

# Dallas Area Rapid Transit

## Summary Financial and Service Information



DFW Airport Station

June 2023

**DART**  
**Summary Financial and Service Information**  
**June 2023**

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# June 2023 Report Highlights

## Revenue and Expense Actual vs. Budget Summary – Budget Basis (page 4)

FY 2023 budget amounts included in the Actual vs. Budget Summary Report correspond to the original operating budget approved by the DART Board on September 27, 2022 (Resolution No. 220135) and amendments to the capital and non-operating budget on October 25, 2022 (Resolution No. 220156) and April 18, 2023 (Resolution No. 230040).

**Revenues:** Total revenue for the first nine months of FY 2023 is \$21.3 million (three percent) higher than budget. This variance is mainly due to better-than-expected sales tax revenue by \$14.9 million (two percent), passenger revenue by \$4.1 million (15 percent), advertising/rental income by \$1.8 million (21 percent), and non-operating revenue by \$0.6 million (five percent).

**Expenses:** For the first nine months of FY 2023, overall operating expenses are \$21.0 million (five percent) below budget and projected to be \$22.8 million (four percent) below budget by year-end, primarily due to salary and benefit savings from vacancies and lower service contract and materials costs. While the agency is still below its budgeted headcount, we have made significant progress in filling open positions and retaining existing employees. If available, we will use salary savings to reduce outstanding pension obligations. Any payments we make will appear in the Benefits line of the operating budget.

Capital expenses remain below budget because of changes to project schedules, adjustments to project cash flow needs, and the use of Ridership Improvement funds, Public Transportation Improvement Fund (PTIF) distributions, and delays in the planned replacement of new trains for the Trinity Railway Express (TRE).

Debt service expenses are \$2.1 million over budget due to the timing of debt refunding and issuance to take advantage of favorable market conditions.

	FY 2023 Budget as Amended	FYTD 2023 Actual	FY 2023 Forecast	Budget (Amended) vs. Forecast
Operating	\$637.9	\$457.8	\$615.0	(\$22.8)
Capital & Non-Operating	\$729.0	\$292.6	\$467.7	(\$261.3)
Debt Service	\$223.7	\$225.8	\$225.8	\$2.1
<b>Total Expenditures</b>	<b>\$1,590.6</b>	<b>\$976.2</b>	<b>\$1,308.5</b>	<b>(\$282.0)</b>

## Revenue and Expense Summary – GAAP Basis (Unaudited) (page 5)

Total revenues for the first nine months of FY 2023 are \$799.1 million, a decrease of \$216.9 million (21 percent) compared to the same period last year because of a planned decline in grant revenue. Grant revenue in FY 2022 includes the receipt of federal reimbursement funds under the American Rescue Plan Act (ARPA).

Although total revenue decreased from last year because of grant revenue, the remaining revenue categories increased.

- Sales tax revenue increased by \$49.8 million (nine percent).
- Passenger revenue increased by \$3.5 million (15 percent) due to a ridership increase of more than 4.5 million passengers (14 percent) during the same period. We expect ridership to recover to 68-70 percent of pre-pandemic levels by the end of the fiscal year.
- Investment income increased by \$42.6 million (2,624 percent) due to rising interest rates. In FY 2022, investment yields were 1.081 percent overall, compared to yields of 4.723 percent overall through June 2023.
- Other non-operating revenues increased by \$4.8 million (30 percent), mainly due to a sale of property (Irving Warehouse).

Total expenses are \$786.9 million, an increase of \$21.5 million (three percent) compared to the same period last year.

- Labor increased by \$26.7 million (14 percent) year-over-year due to increased overtime, filled positions, and the planned implementation of the compensation study earlier in the year. Salaries and wages are forecast to be two percent under budget for the year.
- Benefits increased by \$9.2 million (11 percent) due to higher medical claims, payroll tax, and pension expenses meant to reduce outstanding liabilities.
- Other operating expenses increased by \$27.1 million (18 percent), mainly due to higher costs of materials and supplies, as well as services and purchased transportation.
- Other non-operating expenses increased by \$0.4 million (seven percent) primarily due to payment requests related to Transit-Related Improvement Program (TRIP) costs for DART service area cities with no rail service.

The increase in total expenses was offset by a \$40.9 million (2,931 percent) decrease in interest and financing expenses, mainly due to a \$36.6 million write-off of an unamortized refunding difference related to refunded bonds and \$6 million debt issuance costs in FY 2022. There were no similar charges for FY 2023. A \$1 million (one percent) decrease in depreciation expense due to disposal of fully depreciated assets also offset the increase in total expenses.

### **Assets and Liability Summary** (page 6)

Total assets and deferred outflows decreased by \$199.5 million as of June 30, compared to September 30, due to debt service payments and depreciation of capital (fixed) assets.

Total liabilities and deferred inflows decreased by \$211.8 million as of June 30, compared to September 30, due to the payment of accrued liabilities and retirement of bonds.

### **Service Summary** (page 7)

Total ridership for the first nine months of FY 2023 is 4.5 million (14 percent) higher than last year and 0.2 million (one percent) above budget. The budgeted number of bus trips increased after the full restoration of bus service in January. Ridership on the Dallas Streetcar has not recovered at the anticipated rate.

DART continues to improve the cleanliness, reliability, and safety of the system as laid out in the CEO's near-term goals. These ridership improvements are one-time projects funded with Ridership Improvement Funds from the Mobility Assistance and Innovation Fund (MAIF). While they are intended to enhance the existing customer experience, they may also eventually lead to increased ridership.

### **Energy Consumption** (page 8)

DART's energy cost is \$0.5 million (three percent) lower than last year due to a decrease in the price of compressed natural gas (CNG). The decrease in total energy cost was slightly offset by an increase in diesel fuel (commuter rail) and electricity (light rail vehicles, streetcar, and facilities). Total compressed natural gas (CNG) costs decreased due to fewer bus miles driven than this time last year.

### **Investment Summary** (page 9)

DART's total portfolio balance as of June 30 was \$979.7 million, \$248.3 million (20 percent) lower than last year.

- The Operating Fund decreased by \$120.9 million (23 percent) due to fewer federal grant funds and normal operating costs.
- The increase in the MAIF is the result of interest income.
- The increase in the Platform Fund is the result of interest income.
- The Board approved an increase in the PTIF to allocate funds for distribution to service area cities (Resolution No. 220136).
- The Insurance Fund increased due to additional claims for which DART is self-insured.
- The Commercial Paper (CP) System Expansion and Acquisition Fund (SEAF) decreased due to reimbursement of Silver Line project expenses.
- The Bond SEAF decreased due to reimbursement for Silver Line project expenses.
- The Debt Service Fund decreased due to the timing of Build America Bonds direct federal subsidy receipts.
- The Regional Toll Road Fund increased due to interest income.
- The Streetcar Fund decreased because of approved administrative expenses.
- The Toyota Fund decreased due to payment for services to Collin County.
- The Regional Right of Way (ROW) Corporation Fund increased due to a return of expense invoices for non-qualifying expenses.

### **Risk Management Summary** (page 10)

#### *Short Term Disability*

Short-term disability benefit payments were \$130,000 (65 claims) in June compared to \$179,000 (69 claims) in May, a 27 percent decrease in benefit payments and six percent decrease in claims. The leading disability diagnosis was musculoskeletal system issues, followed by mental health diseases.

#### *Workers' Compensation*

Monthly workers' compensation costs incurred increased from \$263,000 (38 claims) in May to \$376,000 (50 claims) in June, a 43 percent increase in costs and a 32 percent increase in new claims.

Twenty-five claims were classified as Lost Time (i.e., employees could not resume working their regular duties), compared to 22 Lost Time claims in May, a 14 percent increase. The top two causes of injury were collision with another vehicle (seven) and assault (nine). The two leading natures of injury were sprains/strains (23) and contusions (five).

#### *Alternative Duty*

Alternative Duty wages increased from \$96,000 (35 employees) in May to \$125,000 (38 employees) in June, a 30 percent increase in wages and nine percent increase in employees working with restrictions.

#### *Liability Claims*

Risk Management received 82 new claims and closed 58 claims in June. Forty claims closed without incurring a settlement payment (69 percent), and 18 claims incurred payments totaling \$193,485. The average payment per closed claim was \$10,749. Subrogation recoveries totaled \$90,711.

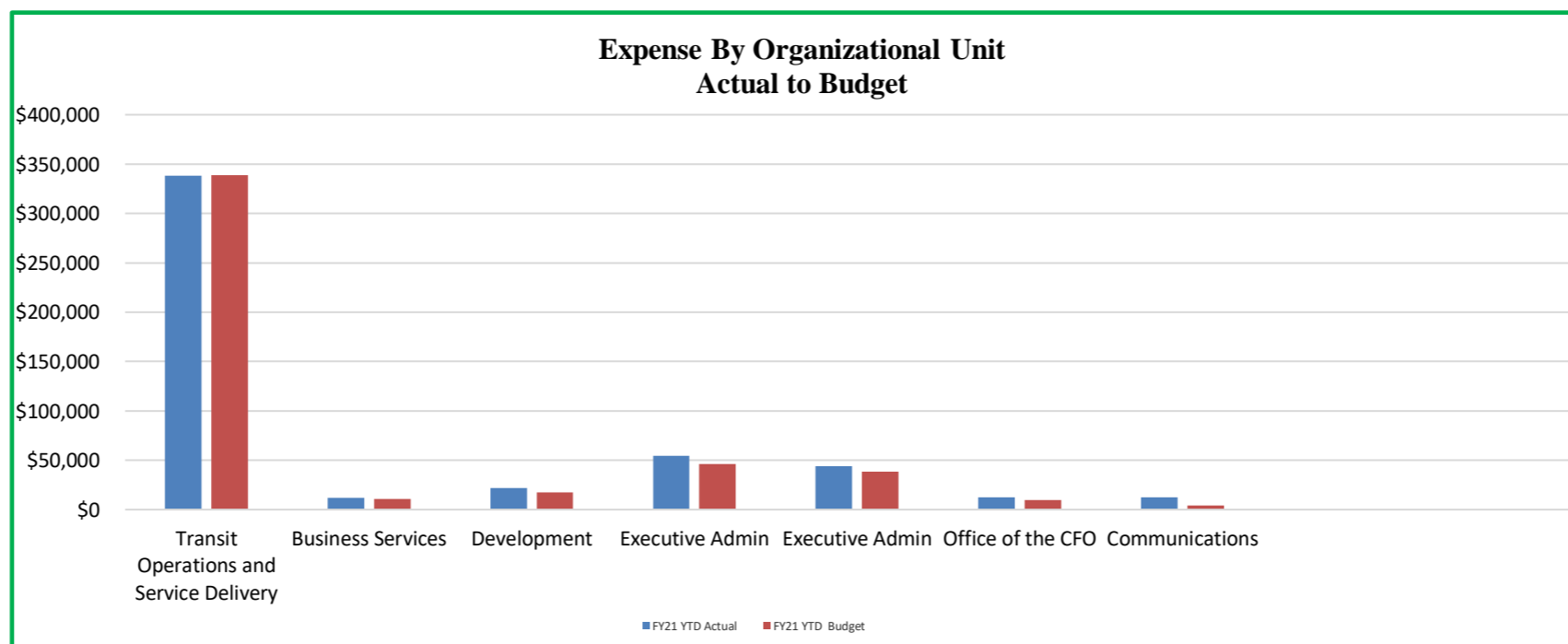
**Dallas Area Rapid Transit**  
**Revenue and Expense Budget Vs. Actual Summary Report - Budget Basis<sup>1</sup>**  
**June 2023 (Amounts in thousands)**

**ACTUAL VS. BUDGET SUMMARY**

	FY 2023 YTD Budget <sup>2</sup>	FY 2023 YTD Actual	Over (Under) Budget	%
<b>Revenues (YTD)</b>				
Sales tax <sup>3</sup>	\$612,675	\$627,524	\$14,849	2%
Passenger	23,489	27,547	\$4,058	15%
Advertising/Rental income	6,904	8,699	\$1,795	21%
Non-Operating Revenue	10,924	11,540	\$616	5%
	<b>\$653,992</b>	<b>\$675,310</b>	<b>\$21,318</b>	<b>3%</b>

Operating Expenses by Organizational Unit	FY 2023 YTD Budget <sup>2</sup>	FY 2023 YTD Actual	Over (Under) Budget	%
Transit Operations and Service Delivery	\$338,042	\$338,926	\$884	0%
Business Services	11,775	10,722	(1,053)	-10%
Development	21,770	17,447	(4,323)	-25%
Executive Admin	54,522	45,957	(8,565)	-19%
Chief of Staff	2,072	1,537	(535)	-35%
Office of the CFO	44,251	38,356	(5,895)	-15%
Communications	12,204	9,548	(2,656)	-28%
Board Direct Reports	5,195	4,113	(1,082)	-26%
Capital Planning & Development <sup>4</sup>	(11,969)	(10,287)	1,682	16%
Agency-Wide <sup>5</sup>	987	5,862	4,875	-83%
Fuel Incentives	-	(4,343)	(4,343)	-100%
	<b>\$478,849</b>	<b>\$457,838</b>	<b>(\$21,011)</b>	<b>-5%</b>

Operating Expenses by Organizational Unit	FY 2023 YTD Budget <sup>2</sup>	FY 2023 YTD YTD Forecast	Over (Under) Budget	%
Transit Operations and Service Delivery	\$447,776	\$446,203	(\$1,573)	0%
Business Services	16,049	15,640	(409)	-3%
Development	28,451	25,926	(2,525)	-10%
Executive Admin	70,352	63,123	(7,229)	-11%
Chief of Staff	2,691	2,041	(650)	-32%
Office of the CFO	59,373	54,326	(5,047)	-9%
Communications	15,778	15,421	(357)	-2%
Board Direct Reports	6,757	5,757	(1,000)	-17%
Capital Planning & Development <sup>4</sup>	(15,959)	(14,352)	1,607	-11%
Agency-Wide <sup>5</sup>	6,600	5,283	(1,317)	-25%
Fuel Incentives	-	(4,343)	(4,343)	100%
	<b>\$637,868</b>	<b>\$615,025</b>	<b>(\$22,843)</b>	<b>-4%</b>



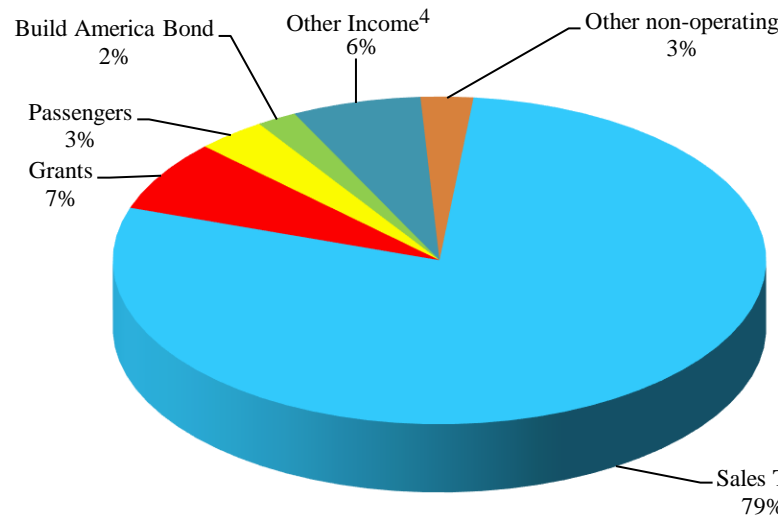
1. This actual vs. budget summary report is prepared on a budget basis and does not include items such as depreciation, investment income, interest expense and some accounting adjustments such as barter advertising arrangements, amortization of prepayments, etc.
2. FY 2023 budget amounts shown above correspond to the operating budget amounts approved by the DART Board on September 27, 2022 (Resolution No. 220135).
3. Sales tax revenue shown in budget report is net of repayments to the State Comptroller. Sales tax revenue also includes an estimate for current month.
4. Capital Planning & Development costs are related to capital projects.
5. Agency-wide includes benefits that are allocated to each department based on a budgeted ratio.

**Dallas Area Rapid Transit**  
**Revenue and Expense Summary Report - GAAP Basis<sup>1</sup> (Unaudited)**  
**June 2023 (Amounts in thousands)**

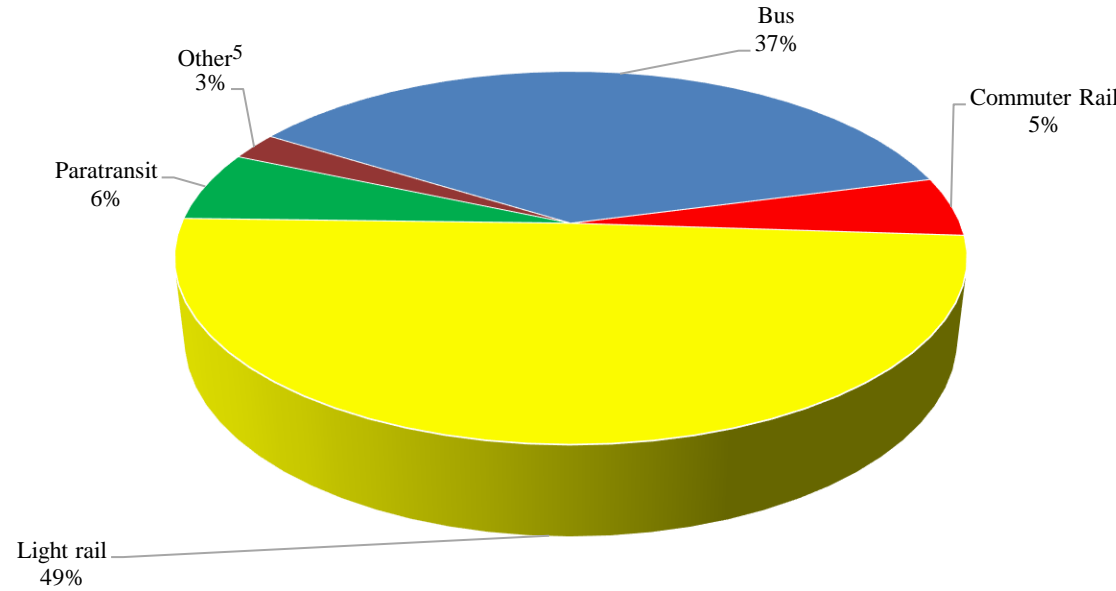
**REVENUE AND EXPENSE SUMMARY\***

	FY 2023 YTD Actual	FY 2022 YTD Actual	Change	%
<b>Revenues</b>				
Sales tax revenue <sup>2</sup>	\$627,524	\$577,730	\$49,795	9%
Grant revenue	56,247	374,077	(317,830)	-85%
Passenger revenues	27,547	24,020	3,527	15%
Build America Bond tax credit	15,935	15,926	9	0%
Advertising, rent & others	10,108	9,877	231	2%
Investment income (Loss)	40,995	(1,624)	42,619	2624%
Other non-operating revenues	20,787	16,014	4,773	30%
<b>Total Revenues</b>	<b>799,143</b>	<b>1,016,020</b>	<b>(216,876)</b>	<b>-21%</b>
<b>Expenses</b>				
Labor	220,066	193,408	\$26,658	14%
Benefits	91,890	82,682	9,208	11%
Other operating expenses (excluding depreciation)	175,795	148,664	27,132	18%
Depreciation expense	189,637	190,660	(1,023)	-1%
Interest and financing expense	102,303	143,196	(40,893)	-29%
Other non-operating expenses <sup>3</sup>	7,183	6,739	444	7%
<b>Total Expenses</b>	<b>786,874</b>	<b>765,349</b>	<b>21,526</b>	<b>3%</b>
<b>Net Income</b>	<b>\$12,269</b>	<b>\$250,671</b>	<b>(\$238,402)</b>	<b>-95%</b>

**FY 2023 YTD Total Revenue**



**FY 2023 YTD Total Expense By Mode**



1 Revenues and expenses shown on this page are prepared on a generally accepted accounting principles (GAAP) basis. The amounts shown above do not tie to revenues and expenses shown on the Actual vs. Budget Summary (page 5) due to items such as depreciation, investment income, interest expense and some accounting adjustments such as barter advertising arrangements, amortization of prepayments etc. not included in the budget report.

2 Year-to-date sales tax revenue includes an estimate for the current month.

3 Other non-operating expenses include funding of the Transit Related Improvement Program (TRIP) for DART service areas with no rail system.

4 Other Income on the Total Revenue pie chart includes advertising, rent & others as well as Investment income.

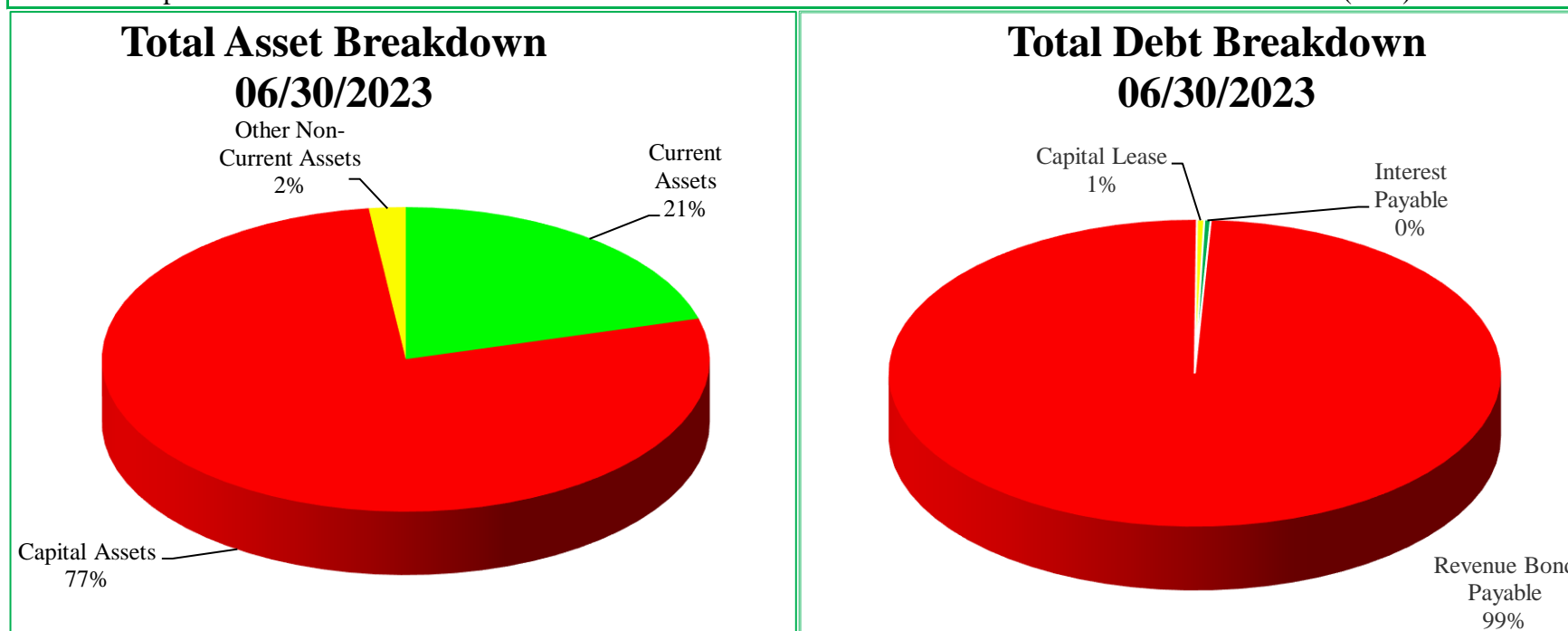
5 Other Expense on the Total Expense By Mode pie chart includes advertising, rent & others as well as Investment income.



**Dallas Area Rapid Transit**  
**Assets and Liabilities Summary Report - GAAP Basis<sup>1</sup> (Unaudited)**  
**June 2023 (Amounts in thousands)**

**ASSET AND LIABILITY SUMMARY**

<b>Assets and Liabilities</b>	<b>6/30/2023</b>	<b>9/30/2022</b>	<b>Change</b>	<b>%</b>
Current Assets	\$1,171,669	\$1,329,662	(\$157,993)	-12%
Capital Assets	4,379,968	4,265,769	114,198	3%
Other Non-Current Assets	110,787	287,209	(176,421)	-61%
<b>Total Assets</b>	<b>5,662,424</b>	<b>5,882,640</b>	<b>(220,216)</b>	<b>-4%</b>
Deferred Outflows of Resources	87,548	66,877	20,671	31%
<b>Total Assets and Deferred Outflows</b>	<b>5,749,972</b>	<b>5,949,517</b>	<b>(199,545)</b>	<b>-3%</b>
Current Liabilities	317,540	458,632	(141,092)	-31%
Non-Current Liabilities	3,643,889	3,704,967	(61,078)	-2%
<b>Total Liabilities</b>	<b>3,961,429</b>	<b>4,163,599</b>	<b>(202,170)</b>	<b>-5%</b>
Deferred Inflows of Resources	57,360	67,004	(9,644)	-14%
<b>Total Liabilities and Deferred Inflows</b>	<b>4,018,789</b>	<b>4,230,603</b>	<b>(211,814)</b>	<b>-5%</b>
<b>Net Assets</b>	<b>\$1,731,183</b>	<b>\$1,718,914</b>	<b>\$12,269</b>	<b>1%</b>
<b>Debt</b>				
Revenue Bond - Face value	\$3,415,385	\$3,493,375	(\$77,990)	-2%
Revenue Bond - Premium	204,836	216,577	(11,741)	-5%
<b>Total Revenue Bond (Face and Premium)</b>	<b>3,620,221</b>	<b>3,709,952</b>	<b>(89,731)</b>	<b>-2%</b>
RRIF Bond Payable	50	50	-	0%
Commercial Paper	-	100	(100)	-100%
Capital Lease	14,115	131,082	(116,967)	-89%
<b>Total Debt (Excluding Interest Payable)</b>	<b>3,634,386</b>	<b>3,841,184</b>	<b>(206,799)</b>	<b>-5%</b>
Interest Payable	12,187	49,814	(37,627)	-76%
<b>Total Debt</b>	<b>\$3,646,573</b>	<b>\$3,890,998</b>	<b>(\$244,426)</b>	<b>-6%</b>
<b>Ratio Analysis</b>				
Acid-Test Ratio <sup>2</sup>	3.58	2.82	0.76	27%
Current Ratio (Current Assets/Current Liabilities) <sup>2</sup>	3.69	2.90	0.79	27%
Capital Assets/Total Assets Ratio <sup>3</sup>	0.77	0.73	0.04	5%
Debt/Capital Assets Ratio <sup>4</sup>	0.83	0.91	(0.08)	-9%



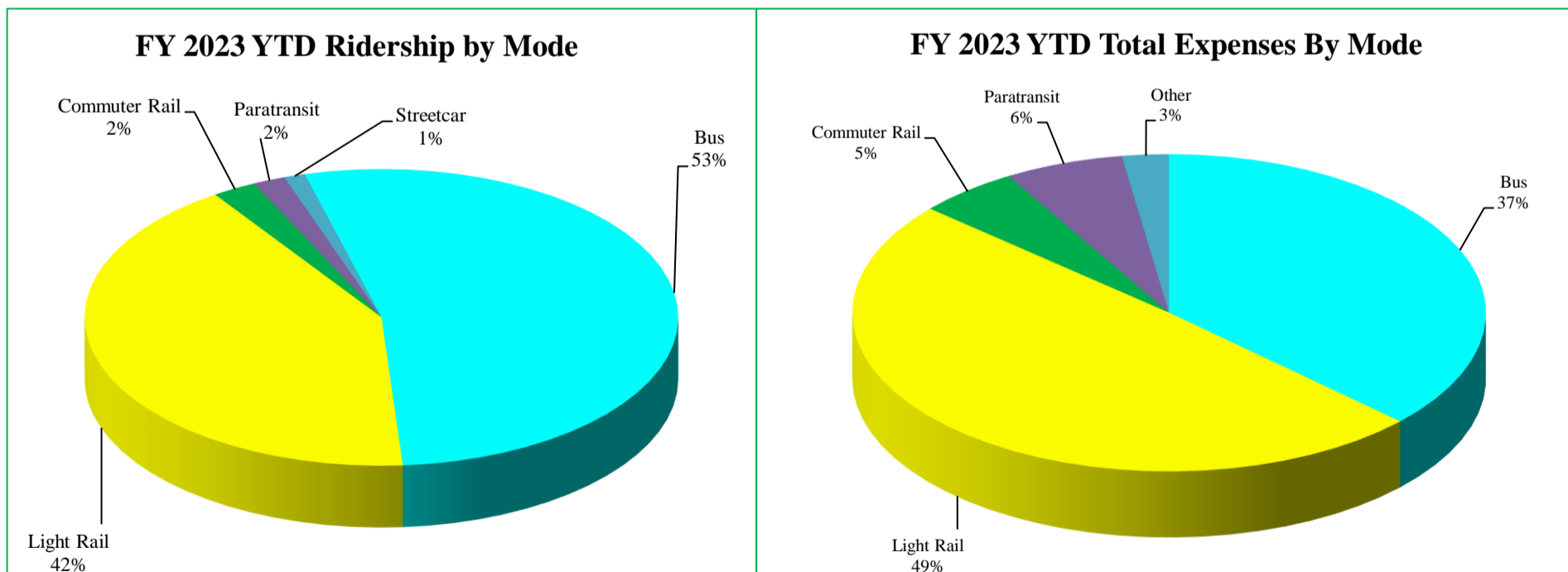
- 1 Assets and liabilities presented here are prepared in accordance with generally accepted accounting principles (GAAP).
- 2 Acid-Test Ratio shows DART's ability to pay off its current liabilities with short-term assets excluding inventory. Current Ratio measures DART's ability to pay off its current liabilities with its current assets. Generally a ratio of 1 or greater is good.
- 3 Capital Assets/Total Assets Ratio shows the level of DART's investment in capital assets (such as rail right-of-way, passenger, operating facilities, rolling stock, etc.) relative to total assets. Currently, DART's capital assets represent 77% of total assets. This ratio reflects DART's extensive investment in its system.
- 4 Debt/Capital assets ratio measures the percentage of DART's capital assets financed with debt. This ratio at the last day of the month indicates that 83% of DART's capital assets are financed with debt.

**Dallas Area Rapid Transit  
Service Summary Report  
June 2023 (Amounts in thousands)**

**SERVICE SUMMARY - Ridership, Revenue Hours, Miles and Cost**

Ridership	FY 2023 YTD	FY 2022 YTD	Variance	% Variance	FY 2023 YTD	Actual vs	%
	Actual	Actual			Budget	Budget Variance	
Bus	19,166	16,750	2,416	14%	19,429	(263)	-1%
Light Rail	15,061	12,938	2,123	16%	14,262	799	6%
Commuter Rail	872	815	57	7%	956	(84)	-9%
Vanpool	-	13	(13)	-100%	-	-	0%
Paratransit	633	530	103	19%	568	65	11%
Streetcar	416	563	(147)	-26%	696	(280)	-40%
	<b>36,148</b>	<b>31,609</b>	<b>4,539</b>	<b>14%</b>	<b>35,911</b>	<b>237</b>	<b>1%</b>
<b>Revenue Hours</b>							
Bus	1,282	1,271	11	1%			
Light Rail	375	370	5	1%			
Commuter Rail	47	49	(2)	-4%			
Vanpool	-	3	(3)	(1)			
Paratransit <sup>1</sup>	408	354	54	15%			
Streetcar	10	10	-	0%			
	<b>2,122</b>	<b>2,057</b>	<b>65</b>	<b>3%</b>			
<b>Revenue Miles</b>							
Bus	15,843	15,627	216	1%			
Light Rail	7,228	7,087	141	2%			
Commuter Rail	891	925	(34)	-4%			
Paratransit <sup>1</sup>	7,028	6,211	817	13%			
Streetcar	68	67	1	1%			
	<b>31,058</b>	<b>29,917</b>	<b>1,141</b>	<b>4%</b>			

<b>Total Expenses by Mode<sup>2</sup></b>				
Bus	\$291,254	\$261,325	\$29,929	11%
Light Rail	388,451	413,313	(24,861)	-6%
Commuter Rail	40,577	44,781	(4,204)	-9%
Vanpool <sup>3</sup>	3,774	3,946	(172)	-4%
Paratransit	47,786	37,508	10,279	27%
Streetcar <sup>3</sup>	1,737	1,954	(216)	-11%
Other <sup>3</sup>	13,294	2,523	10,772	427%
	<b>\$786,875</b>	<b>\$765,348</b>	<b>\$21,526</b>	<b>3%</b>



- 1 Revenue hours and miles for Paratransit Mode include estimates for the month.
- 2 Modal allocation includes both operating expenses and interest expenses related to money borrowed to finance capital projects.
3. Other includes funding of the Transit Related Improvement Program (TRIP) for DART service area cities with no rail service in addition to Vanpool and Streetcar modes

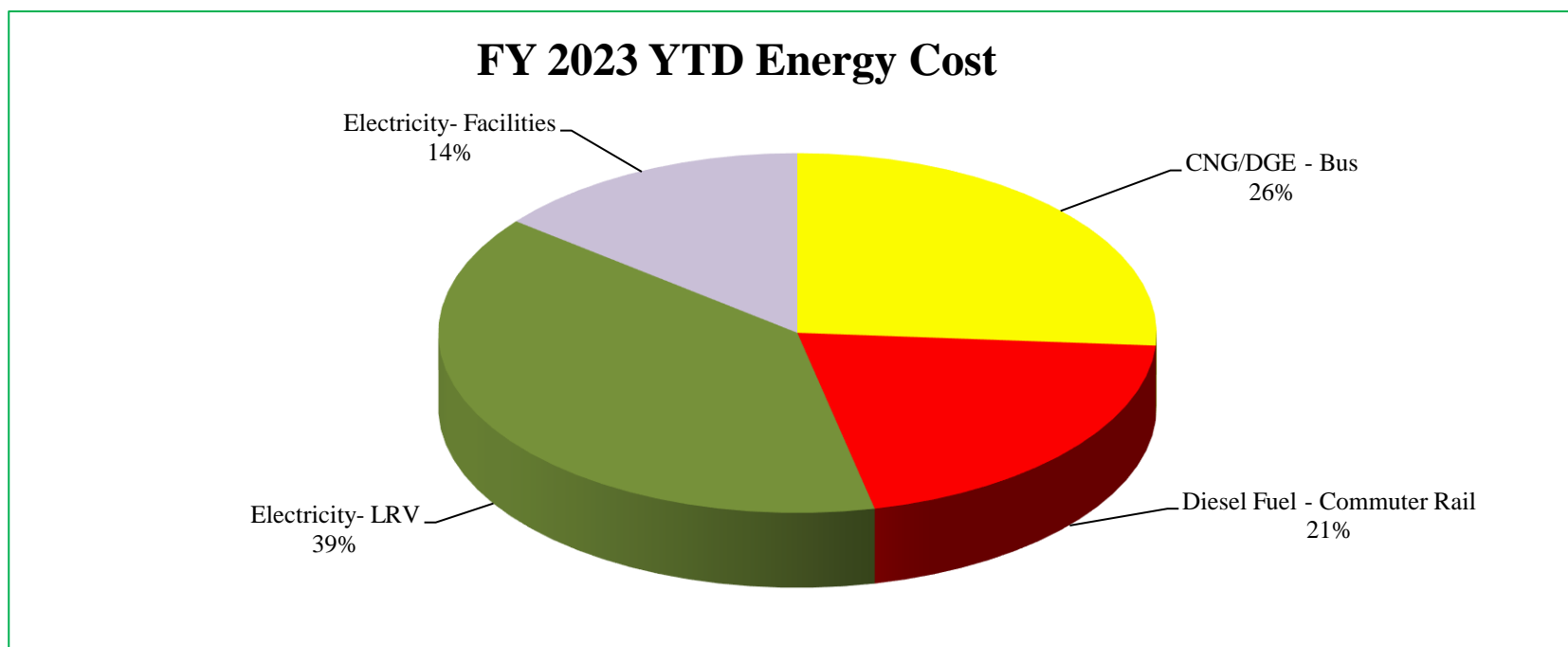
**Dallas Area Rapid Transit**  
**Energy Consumption and Cost Summary Report**  
**June 2023 (Amounts in thousands)**

**ENERGY CONSUMPTION**

	FY 2023 YTD	FY 2022 YTD		%
<b>Total Cost</b>	<b>Actual</b>	<b>Actual</b>	<b>Variance</b>	<b>Variance</b>
Compressed Natural Gas (CNG)/DGE <sup>1</sup> - Bus <sup>2</sup>	\$4,501	\$5,879	(\$1,378)	-23%
Diesel Fuel (Gallons) - Commuter Rail	3,516	3,514	2	0%
<b>Total CNG and Diesel - Cost</b>	<b>8,017</b>	<b>9,393</b>	<b>(1,376)</b>	<b>-15%</b>
Electricity- Light Rail Vehicles (LRV) <sup>2</sup>	6,736	6,078	658	11%
Electricity- Streetcar <sup>2</sup>	43	39	4	10%
Electricity- Facilities <sup>2</sup>	2,471	2,304	167	7%
<b>Total CNG and Electricity - Cost</b>	<b>\$17,267</b>	<b>\$17,814</b>	<b>(\$547)</b>	<b>-3%</b>

	FY 2023 YTD	FY 2022 YTD		%
<b>Volume</b>	<b>Actual</b>	<b>Actual</b>	<b>Variance</b>	<b>Variance</b>
Compressed Natural Gas (CNG)/DGE - Bus <sup>2</sup>	7,239	6,636	603	9%
Diesel Fuel - commuter rail	1,137	1,056	81	8%
<b>Total CNG and Diesel Fuel - Volume</b>	<b>8,376</b>	<b>7,692</b>	<b>684</b>	<b>9%</b>
Electricity (KWH) - Light Rail Vehicles <sup>2</sup>	85,349	83,764	1,585	2%
Electricity (KWH) - Streetcar <sup>2</sup>	473	454	19	4%
Electricity (KWH) - Facilities <sup>2</sup>	32,928	33,631	(703)	-2%
<b>Total Electricity - Volume</b>	<b>118,750</b>	<b>117,849</b>	<b>901</b>	<b>1%</b>

	FY 2023 YTD	FY 2022 YTD		%
<b>Unit Cost</b>	<b>Unit Cost</b>	<b>Unit Cost</b>	<b>Variance</b>	<b>Variance</b>
CNG - bus/paratransit (per DGE)	\$0.62	\$0.89	(\$0.27)	-31%
Diesel Fuel - commuter rail (per gallon)	\$3.09	\$3.33	(\$0.24)	-7%
Electricity - LRV/facilities/streetcar (per KWH)	\$0.08	\$0.07	\$0.01	9%

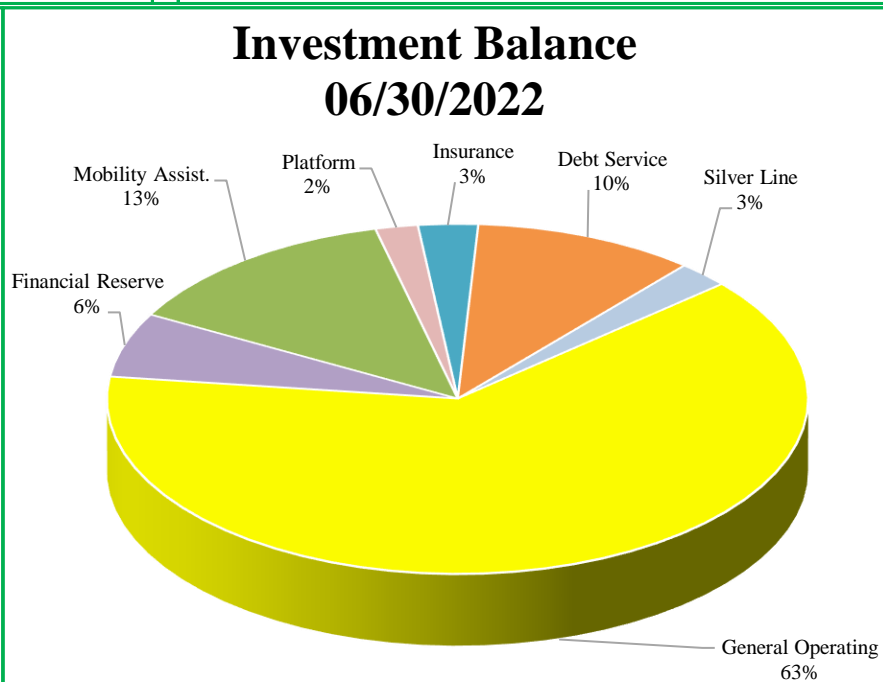
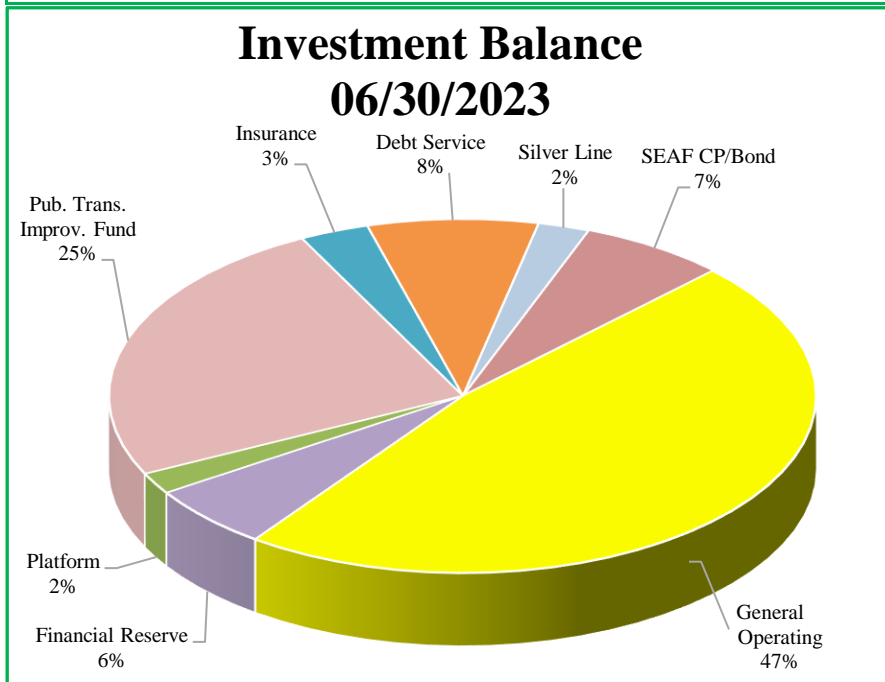


1. DGE = Diesel Gallon Equivalent
2. Energy cost/consumption includes estimates for the current month  
 Energy costs that do not appear on the pie chart represent less than 1% of the total.

**Dallas Area Rapid Transit  
Investment Summary Report  
June 2023 (Amounts in thousands)**

**INVESTMENT SUMMARY**

	6/30/2023	Yield	Compliant <sup>2</sup>	6/30/2022	Yield	Balance Change	%
<b>Managed Funds<sup>1</sup></b>							
General Operating	\$409,228	4.161%	Yes	\$530,098	1.041%	\$ (120,870)	-23%
Financial Reserve <sup>2</sup>	50,000	4.410%	Yes	50,001	0.703%	(1)	0%
Mobility Assist. & Innov. Fund <sup>5,7,11</sup>	115,445	5.285%	Yes	110,635	1.038%	4,810	4%
Platform	16,880	5.285%	Yes	16,362	1.179%	518	3%
Pub. Trans. Improv. Fund <sup>10</sup>	213,408	5.285%	Yes	-	0.000%	213,408	n/a
Insurance	27,183	3.564%	Yes	23,076	0.771%	4,107	18%
Silver Line <sup>4,8</sup>	20,187	5.285%	Yes	20,100	1.144%	87	0%
SEAF CP <sup>9</sup>	-	0.000%	Yes	41	1.180%	(41)	-100%
SEAF Bond <sup>9</sup>	57,880	5.285%	Yes	389,558	1.180%	(331,678)	-85%
<b>Total Managed Funds</b>	<b>910,211</b>	<b>4.680%</b>		<b>1,139,871</b>	<b>1.072%</b>	<b>(229,660)</b>	<b>-20%</b>
<b>Constrained Funds<sup>3</sup></b>							
Debt Service	67,290	5.299%	Yes	85,846	1.217%	(18,556)	-22%
Regional Toll Road (NW Plano) <sup>4</sup>	1,595	4.718%	Yes	1,545	0.473%	50	3%
City of Dallas Streetcar	38	4.718%	Yes	60	0.473%	(22)	-37%
Toyota	203	5.285%	Yes	372	1.180%	(169)	-45%
Regional ROW Corp. Fund	359	5.285%	Yes	297	1.180%	62	21%
<b>Total Constrained Funds</b>	<b>69,485</b>	<b>5.285%</b>		<b>88,120</b>	<b>1.203%</b>	<b>(580,014)</b>	<b>-21%</b>
	<b>\$979,696</b>	<b>4.723%</b>		<b>\$1,227,991</b>	<b>1.081%</b>	<b>(\$248,295)</b>	<b>-20%</b>

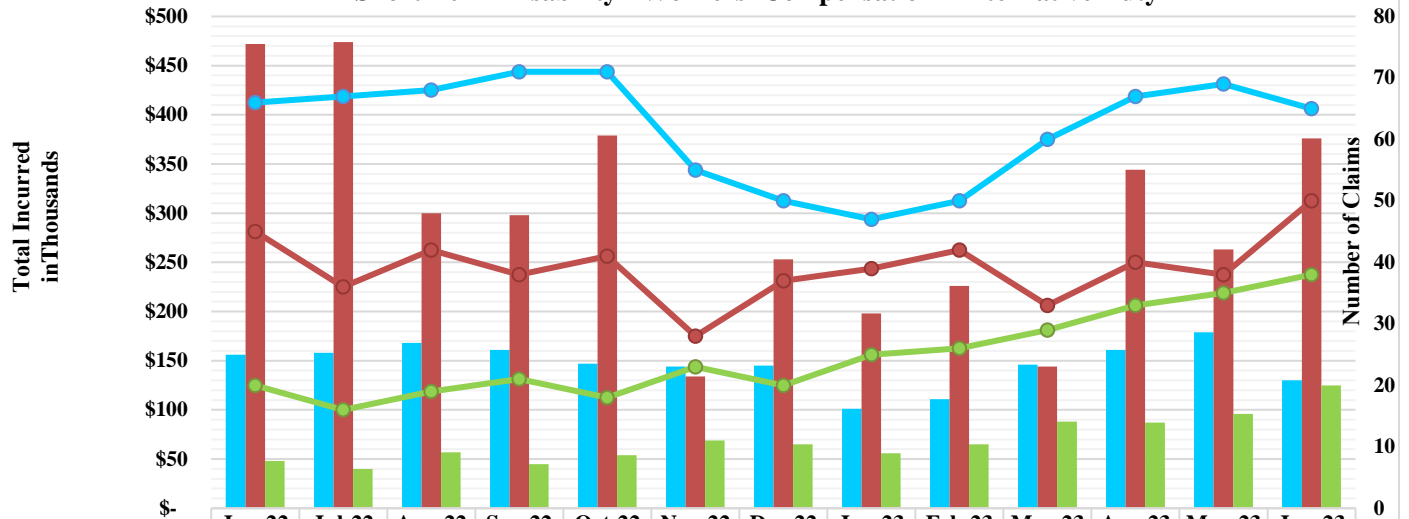


Investments that do not appear on the pie chart represent less than 1% of the total.

- Managed Funds are investment pools that DART has sole discretion to manage within its investment policy.
- Compliant indicates that the fund is in compliance with DART's investment policy and other contractual commitments.
- Constrained Funds are investment pools that have greater investment restrictions than DART's investment policy.
- The Regional Toll Revenue (RTR) and City of Dallas Streetcar Funds are imprest accounts, thus they are invested in very low-yield safe instruments. The City of Dallas streetcar money shown here is for capital projects only.
- By Resolution No. 160109, as approved by the DART Board of Directors.
- By Resolution No. 190053, the Capital Reserve Fund was renamed the Mobility Assistance and Innovation Fund.
- By Resolution No. 190072, the Cotton Belt Commuter Rail Line was renamed the Silver Line.
- System Expansion and Acquisition Fund (SEAF) commercial paper and bonds.  
SEAF CP/Bond that do not appear on the pie chart represent less than 1% of the total.
- By Resolution No. 220156 \$214,250,000 was authorized to be moved out the Operating Fund and into the Public Transportation Improvement Fund
- By Resolution No. 220155 \$110,323,838 was authorized to be moved out the MAIF and into the Operating Fund.

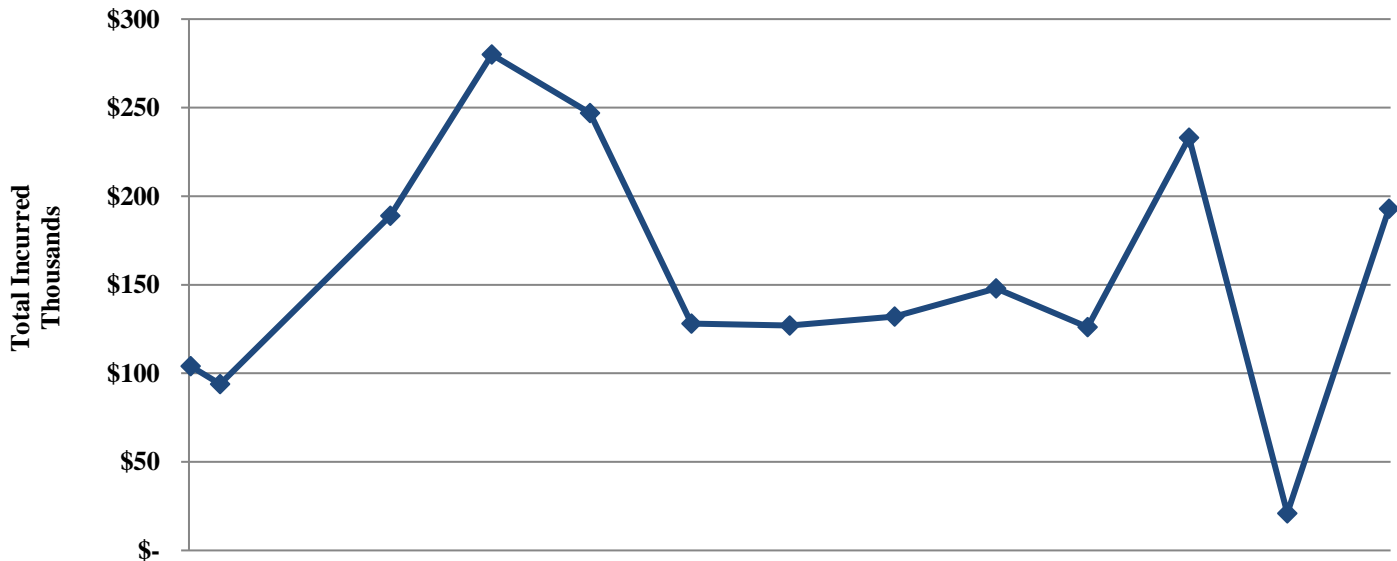
## Risk Management – June 2023

### Integrated Disability Programs Short Term Disability - Workers' Compensation - Alternative Duty



	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
STD Payments	\$156	\$158	\$168	\$161	\$147	\$144	\$145	\$101	\$111	\$146	\$161	\$179	\$130
WC Incurred	\$472	\$474	\$300	\$298	\$379	\$134	\$253	\$198	\$226	\$144	\$344	\$263	\$376
Alt Duty Wages	\$48	\$40	\$57	\$45	\$54	\$69	\$65	\$56	\$65	\$88	\$87	\$96	\$125
STD Claims	66	67	68	71	71	55	50	47	50	60	67	69	65
WC Claims	45	36	42	38	41	28	37	39	42	33	40	38	50
Alt Duty Claims	20	16	19	21	18	23	20	25	26	29	33	35	38

### Liability Claims Program



	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Paid	\$104	\$94	\$189	\$280	\$247	\$128	\$127	\$132	\$148	\$126	\$233	\$21	\$193
New Claims	61	40	77	76	82	58	57	63	68	87	101	63	82

## Glossary of Terms/Definitions

**Accounting Basis** – The principles and methods used for accounting. DART uses the accounting basis appropriate for a government enterprise fund. Financial statements are prepared on the accrual basis of accounting under which revenues and expenses are recognized when earned or incurred.

**Accrual Basis of Accounting** – An accounting method that measures the performance and position of a company by recognizing economic events in the period they occur regardless of when cash transactions occur (i.e., recognize revenue in the period in which it is earned rather than when the cash is received; and recognize expenses when incurred rather than when cash is paid).

**Acid-Test Ratio** – Shows DART’s ability to pay off its current liabilities with short-term assets excluding inventory.

**ADA Paratransit Service** – Non-fixed-route paratransit service utilizing vans and small buses to provide pre-arranged trips to and from specific locations within the service area to certified participants in the program, as required by the Americans with Disabilities Act.

**Alternative Duty** – Provides employees who have a temporary disability resulting from an on- or off-the-job injury/illness with the ability to return to work with restrictions. Work may include an alternate assignment or modifications to the employee’s regular duties.

**Amortization** – The process of allocating the cost of an asset (including a prepayment) over a period of time.

**Average Fare** (calculated by mode) – Represents the average fare paid per passenger boarding on each mode of service during the period.

$$\text{Calculation} = (\text{Modal Passenger Revenue} - \text{Commissions \& Discounts}) / (\text{Modal Passenger Boardings})$$

**Barter Arrangements** – Exchange of goods or services for other goods or services without using money. A good example is media partnerships DART enters with radio and TV stations.

**Bond Refinancing/Refunding** – The redemption (payoff) and reissuance of bonds to obtain lower interest costs and/or bond conditions.

**Capital** – Funds that finance construction, renovation, and major repair projects or the purchase of machinery, equipment, buildings, and land.

**Capital Asset** – Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible and intangible assets that are used in operations and have initial useful lives extending beyond one year.

**Capital Asset/Total Asset Ratio** – Shows the level of DART’s investment in capital assets (such as rail right-of-way, passenger and operating facilities, rolling stock, etc.) relative to total assets.

**Capital Lease Obligation** – Installment payments that constitute a payment of principal plus interest for the capital lease. Capital lease obligations are listed in the liabilities section of a balance sheet while the property or asset leased is listed in the assets section of the balance sheet.

**CNG** – A readily available alternative to gasoline that’s made by compressing natural gas to less than 1% of its volume at standard atmospheric pressure. Consisting mostly of methane, CNG is odorless, colorless and tasteless. It is drawn from domestically drilled natural gas wells or in conjunction with crude oil production.

**Constrained Funds** – Funds that are designated for a special purpose such as the Debt Service Fund, Regional Toll Road, and Streetcar Funds.

**Commuter Rail** – Passenger rail transport service that primarily operates between a city center to outer suburbs beyond 10 miles and commuter towns or other locations.

**Compliant** – Funds are in compliance with DART’s investment policy and other contractual commitments.

**Current Ratio** – Measures DART’s ability to pay off its current liabilities with its current assets. Generally, a ratio of 1 or greater is good.

**Debt Service** – The payment of interest and the repayment of principal on long-term borrowed funds according to a predetermined schedule.

**Debt Service Coverage** – The measure of the Agency’s ability to meet debt service payments. It is a ratio of cash flows to debt service requirement.

**Debt Service Payments** – The amount of money required to make payments on the principal and interest on outstanding loans, the interest on bonds, or the principal of maturing bonds.

**Debt/Capital Asset Ratio** – Measures the percentage of DART’s capital assets financed with debt.

**Defeasance of Bonds** – An action that sets aside cash or bonds sufficient enough to service the borrower’s debt on a bond or loan.

**Deferred Inflow and Outflow** – Acquisition or consumption of net assets (e.g., receiving or spending cash) that is applicable to a future reporting period. For example, if DART has paid for a service it will receive in the future, it has an asset (much like a prepaid expense). Conversely, if DART has received cash for a service it must provide in the future, it has a liability.

**Depreciation** – An accounting method of allocating a periodic cost of capital assets (excluding land and improvements to land) to expense. This periodic cost allocation results in the reduction of the value of capital assets with passage of time, due in particular to wear and tear.

**Drawdown** – Process by which grant reimbursements are requested based on a set of payment schedule after the organization has submitted sufficient documents to verify expenses.

**DGE** – Diesel gallon equivalent (DGE) is the amount of diesel fuel it takes to equal the energy content of one liquid gallon of gasoline. It allows consumers to compare the energy content of competing fuels against a commonly known fuel – gasoline.

**Enterprise Fund** – Gives the flexibility to account separately for all financial activities associated with a broad range of government services. It establishes a separate accounting and financial reporting mechanism for services for which a fee is charged. Revenues and expenses of the service are segregated into a fund with financial statements separate from all other activities.

**Farebox Revenue** – All revenue from the sale of passenger tickets, passes, or other instruments of fare payment.

**Fares** – The amount charged to passengers for use of various services.

**FTA (Federal Transit Administration)** – The federal agency that helps cities and communities provide mobility to their residents. Through its grant programs, FTA provides financial and planning assistance to help plan, build, and operate bus, rail, and paratransit systems.

**Fiscal Year** – DART’s fiscal year is from October 1 through September 30 of the following year.

**Financial Reserve Fund** – Highly restricted (as to use) funds derived primarily from the accumulated amounts of actual sales tax over budgeted receipts of sales tax from prior years.

**Fuel Hedge** – A contractual tool used to reduce exposure to volatile and potentially rising fuel costs. A fuel hedge contract allows a company to establish a fixed or capped cost, via a commodity swap or option to mitigate their exposure to future fuel prices that may be higher than current prices and/or to establish a known fuel cost for budgeting purposes.

**Full Funding Grant Agreement (FFGA)** – The Federal Transit Administration uses a FFGA to provide financial assistance for new start projects and other capital projects. The FFGA defines the project, including cost and schedule, commits to a maximum level of federal financial assistance (subject to appropriation), covers the period of time for the project, and helps to manage the project in accordance with federal laws and regulations.

**Fund Balance** – The difference between a fund’s assets and liabilities (also called Fund Equity). Often this term refers to money set aside or earmarked for future needs. DART uses “reserves” as well as “funds” to ensure resources are available for anticipated and unanticipated needs.

**Generally Accepted Accounting Principles (GAAP)** - A commonly accepted way of recording and reporting accounting information. DART follows the U.S. GAAP that is applicable to state and local governments as issued by the Governmental Accounting Standards Board (GASB).

**General Liability** – The intake, management, and resolution of all bodily injury and property damage claims arising out of DART Operations and subrogation or recovery of damages from responsible third parties.

**General Operating Account** – The operating account used to account for all financial resources and normal recurring activities except for those required to be accounted for in another fund.

**Grants** – Moneys received from local, federal, and state governments to provide capital or operating assistance.

**Interest Expense** – The cost of debt that has occurred during a specified period of time.

**Investment Income** – Income from interest payments, dividends, capital gains collected upon the sale of a security or other assets, and any other profit made through an investment vehicle of any kind.

**Investment Portfolio** - The whole range of financial investments held by an individual investor or a financial organization.

**KWH** – Kilowatt hour is a derived unit of energy equal to 3.6 megajoules, the amount of energy converted if work is done at an average rate of one thousand watts for one hour. If the energy is being transmitted or used at a constant rate (power) over a period of time, the total energy in kilowatt-hours is the product of the power in kilowatts and the time in hours.

**Labor Expenditure** – The cost of wages and salaries (including overtime) to employees for the performance of their work.

**Lease/Leaseback Transaction** – Financing structure that involves the purchase of personal or real property by a public agency, which subsequently sells or leases the property to a private, nonprofit or other public entity. The original purchasing public agency then leases the property back under a sublease.

**Liability** – The future sacrifice of economic benefits that the entity is obliged to make to other entities as a result of past transactions or other past events, the settlement of which may result in the transfer or use of assets, provision of services or other yielding of economic benefits in the future.

**Maintenance Expenditure** – Expenditures for labor, materials, services, and equipment used to repair and maintain transit and service vehicles and facilities.

**Managed Funds** – An investment fund managed for a number of clients by a company, often involving a combination of fixed-interest and property investments at the discretion of the fund managers.



**Mark-to-Market** – Refers to accounting for the "fair value" of an asset or liability based on the current market price, or for similar assets and liabilities.

**Mobility Assistance and Innovation Fund** – An account on DART's balance sheet that is reserved for long-term capital investment projects.

**Non-Operating Revenues** – The portion of an organization's income that is derived from activities not related to its core operations.

**Operating Budget** – The planning of revenue and expenditures for a given period of time to maintain daily operations.

**Operating Revenues** – Includes the revenues obtained from the farebox, special events service, advertising, signboard rentals, leases, pass sales, operating grants, shuttle services, and other miscellaneous income. Operating revenues do not include sales tax revenue, interest income, or gain on sale of assets.

**Operating Expenses** – Includes the expenses required to operate DART's revenue services and general mobility projects. Operating expenses do not include the staff costs associated with DART's capital programs.

**Paratransit Service** – Any transit service that is not conventional fixed-route bus or rail service, including ADA Paratransit Services.

**Platform Fund** – Funds designated for platform extensions on the Red and Blue lines to accommodate three-car trains.

**Repurchase Agreement** – A money-market transaction in which one party sells securities to another while agreeing to repurchase those securities at a later date.

**Reserves** – DART uses "reserves" as well as "funds" to ensure resources are available for anticipated and unanticipated needs.

**Revenue Bond** – A bond on which debt service is payable solely from a restricted revenue source (or sources) such as sales tax revenues.

**Revenue Miles or Hours** – Measures the number of miles, or hours, that a vehicle is in revenue service (i.e., available to pick up passengers) and includes special events service. This measure does not include "deadhead miles" which are the miles between the bus or rail maintenance facility and the beginning or end of a route.

**Ridership** – For the total system, this is the total number of passengers boarding a DART vehicle. Transfers are included in total ridership and passenger boarding counts (e.g., if a person transfers from one bus to another bus or from a bus to rail, this is counted as two passenger boardings). Fixed-route ridership counts passenger boardings (including transfers) for bus, light rail, streetcar, and commuter rail only.

**Short-Term Disability** - Provides income continuation for employees who are unable to perform their regular duties as a result of a temporary disability.

**Total Incurred** – The present and future total cost of a claim.

**Vanpool** – A group of five to 15 people who regularly travel together to work (typically 30 miles or more roundtrip) in a DART-provided van.

**Vehicle Revenue Mile** – Vehicle mile during which the vehicle is in revenue service (i.e., picking up and/or dropping off passengers).

**Workers' Compensation** – Provides income continuation and pays for related medical care for employees who are injured on the job. "Incurred" refers to the present and future total cost of a claim. "Paid" represents amounts paid to date on a claim.

**Yield to Maturity** – The yield an investor can expect if the security is held to its stated end, and all coupon payments are made. This value is highly dependent on what price was paid for the security.