, & Real Estate Svcs.	1.0	2.4	4.0	4.0	2.9	(1.1)	(27.8%)
Temporary Help/Contract Labor	2.2	2.2	2.0	1.8	1.8	(0.2)	(10.4%)
All Other Services	1.8	1.3	1.9	1.4	2.3	0.4	18.4%
Total Services	\$55.2	\$66.5	\$80.1	\$81.1	\$86.2	\$6.1	7.6%

Travel Expenses

Department	FY 2023 Actual	FY 2023 Budget	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed Budget	FY 2025 to FY 2024 Forecast Variance
Agency Safety & Compliance	\$41,739	\$25,000	\$25,000	\$33,061	\$25,000	0%
Board Support	82,198	125,000	156,000	18,309	120,000	(23%)
Bus Operations	11,682	33,380	33,380	34,303	33,380	0%
Capital Planning	17,306	14,731	25,350	8,547	17,000	(33%)
Capital Program Development	42,300	61,455	72,459	26,942	78,920	9%
Chief of Staff	2,358	20,000	81,100	2,980	27,000	(67%)
Communications	29,631		133,997	20,448	62,000	(54%)
Commuter Rail	6,555	37,500	37,500	7,971	27,000	(28%)
DART Police	74,933	91,000	86,000	60,828	89,000	3%
Diversity & Vendor Management	7,045	6,000	6,800	10,564	3,200	(53%)
EEO & Cultural Engagement	0	0	6,000	0	10,000	67%
Engineering	54,320	41,896	51,100	15,383	40,880	(20%)
Executive Office	38,893	45,000	45,000	15,163	44,500	(1%)
Finance	74,851	76,651	80,151	45,778	55,500	(31%)
General Counsel	282	8,164	18,164	22	18,000	(1%)
Government Relations	4,419	50,000	50,000	4,412	50,000	0%
Human Resources	33,485	96,001	31,500	14,980	53,000	68%
Information Systems & Technology	39,846	47,800	47,800	48,167	47,800	0%
Internal Audit	0	3,000	3,000	0	3,000	0%
Marketing & Business Development	17,149	52,278	56,045	2,626	53,897	(4%)
Materials Management	5,840	23,404	23,404	7,895	23,404	0%
Mobility Management Services	3,098	25,932	7,500	0	5,000	(33%)
MOW & Facilities Maintenance	579	3,500	3,500	4,947	4,000	14%
Procurement	27,651	18,568	49,899	13,943	59,798	20%
Public Relations	0	5,000	14,800	1,120	15,504	5%
Rail Operations	9,135	58,100	58,100	15,528	58,100	0%
Service Planning & Scheduling	22,319	24,337	31,840	10,962	31,840	0%
Transit Ops & Service Delivery	6,881	11,689	11,689	1,842	11,689	0%
Total Travel Expenses	\$654,495	\$1,005,386	\$1,247,078	\$426,721	\$1,068,412	(14%)

Training Expenses

Department	FY 2023 Actual	FY 2023 Budget	FY 2024 Budget	FY 2024 Forecast	FY 2025 Proposed Budget	FY 2025 to FY 2024 Forecast Variance
Agency Safety & Compliance	\$13,098	\$30,000	\$30,000	\$5,744	\$30,000	0%
Board Support	1,259	345	50,000	7,387	50,000	0%
Bus Operations	54,510	149,610	156,610	23,842	212,768	36%
Capital Planning	5,662	5,950	13,030	1,226	7,500	(42%)
Capital Program Development	32,466	33,402	33,195	10,749	35,970	8%
Chief Administrative Office	4,163	10,000	0	0	0	0%
Chief of Staff	420	30,000	46,400	2,702	12,600	(73%)
Communications	6,315	0	10,006	27,068	10,000	(0%)
Commuter Rail	2,789	9,586	9,587	1,100	9,587	0%
DART Police	109,193	188,241	196,000	62,509	195,800	(0%)
Diversity & Vendor Management	4,826	11,000	14,100	1,832	7,000	(50%)
EEO & Cultural Engagement	0	0	8,000	0	10,000	25%
Engineering	20,207	8,000	17,625	9,137	14,100	(20%)
Executive Office	33,539	115,400	115,400	11,878	116,200	1%
Finance	72,015	78,701	63,950	35,776	42,400	(34%)
General Counsel	20,654	21,024	31,024	15,459	33,000	6%
Government Relations	400	16,001	19,000	1,075	19,000	0%
Human Resources	29,540	50,100	55,000	24,282	79,098	44%
Information Systems & Technology	56,370	35,000	35,000	21,373	35,000	0%
Internal Audit	7,544	12,865	12,865	3,128	13,000	1%
Marketing & Business Development	8,276	14,085	18,085	5,725	26,853	48%
Materials Management	4,062	16,758	16,759	3,900	16,759	0%
Mobility Management Services	1,100	9,468	4,460	0	2,400	(46%)
MOW & Facilities Maintenance	6,927	110,000	100,000	14,374	100,000	0%
Procurement	36,394	85,789	112,067	13,748	100,987	(10%)
Public Relations	0	4,100	23,400	600	59,600	155%
Rail Operations	125,682	367,168	367,168	89,676	367,168	0%
Service Planning & Scheduling	4,880	9,775	2,900	1,020	2,900	0%
Transit Ops & Service Delivery	17,297	76,890	76,890	2,985	76,890	0%
Total Travel Expenses	\$679,588	\$1,499,258	\$1,638,521	\$398,295	\$1,686,580	3%

Materials & Supplies (\$M)

Object Classification	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Vehicle Repair Parts (Bus & Rail)	\$25.0	\$30.6	\$28.6	\$35.9	\$33.8	\$5.1	17.9%
Fuel (CNG, Diesel, Gasoline)	7.0	8.8	11.8	9.5	11.8	0.0	0.0%
Facilities, Systems, & Equipment Repair Parts	7.0	6.1	7.3	7.1	6.8	(0.5)	(6.6%)
Uniforms, Shoes, & Tools	1.8	2.1	2.8	2.3	2.8	0.0	0.6%
Computer/Printer Equip. and Supplies	1.5	1.6	1.1	1.0	1.0	(0.1)	(6.7%)
Office Supplies	0.4	0.5	0.7	0.6	0.7	0.0	(2.8%)
All Other Materials & Supplies	0.1	0.2	0.3	0.3	0.3	0.0	(6.3%)
Total Materials & Supplies	\$42.9	\$49.9	\$52.6	\$56.8	\$57.2	\$4.6	8.7%

Utilities & Communications (\$M)

Classification (\$000s)	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Utilities - LRV	\$8.4	\$9.5	\$11.1	\$10.8	\$11.2	\$0.1	1.3%
Utilities - Facilities	5.8	6.0	6.5	6.9	6.5	0.0	0.0%
Communications & Data	3.5	3.4	2.5	3.9	2.9	0.4	15.3%
Total Utilities & Communications	\$17.6	\$18.8	\$20.1	\$21.6	\$20.6	\$0.5	2.6%

Purchased Transportation (\$M)

Object Classification	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Paratransit	\$27.2	\$30.3	\$38.2	\$36.8	\$51.1	\$13.0	34.0%
Commuter Rail	28.5	27.2	31.3	30.1	32.9	1.6	5.0%
Shuttle Services	4.7	9.0	6.2	5.4	6.7	0.5	8.2%
GoLink Services	5.0	8.8	16.7	19.3	23.8	7.1	42.5%
Vanpool Services	0.3	0.0	0.0	0.0	0.0	0.0	0.0%
Total Purchased Transportation	\$65.7	\$75.4	\$92.4	\$92.8	\$114.5	\$22.2	24.0%

Leases, Rentals, Taxes, & Other (\$M)

Object Classification	FY22 Actuals	FY23 Actuals	FY24 Budget	FY24 Forecast	FY25 Proposed	\$ Variance	% Variance
Rentals & Leases	\$0.7	\$0.6	\$1.1	\$1.1	\$1.1	\$0.0	1.2%
Travel & Training	1.8	2.1	3.5	2.6	3.4	(0.1)	(4.2%)
Employee Programs	1.6	1.3	1.8	1.6	1.7	(0.1)	(4.8%)
Memberships & Dues	0.7	0.7	1.2	0.9	1.2	0.0	0.1%
Marketing & Outreach	0.1	0.1	0.2	0.2	0.2	0.0	14.4%
Other	0.4	0.6	0.8	0.7	0.9	0.1	11.2%
Leases, Rentals, Taxes, & Other	\$5.2	\$5.4	\$8.7	\$7.1	\$8.6	(\$0.1)	(1.1%)



New Capital Projects

Capital Overview (\$M)

	Five-Year Total
Capital Investments	
Agency-Wide	\$317.6
Bus	490.8
Silver Line	636.0
Trinity Rail Express	229.9
Light Rail Transit	1,646.9
Paratransit	0.6
Streetcar	7.2
Non-Operating & Other Investments	
Non-Operating	188.8
Road Improvements	5.5
Capital Planning, Development, & Startup	105.1
Total	\$3,628.2

Capital Improvement Program (CIP)

- Ties projects to strategic priorities and objectives
- Helps identify efficiencies in scope, schedule, and budget
- Fosters transparency

Capital by Mode (\$M)

Department	Active Projects	Total Budget	New FY25 Projects	New Budget FY25 FP	Total Projects FY25 FP	Total Budget
Agency-Wide	73	\$291.5	13	\$62.8	86	\$354.3
Bus	41	508.0	6	57.6	47	565.6
Commuter Rail	55	2,440.5	25	34.5	80	2,475.1
Light Rail	105	2,331.8	37	113.9	142	2,445.6
Streetcar	2	137.1	0	0	2	137.1
Non-Operating	34	247.1	4	4.0	38	251.1
Grand Total	310	\$5,956.1	85	\$272.8	395	\$6,228.9

- Summary of new projects found in Appendix
- CIP provides guide to projects with external funding (grants or contributions)

Capital Project Impact on Operating Budget (\$000)

Bus	FY 2025	FY 2026	FY 2027	FY 2038	FY 2039
375 - 2023 - Amenity Replacement and Expansion			\$1,867		
608 - 2022 - SW - Generator Modification at Bus Facilities		95			
458 - 2024 - Upgrade Vehicle Gateways (Bus, LRV, TRE, SC, Police, NRV)		182			
698 - 2025 - COMM - NRV Purchase		6			
253 - 2025 - Distribution Center Climate Control		3			
331 - 2025 - Police RMS/CAD Software		50			
331 - 2025 - Use of Force Simulator		15			
333 - 2025 - Key Machine		10			
608 - 2023 - HVAC System Installation - Design Eval & Development	13				
333 - 2023 - Police InCar camera	11				
458 - 2023 - INIT VBS Servers Virtualization	21				
452 - 2023 - CRM Implementation	424				
276 - 2023 - Customer Service Chat Tools	53				
276 - 2023 - IOT Beacon Network	74				
276 - 2023 - Enterprise Loyalty Implementation	80				
608 - 2022 - SW - Generator Modification at Bus Facilities	104				
Subtotal	\$780	\$360	\$1,867	\$0	\$0

Capital Project Impact on Operating Budget (\$000)

LRT	FY 2025	FY 2026	FY 2027	FY 2038	FY 2039
Onboard Passenger Information System		\$69			
840 - 2025 - Loop 12 Station		50			
375 - 2025 - Cockrell Hill and Bernal-Singleton PTLs camera and Digital Signage Installation		22			
663 - 2025 - LRV Journal Bearing and Pantograph Monitoring Sensors		110			
Subtotal	\$0	\$251	\$0	\$0	\$0
TRE	FY 2025	FY 2026	FY 2027	FY 2038	FY 2039
Silver Line		\$18,332	\$28,206		
Streetcar	FY 2025	FY 2026	FY 2027	FY 2038	FY 2039
Dallas Streetcar Link				\$3,421	\$1,140
Grand Total	\$780	\$18,332	\$28,208	\$3,421	\$1,140

Capital by Department (\$M)

Department	Active Projects	Total Budget	New Projects in FY25	New Budget FY25 FP	Total Projects FY25 FP	New Total Budget
Bus Operations	6	\$18.7	1	\$3.7	7	\$22.3
Capital Program Development	71	2,928.0	25	174.5	96	3,102.5
Chief of Staff	4	12.6	1	49.5	5	62.1
Communications	2	1.3			2	1.3
Commuter Rail	26	168.8	18	9.2	44	177.9
DART Police	3	26.2	3	1.6	6	27.8
Engineering	12	2,239.7	4	7.7	16	2,247.4
Finance	20	230.7	1	0.4	21	231.1
Human Capital	1	0.0			1	0.0
Materials Management	3	1.5	1	0.2	4	1.7
MOW & Facility Maintenance	108	172.7	27	18.9	135	191.5
Rail Operations	9	28.4	2	3.0	11	31.4
Service Planning & Scheduling	12	40.0	0	0.0	12	40.0
Technology	33	87.6	2	4.2	35	91.8
Grand Total	310	\$5,956.1	85	\$272.8	395	\$6,228.9

New Requests by Mode (\$000)

#	Agency-Wide	Requested Budget
1	260 - 2025 - 1401 Pacific DART HQ Construction	\$49,500
2	870 - 2025 - Lancaster Corridor Improvements - RAISE Grant	4,440
3	458 - 2024 - Upgrade Vehicle Gateways (Bus, LRV, TRE, SC, Police, NRV)	3,753
4	331 - 2025 - Police RMS/CAD Software	1,245
5	608 - 2022 - SW - Generator Modification at Bus Facilities	1,000
6	607 - 2025 - Third-Party Consultant Support Services	560
7	850 - 2025 - TOD & Economic Development	500
8	460 - 2025 - Network Switch Power Supply	476
9	433 - 2025 - Fare Roadmap Study/Analysis and RFP Requirements	400
10	698 - 2025 - COMM - NRV Purchase	330
11	331 - 2025 - Use of Force Simulator	250
12	253 - 2025 - Distribution Center Climate Control	245
13	333 - 2025 - Key Machine	75
	Agency-Wide Total	\$62,774

***Line items in purple represent budget increase requests for existing projects*

New Requests by Mode (\$000)

#	Bus	Requested Budget
1	870 - 2025 - On-Street Legacy Shelter Replacement	\$33,333
2	870 - 2025 - Large Shelter Replacement (PTLs/Super Stops)	9,340
3	651 - 2025 - NABI Bus Repower	3,680
4	688 - 2025 - Boiler Replacement at 4209 Main Street	2,027
5	374 - 2025 - Mobility Hubs	1,500
6	688 - 2025 - Switchboard Replacement at 4127 Elm Street	1,071
	Bus Total	\$50,951

New Requests by Mode (\$000)

#	Commuter Rail	Requested Budget
1	607 - 2011 - TRE Noble Branch to West of Medical District Drive Double Tracking*	\$21,897
2	607 - 2024 - Relocate Irving Yard to Lumber Yard/Install Track	2,674
3	526 - 2025 - TRE - Track Panel Replacement W to E Richland Hills MP 617.66-618.61. M.L.#2*	2,162
4	Repair Drainage Issue to Address Flooding Incidents at EMF*	1,556
5	526 - 2025 - TRE - Bungalow Replc - W.C. Junct MP 634.55*	1,100
6	526 - 2025 - TRE - HD Link Replacement - Nursery/Britain Road*	1,041
7	526 - 2025 - TRE - Spill Containment Installation on All Service Tracks*	640
8	526 - 2025 - TRE - Bi-Level Overhaul Specification Development*	591
9	526 - 2025 - TRE - Bridge Panel Replacement FM157 ML#1 MP 625.8*	433
10	526 - 2025 - TRE - Resurface Service Track Roads - w/Asphalt	310
11	526 - 2025 - TRE - Install RailSentry Grade Xing Protection @ Calloway Cemetery Road MP 626.29*	283
12	526 - 2025 - TRE - Install RailSentry Grade Xing Protection @ Market Center Blvd. MP 641.66*	283
13	526 - 2025 - TRE - Remodel Men's/Women's Locker Rooms*	243
14	510 - 2025 - Madill Elm Fork Trinity River Bridge	218
15	830 - 2025 - TRE - Bridge Lead Paint Encapsulation*	200

*Projects with external funding

**Line items in purple represent budget increase requests for existing projects



New Requests by Mode (\$000)

#	Commuter Rail	Requested Budget
16	607 - 2025 - Madill Crossing Replacement at Crosby MP 701.17	149
17	607 - 2025 - Madill Crossing Replacement at Nursery Rd. MP 711.90	116
18	526 - 2025 - TRE - Grade Crossing Replacement @ Mosier Valley MP 625.50*	103
19	526 - 2025 - TRE - #20 TO-W. Tie E. Mockingbird Main MP 639.44*	100
20	526 - 2025 - TRE - #20 TO-W. Tie WC Junction Mileposts 634.46*	100
21	510 - 2025 - Dixon Road at Scyene Road Track Removal	97
22	526 - 2025 - TRE - 200 Ton Hydraulic Press*	91
23	526 - 2025 - TRE - Train Radios*	88
24	526 - 2025 - TRE - Track Panel Replacement @CPT 217 MP 644.15*	50
25	526 - 2025 - TRE - Band Saw*	13
Commuter Rail Total		\$34,539

**Projects with external funding*

New Requests by Mode (\$000)

#	Light Rail	Requested Budget
1	Mockingbird Depression Retaining Wall Design and Construction	55,808
2	840 - 2025 - Loop 12 Station	20,000
3	607 - 2025 - LRT Bridge Repair	6,315
4	870 - 2025 - Cityplace Station Rehab	3,900
5	663 - 2025 - LRV Journal Bearing and Pantograph Monitoring Sensors	3,152
6	688 - 2025 - CROF Wheel Truing Replacement	3,136
7	697 - 2025 - Signals - NWROF Yard Switch	3,000
8	717 - 2025 - Railyard Management System	2,875
9	663 - 2025 - Rail Wheel Press Machine	2,671
10	375 - 2025 - Cockrell Hill and Bernal-Singleton PTLs Camera and Digital Signage Installation	1,473
11	688 - 2025 - Replacement of Two Chillers at CROF	1,149
12	607 - 2025 - Southbound Tunnel Repairs	1,037
13	687 - 2025 - Tunnel Emergency Ventilation Fan Controls	1,010
14	687 - 2025 - Stair Replacement at Royal Lane and Walnut Hill/Denton Stations	940
15	606 - 2025 - LRV Electric Horn Retrofit	833
16	687 - 2025 - Fire Standpipe Replacements at Various LRT Stations	800

***Line items in purple represent budget increase requests for existing projects*

New Requests by Mode (\$000)

#	Light Rail	Requested Budget
17	688 - 2024 - CROF Backup Generators	673
18	688 - 2025 - Two CROF Generators (125 kW and 135 kW)	660
19	607 - 2025 - DFW Station Concierge Booth	626
20	687 - 2025 - Cityplace and Tunnel Equipment Room Door Replacements	500
21	687 - 2025 - Tunnel Emergency Ventilation Fan Spare Parts	500
22	686 - 2025 - PA/FS Wayside HVAC Replacement	400
23	850 - 2025 - CBD Trackway Pavement Evaluation*	350
24	687 - 2025 - NFPA Code Compliant Stairwell Pressurization Fans	300
25	686 - 2025 - PA/FS Rowlett Shop Repair	250
26	680 - 2025 - NRV Hi-Rail Trucks	250
27	687 - 2025 - SMU Mockingbird Emergency Generator Quick Connects and Transfer Switches	225
28	687 - 2025 - Kiest Station Adjacent Lot Fencing	224
29	697 - 2025 - Signals - Tama Power Cable	200
30	687 - 2025 - Equipment for Cityplace and Aerial Stations	170
31	697 - 2025 - Signals - Service Truck Crane	120
32	697 - 2025 - Signals - Railroad Battery Recycle	117

*Projects with external funding

**Line items in purple represent budget increase requests for existing projects

New Requests by Mode (\$000)

#	Light Rail	Requested Budget
33	672 - 2025 - CNC Machine for NWROF	85
34	688 - 2025 - Repair of the CROF High Mast Pole	35
35	830 - 2025 - Sidewalk Replacement - 2644 Ross Avenue	32
36	697 - 2025 - Signals - NWROF Wire Trough	25
37	685 - 2025 - Extension Ladder for Monroe Shops	11
	Light Rail Total	\$113,852

New Requests by Mode (\$000)

#	Non-Operating	Requested Budget
1	374 - 2025-2026 - Capital Planning Projects	\$2,000
2	374 - 2025 - Vulnerability Assessment and Resiliency Plan	1,000
3	MOW for Engineering Services	\$750
4	810 - 2023 - GRD/EPM Support Services	241
	Non-Operating Total	\$3,991
	Grand Total	\$266,107

***Line items in purple represent budget increase requests for existing projects*





Debt

Debt Overview

	Commercial Paper (CP)		Long-Term Debt (LTD)	
	FY 2025	FY 2026-2044	FY 2025	FY 2026-2044
Term	Rolling for up to 3 years	Rolling for up to 9 years	30 years	30 years
Interest rates + fees	3.50%-5.00%	3.50%-5.00%	5.50%	5.50%
Principal repayment	\$0M	All outstanding (self-liquidity) CP is retired	\$79.1M	\$3.16B
New CP*/total long-term debt issued**	\$25M	\$400M	\$519M	\$2.61B
Maximum debt outstanding at EOY	\$87M	\$400M	\$4.17B	\$5.56B
Year of maximum debt outstanding	FY 2025	FY 2030 - FY2031	FY 2025	FY 2033
Cash reserves required?	Yes	Yes	No	No
Uninsured debt rating assumed	A-1+/P-1	A-1+/P-1	AA+/Aa2/AAA	AA+/Aa2/AAA

*The amounts shown are par value and net interest expense and fees related to “rolling” CP, or the maturing and reissuance of commercial paper

**The long-term debt amounts shown for FY 2025 are shown at par value and amounts shown for FY 2026-2044 are anticipated bond proceed receipts shown at par value to match project funding budget

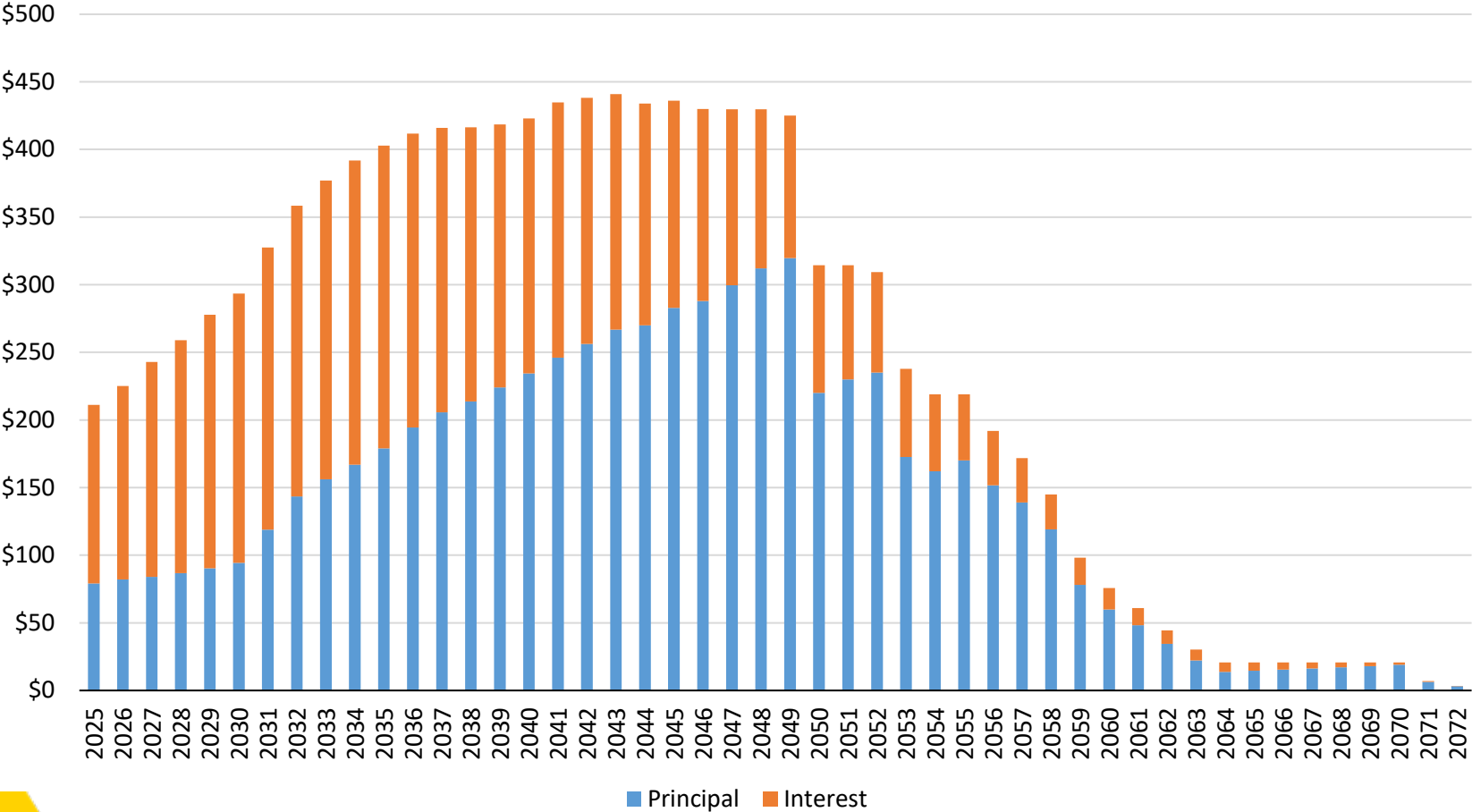
Long-Term Debt Issuance (\$M)

Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Yr Total	20-Yr Total
RRIF - Silver Line	\$519.2					\$519.2	\$519.2
Silver Line		\$364				364	364
Unified Signal			\$200	\$200	\$200	600	710
Platform Level Boarding			70	60	30	160	190
LRV				100	50	150	1,350
Total	\$519.2	\$364	\$270	\$360	\$280	\$1,793.2	\$3,133.2

Project	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2040	FY 2041	FY 2042
Unified Signal	\$110							
Platform Level Boarding	30							
LRV	160	\$200	\$220	\$190	\$130	\$200	\$50	\$50
Total	\$300	\$200	\$220	\$190	\$130	\$200	\$50	\$50

- Debt issuance is for previously approved projects
- No new FY 2025 capital project requests require debt funding
- Removed planned debt issuance for new TRE vehicles and Dallas Streetcar

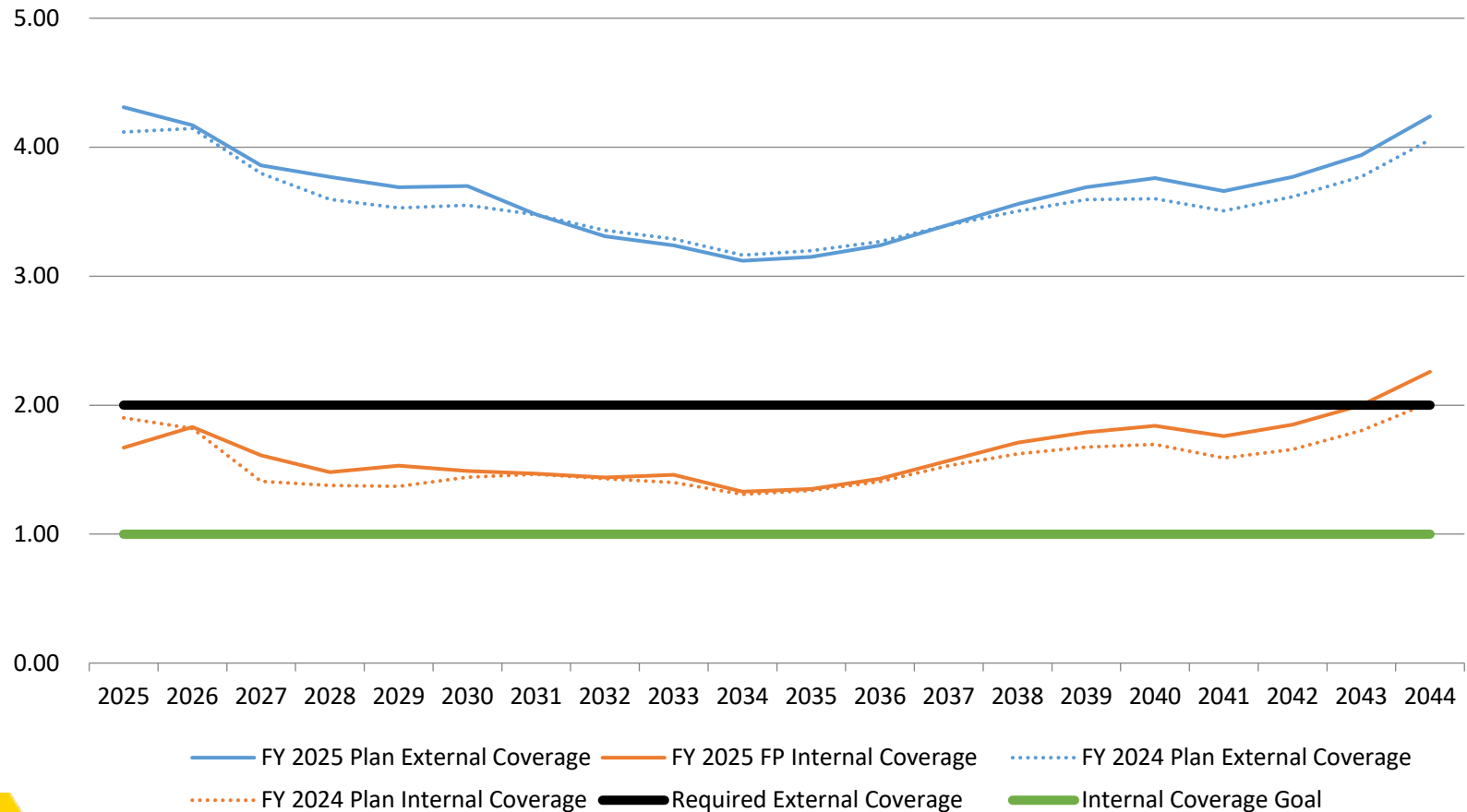
Principal & Interest (\$M)



Coverage Ratios

- Financial Standard D6 requires us to incorporate certain debt service coverage ratios into the FP
 - Maintain an external coverage ratio of at least 2.0 for each year of the FP
 - Calculation = Sales Taxes / Annual Debt Service
 - ✓ Lowest external coverage ratio is 3.12 in FY 2034
 - Maintain an internal coverage ratio of at least 1.0 for each year of the FP
 - Calculation = Sales Taxes + Operating Revenues + Interest Income - Operating Expenses / Annual Debt Service
 - ✓ Lowest internal coverage ratio is 1.33 in FY 2034

Coverage Ratios



A yellow semi-truck is driving on a city street. The word "Revenue" is written in large, bold, blue letters across the middle of the truck. The background shows city buildings and a wet street reflecting the scene.

Revenue

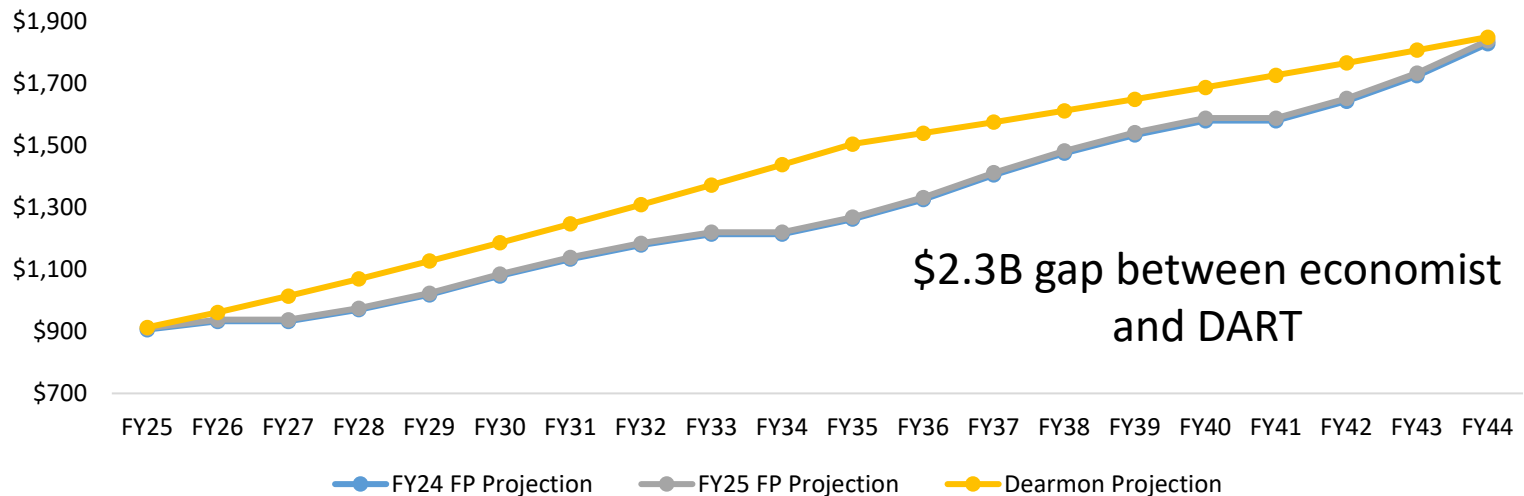
FY 2025 Revenue (\$M)

	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2024 Forecast	FY 2025 Budget	% Variance
Sales Tax Revenues	\$791.8	834.4	\$870.8	\$870.8	\$910.2	4.5%
Operating Revenues	50.8	56.3	56.3	59.3	60.8	8.1%
Investment Income	8.6	51.3	39.9	39.9	26.4	(33.7%)
Formula Federal Funding	361.7	68.0	121.5	72.4	74.6	(38.6%)
Discretionary Federal Funding	33.2	14.2	38.0	16.8	186.7	391.6%
Other Operating Contributions*	22.1	21.6	18.3	18.3	19.5	6.4%
Other Capital Contributions*	3.0	10.4	16.9	16.9	23.6	39.7%
Total Revenue	\$1,271.2	\$1,056.1	\$1,161.7	\$1,094.5	\$1,301.9	12.1%

*Detail on slides 47 & 83

Sales Tax Projections (\$M)

Fiscal Year	FY 2024 Plan	FY 2025 Economist	FY 2025 Proposed	% Increase
2025	\$905.6	\$912.9	\$910.2	0.51%
2026	932.8	961.5	937.5	0.51%
2027	932.5	1,014.3	937.5	0.51%
2028	970.1	1,069.8	975.0	0.51%
2029	1,018.6	1,127.4	1,023.8	0.51%
5-Year Total	4,759.7	5,085.9	4,784.2	0.51%
20-Year Total	\$25,949.4	\$28,372.5	\$26,082.7	0.51%



Operating Revenues

FY 2024-FY 2029 (\$M)

Operating Revenues	FY22 Actual	FY23 Actual	FY24 Forecast	FY25	FY26	FY27	FY28	FY29
Fixed Route Fares	\$31.6	\$35.8	\$38.8	\$40.2	\$47.3	\$48.7	\$49.7	\$54.2
Other Passenger Fares	1.7	2.1	4.1	4.1	4.6	4.6	4.7	5.1
Total Passenger Revenues	33.3	37.9	42.9	44.3	51.9	53.3	54.4	59.3
Leases & Rentals	7.5	8.0	8.4	8.4	8.5	8.7	8.9	9.0
Advertising	3.6	3.7	5.7	5.7	6.1	6.3	6.4	6.5
DCTA	1.0	1.0	0.9	1.0	1.0	1.0	1.0	1.0
Other	5.4	5.7	1.4	1.4	0.2	0.2	0.2	0.2
Total	\$50.8	\$56.3	\$59.3	\$60.8	\$67.7	\$69.5	\$70.9	\$76.0

Ridership (000s)

Mode	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Forecast	FY 2025 Proposed	% Increase
Bus	37,934	27,591	19,981	22,664	25,926	30,747	34,510	12.4%
LRT	28,335	20,081	14,487	17,676	20,495	23,485	26,162	11%
TRE	2,007	1,266	795	1,066	1,137	1,224	1,297	5.9%
Streetcar	745	189	145	702	545	499	519	4%
GoLink	208	167	111	334	917	1,516	1,892	24.8%
Paratransit	906	644	571	734	860	968	1,036	7%
Total	70,134	49,938	36,091	43,176	49,879	58,439	65,416	11.9%

Ridership Projections (000s)

Mode	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total	20-Year Total
Bus	34,510	36,580	37,312	38,058	38,058	184,518	824,211
LRT	26,162	27,470	28,020	28,580	28,580	138,813	619,201
TRE	1,297	1,362	1,389	1,417	1,417	6,883	30,703
Silver Line	0	1,370	2,076	2,129	2,129	7,704	44,770
Streetcar	519	544	555	566	566	2,751	12,272
GoLink	1,892	1,911	1,931	1,950	1,950	9,634	40,591
Paratransit	1,036	1,046	1,057	1,067	1,067	5,273	22,215
Total	65,416	70,285	72,339	73,768	73,768	355,577	1,593,964
YOY Growth	11.9%	7.4%	2.9%	2.0%	0.0%		

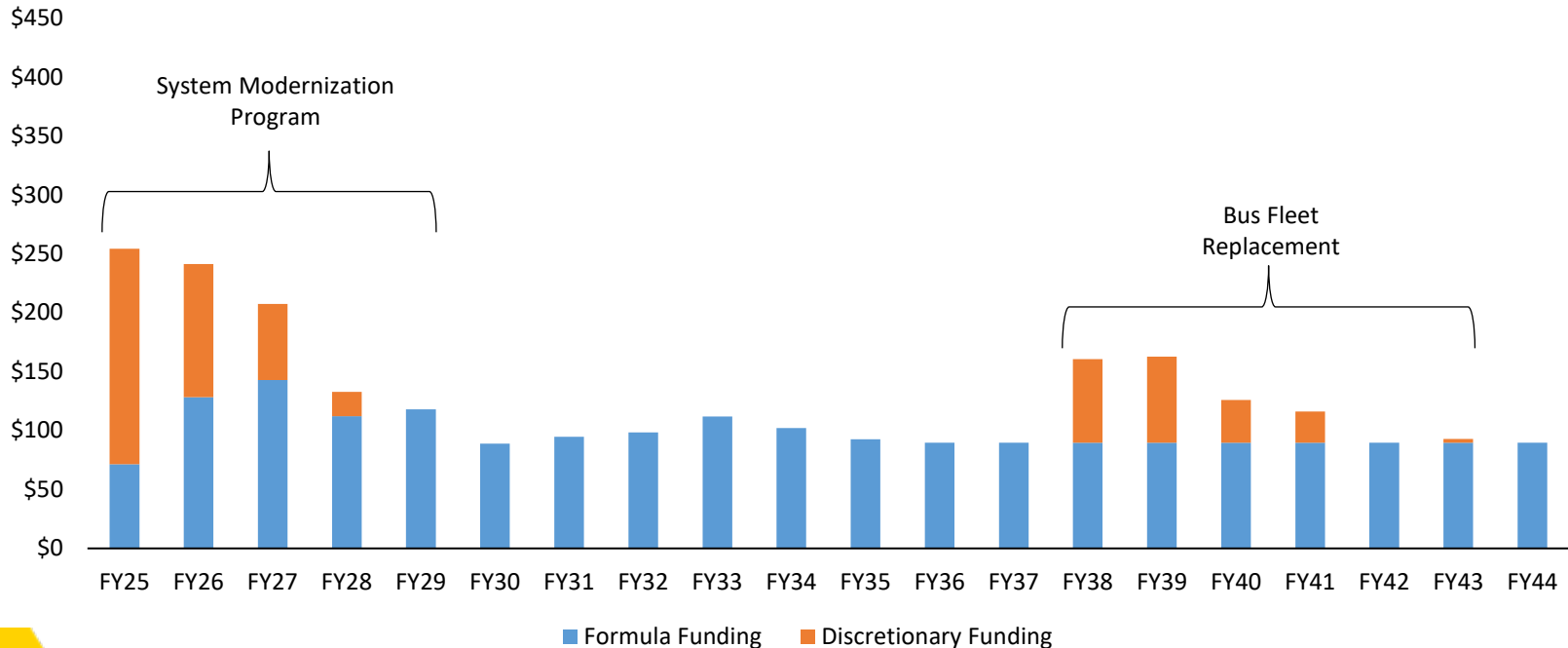
- Assumes fare structure changes in FY 2026 and FY 2029

Subsidy Per Passenger

Mode	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget
Bus	\$10.39	\$10.95	\$10.59	\$9.72	\$9.34	\$9.38	\$9.37	\$9.51
Light Rail	9.61	8.55	8.34	7.71	7.44	7.41	7.41	7.51
Streetcar	11.37	3.36	4.16	5.83	5.67	5.67	5.66	5.78
TRE	34.16	26.57	30.40	31.14	29.26	29.54	29.83	30.62
Silver Line	0	0	0	0	14.04	14.25	14.24	14.57
Paratransit	49.01	45.57	49.49	58.54	59.69	62.30	64.87	66.76
GoLink	21.62	17.43	17.12	12.29	12.49	12.97	13.48	14.06

Federal Grants (\$M)

Federal Grants	FY 2022 Actual	FY 2023 Actual	FY 2024 Forecast	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Formula Funds	361.7	68.0	72.4	74.6	128.2	142.8	112.2	117.9
Discretionary Funds	33.2	14.2	16.8	186.7	113.0	64.5	20.5	0.0



Other Contributions

FY 2022-FY 2029 (\$M)

	FY22 Actual	FY23 Actual	FY24 Forecast	FY25 Budget	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget
Trinity Metro (TRE)	\$16.3	\$15.0	\$14.4	\$15.3	\$15.3	\$15.8	\$16.3	\$16.8
City of Dallas (Streetcar)	1.7	1.8	1.9	1.9	2.0	2.0	2.0	2.1
Other Entities	4.1	4.8	2.0	2.3	0.5	0.5	0.6	0.5
Total Operating Contributions	22.1	21.6	18.3	19.5	17.8	18.3	18.9	19.4
Trinity Metro (TRE)	2.2	7.5	5.6	13.1	25.5	17.0	18.8	10.5
City of Dallas (Streetcar)	0.0	0.1	0.1	0.0	3.5	3.6	0.0	0.0
Other Entities	0.8	2.8	11.2	10.5	14.4	5.2	2.8	2.9
Total Capital Contributions	\$3.0	\$10.4	\$16.9	\$23.6	\$43.4	\$25.8	\$21.6	\$13.4

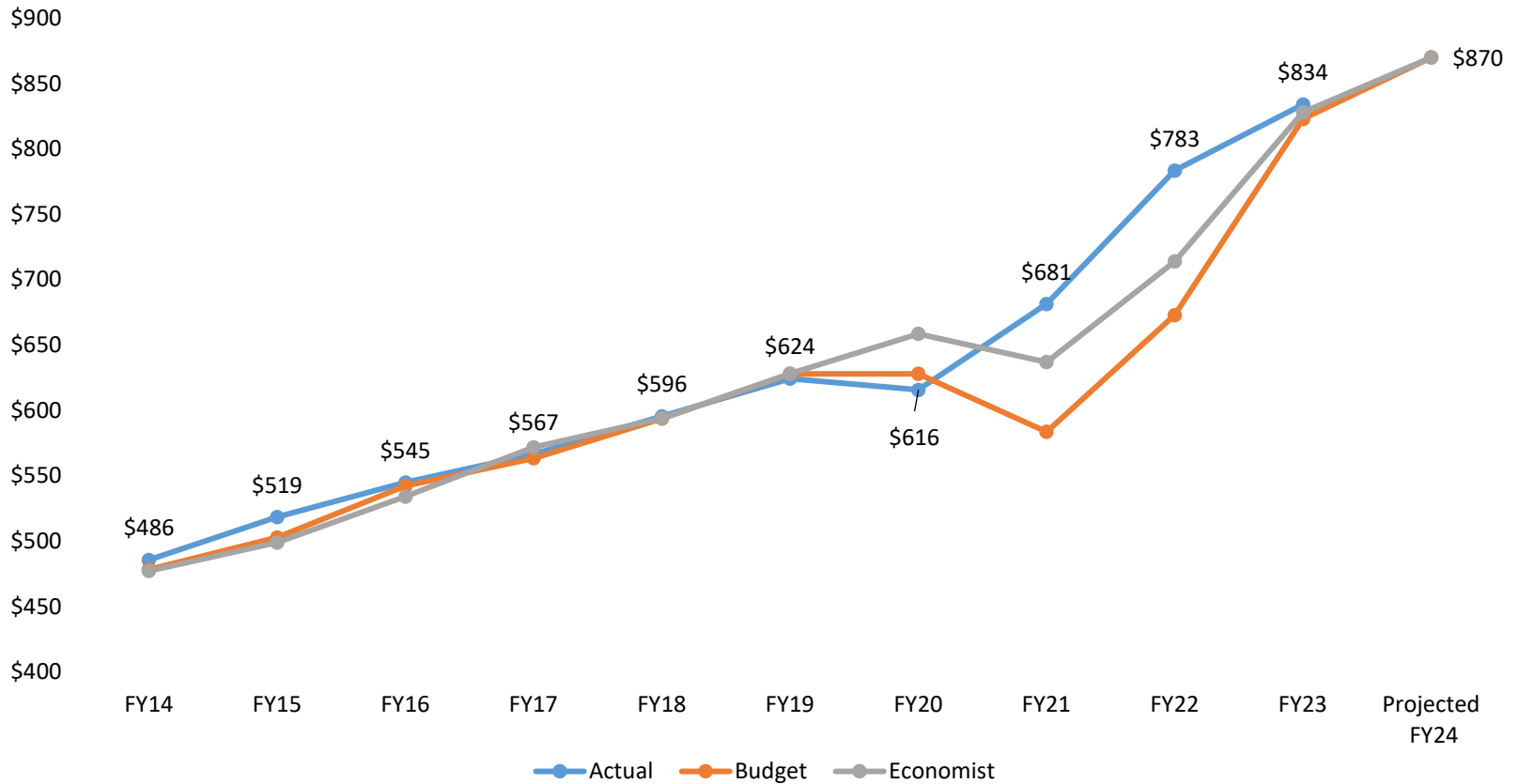
- Mainly TRE operating and capital from Trinity Metro
- Capital contributions from other entities primarily tied to Silver Line
- Detail found in Appendix to this presentation

Sources & Uses (\$M)

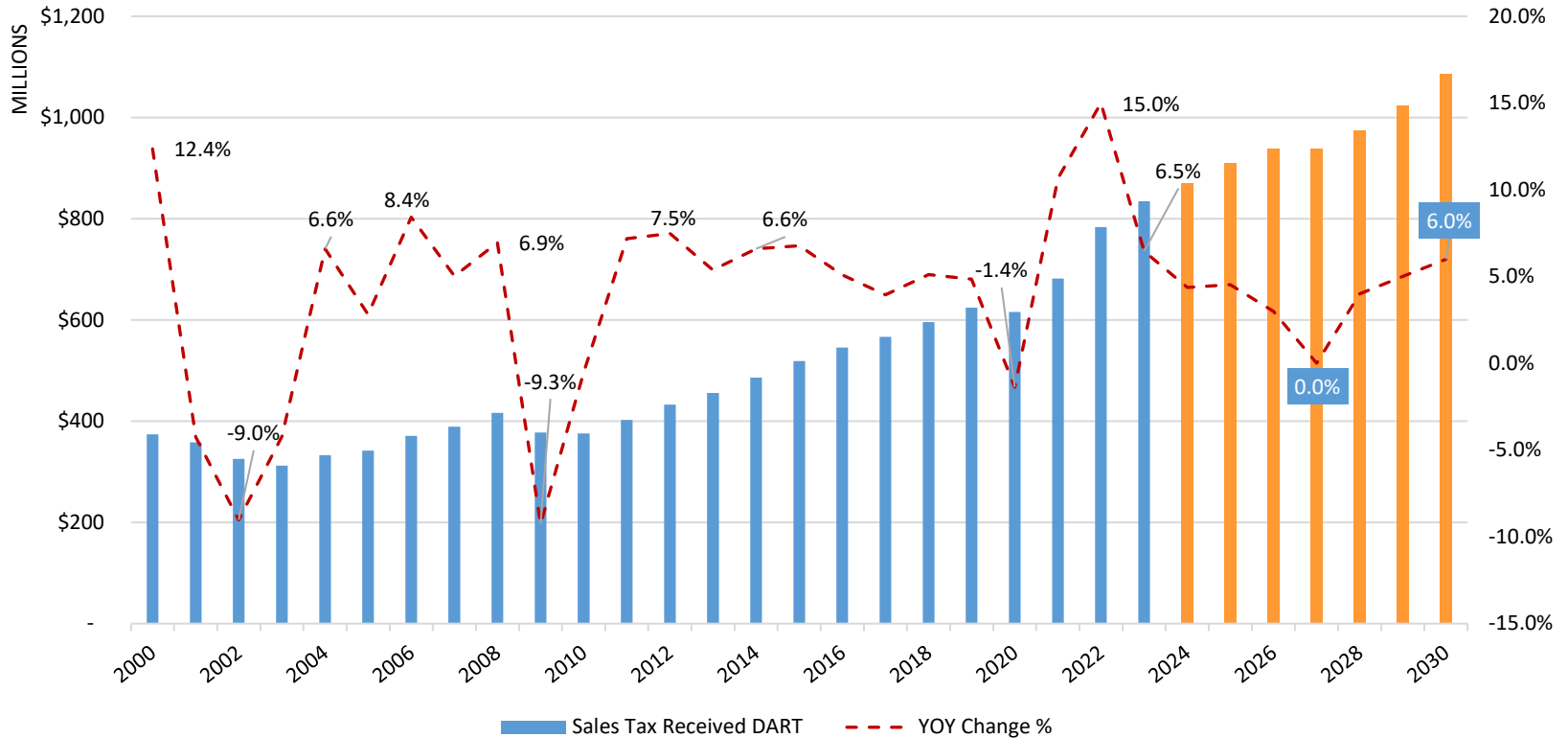
Sources	FY 2025		
Revenues		% of Total Revenues	% of Total Sources
Sales Tax Revenues	\$910.2	70%	49.9%
Other Revenues	391.7	30%	21.4%
Total Revenues	1,301.9	100%	71.0%
Debt:	544.4		29.7%
Cash:	(13.6)		(0.7)%
Total Sources	1,832.7		100.0%

Uses	FY 2025		
Operating		% of Operating Uses	% of Total Uses
Sales Tax	577.9	80%	31.5%
Other Revenue	147.3	20%	8.0%
Total Operating Sources	725.2	100%	39.6%
Capital & Non-Operating		% of Capital Uses	% of Total Uses
Sales Tax	110	12%	6.0%
Other Revenue	244	28%	13.3%
Debt	519	59%	28.3%
Cash	11	1%	0.6%
Total Capital	885	100.0%	48.3%
Debt Service		% of Debt Uses	% of Total Uses
Sales Tax	222.2	100.0%	12.1%
Total Debt Service	222.2	100.0%	12.1%
Total Uses	\$1,832.7		100%

Sales Tax Forecast to Actuals (\$M)



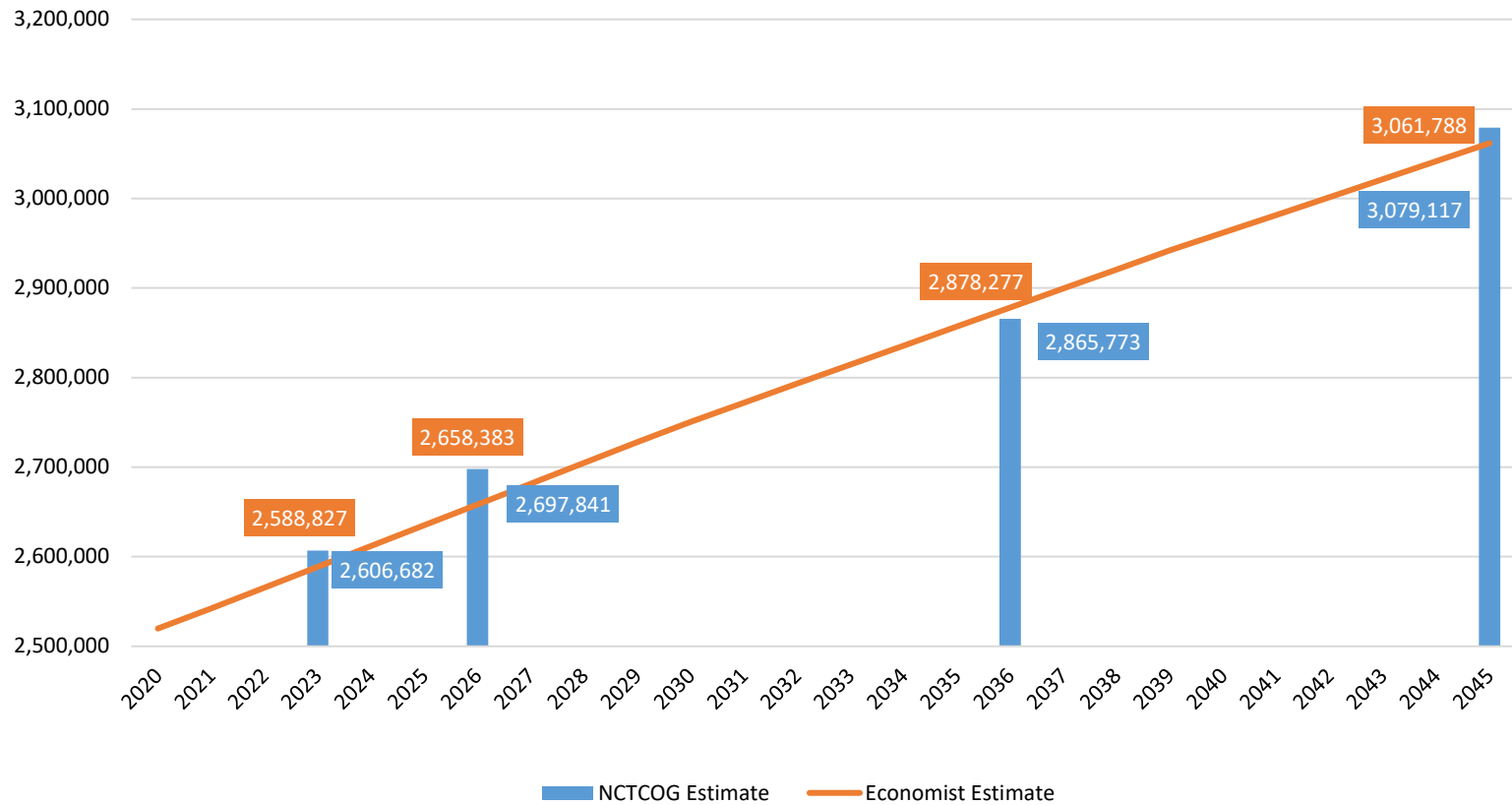
Sales Tax Trends & Forecast



- Historic average sales tax growth of 4.7%

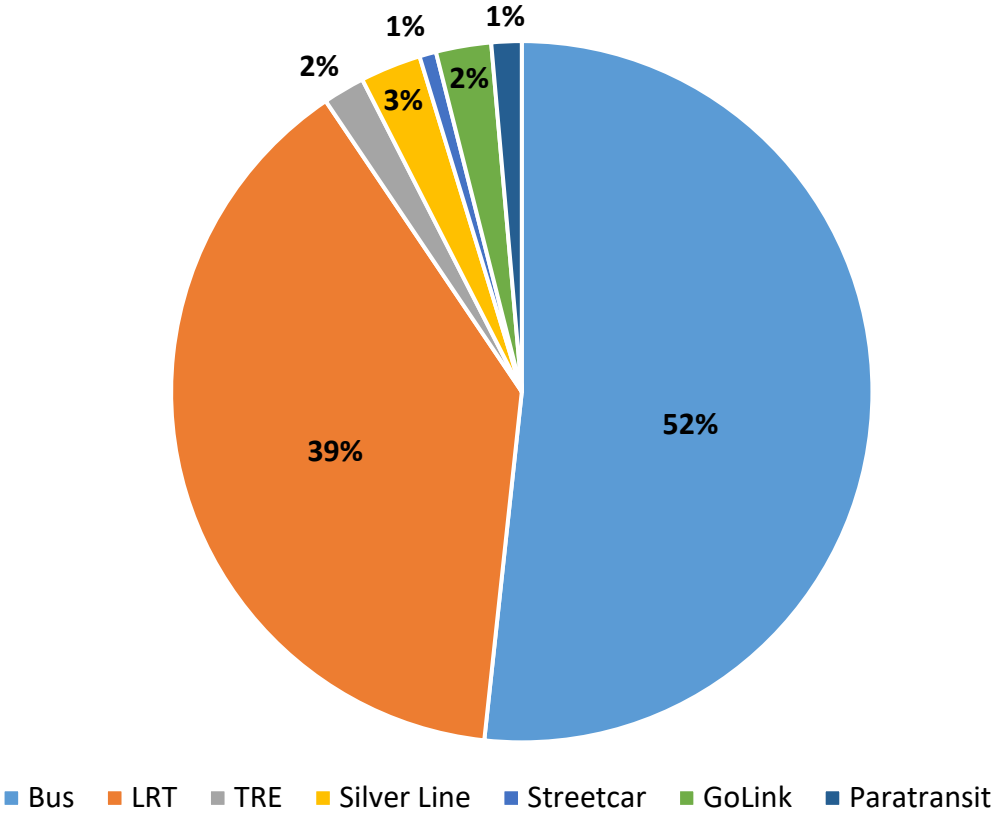


Service Area Population Growth



Source: North Central Texas Council of Governments, Lewis McLain

Ridership by Mode (20-Year Total)



Other Operating Contributions (\$M)

Category	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total
Trinity Metro Contribution to TRE	\$15.3	\$15.3	\$15.8	\$16.3	\$16.8	\$79.4
Dallas Contribution to Streetcar O&M	1.9	2.0	2.0	2.0	2.1	10.0
Leasing of Mineral Interests in TRE Corridor	0.1	0.1	0.1	0.1	0.1	0.6
GoPass for Other Entities	0.4	0.4	0.4	0.4	0.4	2.2
Renewable Energy Credit	1.8	0.0	0.0	0.0	0.0	1.8
Total Other Sources	\$19.5	\$17.8	\$18.3	\$18.9	\$19.4	\$93.9

Impact of Grants on Capital

- Congressional earmarks are the only “unbudgeted” grants DART receives; generally for existing projects already in the capital plan
- “Displaced” funds are returned to general revenues and typically made available for other projects with a budget overrun *if* the earmarked project is not already over budget

FY 2022

- \$833,000 for Smart Bus Technology (Veasey)

FY 2023

- \$2,500,00 for Intermodal Transit Hub at UT Dallas Station for Silver Line (Allred)
- \$2,927,000 for East Dallas Bus & Maintenance Facility Renovation (Johnson)
- \$2,820,800 for Supervisory Control & Data Acquisition System Upgrade Project (Allred)
- \$2,000,000 for DART Fuel System Modernization Project (Veasey)

FY 2024

- \$1,000,000 DART’s Cityplace/Uptown Station Tunnel Fire Standpipe Replacement (Allred)

Investment Income

Fiscal Year	Interest Rate	Revenue (\$M)
2022 Actual	0.9%	\$8.6
2023 Actual	4.3%	51.3
2024 Forecast	3.5%	39.9
2025	3.5%	26.4
2026	3.5%	25.7
2027	3.5%	19.4
2028	3.5%	16.6
2029	3.5%	16.0

- Rates should stabilize as inflation comes under control
- Decreased revenue is a result of less investible cash



20-Year Financial Plan

Dallas Area Rapid Transit
FY 2025 Financial Plan as Proposed 07-16-24
Twenty Year Sources and Uses of Cash
(S Millions - Inflated Dollars)

Line	Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	20-Year Total
SOURCES OF FUNDS																						
Revenues:																						
1	Sales Tax Revenues	\$910.2	\$937.5	\$937.5	\$975.0	\$1,023.8	\$1,085.2	\$1,139.5	\$1,185.1	\$1,220.6	\$1,220.6	\$1,269.4	\$1,332.9	\$1,412.9	\$1,483.5	\$1,542.9	\$1,589.2	\$1,589.2	\$1,652.7	1,735.4	1,839.5	\$26,082.6
2	Operating Revenues	60.8	67.7	69.5	70.9	76.0	76.8	77.7	83.6	85.2	86.9	93.5	95.3	97.1	104.6	106.7	108.8	117.2	119.5	121.9	131.4	\$1,851.2
3	Interest Income	26.4	25.7	19.4	16.6	16.0	16.8	17.6	16.7	16.6	17.0	16.1	16.3	17.3	19.1	19.1	19.5	20.0	22.2	27.3	36.6	\$402.4
4	Formula Federal Funding	74.6	128.2	142.8	112.2	117.9	88.8	94.6	98.5	111.8	102.2	92.6	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	89.7	\$1,971.9
5	Discretionary Federal Funding	186.7	113.0	64.5	20.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	71.0	73.1	36.2	26.4	0.0	3.1	0.0	\$594.6
6	Other Operating Contributions	19.5	17.8	18.3	18.9	19.4	20.0	20.6	21.3	21.9	22.6	23.3	24.0	26.8	29.6	31.0	31.9	32.9	33.9	34.9	36.0	\$504.8
7	Other Capital Contributions	23.6	43.4	25.8	21.6	13.4	16.6	10.0	8.4	6.5	13.7	22.8	54.2	56.4	39.3	7.7	8.9	8.7	4.3	10.0	7.9	\$403.3
Total Revenue		\$1,301.9	\$1,333.3	\$1,277.9	\$1,235.8	\$1,266.5	\$1,304.2	\$1,360.1	\$1,413.5	\$1,462.7	\$1,463.0	\$1,517.7	\$1,612.5	\$1,700.3	\$1,836.9	\$1,870.1	\$1,884.2	\$1,884.2	\$1,922.4	\$2,022.4	\$2,141.2	\$31,810.8
DEBT ISSUANCES																						
Debt Issuances:																						
8	Long-term Debt Issuances	\$519.4	364.0	270.0	360.0	280.0	300.0	200.0	220.0	190.0	130.0	0.0	0.0	0.0	0.0	0.0	200.0	50.0	50.0	0.0	0.0	\$3,133.4
9	Commercial Paper Issuances	\$25.0	0.0	100.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	\$425.0
Total Debt Issuances		\$544.4	\$364.0	\$370.0	\$460.0	\$380.0	\$400.0	\$200.0	\$220.0	\$190.0	\$130.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$200.0	\$50.0	\$50.0	\$0.0	\$0.0	\$3,558.4
Total Sources of Funds		\$1,846.3	\$1,697.3	\$1,647.9	\$1,695.8	\$1,646.5	\$1,704.2	\$1,560.1	\$1,633.5	\$1,652.7	\$1,593.0	\$1,517.7	\$1,612.5	\$1,700.3	\$1,836.9	\$1,870.1	\$2,084.2	\$1,934.2	\$1,972.4	\$2,022.4	\$2,141.2	\$35,369.2
USES OF FUNDS																						
Operating Expenses:																						
11	Bus	\$361.2	\$369.5	\$378.5	\$385.7	\$393.4	\$400.6	\$408.5	\$416.8	\$424.8	\$432.9	\$441.7	\$450.2	\$459.1	\$465.9	\$475.3	\$485.1	\$495.1	\$504.9	\$505.8	\$515.4	\$8,770.4
12	Light Rail Transit	223.4	228.8	232.6	237.0	241.7	246.2	251.1	255.8	261.0	265.8	271.7	276.9	282.3	287.5	293.3	297.7	\$303.2	309.3	316.9	318.9	\$5,401.2
13	Streetcar	3.2	3.2	3.3	3.3	3.4	3.5	3.5	3.6	3.7	3.8	3.8	3.9	4.0	7.8	9.2	9.4	\$9.6	9.8	10.0	10.2	\$112.2
14	Commuter Rail/RR Management	49.3	69.8	82.1	84.3	86.7	89.0	91.6	94.1	96.8	99.5	102.4	105.1	108.0	110.8	113.8	116.9	119.2	122.3	125.8	129.2	\$1,996.8
15	Paratransit	63.0	65.1	68.5	71.9	74.2	78.9	82.4	84.3	86.8	89.2	91.9	94.6	97.4	100.1	103.2	106.1	109.3	112.4	115.8	119.2	\$1,814.5
16	GoLink	25.0	25.8	27.0	28.2	29.5	31.3	32.7	34.1	35.1	36.1	37.2	38.3	39.4	40.5	41.7	42.9	\$44.2	45.5	50.0	54.9	\$739.5
17	Total Operating Expenses	\$725.2	\$762.2	\$791.9	\$810.5	\$829.0	\$849.5	\$869.9	\$888.7	\$908.2	\$927.4	\$948.8	\$968.9	\$990.1	\$1,012.6	\$1,036.6	\$1,058.2	\$1,080.6	\$1,104.3	\$1,124.3	\$1,147.7	\$18,834.5
<i>Operating+P&D+Start Up</i>		<i>\$734.2</i>	<i>\$780.7</i>	<i>\$810.8</i>	<i>\$829.7</i>	<i>\$848.5</i>	<i>\$869.5</i>	<i>\$890.3</i>	<i>\$909.4</i>	<i>\$929.3</i>	<i>\$948.9</i>	<i>\$970.8</i>	<i>\$991.4</i>	<i>\$1,013.1</i>	<i>\$1,036.7</i>	<i>\$1,060.4</i>	<i>\$1,082.4</i>	<i>\$1,105.3</i>	<i>\$1,129.5</i>	<i>\$1,150.0</i>	<i>\$1,173.9</i>	<i>\$18,803.5</i>
Capital Projects and Non-Operating:																						
18	Agency-Wide	\$103.5	\$94.0	\$56.5	\$33.3	\$30.3	\$41.6	\$79.6	\$37.8	\$23.5	\$37.4	\$22.9	\$28.2	\$51.0	\$31.1	\$42.9	\$34.5	\$26.2	\$21.4	\$36.7	\$35.9	\$868.4
19	Bus	91.6	103.8	119.4	92.5	83.4	85.7	35.9	43.1	21.1	27.2	10.9	4.8	134.5	185.7	149.9	106.7	42.9	27.1	21.7	59.9	\$1,447.8
20	Light Rail Transit	178.0	334.0	399.5	389.9	345.4	270.3	199.5	162.1	145.2	55.5	31.9	31.6	56.1	35.0	227.1	370.7	345.0	129.4	91.7	46.2	\$3,844.1
21	Streetcar	0.0	3.6	3.6	0.0	0.0	0.1	0.3	0.0	0.1	1.0	11.4	42.8	49.6	24.8	0.0	0.2	0.4	0.0	0.2	0.0	\$138.1
22	Commuter Rail/RR Management	378.7	251.5	128.3	69.3	38.0	33.5	25.0	19.4	22.4	28.2	24.2	31.3	14.9	20.6	18.1	26.2	23.1	16.1	45.2	26.7	\$1,240.8
23	Paratransit	0.0	0.0	0.0	0.5	0.0	0.8	0.0	0.3	0.1	0.1	0.0	0.0	0.0	1.1	0.2	0.3	0.0	0.1	0.2	0.5	\$4.4
24	General Mobility - Road Improvements	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	\$5.5
25	Non-Operating	99.0	78.6	3.6	3.7	3.8	1.4	4.1	0.3	8.3	0.3	5.9	0.3	4.8	5.0	5.1	1.9	5.4	0.4	11.2	0.4	\$243.5
26	Capital P & D, Start-Up	29.0	18.5	18.8	19.2	19.6	20.0	20.4	20.8	21.2	21.6	22.0	22.4	24.9	24.0	23.8	24.3	24.7	25.2	25.7	26.2	\$452.3
27	Total Capital and Non-Operating	\$885.3	\$884.1	\$729.8	\$608.5	\$520.5	\$453.3	\$364.7	\$283.7	\$242.0	\$171.3	\$129.2	\$161.5	\$335.8	\$327.4	\$467.3	\$564.8	\$467.7	\$219.6	\$232.7	\$195.8	\$8,244.8
DEBT SERVICE																						
Debt Service:																						
28	Principal Payments - Long-term Debt	79.1	82.2	84.1	86.8	90.3	94.4	105.7	120.9	132.8	143.0	154.4	171.2	189.7	212.4	222.9	233.5	245.4	255.7	266.5	270.0	\$3,241.0
29	Long-term Debt Interest Expense	139.7	142.8	158.7	172.2	187.4	199.1	208.6	215.1	221.7	226.3	225.9	219.9	213.4	206.1	198.1	192.3	192.4	185.8	178.0	167.8	\$3,851.5
30	Commercial Paper Interest Expense	2.6	1.5	1.8	5.3	8.8	12.3	14.0	12.3	8.8	5.3	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	\$74.1
31	Debt-Related Fees	0.8	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.9	\$14.4
32	Total Debt Service Costs	\$222.2	\$227.2	\$245.2	\$264.8	\$287.1	\$306.4	\$329.0	\$348.9	\$364.0	\$375.2	\$382.7	\$391.8	\$403.8	\$419.3	\$421.8	\$426.6	\$438.6	\$442.4	\$445.4	\$438.7	\$7,181.1
33	Commercial Paper Debt Repayment	0.0	87.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	487.0
34	Total Uses of Funds	\$1,832.7	\$1,960.5	\$1,766.9	\$1,683.8	\$1,636.6	\$1,609.2	\$1,563.6	\$1,621.3	\$1,614.1	\$1,573.9	\$1,560.7	\$1,522.3	\$1,729.8	\$1,759.3	\$1,925.6	\$2,049.5	\$1,986.9	\$1,766.2	\$1,802.3	\$1,782.1	\$34,747.3
35	Net Inc (Dec) in cash	\$13.6	(\$263.2)	(\$119.0)	\$12.0	\$9.9	\$95.0	(\$3.5)	\$12.2	\$38.6	\$19.1	(\$43.0)	\$90.3	(\$29.5)	\$77.6	(\$55.5)	\$34.7	(\$52.7)	\$206.1	\$220.1	\$359.1	\$21.9
36	Change in Balance Sheet Accts	46.6	8.8	(26.7)	(29.6)	(29.1)	(23.5)	(29.6)	(27.6)	(17.6)	(14.0)	(17.2)	(3.0)	28.1	(11.8)	22.9	25.1	(14.1)	(64.0)	(19.6)	(23.0)	(218.9)
37	Cash, End of Period	878.0	623.6	477.9	460.3	441.2	512.7	479.6	464.1	485.1	490.2	430.0	517.3	515.9	581.7	549.0	608.9	542.1	684.2	884.6	1,220.7	1,220.7
38	Less: Cash Reserves & Restricted Funds	(93.3)	(98.1)	(102.8)	(107.7)	(112.9)	(118.3)	(124.0)	(129.9)	(135.9)	(141.9)	(148.1)	(154.6)	(161.5)	(168.6)	(176.0)	(183.6)	(190.7)	(197.9)	(205.5)	(213.4)	(213.4)
39	Less: Working Cash Requirement	(181.3)	(190.6)	(198.0)	(202.6)	(207.2)	(212.4)	(217.5)	(222.2)	(227.0)	(231.8)	(237.2)	(242.2)	(247.5)	(253.2)	(259.1)	(264.5)	(270.2)	(276.1)	(281.1)	(286.9)	(286.9)
40	Less: Mobility Assistance and Innovation Fund	(21.0)	(21.7)	(22.5)	(23.3)	(24.1)	(24.9)	(25.8)	(26.7)	(27.7)	(28.6)	(29.6)	(30.7)	(31.7)	(32.8)	(34.0)	(35.2)	(36.4)	(37.7)	(39.0)	(40.4)	(40.4)
41	Restricted Cash For Deferred Spending	\$582.5	\$313.3	\$154.6	\$126.7	\$97.0	\$157.1	\$112.3	\$85.4	\$94.5	\$87.8	\$15.1	\$89.8	\$75.2	\$127.1	\$79.9	\$125.5	\$44.8	\$172.5	\$359.1	\$680.0	\$680.0

Emergency Reserve (\$M)

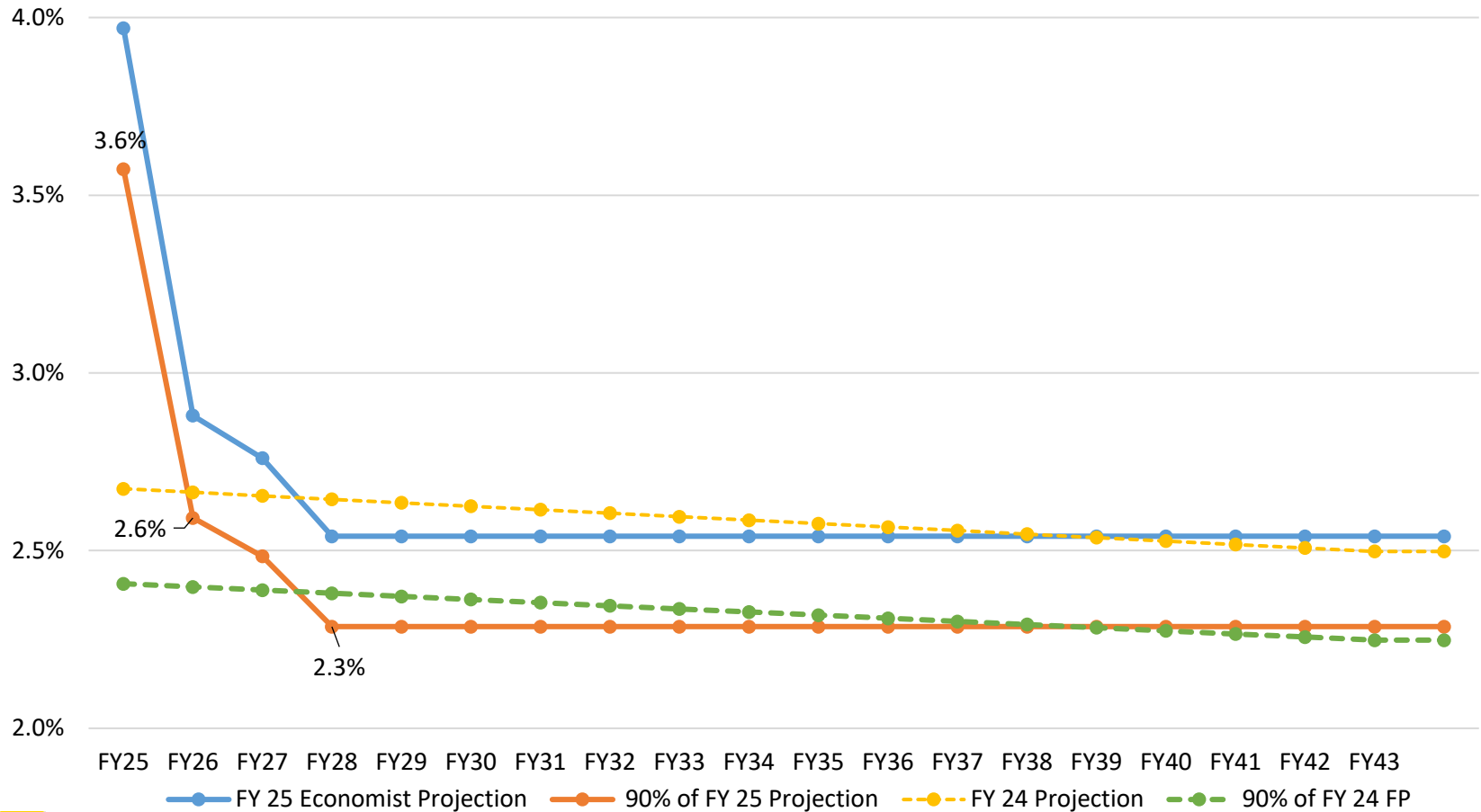
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2042	FY 2043	FY 2044
FY 2024 FP Sales Tax	\$905.6	\$932.8	\$932.8	\$970.1	\$1,018.6	\$1,644.3	\$1,726.5	\$1,830.1
FY 2025 FP Sales Tax	910.2	937.5	937.5	975.0	1,023.8	1,652.7	1,735.4	1,839.5
Net Increase	4.7	4.8	4.8	5.0	5.2	8.4	8.9	9.4
Emergency Reserve	54.7	59.4	64.2	69.2	74.4	165.0	173.8	183.2
% of Budgeted Sales Tax	6.0%	6.3%	6.9%	7.1%	7.3%	10.0%	10.0%	10.0%

- Financial Standard G8 requires Emergency Reserve of at least \$50M up to 10% of annual sales tax budget
- Plan increases Emergency Reserve by depositing difference between the sales tax estimate in each year of the FY 2024 and FY 2025 financial plans
- Reaches 10% target in FY 2042

Inflation & Op. Budget Growth

- Financial Standard B5 requires a projection of inflation for Dallas area
- Operating expenses in the FP may not grow by more than 90% of that estimate
 - Allowances for Board-approved contract increases, new services, programs and/or facilities, actuarial analysis, health care, and fuel/electricity price increases

Consumer Price Index Projection



Operating Expenses by Mode

20-Year Plan Totals (\$M)

Mode	FY 2024 Plan	FY 2025 Plan	\$ Variance	% Variance
Bus	\$9,262.9	\$8,770.4	(\$492.6)	(5.3%)
Light Rail Transit	5,493.2	\$5,401.2	(92.0)	(1.7%)
Commuter Rail/Railroad Management	2,052.9	\$1,996.8	(56.1)	(2.7%)
Paratransit	1,633.1	\$1,814.5	181.4	11.1%
GoLink	500.3	\$739.5	239.2	47.8%
Streetcar	137.4	\$112.2	(25.2)	(18.4%)
Total Operating Expenses	\$19,079.7	\$18,834.5	(\$245.2)	(1.3%)

- Decrease driven by:
 - Changes in inflation growth allowed by B9
 - Proposed FY 2025 reductions
 - Canceled capital projects under bus mode

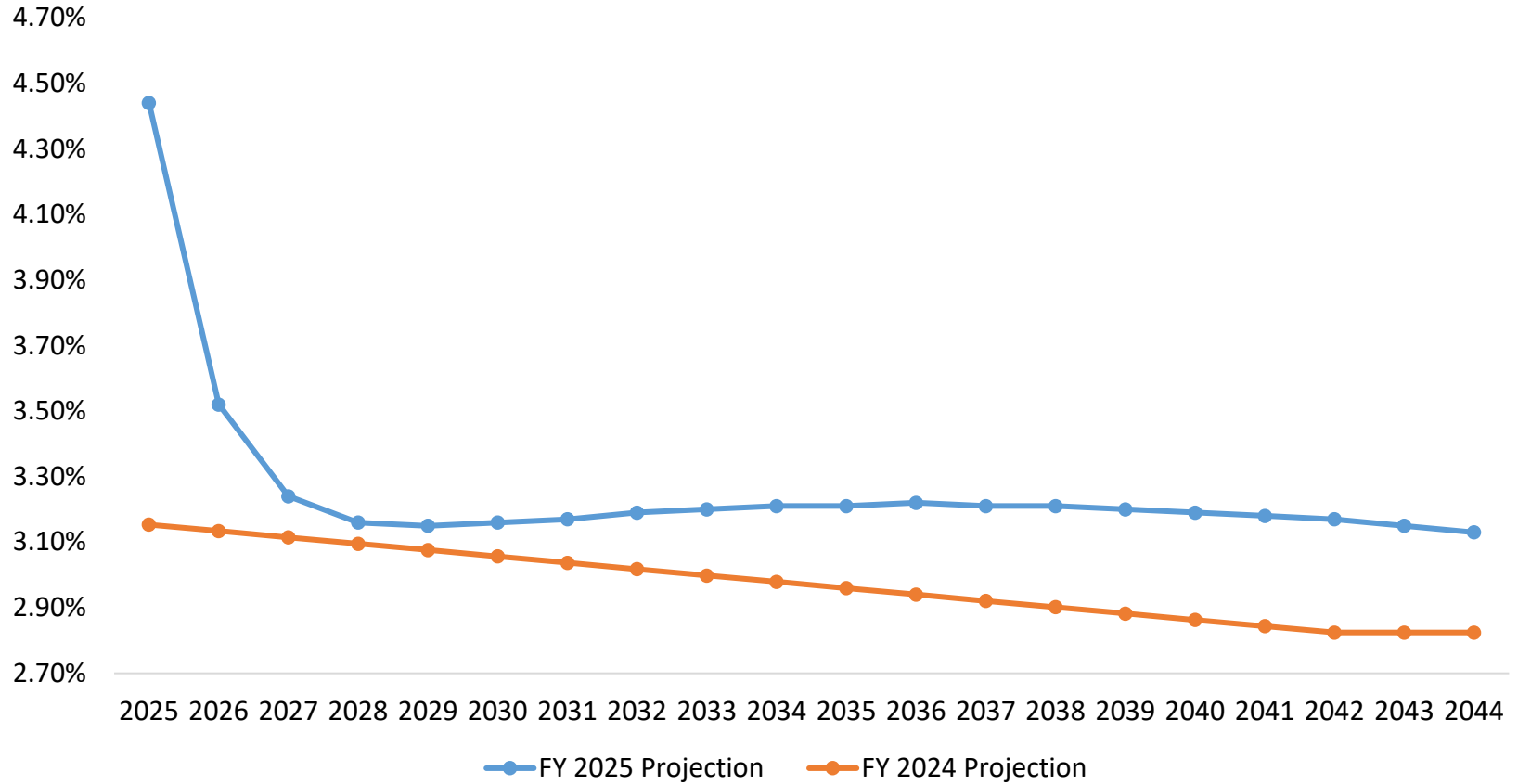
Operating Expenses by Mode (\$M)

	FY 2024		FY 2025		FY 2026		FY 2027		FY 2028		FY 2029	
Bus	\$351.1	5.2%	\$361.2	2.9%	\$369.5	2.3%	\$378.5	2.4%	\$385.6	1.9%	\$393.3	2.0%
Light Rail	213.5	5.1%	223.4	4.6%	228.8	2.4%	232.5	1.6%	237	1.9%	241.7	2.0%
Streetcar	2.4	28.9%	3.2	33.3%	3.2	0.0%	3.3	3.1%	3.3	0.0%	3.4	3.0%
Commuter Rail	48.3	6.9%	49.3	2.1%	69.8	41.6%	82.1	17.6%	84.3	2.7%	86.7	2.8%
Paratransit	52.5	20.9%	63	20.0%	65.1	3.3%	68.5	5.2%	71.9	5.0%	74.2	3.2%
GoLink	19.4	84.3%	25	28.9%	25.8	3.2%	27	4.7%	28.2	4.4%	29.5	4.6%
Total	\$687.2	7.7%	\$725.2	5.5%	\$762.2	5.1%	\$791.9	3.9%	\$810.5	2.3%	\$829.0	2.3%

Capital Inflation & Growth

- Financial Standard B9 requires an economist's estimate of construction price inflation for the Dallas area or currently prevailing rates
- Capital construction projects shall be increased at no less than the greater of the two
- DART should also prioritize state of good repair over expansion and provide adequate SGR reserves for each asset category

Construction Price Index



Revenue Projections

20-Year Plan Totals (\$M)

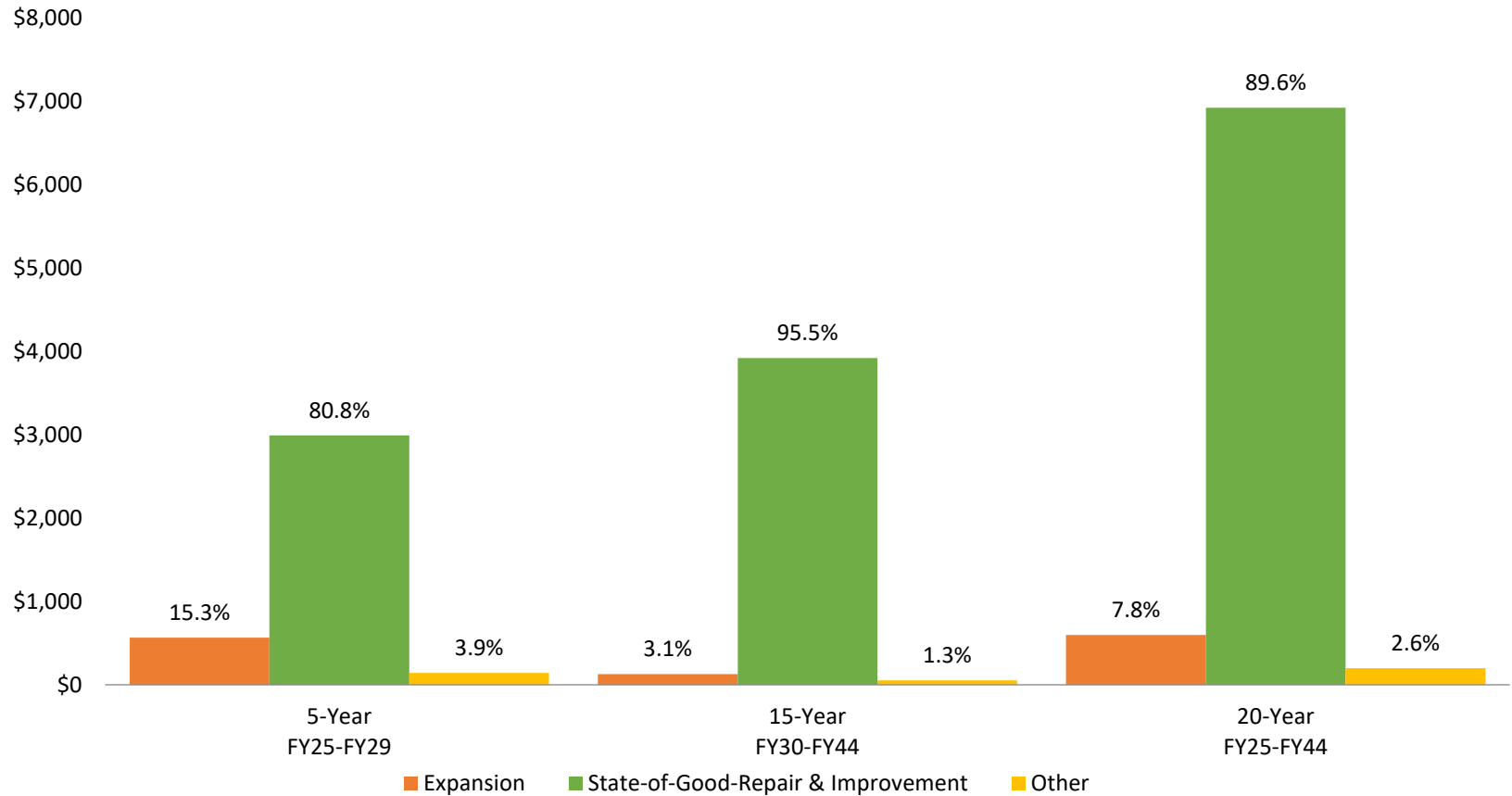
Revenues	FY 2024 Plan	FY 2025 Plan	\$ Variance	% Variance
Sales Tax Revenues	\$25,949.4	\$26,082.6	\$133.2	0.5%
Operating Revenues	\$1,815.8	1,851.2	35.4	2.0%
Interest Income	368.5	402.4	33.8	9.2%
Formula Federal Funding	1,854.5	1,971.9	117.4	6.3%
Discretionary Federal Funding	776.6	594.6	(182)	(23.4%)
Other Operating Contributions	550.7	504.8	(45.9)	(8.3%)
Other Capital Contributions	312.5	403.3	90.7	29.0%
Total Revenue	\$31,628.1	\$31,810.8	\$182.5	0.6%
Long-Term Debt Issuances	3,256.7	\$3,133.4	(123.3)	(3.9%)
Commercial Paper Issuances	400.0	\$425.0	25.0	6.3%
Total Sources of Funds	\$35,284.7	\$35,369.2	\$84.5	0.2%

Capital Expenses

20-Year Plan Totals (\$M)

Mode	FY 2024 Plan	FY 2025 Plan	\$ Variance	% Variance
Agency-Wide	\$703.8	\$868.4	\$164.6	23.4%
Bus	1,639.1	1,447.8	(191.3)	(11.7%)
Light Rail Transit	3,637.9	3,844.1	206.2	5.7%
Streetcar	100.6	138.1	37.5	37.3%
Commuter Rail/Railroad Management	1,519.5	1,240.8	(278.7)	(18.3%)
Paratransit	4.4	4.4	0.0	0.0%
General Mobility - Road Improvement/ITS	9.1	5.5	(3.7)	(39.6%)
Non-Operating	208.9	243.5	34.5	16.6%
Capital P&D, Startup	437.8	452.3	14.5	3.3%
Total Capital & Non-Operating	\$8,261.1	\$8,244.8	(\$16.3)	0.2%

Capital by Use (\$000s)



Cash & Reserves (\$M)

	2024 Projected	2025	2026	2027	2028	2029	2042	2043	2044
Beginning Balance (as of 9/30)	\$950.2	\$817.8	\$878.0	\$623.6	\$477.9	\$460.3	\$542.1	\$684.2	\$884.6
Change to Cash	(132.4)	60.2	(254.4)	(145.7)	(17.6)	(19.1)	142.1	200.4	336.1
Ending Balance	817.8	878.0	623.6	477.9	460.3	441.2	684.2	884.6	1,220.7
Insurance Reserve (G6)	(28.2)	(28.2)	(28.2)	(28.2)	(28.2)	(28.2)	(28.2)	(28.2)	(28.2)
Sales Tax / Emergency Reserve (G8)	(50.0)	(54.7)	(59.4)	(64.2)	(69.2)	(74.4)	(165.0)	(173.8)	(183.2)
Streetcar Operating Funds	(10.4)	(10.4)	(10.4)	(10.4)	(10.3)	(10.2)	(4.7)	(3.4)	(2.0)
Working Cash Reserve (G7)	(169.1)	(181.3)	(190.6)	(198.0)	(202.6)	(207.2)	(276.1)	(281.1)	(286.9)
MAIF (G9)	(11.1)	(21.0)	(21.7)	(22.5)	(23.3)	(24.1)	(37.7)	(39.0)	(40.4)
Designated Cash for Future Spending	\$549.1	\$582.5	\$313.3	\$154.6	\$126.7	\$97.0	\$172.5	\$359.1	\$680.0

- Financial Standards G6-G9 require specific reserves
- Lowest designated cash for future spending is \$15.1M in FY 2035

Sales Tax as % of Total Sources

	2025	2026	2027	2028	2029	5-Yr Total
Operating	79.7%	75.1%	76.9%	77.3%	77.2%	77.2%
Capital	12.4%	15.6%	11.4%	13.7%	18.5%	14.1%
Long-Term Debt Service	100%	100%	100%	100%	100%	100%

Structural Balance (\$M)

Line	Category	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Yr Total
1	Total Sources of Funds	\$1,846.3	\$1,697.3	\$1,647.9	\$1,695.8	\$1,646.5	\$8,533.8
2	Sales Tax Revenues	\$910.2	\$937.5	\$937.5	\$975.0	\$1,023.8	\$4,784.1
3	Operating Revenues	60.8	67.7	69.5	70.9	76.0	344.9
4	Interest Income	26.4	25.7	19.4	16.6	16.0	104.1
5	Formula Federal Funding	74.6	128.2	142.8	112.2	117.9	575.7
6	Discretionary Federal Funding	186.7	113.0	64.5	20.5	0.0	384.8
7	Other Operating Contributions	19.5	17.8	18.3	18.9	19.4	93.9
8	Other Capital Contributions	23.6	43.4	25.8	21.6	13.4	127.9
9	Long-Term Debt Issuances	519.4	364.0	270.0	360.0	280.0	1,793.4
10	Commercial Paper Issuances	25.0	0.0	100.0	100.0	100.0	325.0
11	Operating Expenses	\$725.2	\$762.2	\$791.9	\$810.5	\$829.0	\$3,918.8
	Funding Sources:						
12	Operating Revenues	\$60.8	\$67.7	\$69.5	\$70.9	\$76.0	\$344.9
13	Interest Income	26.4	25.7	19.4	16.6	16.0	104.1
14	Formula Funds	40.6	78.9	75.7	77.4	77.3	349.9
15	FWTA TRE Ops / Dallas Streetcar Contributions	17.2	17.3	17.8	18.3	18.9	89.5
16	Other Non-Operating Sources	2.3	0.5	0.5	0.6	0.6	4.5
17	Sales Taxes Allocated to Operations	577.9	572.1	609.0	626.8	640.3	3,026.0
18	General Operating Fund (existing cash)	0.0	0.0	0.0	0.0	0.0	0.0
19	Total Funding Sources	\$725.2	\$762.2	\$791.9	\$810.5	\$829.0	\$3,918.8

Structural Balance (\$M)

Line	Category	2025	2026	2027	2028	2029	5-Yr Total
20	Capital/Non-Operating Expenditures	\$885.3	\$884.1	\$729.8	\$608.5	\$520.5	\$3,628.2
	Funding Sources:						
21	Formula Funds	34.0	49.2	67.1	34.9	40.6	225.8
22	Discretionary Grant Funds	186.7	113.0	64.5	20.5	0.0	384.8
23	Current Debt Issuances	519.4	364.0	270.0	360.0	280.0	1,793.4
24	Other Capital Sources	23.6	43.4	25.8	21.6	13.4	127.9
25	Sales Taxes Allocated to Capital	110.2	138.3	83.4	83.5	96.7	511.7
26	General Operating Fund/Prior Debt Issues	11.4	176.2	219.0	88.0	90.1	584.6
27	Total Funding Sources	\$885.3	\$884.1	\$729.8	\$608.5	\$520.5	\$3,628.2
30	Debt Service Costs (incl CP repayment)	\$222.2	\$314.1	\$245.2	\$264.8	\$287.1	\$1,333.4
	Funding Sources:						
31	Sales Taxes Allocated to Debt Service	\$222.2	\$227.2	\$245.2	\$264.8	\$287.1	\$1,246.4
32	CP Retirement (existing cash/prior year sales taxes)	\$0.0	\$87.0	\$0.0	\$0.0	\$0.0	\$87.0
33	Total Uses of Funds	\$1,832.7	\$1,960.5	\$1,766.9	\$1,683.8	\$1,636.6	\$8,880.5
34	Net Differential Between Sources and Uses	\$13.6	(\$263.2)	(\$119.0)	\$12.0	\$9.9	(\$346.6)



Scenarios

Operating Budget Reduction Scenarios (\$M)

Proposed	2025	2026	2027	2028	2029	5-Yr Total	20-Yr Total
Bus	\$369.2	\$369.5	\$378.5	\$385.7	\$393.4	\$1,888.3	\$8,770.4
Light Rail Transit	\$223.4	\$228.8	\$232.6	\$237.0	\$241.7	\$246.2	\$5,401.2
Streetcar	\$3.2	\$3.2	\$3.3	\$3.3	\$3.4	\$3.5	\$112.2
Commuter Rail	\$49.3	\$69.8	\$82.1	\$84.3	\$86.7	\$89.0	\$1,996.8
Paratransit	\$63.0	\$65.1	\$68.5	\$71.9	\$74.2	\$78.9	\$1,814.5
GoLink	\$25.0	\$25.8	\$27.0	\$28.2	\$29.5	\$31.3	\$739.5
Total Operating Expenses	\$725.2	\$762.2	\$791.9	\$810.5	\$829.0	\$2,337.2	\$18,834.5
5% Reduction							
Bus	\$343.2	\$351.0	\$359.6	\$366.4	\$373.7	\$1,793.9	\$8,331.9
Light Rail Transit	\$212.3	\$217.4	\$220.9	\$225.2	\$229.7	\$233.9	\$5,131.2
Streetcar	\$3.0	\$3.1	\$3.1	\$3.2	\$3.2	\$3.3	\$106.5
Commuter Rail	\$46.8	\$66.3	\$78.0	\$80.1	\$82.4	\$84.6	\$1,896.9
Paratransit	\$59.9	\$61.8	\$65.1	\$68.3	\$70.5	\$75.0	\$1,723.7
GoLink	\$23.7	\$24.5	\$25.6	\$26.8	\$28.1	\$29.7	\$702.5
Total Operating Expenses	\$688.9	\$724.1	\$752.3	\$770.0	\$787.5	\$2,220.3	\$17,892.8
Net Reduction	(\$36.3)	(\$38.1)	(\$39.6)	(\$40.5)	(\$41.4)	(\$116.9)	(\$941.7)
10% Reduction							
Bus	\$325.1	\$332.5	\$340.7	\$347.1	\$354.0	\$1,699.5	\$7,893.3
Light Rail Transit	\$201.1	\$205.9	\$209.3	\$213.3	\$217.6	\$221.6	\$4,861.1
Streetcar	\$2.8	\$2.9	\$3.0	\$3.0	\$3.1	\$3.1	\$100.9
Commuter Rail	\$44.4	\$62.8	\$73.9	\$75.9	\$78.0	\$80.1	\$1,797.1
Paratransit	\$56.7	\$58.6	\$61.7	\$64.7	\$66.8	\$71.0	\$1,633.0
GoLink	\$22.5	\$23.2	\$24.3	\$25.4	\$26.6	\$28.2	\$665.5
Total Operating Expenses	\$652.7	\$686.0	\$712.7	\$729.5	\$746.1	\$2,103.5	\$16,951.0
Net Reduction	(\$72.5)	(\$76.2)	(\$79.2)	(\$81.1)	(\$82.9)	(\$233.7)	(\$1,883.4)

Sales Tax Scenarios (\$M)

	Proposed		2.5% Sales Tax Growth		0% Sales Tax Growth	
	FY25	FY26	FY25	FY26	FY25	FY26
<i>Sales Tax Revenues</i>	\$910.2	\$937.5	\$897.2	\$919.6	\$870.8	\$870.8
<i>Other Revenues</i>	391.7	395.8	392.1	397.2	391.6	395.5
Subtotal Revenue	\$1,301.9	\$1,333.3	\$1,289.2	\$1,316.8	\$1,262.4	\$1,266.3
Subtotal Debt Issuances	\$544.4	\$364.0	\$544.4	\$364.0	\$544.4	\$364.0
Total Sources of Funds	\$1,846.3	\$1,697.3	\$1,833.6	\$1,680.8	\$1,806.8	\$1,630.3
Variance from Proposed			(\$12.7)	(\$16.6)	(\$39.5)	(\$67.1)
Operating Expenses	\$725.2	\$762.2	\$688.2	\$708.9	\$688.2	\$708.9
Capital and Non-Operating	\$885.3	\$884.1	\$856.3	\$868.6	\$856.3	\$868.6
Debt Service Costs	\$222.2	\$314.2	\$222.1	\$314.2	\$222.1	\$227.1
Total Uses of Funds	\$1,832.7	\$1,960.5	\$1,766.6	\$1,891.7	\$1,766.6	\$1,891.7
Variance from Proposed			(\$66.1)	(\$68.8)	(\$66.1)	(\$68.8)
Designated Cash for Future Spending	\$582.5	\$313.3	\$641.5	\$434.5	\$619.2	\$365.6

- 2.5% scenario is affordable over the 20 years of plan assuming:
 - Reduce operating budget by 2.7% in FY25, then 0% growth until FY29, and 2% thereafter
 - Reduce SGR reserve growth from 3% to 1%
 - Significant cuts to capital (reduce HQ, bus shelters, various out-year projects)
 - Does not build Emergency Reserve
- 0% scenario is only affordable with extensive service reductions and major cuts to capital
 - Net decrease to sales tax is \$5.3B over 20 years with 0% growth for FY25-26 and 2% thereafter

A city street scene featuring a tram and modern buildings. A yellow box is overlaid on the image, containing the text 'FY 2025 Financial Standards'. The tram is white with 'LEDBETTER' and the number '171' visible. The buildings are modern with glass facades. A sign for '1505' is visible on one of the buildings. A street sign for 'Akard St' is also visible.

FY 2025 Financial Standards

Introduction

The Financial Standards are divided into three sections: General, Debt Service, and Business Planning Parameters. The purpose of the general standards is to ensure that DART prudently manages its financial affairs and establishes appropriate cash reserves. The purpose of the debt service standards is to limit the level of debt that may be incurred and to ensure that debt assumptions are based on financial parameters similar to (or more conservative than) those that would be placed on DART by the financial marketplace. Actual debt covenants may differ from these standards. Where this occurs, the Financial Plan will reflect the actual covenants in the Board-approved debt instrument. The business planning parameters provide management with a framework for developing the following year's budget and the 20-Year Financial Plan and establishing future business targets for management to achieve. Since DART's enabling legislation requires a two-thirds vote on debt and the Financial Plan, approval or amendment of DART's Financial Standards will require an affirmative vote of two-thirds of the appointed and qualified Board members.

General Standards G1-G3

- G1: DART's fiscal year-end for financial reporting purposes shall be September 30. At the beginning of the budget and financial planning process each year, the Board should review and approve a set of Financial Standards that can be used by management as a framework for developing the next year's budget and 20-Year Financial Plan. The Board shall approve the budget by September 30 of each fiscal year. The Board may adopt the 20-Year Financial Plan prior to the beginning of the fiscal year. The Annual Budget shall be the first year of the 20-Year Financial Plan.
- G2: Complete and accurate accounting records shall be maintained in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board. DART's fiscal year-end for financial reporting purposes shall be September 30.
- G3: Management shall invest funds of the authority within the guidelines of the Board's approved Investment Policy and Investment Strategy, and in compliance with applicable federal and state law, including Section 452.102 of the Texas Transportation Code and the Texas Public Funds Investment Act. The Board shall approve the depository bank disbursement officers for the agency.

General Standards G4-G6

- G4: An independent accounting firm shall perform an examination of DART's consolidated financial statements (including Single Audit requirements) and DART's retirement plan financial statements on an annual basis. The agency's goal is to receive an unqualified opinion on the financial statements and an opinion that DART is in compliance with federal Single Audit requirements in all material respects.
- G5: DART shall contract with an independent actuary to perform an annual valuation of the Defined Benefit Retirement Plan and Trust and the Other Post-Employment Benefits and Trust. DART shall maintain both plans at 100-percent-funded status, and management shall maintain a discount rate of no more than 6.75 percent.
- G6: Appropriate insurance coverage shall be maintained to mitigate the risk of material loss. For self-insured retentions, a separately funded Master Insurance Reserve shall be maintained in an amount equal to the estimated liability for incurred losses and a reasonable allowance for claims incurred but not filed. An actuarial review of self-insured retentions will be made at least once every three years to ensure adequacy of the Master Insurance Reserve.

General Standards G7-G8

- G7: DART shall maintain a working cash requirement at the end of the fiscal year of at least 90 days of operating expenses, plus cash reserves for budgeted capital projects and grants, as projected in the 20-Year Financial Plan. DART shall invest these funds in accordance with the investment strategy for the Operating Fund.
- G8: DART shall maintain an Emergency Reserve of at least \$50 million and no more than 10 percent of the current year's sales tax budget to mitigate emergent financial circumstances such as a natural disaster or an unanticipated shortfall in sales collections of five percent or more. Authorization to spend Emergency Reserve funds requires the affirmative vote of two-thirds of the appointed and qualified members of the Board.

General Standard G9

- G9: In order to provide funding for initiatives that enhance the quality and affordability of public transportation, DART will maintain a Mobility Assistance and Innovation Fund. Sources of funding shall include: i) sales tax received in excess of the amount budgeted for the fiscal year after such excess has been used to meet the requirements established for the Financial Reserve; ii) non-operating revenue and non-passenger operating revenue, received in excess of the amount budgeted for the fiscal year, and not already designated for a specific purpose (if actual operating expense net of operating revenue, is less than or equal to budget for the fiscal year just ended), such as real estate sales and leases, station naming rights, and other innovative sources; iii) investment earnings on the Financial Reserve and Mobility Assistance and Innovation Fund balances; and iv) grants and other contributions (including private). The Mobility Assistance and Innovation Fund shall be used for capital or operating projects and initiatives that advance the goals and objectives identified by the agency, as well as mitigation of fare increases. Authorization to spend Reserve funds requires the affirmative vote of two-thirds of the appointed and qualified members of the Board.

General Standards G10-G11

- G10: Any funds remaining after compliance with the other Financial Standards shall remain as designated cash for future spending and be available for budgeting in future years in accordance with the Financial Plan and subject to Board approval (per G1).
- G11: 20-Year Financial Plan amendments shall require a two-thirds vote of the number of appointed and qualified Board members. An amendment is necessary when DART's share of the addition of a new capital project or the cumulative modification of an existing capital project is in excess of \$1 million or DART's share of the addition of a new operating program or increase in an existing operating program is in excess of \$500,000.

Business Planning Standards B1-B3

- B1: Sales tax revenue forecasts shall be based on a sales tax model developed specifically for the DART service area by an independent economist. In order to ensure a conservative sales tax estimate, the model's projections may be reduced from the forecasted levels, but not increased for years 2-20 of the 20-Year Financial Plan. The most current year may be based on management's best estimate. All such modifications shall be approved by the Board during the financial planning process.
- B2: Passenger revenue forecasts shall be derived from ridership and average fare forecasts based on the Board's approved fare policy and fare structure. The Board will consider, from time to time, fare modifications to achieve Service Plan, ridership, and subsidy per passenger targets (see B4) and to maintain DART's financial viability.
- B3: The Board shall approve annual fixed route service levels by mode for each of the next five years. Fixed route service levels shall be based on the Five-Year Action Plan prepared by the Planning and Development Department. Cost of service will be developed jointly by Finance and Planning.

Business Planning Standards B4-B5

- B4: The Board desires to steadily improve service efficiency over time. Subsidy per passenger will continue to be monitored and managed. Management will continue to report the subsidy per passenger in the Quarterly Operating and Financial Performance Report. Items that impact subsidy per passenger will be reported in the Financial Considerations section of Agenda Reports.
- B5: For financial planning purposes, total operating expenses may not increase by more than 90% of the projected rate of inflation for the Dallas area, plus the incremental costs associated with the addition of new services, programs, and/or facilities as approved by the Board, as well as Board-approved contract increases, actuarial analyses, health-care cost increases, and fuel prices. The projected incremental cost impact of new services, programs, and/or facilities shall be presented to the Board for approval as part of the 20-Year Financial Plan assumption process each year.

Business Planning Standard B6

- B6: As the Board desires to maximize financial resources devoted to the provision of service and minimize administrative costs, the administrative ratio [net administrative costs (administrative costs minus administrative revenues) divided by direct costs] may not increase for two consecutive years and shall not be higher than 12.0%. As such the direct cost ratio (direct costs minus net administrative costs divided by direct costs) shall not be lower than 88%.

Management shall use a consistent methodology for computing net administrative costs and direct costs.

Administrative costs shall include such costs as human capital, legal, marketing and communications, finance and associated technology. Administrative revenues shall include non- passenger revenues such as advertising, concessions, and other system-generated revenue. Direct costs shall include costs incurred in the provision of service such as bus operations, rail operations, mobility management services, police and fare enforcement, planning and development, revenue collection, and customer service.

Management will present the projected costs of the major components of net administrative costs and direct costs to the Board as part of the Budget process each year.

This Financial Standard shall be achieved by maximizing direct costs relative to net administrative costs.

Business Planning Standards B7-B8

- B7: General Mobility programs for road improvement programs such as the Local Assistance Program (LAP), Principal Arterial Street System (PASS), Transit Related Improvement Program (TRIP), and Transportation System Management (TSM) and Intelligent Transportation System projects shall be funded according to the terms of the approved interlocal agreements and recorded as non-operating expenses in the 20-Year Financial Plan.
- B8: Capital planning and development costs and start-up costs are the internal staff costs associated with planning, designing, constructing, and opening new capital projects such as the light rail system. Management shall use a consistent methodology for allocating costs between operating and capital planning. Capital planning and development costs shall not exceed 7% of total operating costs. Cumulative start-up costs for a line section shall not exceed 60% of the first-year operating costs of that line section.

Business Planning Standard B9

- B9: The 20-Year Financial Plan shall include funding for asset replacement and expansion projects. Capital projects in excess of \$1 million shall be approved by the Board. Timely replacement of assets shall be the highest priority to ensure a safe system. Accordingly, the 20-Year Financial Plan shall include replacement reserves by major asset category to ensure adequate future funding. The reserve levels shall be based on an independent assessment of asset condition (to be completed at least once every five years). Expansion projects shall be prioritized based on the project's cost, impact on ridership, return on investment, available funds, and other relevant factors. Capital construction projects shall be increased at annual inflation rates no less than the greater of those: (i) contained in projections developed specifically for DART by an independent economist; or (ii) based on the current available data from construction contract awards. Inflation rates will be reviewed annually and as construction contracts are awarded to determine if the assumptions are reasonable. Non-construction capital projects will be increased at rates no less than general inflation (Consumer Price Index).

Business Planning Standard B10

- B10: DART receives formula and discretionary federal funding. Formula funding shall be programmed primarily for bus replacement, capital preventive maintenance (if available), state-of-good-repair projects, and passenger facility construction. Formula funding for future years shall be forecast at the current year's funding level or at the minimum levels included in federal authorizations to ensure a conservative forecast. Discretionary funding shall be programmed primarily for major system expansion projects (e.g., LRT or new bus maintenance facilities). Discretionary funding levels shall be estimated by project based on federal criteria and the likelihood of obtaining congressional appropriations and require Board approval during the budget/20-Year Financial Plan process.

Debt Standards D1-D3

- D1: DART may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable provisions of the Texas Transportation Code and other applicable state and federal laws.
- D2: Long-term debt may be included in the 20-Year Financial Plan. Debt shall only be issued for approved capital projects and insurance reserves. Specific debt issuances are not tied to specific projects. Any project included in the budget or 20-Year Financial Plan may be funded from the General Operating Fund or with debt, as needed.
- D3: Sinking funds shall be established to ensure that cash is available to make timely debt service payments on fixed-rate debt issuances with maturities of one year or less and periodic semi-annual interest payments. DART shall deposit a prorated amount on a monthly basis sufficient to fund the next principal and interest payment.

Debt Standards D4-D5

- D4: Bond debt service reserve funds, if any, are to be established only when necessary. DART shall satisfy the liquidity requirements sought by bond investors and credit agencies by maintaining a sound, prudent, and reasonable Operating Fund.
- D5: DART shall establish a legal security structure of liens, agreements, pledged revenues, and other covenants which will be sufficient to (1) secure a rating of “A” or better on sales tax securities; (2) a MIG1 or SP1 rating on short-term notes; or (3) secure A1 or P1 rating on other short-term debt, or if necessary, secure a credit enhancement from a financial institution with a rating of “AA” or better.

Debt Standard D6

- D6: Certain debt service coverage ratios are required to access the financial markets. For financial planning purposes, annual sales tax revenues must exceed DART's current year debt service obligations by a factor of at least two (external coverage ratio). It is a goal of DART that for financial planning purposes, for long-term debt, sales tax revenues plus operating revenues, plus interest income, less operating expenses (excluding debt service and depreciation), for any twelve consecutive months of the prior eighteen months, must be sufficient to cover maximum annual debt service (ratio greater than 1.0). However, the DART Board may choose to grant exceptions to this standard in the interest of expediting the completion of the System Plan.



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