



**North Central Texas Council of Governments**

**TO:** NCTCOG Executive Board                      **DATE:** February 18, 2015  
**FROM:** Mike Eastland  
Executive Director  
**SUBJECT:** Executive Board Meeting

The next regular meeting of the **NCTCOG Executive Board** will be:

**DATE:** February 26, 2015

Please RSVP to the Executive Director's office as soon as possible by return email or call (817) 695-9100.

**NCTCOG BOARD**

**TIME:**            **11:30 am** – Audit Committee (John Horn, Chair; Clay Jenkins; Laura Maczka; Glen Whitley)

**12:00 noon** – Lunch

**12:45 p.m.** – Executive Board Meeting

**Immediately Following the Board Meeting** – NCTCOG Foundation Meeting

**PLACE:** NCTCOG Offices  
Centerpoint II Conference Center  
616 Six Flags Drive  
Arlington, TX 76011  
Transportation Council Room

I hope each of you will plan to attend this important meeting. I look forward to seeing you there!

ME:sc

**616 Six Flags Drive, Centerpoint Two  
P.O. Box 5888, Arlington, Texas 76005-5888  
(817) 640-3300 FAX: 817-608-2372  
[www.nctcog.org](http://www.nctcog.org)**



**North Central Texas Council of Governments**

**TO:** Audit Committee

**Date:** February 26, 2015

**FROM:** Monte Mercer  
Deputy Executive Director

**SUBJECT:** Comprehensive Annual Financial Report (CAFR)

Attached to the Executive Board Item #2 are the Comprehensive Annual Financial Report (CAFR) and single audit reports for the fiscal year ended September 30, 2014. Mr. Brad Jay, Partner, Weaver and Tidwell, L.L.P., will be presenting to the Committee the final reports along with any audit findings and/or Management Letter Comments. At this time, staff is not aware of, nor expects, any findings or comments that will be presented. The Committee will have the opportunity to ask questions of Mr. Jay or staff during the presentation. In addition, the Committee will be given the opportunity to address the auditors independent of staffs' presence.

I will be available to answer any questions at the Executive Board Meeting.

MM:mdm

**616 Six Flags Drive, Centerpoint Two  
P.O. Box 5888, Arlington, Texas 76005-5888  
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# North Central Texas Council of Governments

616 Six Flags Drive, Arlington, TX, 76011

## EXECUTIVE BOARD AGENDA

February 26, 2015

12:45 P.M.

### Executive Board

_____ Kathryn Wilemon	_____ Clay Jenkins	_____ Keith Self
_____ John Horn	_____ Vonciel Jones Hill	_____ Kevin Strength
_____ Daniel Scarth	_____ Tom Lombard	_____ Laura Wheat
_____ Stephen Terrell	_____ Laura Maczka	_____ Glen Whitley
	_____ Larry Marshall	

### Staff

_____ Mike Eastland	_____ Edith Marvin	_____ Christy Williams
_____ Monte Mercer	_____ Michael Morris	_____ Lucille Johnson
_____ Tim Barbee	_____ David Setzer	_____ Stephanie Cecil
_____ Doni Green	_____ Molly Thoerner	

### REGULAR SESSION

Call to order time: \_\_\_\_\_

Pledges

### ACTION:

Motion/ Second	Item #	Name of Item
_____/____	1.	<b>Approval of Minutes</b>
_____/____	2.	<b>Resolution to Accept and Approve the Comprehensive Annual Financial Report for Fiscal Year 2014 (Monte Mercer)</b>
_____/____	3.	<b>Resolution Authorizing Agreements for Replacement of the Automatic Location Identification (ALI) Database Solution for NCTCOG 9-1-1 (Christy Williams)</b>

- \_\_\_/\_\_\_
4. **Resolution Authorizing Contract with National Council on Aging for Establishment of Benefits Enrollment Center (Doni Green)**
- \_\_\_/\_\_\_
5. **Resolution Endorsing Submittal of Grant Application to the Federal Highway Administration's Strategic Highway Research Program 2 (SHRP2) Implementation Assistance Program (Michael Morris)**
- \_\_\_/\_\_\_
6. **Resolution Endorsing Submittal of Grant Application to the Texas Department of Transportation for Advancing Small Transit Providers in North Central Texas (Michael Morris)**
- \_\_\_/\_\_\_
7. **Resolution Authorizing Submittal of Grant Application to the Department of Defense Office of Economic Adjustment (Michael Morris)**
- \_\_\_/\_\_\_
8. **Resolution Authorizing Coordination with Grafton Technologies for Submittal of a Grant Application to the Transportation Research Board (Michael Morris)**
- \_\_\_/\_\_\_
9. **Resolution Authorizing an Amended Agreement with the Texas Transportation Institute for Technical Assistance (Michael Morris)**
- \_\_\_/\_\_\_
10. **Resolution Authorizing Use of RTC Local Funds to Support HOV/Managed Lane Pooled Fund Study (Michael Morris)**
- \_\_\_/\_\_\_
11. **Resolution Authorizing the Purchase of Federal Highway Administration Household Travel Survey Data (Michael Morris)**
- \_\_\_/\_\_\_
12. **Resolution Authorizing Execution of an Agreement with the City of Mineral Wells for Innovative Aviation Data Collection using an Unmanned Aircraft (Michael Morris)**
- \_\_\_/\_\_\_
13. **Resolution Authorizing Foreign Travel for Hua Yang of the Transportation Department (Michael Morris)**
- \_\_\_/\_\_\_
14. **Resolution Appointing a Legislator as an Ex-Officio Member of the North Central Texas Council of Governments' Executive Board (Mike Eastland)**

- \_\_\_/\_\_\_ 15. **Action Providing Comments to the Environmental Protection Agency Regarding the Proposed Ozone Standard (Mike Eastland)**
- \_\_\_/\_\_\_ 16. **Resolution Supporting the Texas Legislature in Efforts to Reduce Reliance on General Revenue-Dedicated Accounts (Mike Eastland)**
- \_\_\_/\_\_\_ 17. **Resolution Authorizing a Contract with Halff Associates, Inc., as the Professional Services Provider for the FY2014 Bear Creek Watershed Flood Risk Identification Project (Edith Marvin)**

**APPOINTMENTS:**

- \_\_\_/\_\_\_ 18. **Appointments to the Criminal Justice Policy Development Committee (CJPDC) (Kelly Schmidt)**

**STATUS REPORTS:**

- \_\_\_/\_\_\_ 19. **Status Report on Agreement with Texas A&M University for Implementation of Texercise Select Research Study (Doni Green)**
- \_\_\_/\_\_\_ 20. **Status Report on Public Education Preparedness Campaign (Molly Thoerner)**

**MISCELLANEOUS:**

21. **Old and New Business**
22. **Future Calendar and Attendance**

**Adjournment of Executive Board to Foundation Board Meeting: \_\_\_\_\_**

# North Central Texas Council of Governments Foundation, Inc.

616 Six Flags Drive, Arlington, TX, 76011

## BOARD MEETING

February 26, 2015

[Immediately Following the Executive Board Meeting]

_____ Kathryn Wilemon	_____ Clay Jenkins	
_____ John Horn	_____ Vonciel Jones Hill	_____ Keith Self
_____ Daniel Scarth	_____ Tom Lombard	_____ Kevin Strength
_____ Stephen Terrell	_____ Laura Maczka	_____ Laura Wheat
	_____ Larry Marshall	_____ Glen Whitley

### Staff

_____ Mike Eastland	_____ Edith Marvin	_____ Christy Williams
_____ Monte Mercer	_____ Michael Morris	_____ Lucille Johnson
_____ Tim Barbee	_____ David Setzer	_____ Stephanie Cecil
_____ Doni Green	_____ Molly Thoerner	

### NCTCOG FOUNDATION BOARD:

Call to order time: \_\_\_\_\_

<u>Item #</u>	<u>Name of Item</u>
____/____ F1.	<b>Resolution Authorizing Depository Services Contract (Monte Mercer)</b>

Adjournment: \_\_\_\_\_

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
EXECUTIVE BOARD MEETING**

Minutes — January 22, 2015

Transportation Council Room  
616 Six Flags Drive  
Arlington, Texas

President Wilemon called the regular meeting of the North Central Texas Council of Governments Executive Board to order at 12:47 pm on January 22, 2015.

**Members of the Board Present:**

Kathryn Wilemon, President, Mayor Pro Tem, City of Arlington  
John Horn, Vice-President, County Judge, Hunt County  
Stephen Terrell, Past President, Mayor, City of Allen  
Vonciel Jones Hill, Councilmember, City of Dallas  
Clay Jenkins, County Judge, Dallas County  
Tom Lombard, Councilmember, City of North Richland Hills  
Laura Maczka, Mayor, City of Richardson  
Dr. Larry Marshall, Councilmember, City of Benbrook  
Keith Self, County Judge, Collin County  
Laura Wheat, Mayor, Town of Westlake

**Members of the Board Absent:**

Daniel Scarth, Secretary/Treasurer, Councilmember, City of Fort Worth  
Toni Rose, State Representative  
Kevin Strength, Mayor, City of Waxahachie  
B. Glen Whitley, County Judge, Tarrant County

**Members of the Staff Present:**

Mike Eastland, Executive Director  
Monte Mercer, Deputy Executive Director  
Tim Barbee, Chief Information Officer, Research and Information Services  
Michael Morris, Director of Transportation  
David Setzer, Director of Workforce Development  
Edith Marvin, Director of Environment and Development  
Molly Thoerner, Director of Emergency Preparedness  
Doni Green, Chief Aging Program Officer  
Christy Williams, Chief of 9-1-1 Program Manager  
Lucille Johnson, Assistant to the Executive Director  
Stephanie Cecil, Administrative Assistant, EDO  
Bob Best, Audio/Video Comp Support Tech, Transportation  
Dan Kessler, Assistant Director of Transportation  
Ken Kirkpatrick, Transportation Counsel  
Sandra Barba, Solid Waste Coordinator, Environment and Development  
Amy Wyatt, Information Services Coordinator, Research and Information Services  
Lori Clark, Principal Planner, Transportation  
Tamara Cook, Manager, Environment & Development Programs  
Doni Green, Director of Aging Programs  
Chris Klaus, Sr. Program Manager, Transportation  
Debra Kosarek, Quality Assurance Manager, Workforce  
Kay O'Dell, Manager, Workforce Development  
James Powell, Assistant Council, Transportation  
Molly Rendon, Fiscal Manager, Administration  
LeAnna Russell, Technical Coordinator, 9-1-1  
Jessie Shadowens, Special Projects Supervisor, Administration  
Jack Tidwell, Manager, Environment & Development

Behruz Paschai-Awwal, System Modeling Manager, Transportation  
 Mark Folden, Research Associate, Research and Information Services

**Visitors Present:**

Paul Ward, Building Official, City of Southlake  
 Tom McCarty, Sales Manager, South Central Region, GovPayNet  
 Captain Brian Bates, Mansfield Jail

**REGULAR SESSION**

**NCTCOG Service Awards**

The following members of NCTCOG staff received service awards:

		Years			Years
Michael	Morris	35	*Lisa	Walker	15
Jack	Tidwell	25	Barbara	Walsh	15
Chris	Klaus	20	Amy	Wyatt	15
Elizabeth	Zecckine	20	Tamara	Cook	10
Omar	Barrios	15	Jenny	Narvaez	10
*Elizabeth	Barron	15	Laura	Person	10
Natalie	Bettger	15	Shannan	Ramirez	10
Mary	Ford	15	*Kathleen	Yu	10
Robert	Hall	15	Juan	Barron-Luna	5
Jan	Henning	15	Solina	Bartnicki	5
*Diana	Kongevick	15	Jory	Dille	5
Richard	Michael	15	*Brian	Geck	5
Mindy	Mize	15	Teresa	Huff	5
Jeffrey	Neal	15	*Laura	Litzerman	5
LeAnna	Russell	15	*Renee	Moffett	5
Janet	Smith	15	*Angelina	Strickler	5
Francisco	Torres	15	Tommy	Tran	5
			*Jennifer	Vuitel	5
			*Donna	Weston	5

\*not present at meeting

**ACTION:**

**Item 1. Approval of Minutes**

President Wilemon stated that the first item on the agenda was approval of the minutes from the December Board meeting.

Upon a Motion by Councilmember Marshall (seconded by Judge Self), and unanimous vote of all members present, the Board approved the minutes of the December Executive Board meeting.

**Item 2. Resolution to Accept and Approve the Quarterly Investment Report**

Monte Mercer, Deputy Executive Director, presented the Investment Report, which provided the average rate of return, cumulative transactions, and beginning and ending balances on the investment activity for the quarter that ended December 31, 2014. He also provided a supplementary schedule regarding the State's investment activity for Regional Toll Revenue funds and NTTA Hwy 161 funds.

Upon a Motion by Judge Self (seconded by Councilmember Jones Hill), and unanimous vote of all members present, the Board approved the resolution as presented.

See Exhibit E14-01-2

**Item 3. Resolution Authorizing an Increase to the Workforce Development Department's Budget and the Receipt of New Grant Funding**

David Setzer, Director of Workforce Development, explained that the Workforce Board had approximately \$1.32 million in carry over funds from the FY 2015 budget, primarily from the Workforce Investment Act (WIA) and Child Care funding sources. A portion of these funds would be combined with additional new grant funding in the amount of \$109,000 (from the Texas Workforce Commission for the Long-Term Unemployed Initiative) to amend the department budget for \$575,000. These funds would be used to improve customer outreach capacity, efficiency and effectiveness via technology upgrades within workforce outreach programs.

Upon a Motion by Councilmember Lombard (seconded by Councilmember Marshall), and unanimous vote of all members present, the Board approved the resolution as presented.

*See Exhibit E14-01-3*

**Item 4. Resolution Authorizing an Interlocal Agreement with the Texas Transportation Institute to Conduct a Diesel Inspection and Maintenance Demonstration Program**

Michael Morris, Director of Transportation, explained that the Board previously approved a partnership with the Texas Department of Transportation (TxDOT) and the Texas Transportation Institute (TTI) for a Heavy-Duty Diesel Inspection and Maintenance Program that resulted in the Heavy-Duty Diesel Inspection and Maintenance Pilot Program. He requested authorization to partner with TTI to implement the final phase of the program, including installation and refinement of system design and the collection of data that will be used for an operational plan in the amount of approximately \$250,000 (\$200,000 Congestion Mitigation and Air Quality Improvement Program funds and \$50,000 match from TTI utilizing funding provided through a research grant from TxDOT).

Upon a Motion by Councilmember Jones Hill (seconded by Mayor Maczka), and unanimous vote of all members present, the Board approved the resolution as presented.

*See Exhibit E14-01-4*

**Item 5. Resolution Authorizing Agreements with Agencies Receiving Funding Under the Incident Management Equipment Purchase 2014 Call for Projects**

Michael Morris, Director of Transportation, explained that the Regional Transportation Council approved 17 award recipients selected under a call for projects to receive Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds that will assist in obtaining equipment and technology designed to facilitate quick incident clearance of freeways. Funding for award recipients will not exceed \$1,712,646 and this program is 100 percent federally funded. The award recipients are: City of Anna; City of Dallas; City of Frisco; City of Denton; City of Farmers Branch; City of Flower Mound; City of Grand Prairie; City of Richardson; Dallas County; Dallas Area Rapid Transit; City of Arlington; City of Euless; City of Fort Worth; City of Grapevine; City of Hurst; City of North Richland Hills; and City of Weatherford.

Upon a Motion by Councilmember Marshall (seconded by Mayor Terrell), and unanimous vote of all members present, the Board approved the resolution as presented.

*See Exhibit E14-01-5*

**Item 6. Resolution Recommending Local Government Participation in the Solar Ready II Project and Adoption of Solar Energy Best Management Practices**

Edith Marvin, Director of Environment and Development, asked the Board to endorse a Resolution supporting the goals and best management practices (BMPs) of the Solar Ready II project; to transmit the Resolution to all local governments within the 16-county region; and to recommend that member governments pass a similar resolution. The project is a partnership between NCTCOG, the National Association of Regional Councils, the Mid America Regional Council, Meister Consultants Group, the Council of State Governments, and other regional planning agencies. It is funded through a grant awarded by the Department of Energy under the Rooftop Solar Challenge II Program. Information and BMPs will be disseminated in the region to aid in developing updates to policies and processes that will accommodate the growth of new, innovative technologies, such as solar energy with the goal of achieving measurable improvements in market conditions for solar photovoltaic (PV).

Upon a Motion by Councilmember Jones Hill (seconded by Councilmember Marshall), and unanimous vote of all members present, the Board approved the resolution as presented.

*See Exhibit E14-01-6*

## **APPOINTMENTS:**

### **Item 7. Appointments to the 9-1-1 Regional Advisory Committee**

Christy Williams, Director of 9-1-1 Programs, recommended approval of four new members to fill four vacancies on the 9-1-1 Regional Advisory Committee. She explained that the Committee recommended the appointment of Rockwall Fire Chief Mark Poindexter, Johnson County Commissioner Jerry Stringer, Wilmer Police Chief Victor Kemp, and Weatherford Police Chief Mike Manning.

Upon a Motion by Mayor Terrell (seconded by Councilmember Marshall), and unanimous vote of all members present, the Board approved the appointments.

### **Item 8. Appointments to the Regional Aging Advisory Committee (RAAC) and Election of Officers**

Mayor Terrell, Chairman of the Appointments Committee, recommended approval of Ed Wilson of Kaufman County as President, Harry Kepner of Collin County as Vice-President and Stephen Straughan of Rockwall County as Secretary of the Regional Aging Advisory Committee for Calendar Year 2015. He also recommended approval of the proposed nominees to fill six of twelve vacancies on the Committee. Nominations for the Committee were solicited from county judges and local contractors and included the following people: Ed Wilson of Kaufman County, Linda Carlisle of Erath County, Evelyn Guerin of Hood County, Dorothy Canon of Denton County, Carol Connelly of Ellis County, and Gary Whittle of Somervell County.

Upon a Motion by Councilmember Marshall (seconded by Mayor Terrell), and unanimous vote of all members present, the Board approved the appointments.

### **Item 9. Appointments to the Emergency Preparedness Planning Council (EPPC)**

Mayor Terrell, Chairman of the Appointments committee, recommended approval of the following people to serve for a two-year term on the Emergency Preparedness Planning Council: Kelly Turner, Councilmember, Kennedale; Carol Strain Burk, Councilmember, Lancaster; Michael Gallops, Mayor Pro Tem, Rowlett; Leroy Vaughn, Councilmember, Lewisville; Dennis Webb, Councilmember, Irving; Danny Scarth, Councilmember, Fort Worth; Adam Medrano, Councilmember, Dallas; Larry Woolley, Commissioner, Johnson County; David Sweet, Judge, Rockwall County; Dennis Robinson, Commissioner, Ellis County

Upon a Motion by Councilmember Marshall (seconded by Mayor Terrell), and unanimous vote of all members present, the Board approved the appointments.

## **STATUS REPORTS:**

### **Item 10. Status Report on the Electronic Warrant Payments Shared Services Program**

Monte Mercer, Deputy Executive Director, Captain Brian Bates from the Mansfield Jail, and Tom McCarty from GovPayNet, briefed the Board on the Electronic Warrant Payments Shared Services Program and the 2014 Annual Report for the period ending October 2014.

Judge Jenkins arrived at the meeting.

### **Item 11. Status Report on Forecast 2040**

Michael Morris, Director of Transportation, introduced Dan Kessler, Assistant Director of Transportation, who briefed the Board on Forecast 2040 development, now in the final stages of review by local governments and partner agencies. He explained that the forecasts for the 12-county Metropolitan Planning Area are updated

every four years and are used to guide the development of the region's Metropolitan Transportation Plan, as well as other regionwide, county, and municipal planning initiatives.

**MISCELLANEOUS:**

**Item 12. Old and New Business**

Mike Eastland, Executive Director, explained that the date for General Assembly had been changed to Thursday, June 18, 2015 to accommodate the celebration of Juneteenth, a holiday that commemorates the announcement of the abolition of slavery in the state of Texas.

**Item 13. Attendance and Calendar**

The Board was provided with a Calendar of meetings and a record of attendance.

President Wilemon adjourned the meeting at 2:53 pm.

Approved by:

Checked by:

---

Kathryn Wilemon  
President, North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

---

Mike Eastland, Executive Director  
North Central Texas Council of Governments



**North Central Texas Council of Governments**

**TO:** Mike Eastland  
Executive Director

**DATE:** February 18, 2015

**FROM:** Monte Mercer  
Deputy Executive Director

**SUBJECT:** Resolution to Accept and Approve the Comprehensive Annual Financial Report for Fiscal Year 2014

North Central Texas Council of Governments' (NCTCOG) Comprehensive Annual Financial Report (CAFR), single audit reports, and the accompanying independent auditor's report for fiscal year ended September 30, 2014, are presented for acceptance to the Executive Board. Representatives from NCTCOG's independent auditing firm, Weaver & Tidwell, LLP, will be available to review the reports with Board members.

The Executive Board Audit Committee will have met with NCTCOG staff and audit firm representatives prior to the Executive Board meeting to review the reports.

I will be available to answer any questions at the Executive Board Meeting.

MM:mdm

**RESOLUTION TO ACCEPT AND APPROVE THE  
COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR  
FISCAL YEAR 2014**

**WHEREAS**, the North Central Texas Council of Governments' Comprehensive Annual Financial Report along with single audit reports for fiscal year ended September 2014 are hereby submitted as audited by independent auditing firm Weaver & Tidwell, LLP; and,

**WHEREAS**, the Audit Committee of the Executive Board and the Executive Board have reviewed the documents;

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** The North Central Texas Council of Governments' Executive Board hereby accepts the Comprehensive Annual Financial Report along with single audit reports for fiscal year 2014.

**Section 2.** This resolution shall be in effect immediately upon its adoption.

---

Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

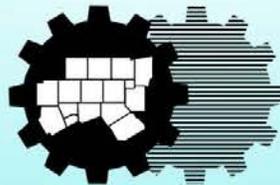
I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

---

Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth

# **Comprehensive Annual Financial Report**

**Fiscal Year Ended September 30, 2014**

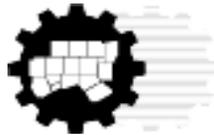


**North Central Texas Council of Governments**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Executive Director**

Mike Eastland



**Deputy Executive Director**

Monte Mercer, CPA

***PREPARED BY  
DEPARTMENT OF ADMINISTRATION***

Shannan Ramirez, Chief Accounting Officer  
Richard Michael, Budget / Financial Reporting Manager  
Maggie Lira, CPA – Accounting Manager  
Molly Rendon, Assistant Director of Finance  
Randy Richardson, CPA - Workforce Fiscal Manager

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
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**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
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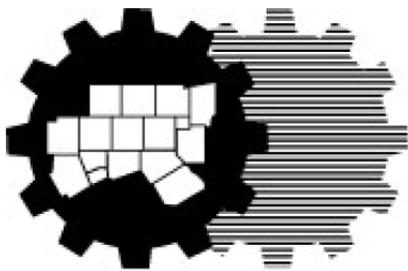
**III. STATISTICAL SECTION**

**PAGE**

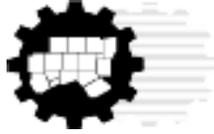
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# Introductory Section





**North Central Texas  
Council of Governments**



## North Central Texas Council of Governments

The Executive Board  
North Central Texas Council of Governments  
Arlington, Texas

February 13, 2015

### Members of the Executive Board:

The Comprehensive Annual Financial Report of the North Central Texas Council of Governments (NCTCOG, 'the Council' or 'the Agency') for the fiscal year ended September 30, 2014, is hereby submitted. This report was prepared for the Agency by NCTCOG's Department of Administration. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Agency. To the best of our knowledge and belief the enclosed data is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of NCTCOG as measured by the financial activity of its various funds. We believe that all disclosures necessary to enable the reader to gain the maximum understanding of the Council's financial affairs have been included.

The Comprehensive Annual Financial Report (CAFR) includes the Management Discussion and Analysis (MD&A) within the financial section immediately following the independent auditor's report. The MD&A is a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

NCTCOG is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations." Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and other independent auditor's reports on the single audit, are included with this report and can be found at the end of the report.

The Financial Section described above is prepared in accordance with Generally Accepted Accounting Principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB) and other professional associations as applicable.

### **Organizational Profile**

The NCTCOG is a voluntary association of cities, counties, school districts, and special districts within the 16-county North Central Texas region. NCTCOG was established in January 1966, authorized by State enabling legislation (Chapter 391 – Local Government Code), to assist local governments in planning for common needs, cooperating for mutual benefit and coordinating for sound regional development. The 16-county region for NCTCOG was designated by the Governor's Office of the State of Texas.

The Agency is an organization of, by, and for local governments. Its purpose is to strengthen both the individual and collective power of local governments – and to help them recognize regional opportunities, resolve regional problems, eliminate unnecessary duplication, and make joint regional decisions – as well as to develop the means to assist in the implementation of those decisions. The NCTCOG is governed by a general assembly composed of one voting representative from each of the 237 member governments and the Executive Board, which is composed of 13 local officials elected by the General Assembly.

North Central Texas consists of a 16-county metropolitan region centered around the cities of Dallas and Fort Worth. It has a population of over 6.8 million, which is larger than 30 states, and an area of 12,800 square miles, which is larger than nine states. NCTCOG's 238 member governments are comprised of 16 counties, 165 municipalities, 24 independent school districts, and 33 special purpose districts.

The Council's functional activities include responsibilities in the following areas – community services comprised of criminal justice planning, aging, the regional training center, regional law enforcement training and 9-1-1, emergency preparedness, environment & development, research and information services, transportation, and workforce development.

### **Economic Condition and Outlook**

NCTCOG's regional population increased by approximately 88,890 persons during 2013 for a January 1, 2014 total estimated population of 6.8 million.

The December 2014 unadjusted unemployment rate for the 16 county NCTCOG region was 4.5%, which was slightly below the Texas rate of 4.6% and well below the comparable national figure of 6.2%.

Despite the economic concerns of the last few years, NCTCOG expects there to be more than 10 million people and over 6 million jobs in the area by 2040. The Region's relatively low cost of living, central location, transportation hubs, good business climate, favorable weather, and quality schools make it a competitive area nationally for business relocations. Migration, both from within the U.S. and internationally, is expected to continue to drive growth in North Central Texas well into the future.

### **New Initiatives**

#### **Transportation (TR)**

During FY2014, NCTCOG was awarded \$210,000 from the United States Department of Transportation (US DOT) through the Transportation Investment Generating Economic Recovery (TIGER VI) Discretionary Grant Program for the Land Use-Transportation Connections for Sustainable Schools planning project. The goal of the planning project is to develop a regional working group and implementation plan to promote multimodal transportation options to schools, advance long-term planning for school siting, improve transportation safety near schools, and encourage coordination between local governments, independent school districts, and transit agencies within the 12-county Metropolitan Planning Area.

NCTCOG initiated the Regional Bicycle and Pedestrian Monitoring Program, a long-term effort to collect non-motorized traffic volume data at various locations throughout the Dallas-Fort Worth area. Permanent and mobile counting equipment was purchased and installed at strategic locations in Collin, Denton and Tarrant Counties. Initial count locations are targeting

key bicycle and pedestrian corridors that provide access to transit, schools, and employment centers, making it easier to identify how many people are using these facilities. The program will obtain new baseline data for uses such as trend analysis, updating air quality calculations for active transportation facilities, and to help identify non-motorized commuting patterns in the region. Various local governments have expressed a desire to participate in this regional program for data collection and analysis.

NCTCOG in partnership with the City of Cedar Hill was competitively selected by Smart Growth America to receive one of the organization's 2014 Smart Growth Technical Assistance awards. The program was made possible through a five-year Building Blocks for Sustainable Communities grant from the U.S. Environmental Protection Agency's Office of Sustainable Communities. NCTCOG and the City of Cedar Hill had, through previous efforts, created a transit-oriented development (TOD) plan for the site of a downtown future transit stop that recommended a new zoning code. The goal of the technical assistance, which included a public meeting and all-day workshop led by industry experts, was to provide tools and strategies to create a form-based code that reflects the community's vision of developing its City Center TOD area into a mixed-use, walkable, transit-oriented destination. NCTCOG plans to leverage the best practices and strategies identified through this program by developing similar tools and assisting other small cities and regional partners in similar efforts.

NCTCOG contracted with the Texas Transportation Institute to perform an assessment on the viability of Vehicle Occupancy Detection (VOD) technology. The assessment included the development of a technology assessment test plan, preparation of the technology assessment and documentation of the technology test results.

In 2014, NCTCOG partnered with the MLB American League Texas Rangers to implement improvements to the parking lot located at the southwest corner of the IH 30 Frontage Road and AT&T Way in Arlington, thus allowing the region to utilize the location as a park-and-ride lot for the corridor. The improvements included lighting, signage, striping, providing short sections of sidewalks, and improvements to median openings. As part of the partnership, the North Central Texas Council of Governments funded the improvements in the amount of \$200,000 for the use of the park-and-ride lot for commuter parking.

Also, there were many new and changed Federal Transit Administration programs introduced in 2013 that began to be implemented in 2014, including the Bus and Bus Facilities Program. The program provides funding to maintain and replace capital equipment and facilities for existing bus services. Approximately \$12 million in federal funds were awarded during the fiscal year for the new program. NCTCOG staff coordinated with key stakeholders to develop a funding allocation method and establish roles and responsibilities for the new program. In addition, NCTCOG staff began three key planning and service initiatives in FY2014 to support local transit agencies: 1) the Fort Worth Transportation Authority 20-year system plan, 2) a taxi voucher program for older adults and people with disabilities in Collin County and 3) Texoma Area Paratransit System (TAPS) was added as a Federal Transit Administration subgrantee to provide transit service to the general public in the urbanized portions of Collin County.

In addition, NCTCOG received \$175,000 from the Texas Commission on Environmental Quality (TCEQ) to continue work under the TCEQ Air Quality Division Cooperative Reimbursement Contract for State Agencies and Local Governments, executed October 20, 2011. This work included Production of Dallas-Fort Worth Area Link-Based On-Road Emission Inventories with MOVES2014 for 2018, development of Dallas-Fort Worth Motor Vehicle Emissions Simulator 2014 (MOVES2014)-Based Reasonable Further Progress (RFP) On-Road Inventories and

Control Strategy Reductions, and preparations for Dallas-Fort Worth On-Road Emissions Inventories to Support 1997 Eight-Hour Redesignation. The inventories will be used to support Dallas-Fort Worth State Implementation Plan analysis, planning, and development. The inventories will include consideration of the requirements for transportation conformity.

The 2014 Transportation Conformity Analysis was conducted for Mobility 2035: The Metropolitan Transportation Plan for North Central Texas – 2014 Amendment and 2015-2018 Transportation Improvement Program for North Central Texas. This analysis demonstrates consistency between emissions expected from the implementation of transportation plans and programs and Motor Vehicle Emission Budgets in the applicable State Implementation Plan.

### **Community Services (CS)**

#### *Criminal Justice Planning*

In fiscal year 2014 the Criminal Justice Program focused its efforts on meeting the “Contract for Services” requirements with the Office of the Governor’s Criminal Justice Division. As a result, technical and operational assistance was provided to more than 120 public and private agencies for new and continuation criminal justice projects, grant application workshops, preparation of grant applications, strategic planning efforts, and to meet the administrative requirements of the Criminal Justice Division.

The Criminal Justice Program assisted in the close-out of the Law Enforcement Analysis Portal (LEAP) project due to the expiration of the NCTCOG LEAP contract in August 2014. Support was provided to the LEAP Advisory Committee to ensure a seamless transfer of the LEAP program from NCTCOG to the new provider entities.

#### *Aging Services*

The Aging program experienced modest increases (2%) in federal and state funding during fiscal year 2014, following an unprecedented reduction during fiscal year 2013. However, such increases were not sufficient to keep pace with the service area’s explosive population growth among older adults. As a result, the program continued to employ restrictive criteria for its in-home services (e.g., homemaker, residential repair, and respite), targeting those at risk of premature institutionalization.

To expand capacity of its residential repair program, Aging applied for and received Housing Bond funds from DADS that allowed it to build an additional 30 wheelchair ramps during Fiscal Years 2014 and 2015.

Through its nursing home relocation program and Aging and Disability Resource Center (ADRC), Aging served persons of all ages with disabilities. ADRC program funding increased from \$144,830 in 2013 to \$272,344, which made possible the addition of two part-time case managers. ADRC staff are funded through the Medicaid Balancing Incentive Program, with primary responsibilities of helping Medicaid-eligible consumers access community-based long-term services and supports as alternatives to institutional care.

Aging continued to expand its evidence-based health prevention and promotion programs. During fiscal year 2014 it added to its suite of programs Diabetes Self-Management and Stress-Busting for Family Caregivers. In addition, it increased the number and geographic reach of its fall prevention and chronic disease self-management classes.

### *The Regional Training Center (RTC)*

The Regional Training Center (RTC) held 62 classes in the 2013-2014 fiscal year and served over 1,300 participants. This included 30 Texas Commission on Environmental Quality (TCEQ) sanctioned water/wastewater classes and four Storm Water Pollution Prevention during Construction classes. The Storm Water classes are offered in collaboration with NCTCOG's Environment & Development Department.

The water and wastewater operator classes offered by the center are completed by individuals pursuing or renewing Class B, C, or D water and wastewater licenses. In addition to offering classes, the Regional Training Center continues its contracted support of the Texas Commission on Environmental Quality through hosting TCEQ staff for conventional testing as well as serving as a test site for computer-based license exams.

The Training Center also hosted classes in the areas of code enforcement, planning & zoning, and several records management topics. Additionally, a variety of customer service, supervisory, and leadership training classes were hosted both at NCTCOG and at offsite locations.

Through a partnership with the University of North Texas' Center for Public Management, the Center offered seven two-day Public Funds Investment Act training which is required for all public finance and investment officers in the State of Texas. Approximately 250 participants received their certificates of completion for this training course during the fiscal year.

In cooperation with NCTCOG's Transportation Department, the Center hosted five Freeway Incident Management courses for First Responders & Managers that consisted of over 130 participants from a variety of agencies. Also in cooperation with the Transportation department, classes were offered covering GIS topics, form-based codes, and community outreach strategies.

### *Regional Law Enforcement Training*

During 2014, the Regional Police Academy conducted Five Basic Peace Officer Courses and graduated 123 new law enforcement officers from throughout the NCTCOG region. The Regional Police Academy conducted more than 90 law enforcement training courses for in service officers providing 127,675 contact hours of training to 1,221 law enforcement officers.

### *9-1-1*

The NCTCOG 9-1-1 Program continues the journey to Next Generation 9-1-1. Text to 9-1-1 was implemented throughout the entire region with the four major wireless carriers (Verizon, Sprint, T-Mobile and AT&T). NCTCOG was the first in the state of Texas and fifth in the nation to implement this interim texting solution. Participation was voluntary by the PSAPs (Public Safety Answering Points) and the carriers based on an agreement negotiated among the carriers, the National Emergency Number Association and the Association for Public Safety Communications Officers.

NCTCOG has implemented numerous projects this year, both technically and operationally. A virtualization project enhanced our services and efficiency this year. Planning is in the works to transition from the state database platform through Intrado to a hosted solution at Greater Harris County 9-1-1 District utilizing DataMaster software. This project will enhance our position in Next Generation 9-1-1 through collaboration with 9-1-1 Districts in the state. We have the opportunity to leverage capital investments made by Greater Harris County and infrastructure that they will maintain. This transition will occur in 2015. NCTCOG also planned and worked

through technical bugs for implementing a new Mapped ALI platform (GIS mapping software in the PSAPs). GeoComm has successfully passed acceptance testing and full implementation should occur in the first quarter of 2015.

The NCTCOG 9-1-1 staff has continued to improve our planning and documentation process and will be purchasing project management software in 2015. Improvement of staff structure has been a focus of 2014 and we will see some new positions and structure enhancements in 2015.

### **Emergency Preparedness (EP)**

**Regional Emergency Preparedness Program (REPP) Member Program:** In 2014, the North Central Texas Regional Emergency Preparedness Program (REPP), managed by the Emergency Preparedness Department, continued to meet stakeholder needs through advocacy, planning assistance, training, program management and support services. Specialized programs and events, including an Integrated Weather Team workshop, local training and exercise support, management of the CASA weather radar project, and the Public Works Emergency Response Team were all made possible, in whole or part, through the REPP. In addition, facilitation of regional subject matter working groups is also supported.

**Citizen Corps Program:** Citizen preparedness, training, and education were supported by \$43,890 in Homeland Security Grant funds appropriated to NCT (North Central Texas) Citizen Corps programs for use in 2014. The funds helped to sustain citizen volunteer programs such as Community Emergency Response Teams (CERT), Volunteers in Police Service (VIPS) and Fire Corps. Program members served NCT in skilled emergency support roles such as wide area search, damage assessment, triage, and first responder rehab.

**Mitigation Program-Hazardous Mitigation Grant Program (HMGP) and Pre-Disaster Mitigation (PDM) Projects:** The Emergency Preparedness Department supported hazard mitigation planning for fourteen of sixteen NCT counties in 2014. Mitigation planning helps communities by identifying hazards and developing mitigation actions to reduce or eliminate vulnerability to those hazards. Once approved and adopted, the Hazard Mitigation Action Plans (HazMAPs) will allow participating jurisdictions to be eligible for future mitigation funding.

**Safe Room Project:** In July 2013, the NCTCOG Emergency Preparedness Department received \$1,395,000 to administer the Individual Safe Room Rebate Program in Collin, Dallas, Denton, and Tarrant counties. Due to overwhelming response and an ensuing waitlist of over 9,400 individual applicants, in October 2013 the EP Department was granted an additional \$930,000 to expand the program to all sixteen NCT counties. In 2014, the grants resulted in 294 individual safe room awards totaling \$820,225. Additional safe rooms will be awarded in 2015. The department will continue to seek additional funding as opportunities arise. Waitlisted applicants will be notified of future rebate opportunities should additional funding be obtained.

**Collaborative Adaptive Sensing of the Atmosphere (CASA WX) Member Program:** The Emergency Preparedness Department continued to explore financial support for the relocation of the Collaborative Adaptive Sensing of the Atmosphere (CASA WX) test bed to the Dallas Fort Worth area (DFW demonstration network). The fourth radar in the network was installed in Johnson County in August 2014.

The Emergency Preparedness department continues to manage the CASA WX membership program. Membership dues assessed are based on jurisdictional population. Local jurisdictions that opt for membership in the CASA WX program gain access to the website allowing them to

see CASA WX radar data in their jurisdiction down to the neighborhood level with updates every minute. This information could reduce uncertainty during a critical time and could save lives and property. Membership dues go towards sustaining operational expenses of the radar network.

The department worked with the region both on securing the funding to install and support the network as well as finding locations for future radar host sites within the region. CASA's focus is a new weather observation system paradigm based on low power, low cost networks of radars. CASA would provide more precise user defined weather data that in turn would increase situational awareness at the local level and across the region. This increase in data could enhance decision making during inclement weather.

### **Environment & Development (E&D)**

The overall theme for NCTCOG's environmental resource and development initiatives continues to be Sustainable Environmental Excellence or SEE. SEE is intended to guide NCTCOG's efforts, and ultimately the region's, in regards to planning for the future of this growing and changing area in a collaborative and cost-effective way for the benefit of all North Central Texas. The Department of Environment and Development (E&D) addresses SEE through three different program areas – SEE Less Trash-Solid Waste, SEE Safe Clean and Green-Watershed Management, and SEE Development Excellence.

In the SEE Less Trash program area, the FY 14-15 biennial cycle of the Texas Commission on Environmental Quality (TCEQ) grant was continued, including selection and administration of 20 local government projects totaling approximately \$1,074,000. The Resource Conservation Council's three solid waste goal subcommittees (Time To Recycle, Stop Illegal Dumping and Assuring Capacity for Trash) administered their portions of the Regional Solid Waste Plan document. Six educational/training workshops were offered in fiscal year 2014 and 67 technical assistance requests to local governments were recorded. In addition, 57 responses to inquiries into the status of the Closed Landfill Inventory were handled.

In the SEE Safe, Clean and Green Watershed Management area, meetings with committees, stakeholders and interest groups regarding the region's watersheds continued, with efforts ongoing with the City of Fort Worth to continue a Greenprinting analysis of the Lake Worth watershed. The Trinity River COMMON VISION program completed the integration of updated regulatory mapping and modeling for the Upper Trinity River Corridor into the Corridor Development Certificate (CDC) Manual and Process and processed approximately 6 CDC applications. Coordination of carrying out and evaluating the bacteria Total Maximum Daily Load (TMDL) Implementation Plan entered its first year and the stakeholder outreach effort for the Greater Trinity River Polychlorinated Biphenyls (PCBs) Project was completed.

The Regional Stormwater Management Program continued to support over 55 local participants and provided a variety of products including training workshops, support for four seasonal campaigns, an annual storm water monitoring report, cooperative purchase opportunities, and a stormwater training video related to Illicit Discharge Detection & Elimination (IDDE). The 2014 Water Quality Management Plan for North Central Texas was adopted by NCTCOG and submitted as the annual amended plan for state and federal agency review and consideration.

In SEE Development Excellence, support for the Center of Development Excellence and the 12 Principles of Development Excellence continued. Fifteen presentations were made to local governments and community groups by the Vision North Texas Speakers Bureau, supported by NCTCOG staff. A 2014 Earth Day Water Forum was held on April 25, 2014 in partnership with the US Green Builders Council. The SPROW (Sustainable Public Rights-of-Way) interactive

website was maintained and a SPROW informational workshop was hosted on October 30, 2014. The Integrated Stormwater Management (iSWM) Criteria Manual was updated to emphasize an outcome-based adoption process and a training session was held on Transportation-related Integrated Stormwater Management (TriSWM) issues titled “Water Quality for Street Design.” A regional Public Works Roundup was conducted in Grand Prairie on May 21, 2014 that provided all-day training sessions in many sustainability and public works related topics, and approximately 24 work group meetings were conducted to further the update of the Standard Specifications for Public Works Construction document. Quarterly training sessions continued on Stormwater Pollution Prevention During Construction. A Technical Production Project was completed for the Village Creek watershed in the Lower West Fork Trinity basin as a part of our Cooperating Technical Partner relationship with the Federal Emergency Management Agency (FEMA), and a grant opportunity was approved by FEMA to move forward with detailed flood studies and mapping for a portion of the Bear Creek Watershed in Tarrant County. Additionally, in partnership with FEMA and TFMA (Texas Floodplain Managers Association), Environment and Development again held the “Managing Floodplains through the National Flood Insurance Program” four-day course (December 1-4, 2014) and hosted the TFMA Certified Floodplain Manager (CFM) Exam (December 5, 2014). Staff also facilitated adoption of regional amendments to the 2014 National Electrical Code for construction sectors. In addition, review of the 2012 International Green Construction Code (IgCC) continued.

### **Research and Information Services (RIS)**

The RIS Research Team provides data and analytical support to both internal and external customers. A variety of datasets that are valuable for regional and local planning are developed and maintained. These include:

- A development monitoring program database, which tracks significant structures and other features and now has nearly 24,000 records;
- Current and historical land use layers;
- Various geographic layers including city boundaries, roads, hydrology, and statistical and planning areas;
- Population, household, and employment datasets used for demographic forecasting in conjunction with the Transportation Department;
- Small-area employment information;
- Daytime population estimates; and
- Annual population and housing estimates.

The RIS Information Technology (IT) Team responded to 7,696 officially posted Agency and Workforce support requests. These requests included new computer requests, software management, and network connectivity between 16 sites plus a Mobile Workforce Unit spread across the region for phone and computer access.

The IT Team has continued to assist with the management and operations of several critical enterprise computer environments that support and serve data used throughout the region. These enterprise systems, that include a large number of websites such as NCTCOG.org and DFWMaps.com, provide information to the public and assist in regional planning initiatives.

The IT Team has greatly improved our computing environment and security by upgrading staff computers to Microsoft Windows 7, installing Office 2013, deploying BitLocker Drive Encryption, automating the new user account provisioning process, and implementing AirWatch to securely

manage Agency data on mobile devices. The IT Team also planned and scheduled a major wireless network upgrade and migration of email to Exchange Online with Office 365 that will continue in the upcoming year. Additionally, the IT Team enhanced our enterprise GIS environment by remotely installing ArcGIS 10.2 and implementing improved license management tools. IT continues to implement advanced communication and collaboration tools that allow for enhanced communication across the region. Among these systems is a Microsoft SharePoint environment that allows for collaboration on content with staff across the region and KnowledgeLake software for improved content management and workflow.

The RIS Information Security (IS) team reviews new Information Technology projects to ensure that threats to the confidentiality, integrity, and availability of enterprise systems and data are identified and risks are appropriately mitigated. The IS team also works to find and mitigate previously unidentified risks in existing systems by reviewing system logs and auditing access controls. The IS team looks to improve the ease-of-use of security technologies, while at the same time update or add to their functionality and effectiveness. In addition to technological improvements to the Agency's security posture, IS continues to educate employees on the importance of adhering to security policies and continues to inform employees about current threats and safe computing practices. This is achieved through new employee orientation sessions, e-mail alerts, and monthly newsletters.

**Workforce Development (WF)**

Board staff is actively engaged in a number of projects and initiatives beyond the scope of our Workforce Investment Act (WIA) activities and contract management.

Workforce Solutions for North Central Texas is dedicated to helping job seekers prepare for the workforce. Through the Workforce Investment Act (WIA), we are able to provide funding to individuals to gain the skills necessary for high-growth, in-demand occupations leading to successful careers.

**Workforce Performance, Employer and Job Seeker Services**

The DFW Metroplex is home to the headquarters of 18 Fortune 500 companies and over 49,000 employers. From October 1, 2013 to September 30, 2014 the North Central Texas Workforce Area had an average yearly unemployment rate of 5%. This year over 41,000 unemployment claimants were put back to work.

**2014 by the Numbers**

106,892	Job Seekers Served from October 2013 – September 2014
7,566	Employers Receiving Workforce Assistance October 2013 – September 2014
5,791	Average Children Served per day from October 2013 - September 2014
65,574	Job Seekers Entering Employment after exiting September 2013
5,931	Job Openings filled from openings created January 2013 – December 2013
3,044	Individuals were served in our Mobile Workforce Unit from October 2013 – September 2014

In 2014, Workforce Solutions for North Central Texas provided training to 838 individuals and served over 92,000 job seekers. Below is a breakdown for each county we serve.

<i>County</i>	<i>Unique Customer Visits</i>	<i>Individuals Trained</i>	<i>Training Expenditures</i>
<i>Collin &amp; Rockwall</i>	21,768	189	727,016.21
<i>Denton &amp; Wise</i>	11,888	184	908,428.84

<i>Ellis</i>	12,486	110	521,643.23
<i>Erath</i>	3,026	25	62,631.04
<i>Hood &amp; Somervell</i>	4,101	33	73,054.90
<i>Hunt</i>	6,530	51	232,972.74
<i>Johnson</i>	8,287	96	236,781.16
<i>Kaufman</i>	6,712	47	126,344.84
<i>Navarro</i>	8,005	39	138,693.67
<i>Parker &amp; Palo Pinto</i>	6,847	64	145,189.86
<i>Mobile Workforce Unit</i>	3,044	N/A	N/A
<i>Total</i>	92,694	838	3,172,756.49

This year the Texas Workforce Commission certified that Workforce Solutions for North Central Texas met all the criteria for oversight capacity in 2014. Quality assurance staff continue to develop and deploy strategies to increase monitoring effectiveness, while also increasing efficiency. Diligent review of contractor services provides a full circle view from the customer entering a workforce center to the resulting contract performance. As a continuous improvement environment, quality assurance plays a key role in providing timely feedback for critical business decisions.

#### **Veterans Strategic Initiative**

In an effort to better assist our employers to recruit, hire and retain veterans, Workforce Solutions for North Central Texas and the Texas Veterans Commission began working together to discuss ways we could enhance our current service delivery model. In February 2014 we formed the Veterans Strategic Committee.

The committee conducted a survey of 326 employers in the region and asked them “Would you be interested in additional information on how to better recruit, hire and retain veterans within your organization?” The survey responses were overwhelming with more than a 73% of the employers surveyed indicating a desire for additional information.

In March 2014 the Veterans Strategic Committee began hosting a series of small, informal information sessions with local employers and veteran’s service organizations considered “Subject Matter Experts” in working with the veteran population. The processes and best practices documented from the participants provided insight on how we can improve our current service delivery model and provide valuable ideas to employers who want to hire veterans.

In November 2013, in partnership with the Dallas and Tarrant County Workforce Boards the 2nd annual Hiring Red, White and You! Veterans Job Fair was held at the Texas Rangers Ballpark in Arlington. The goal of this job fair is to connect Texas veterans and their spouses with employers who value the experience, discipline and other exceptional qualities inherent with a military background. 190 local employers in the DFW Metroplex attended the event with thousands of available positions. In the first 2 years, RWY has connected more than 21,000 veterans with over 3,000 employers and resulted in an estimated 3,500 jobs created.

#### **Skills Development Fund and Community Partnerships Initiatives**

The Skills Development Fund is Texas' premier job-training program providing local customized training opportunities for Texas businesses and workers to increase skill levels and wages of the Texas workforce. The Texas Workforce Commission administers funding for the program. Success is achieved through collaboration among businesses, public community and technical colleges, Workforce Development Boards and economic development partners.

The Skills Development Fund grants have served as a way of introducing ourselves and establishing relationships which opened the doors for us to become further involved in the business and development of the community. As of September 30, 2014 Workforce Solutions for North Central Texas has partnered with 7 colleges within our region bringing in over 4.7 million dollars in Skills Development Fund grants and training more than 3,200 new and incumbent workers.

### **Advancements in Technology**

#### **Data Strategy Initiative**

In 2014, Workforce Solutions for North Central Texas entered into an agreement with Gradient Solutions to design and implement a focus driven data strategy initiative. The Data Strategy Project is designed to identify a foundation for implementing long-term data analytics programs that recognize key process areas where improvement is needed and create a solution that best fits our organization. The process is specifically designed to enable the conversion of prioritized data into meaningful information for analysis, operations, reporting, planning, data sharing, and business decision making purposes in a more efficient and uniform manner.

#### **SAM Systems Access Manager**

The Data Management Group implemented the use of the Systems Access Manager (SAM) Database in early 2014. The SAM Database is a web-based database application utilized to manage access requests to various workforce applications. SAM is designed to streamline communications and to electronically record the various transactions pertaining to the authorization, issuance, and the management of systems/applications access privileges given to staff. Additionally, SAM functions as a paperless system to store information security documents completed by all staff on an annual basis.

### **Workforce Solutions for North Central Texas Recognitions**

#### **DOL Recognition TEGL 3-14: Implementing a Job-Driven Workforce System**

In Training and Employment Guidance Letter (TEGL)3-14, the U.S. Department of Labor (USDOL) recognized Workforce Solutions for North Central Texas and the Regional Workforce Leadership Council (RWLC) in one of five examples of how partnerships between the public workforce system, employers, education, economic development and others reflect the job-driven elements central to the new Workforce Innovation and Opportunities Act (WIOA)and lead to coordinated, seamless services for job seekers and employers.

#### **TEDC with PECOFacet and Weatherford College “Workforce Excellence Award”**

Workforce Solutions for North Central Texas, in partnership with Weatherford College and PECOFacet, was awarded the Workforce Excellence Award at the 2014 Texas Economic Development Council’s mid-year conference held in San Antonio, Texas. The Workforce Excellence Award recognizes exceptional contributions by a Texas community that has implemented successful workforce initiatives.

#### **GE Transportation Employer of the Year Finalist**

The Texas Workforce Commission (TWC) announced GE Transportation as a finalist for the 2013 Texas Workforce Solutions Employer of the Year Award. Five finalists were chosen from among 25 private-sector employers who were nominated by their Local Workforce Development Boards for their contributions to the community’s workforce through innovation and collaboration with the Texas workforce system. The nominated employers exemplify TWC’s mission of promoting and supporting an effective workforce system that offers employers, individuals and communities the opportunity to achieve and sustain economic prosperity.

### Mobile App Recognition from TWC

Workforce Solutions for North Central Texas was recognized at the 17th Annual Texas Workforce Conference held December 2013 in San Antonio, TX by the Texas Workforce Commission (TWC) for going above and beyond a board's responsibilities by providing TWC with the funding to develop a mobile-friendly version of its online job-matching website, WorkInTexas.com.

### Achievement of Excellence in Procurement

In July 2014, in partnership with North Central Texas Council of Governments, we received for the 4th consecutive year our Achievement of Excellence in Procurement® (AEP) award from the National Procurement Institute, Inc. (NPI). The AEP award was established by NPI in 1995 and recognizes organizational excellence in public procurement. The criteria is designed to measure innovation, professionalism, productivity, e-procurement, and leadership attributes of the procurement organization. We were one of only 46 government agencies in Texas and one of only 31 special districts in the United States to receive the award.

### Factors Affecting Financial Condition

As a recipient of federal, state, and local government financial assistance, NCTCOG is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management. NCTCOG staff continues to evaluate internal controls and implement recommendations to strengthen controls and minimize risk.

In 2014 NCTCOG engaged with the assurance division of Weaver to perform an independent evaluation of the accounting internal control design. The last evaluation was performed in 2008. This evaluation of the current control environment utilized the updated Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework and control guidance, incorporated changes due to upgrade of the Costpoint Enterprise resource planning (ERP) system as well as followed up on changes made in response to the 2008 evaluation. The evaluation concluded that there were no high risk points for consideration.

In developing and evaluating the Council's accounting system, consideration is given to the adequacy of internal control. Internal control is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability or assets. The concept of reasonable assurance recognized that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. It is believed that NCTCOG's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As part of NCTCOG's single audit, tests are made to determine the adequacy of internal control including that portion related to federal financial assistance programs, as well as to determine that NCTCOG has complied with applicable laws and regulations. The results of the single audit for the fiscal year ended September 30, 2014, provided no instance of material weaknesses in internal control or significant violations of applicable laws and regulations.

NCTCOG's annual budget is a management tool that assists in analyzing financial activities during the fiscal year. The annual budget is reviewed and formally adopted by the Executive

Board prior to the beginning of the fiscal year. The approved annual budget is used as a control device for the General Fund while individual grant contracts are used as the control device within the Special Revenue Funds. NCTCOG's fiscal year 2015 budget is approximately 83% grant funding and as new funding opportunities arise throughout the year, they are presented to the Executive Board for approval.

### **Other Information**

***Independent Audit*** - NCTCOG's Work Program is funded by a variety of federal, state, and local government sources. Most of the funding is received through grants, which include audit requirements. In addition to the audit requirements for individual grants, NCTCOG is required by its bylaws to have an annual audit made of the books of accounts, records, and all transactions by a Certified Public Accountant selected by and responsible to NCTCOG's Executive Board. The firm of Weaver and Tidwell, L.L.P. performed this year's audit.

NCTCOG has received a single financial and compliance audit each year since 1980. This year, NCTCOG's auditors are issuing a report in compliance with A-133 to the U.S. Department of Transportation (NCTCOG's federal oversight agency) and the Texas Department of Transportation (NCTCOG's state oversight agency). In addition, the state now requires a single audit of the state funded grants.

***Certificate of Achievement*** - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Central Texas Council of Governments for its comprehensive annual financial report for the fiscal year ended September 30, 2013. This was the fifteenth consecutive year that NCTCOG has achieved this prestigious award. In order to be awarded the Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believed that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements. It is NCTCOG's intention to submit this year's report to determine its eligibility for another certificate.

***Acknowledgments*** - The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Administration. Appreciation is expressed to the members of the Department who assisted and contributed to its preparation. The Executive Board is also commended for their interest and support in planning and conducting the financial operations of NCTCOG in a responsible and progressive manner.

Acknowledgment is also given to the representatives of Weaver & Tidwell, L.L.P. for their invaluable assistance in producing the final document.



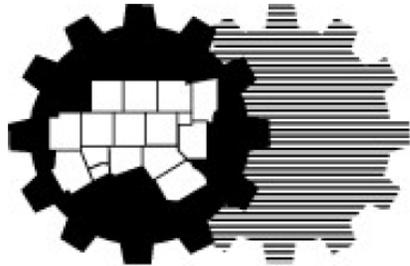
Mike Eastland  
Executive Director



Monte Mercer, CPA  
Deputy Executive Director



Shannan Ramirez  
Chief Accounting Officer



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For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2013**

Executive Director/CEO

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Hunt County

Secretary-Treasurer  
**Daniel Scarth**  
Councilmember  
City of Fort Worth

Past President  
**Steve Terrell**  
Mayor  
City of Allen

Director  
**Clay Jenkins**  
County Judge  
Dallas County

Director  
**B. Glen Whitley**  
County Judge  
Tarrant County

Director  
**Keith Self**  
County Judge  
Collin County

Director  
**Vonciel Jones Hill**  
Councilmember  
City of Dallas

Director  
**Dr. Larry Marshall**  
Councilmember  
City of Benbrook

Director  
**Tom Lombard**  
Councilmember  
City of North Richland Hills

Director  
**Laura Maczka**  
Mayor  
City of Richardson

Director  
**Kevin Strength**  
Mayor  
City of Waxahachie

Director  
**Laura Wheat**  
Mayor  
Town of Westlake

Ex Officio Member  
**Toni Rose**  
State Representative

Executive Director  
**R. Michael Eastland**

General Counsel  
**William P. Remington**

**ADMINISTRATIVE STAFF**

Deputy Executive Director  
**Monte Mercer**

Director of Transportation  
**Michael R. Morris**

Director of Emergency Preparedness  
**Molly Thoerner**

Director of Aging Programs  
**Doni Green**

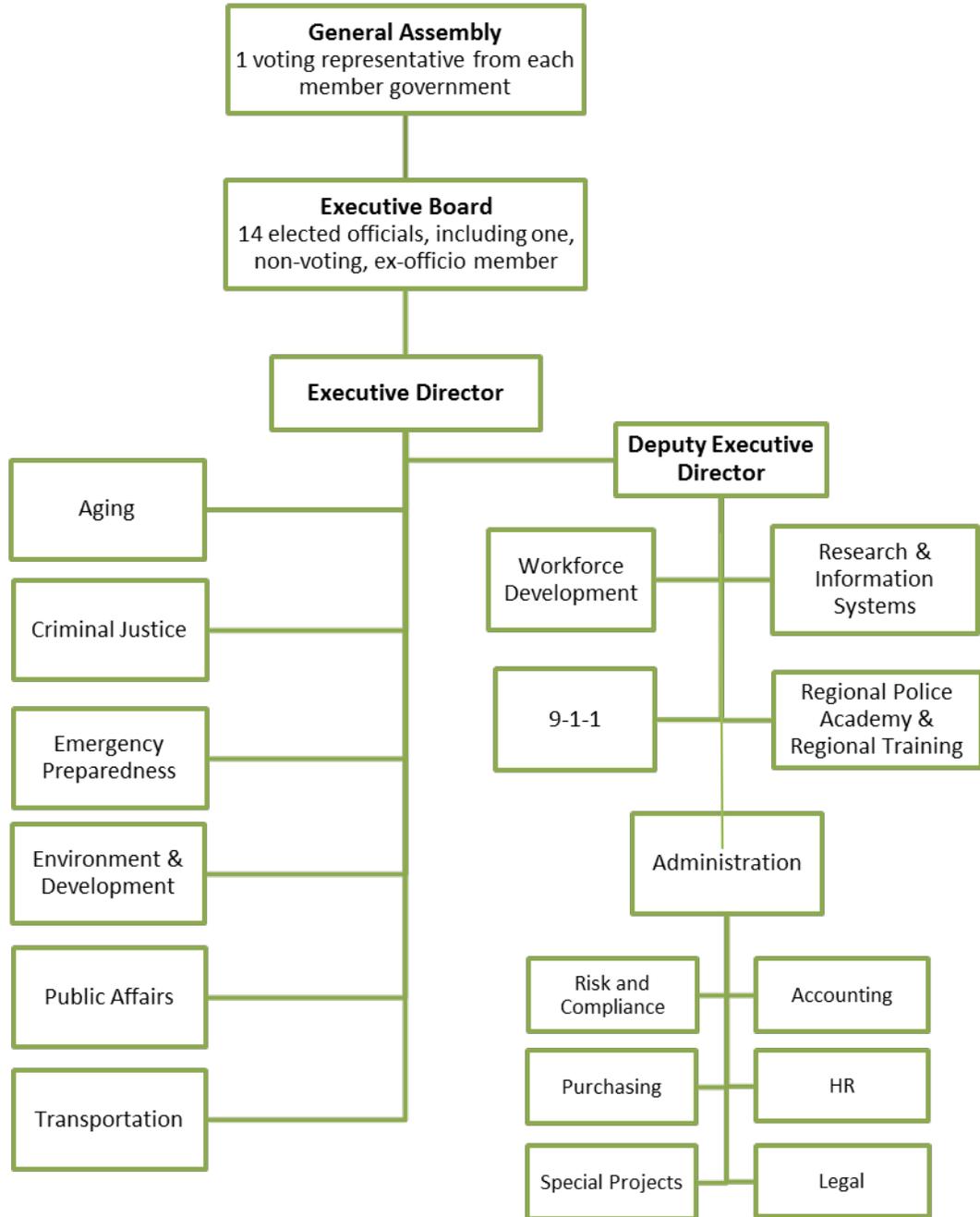
Director of Research and Information Services  
**Tim Barbee**

Director of Environment and Development  
**Edith Marvin**

Director of Workforce Development  
**David Setzer**

Director of 911  
**Christy Williams**

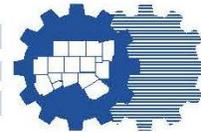
# Organizational Chart North Central Texas Council of Governments



## Mission Statement

**We** are an association of, by, and for local governments. We assist our members in planning for common needs, cooperating for mutual benefit, and recognizing regional opportunities for improving the quality of life in North Central Texas.

North Central Texas Council of Governments



## Values:

REGIONALISM  
\*\*\*\*\*

**We believe** regionalism is the cornerstone of our existence, and that our unique regional perspective provides us the vantage point to address issues that extend beyond traditional boundaries. It is our goal to be the catalyst for building consensus from diverse viewpoints and maximizing regional unity.

GOVERNANCE  
\*\*\*\*\*

**We feel** that policy decisions are best made by the level of government closest to the people. Therefore, we directly involve local governments in our decision-making process, which is made up of an executive board of local elected officials and regional citizens with support from numerous study, technical, and policy committees.

SERVICE  
\*\*\*\*\*

**We seek** to provide high quality service to our members. Our charge is to work with our local governments and other service providers to identify the most useful and beneficial plans, services, and products to satisfy their needs, and, then, to provide them in a courteous and timely manner.

EMPLOYEES  
\*\*\*\*\*

**We value** our employees and respect both individual excellence and dedicated teamwork. We support the principles of professional development, fair and consistent personnel practices, and competitive compensation.

ETHICS  
\*\*\*\*\*

**We maintain** the highest standards of professional integrity in providing competent, technically sound products and services. Honesty and impartiality are minimum standards for all our dealings with our members, the general public, other agencies, and each other.

INNOVATION  
\*\*\*\*\*

**We recognize** that our members are best served by our ability to anticipate the consequences of dynamic change. We, therefore, will help local governments find innovative solutions to both existing and future challenges facing North Central Texas.



**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MEMBER GOVERNMENTS (238)**

**Counties (16)**

Collin  
Dallas  
Denton  
Ellis  
Erath  
Hood

Hunt  
Johnson  
Kaufman  
Navarro  
Palo Pinto  
Parker

Rockwall  
Somervell  
Tarrant  
Wise

**Cities (165)**

Addison  
Aledo  
Allen  
Alvarado  
Alvord  
Angus  
Anna  
Annetta  
Argyle  
Arlington  
Aubrey  
Aurora  
Azle  
Balch Springs  
Bartonville  
Bedford  
Benbrook  
Blooming Grove  
Blue Mound  
Blue Ridge  
Bridgeport  
Burleson  
Caddo Mills  
Carrollton  
Cedar Hill  
Celina  
Cleburne  
Colleyville  
Combine  
Commerce  
Coppell  
Copper Canyon  
Corinth  
Corsicana  
Crandall  
Cross Timbers  
Crowley  
Dallas  
Dalworthington Gardens  
Decatur  
Denton

DeSoto  
Dish  
Double Oak  
Dublin  
Duncanville  
Edgecliff Village  
Ennis  
Euless  
Everman  
Fairview (Collin)  
Farmers Branch  
Farmersville  
Ferris  
Flower Mound  
Forest Hill  
Forney  
Fort Worth  
Frisco  
Garland  
Glenn Heights  
Glen Rose  
Gordon  
Graford  
Granbury  
Grand Prairie  
Grandview  
Grapevine  
Greenville  
Hackberry  
Haltom City  
Haslet  
Heath  
Hickory Creek  
Highland Park  
Highland Village  
Hudson Oaks  
Hurst  
Hutchins  
Irving  
Italy  
Josephine

Joshua  
Justin  
Kaufman  
Keene  
Keller  
Kemp  
Kennedale  
Kerens  
Lake Bridgeport  
Lake Dallas  
Lake Worth  
Lakewood Village  
Lancaster  
Lavon  
Lewisville  
Little Elm  
Lucas  
Mabank  
Mansfield  
McKinney  
McLendon-Chisholm  
Melissa  
Mesquite  
Midlothian  
Milford  
Millsap  
Mineral Wells  
Murphy  
Newark  
New Fairview  
New Hope  
Northlake  
North Richland Hills  
Oak Point  
Ovilla  
Pantego  
Paradise  
Parker  
Pecan Hill  
Pilot Point  
Plano

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MEMBER GOVERNMENTS (238)**

**Cities (165) - continued**

Ponder  
Princeton  
Prosper  
Quinlan  
Red Oak  
Reno  
Rhome  
Richardson  
Richland Hills  
Rio Vista  
River Oaks  
Roanoke  
Rockwall  
Rowlett

Royse City  
Runaway Bay  
Sachse  
Saginaw  
Sanger  
Sansom Park  
Scurry  
Seagoville  
Southlake  
Springtown  
Stephenville  
Sunnyvale  
Talty  
Terrell

The Colony  
Trophy Club  
University Park  
Venus  
Watauga  
Waxahachie  
Weatherford  
West Tawakoni  
Westworth Village  
White Settlement  
Willow Park  
Wilmer  
Wolfe City  
Wylie

**School Districts (24)**

Arlington ISD  
Birdville ISD  
Carrollton-Farmers Branch ISD  
Cedar Hill ISD  
Cleburne ISD  
Denton ISD  
Duncanville ISD  
Farmersville ISD

Fort Worth ISD  
Garland ISD  
Grand Prairie ISD  
Greenville ISD  
Hurst-Euless-Bedford ISD  
Irving ISD  
Kaufman ISD  
Lewisville ISD

Mansfield ISD  
Mesquite ISD  
Midlothian ISD  
Plano ISD  
Richardson ISD  
Rockwall ISD  
Terrell ISD  
Weatherford ISD

**Special Districts (33)**

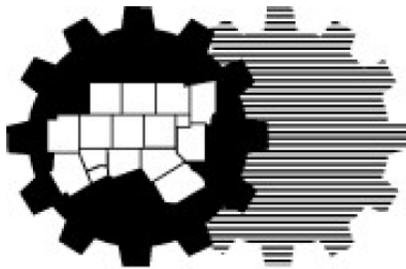
Acton Municipal Utility District  
Area Metropolitan  
Ambulance Authority  
Benbrook Water and Sewer  
Authority  
Central Appraisal District  
of Johnson County  
Collin County Central  
Appraisal District  
Collin County Soil & Water  
Conservation District #535  
Dallas Area Rapid Transit  
Dallas County Community  
College District  
Dallas County Flood  
Control District #1  
Dallas County Park Cities  
Municipal Utility District  
Dallas County Schools  
Dallas County Utility &  
Reclamation District

Dallas County Water Control  
& Improvement District #6  
Dalworth Soil & Water  
Conservation District  
Denton County Fresh Water  
Supply District #1A  
Denton County Fresh Water  
Supply District #6/7  
Denton County Fresh Water  
Supply District #10  
Denton County  
Transportation Authority  
Fort Worth Transportation  
Authority  
Hunt Memorial Hospital  
District  
Johnson County Special  
Utility District  
Lake Cities Municipal Utility  
Authority  
MedStar Mobile Healthcare

Northeast Texas Rural Rail  
District  
North Texas Municipal Water  
District  
North Texas Tollway Authority  
Providence Village Water  
Control & Improvement  
District of Denton County  
Tarrant County Regional  
Water District  
Trinity River Authority  
Trinity River Vision Authority  
Trophy Club Municipal Utility  
District #1  
Weatherford College  
Wise County Water Control  
& Improvements District

# Financial Section





**North Central Texas  
Council of Governments**



## INDEPENDENT AUDITOR'S REPORT

To the Members of the Executive Board  
North Central Texas Council of Governments

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of North Central Texas Council of Governments (The Council) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the North Central Texas Council of Governments (the Council), as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–10 and 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The introductory section, other supplemental information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

North Central Texas Council of Governments  
February 13, 2015

Page 3

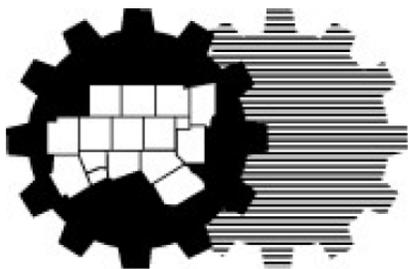
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2015, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Central Texas Council of Governments' internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*  
WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
February 13, 2015



**North Central Texas  
Council of Governments**

# NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED SEPTEMBER 30, 2014

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As management of the North Central Texas Council of Governments (NCTCOG), we offer readers of the NCTCOG's financial statements this narrative overview and analysis of the financial activities of the NCTCOG for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-xiv of this report.

## Financial Highlights

- NCTCOG's assets exceeded liabilities at the close of the most recent fiscal year by \$12,736,582 (*net position*). Of this amount \$5,750,961 (unrestricted net position) may be used to meet the government's ongoing obligations to creditors and service implementation.
- The net position increased \$1,110,378 or a 10% increase in the current year. The increase was mainly due to a \$560 thousand increase in net capital assets, \$351 thousand increase in Internal Service fund net assets and \$221 thousand increase in the general fund balance.
- NCTCOG's governmental funds reported combined ending fund balances of \$11,796,453, an increase of \$196,754, in comparison with the prior year. Of the total fund balance, approximately 43% is restricted for local transportation projects, 5% is reserved for grants and prepaids, 47% is available for spending at the government's discretion (*unassigned*) and 5% is assigned for other agency projects.
- Governmental funds total revenues decreased \$5,353,177 or 3.5% in the current year. This decrease comprised of a \$6.7 million increase in funds from the Federal Transit Administration (FTA), \$4.2 million less funds from the Commission on State Emergency Communications (CSEC), as Phase I of the Regional Emergency Services Internet Protocol Network (EsiNet) was completed in 2013, \$1.2 million in reduced funds from the Department of Labor (DOL), \$1.5 million decrease in funds from the Texas Commission on Environmental Quality (TCEQ), and \$5.5 million less local funds relating to the Regional Transportation Council Sustainable Development and Congestion Management programs.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,504,106, or 4% of total governmental fund expenditures.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the NCTCOG's basic financial statements. The NCTCOG's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** *The government-wide financial statements* are designed to provide readers with a broad overview of NCTCOG's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the NCTCOG's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the NCTCOG is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2014**

---

Both of the government-wide financial statements distinguish functions of the NCTCOG that are principally supported by grants and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the NCTCOG include the general fund and special revenue fund.

As there are no component units within NCTCOG, the government-wide financial statements include the general, special revenue and proprietary funds as shown on pages 11 and 12 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The NCTCOG, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the NCTCOG can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The NCTCOG maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the special revenue fund, both of which are considered to be major funds. Individual fund data for the major special revenue governmental funds is provided in the form of *combining statements* elsewhere in this report.

The NCTCOG adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 and 15 of this report.

**Proprietary funds.** The NCTCOG maintains two types of proprietary funds. The *internal service fund* is an accounting device used to accumulate and allocate costs internally among the NCTCOG's various functions. The NCTCOG uses an internal service fund to account for its management information systems. Because this service predominantly benefits governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. NCTCOG uses enterprise funds to account for charges to outside customers for full costs of the services provided.

*Proprietary funds* provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 17-19 of this report.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2014**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-35 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplemental information*. Required supplemental information can be found on page 36 of this report.

The combining schedule referred to earlier in connection with the major special revenue fund is presented immediately following the required supplemental information on pages 39-42 of this report.

**Government-wide Financial Analysis**

**Net position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the NCTCOG, assets exceeded liabilities by \$12,736,582 at the close of the most recent fiscal year. Following is a summary of the government-wide Statement of Net position:

	<b>NCTCOG'S Government-Wide Net Position</b>					
	2014			2013		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
<b>Assets</b>						
Current and other assets	\$ 75,433,073	\$ 277,494	\$ 75,710,567	\$ 87,495,440	\$ 466,723	\$ 87,962,163
Capital assets	1,493,197	18,502	1,511,699	951,869	25,791	977,660
Total assets	<u>76,926,270</u>	<u>295,996</u>	<u>77,222,266</u>	<u>88,447,309</u>	<u>492,514</u>	<u>88,939,823</u>
<b>Liabilities</b>						
Long-term Liabilities outstanding	1,268,945	-	1,268,945	1,262,912	-	1,262,912
Other Liabilities	62,975,654	241,085	63,216,739	75,604,785	445,922	76,050,707
Total Liabilities	<u>64,244,599</u>	<u>241,085</u>	<u>64,485,684</u>	<u>76,867,697</u>	<u>445,922</u>	<u>77,313,619</u>
<b>Net Position</b>						
Investment in capital assets	1,493,197	18,502	1,511,699	951,869	25,791	977,660
Restricted for grants	344,380	-	344,380	271,591	-	271,591
Restricted for local transportation projects	5,129,542	-	5,129,542	5,129,542	-	5,129,542
Unrestricted	5,714,552	36,409	5,750,961	5,226,610	20,801	5,247,411
Total net position	<u>\$ 12,681,671</u>	<u>\$ 54,911</u>	<u>\$ 12,736,582</u>	<u>\$ 11,579,612</u>	<u>\$ 46,592</u>	<u>\$ 11,626,204</u>

- A portion of NCTCOG's net position, \$5,129,542, (40%) is restricted for local projects related to transportation funded initiatives. In October 2005, NCTCOG's Regional Transportation Council (RTC) announced the 2005 Sustainable Development Call for Projects. In April 2006, the RTC selected projects and awarded funding for infrastructure, planning, and land banking projects which began funding at the end of fiscal year 2007 continuing throughout fiscal year 2014. Current year expenses for these projects totaled \$1,976,467 and cumulative expenses through fiscal year 2014 amount to \$74,651,435, leaving a remaining \$5 million restricted for remaining projects. Funding includes RTC local funds and anticipated local contributions from project sponsors in addition to local match funding.
- An additional portion of NCTCOG's net position, \$1,511,699, (12%) reflects its investment in capital assets (e.g., equipment) less any debt used to acquire those assets that is still outstanding. NCTCOG uses these assets to provide grant related services, they are restricted for specific use related to grant services; consequently, these assets are not available for future spending.
- Net position restricted for grants, \$344,380, (3%) are funds that have limitations for use as specified by the funding agencies.
- The remaining balance of net position totaling \$5,750,961, (45%) is considered unrestricted and may be used to meet the government's ongoing obligations to creditors and for service implementation.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2014**

**Change in Net position.** For the year ended September 30, 2014, NCTCOG's net position increased by \$1,110,378. Following is a summary of the government-wide Statement of Activities:

	2014			2013		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
<b>Revenues:</b>						
Program Revenues						
Federal Grant	\$ 22,491,763	\$ -	\$ 22,491,763	\$ 20,631,697	\$ -	\$ 20,631,697
State Administered grants	99,668,833	-	99,668,833	105,208,041	-	105,208,041
Local revenue & In-kind	24,839,146	1,643,984	26,483,130	26,477,435	1,833,735	28,311,170
<b>Total Program Revenues</b>	<b>146,999,742</b>	<b>1,643,984</b>	<b>148,643,726</b>	<b>152,317,173</b>	<b>1,833,735</b>	<b>154,150,908</b>
General Revenues:						
Membership Dues	664,694	-	664,694	657,054	-	\$ 657,054
Interest Income	18,661	-	18,661	62,047	-	62,047
<b>Total General Revenue</b>	<b>683,355</b>	<b>-</b>	<b>683,355</b>	<b>719,101</b>	<b>-</b>	<b>719,101</b>
<b>Total Revenue</b>	<b>147,683,097</b>	<b>1,643,984</b>	<b>149,327,081</b>	<b>153,036,274</b>	<b>1,833,735</b>	<b>154,870,009</b>
<b>Expenses:</b>						
Agency management and administration	6,529,975	-	6,529,975	6,170,047	-	6,170,047
Community Services	20,385,330	-	20,385,330	24,883,533	-	24,883,533
Emergency Preparedness	3,672,635	-	3,672,635	1,426,129	-	1,426,129
Environment and development	2,302,909	-	2,302,909	3,310,704	-	3,310,704
RIS local assistance	2,748,710	1,639,004	4,387,714	3,040,498	1,868,172	4,908,670
Transportation	53,195,247	-	53,195,247	55,148,280	-	55,148,280
Workforce development	57,742,893	-	57,742,893	59,152,671	-	59,152,671
<b>Total expenses</b>	<b>146,577,699</b>	<b>1,639,004</b>	<b>148,216,703</b>	<b>153,131,862</b>	<b>1,868,172</b>	<b>155,000,034</b>
Change in Net Position before Transfers	1,105,398	4,980	1,110,378	(95,588)	(34,437)	(130,025)
Transfers in (out)	(3,339)	3,339	-	-	-	-
Change in Net Position	1,102,059	8,319	1,110,378	(95,588)	(34,437)	(130,025)
Net Position - October 1	11,579,612	46,592	11,626,204	11,675,200	81,029	11,756,229
Net position - September 30	\$ 12,681,671	\$ 54,911	\$ 12,736,582	\$ 11,579,612	\$ 46,592	\$ 11,626,204

Significant components of the net position activity are as follows:

- Governmental funds total revenues decreased \$5,353,177 or 3.5% in the current year. This decrease was composed of a \$6.7 million increase in funds from the Federal Transit Administration (FTA), \$4.2 million less funds from the Commission on State Emergency Communications (CSEC), as Phase I of the Regional Emergency Services Internet Protocol Network (EsiNet) was completed in 2013, \$1.2 million in reduced funds from the Department of Labor (DOL), \$1.5 million decrease in funds from the Texas Commission on Environmental Quality (TCEQ), and \$5.5 million less local funds relating to the Regional Transportation Council Sustainable Development and Congestion Management programs.
- Governmental activities total expenses decreased \$6,554,163 or 4% in the current year. Key elements of the changes are as follows:
  - Community services expense decreased \$4,498,203 or 18% compared to 2013. \$4.2M of this decrease relates to the 2013 completion of Phase I of the implementation of our Regional EsiNet and Next Generation 911.
  - Emergency preparedness expenses increased \$2,246,506 or 158% when compared to 2013. The major component of this increase relates to the Safe Room Project.
  - Environment and development expenses decreased \$1,007,795 or 30% when compared to 2013. 2014 was the first year of a two year Solid Waste grant cycle and typically the majority of these expenses occur in year two.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2014**

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- Research and Information Services expenditures decreased \$291,788 or 10% when compared with 2013. The contributing factor of this decrease was a limited regional flight in our orthophotography program. Every year either a full flight or a limited flight is performed.
- Workforce expenses decreased \$1,409,778 or 2% when compared to 2013. The two grants directly from DOL, Community Based Job Training and H1-B were almost completely expended in FY 2013 and experienced expenditure reductions in FY 2014 of approximately \$1.8 million.
- Transportation expenses decreased \$1,953,033 or 4% when compared with 2013. Key elements of the change are as follows; decrease of \$5.7 million in local activity in the Regional Transportation Council (RTC) Sustainable Development and Congestion Management programs due to decreased funding available for RTC projects as they near completion; decrease of \$1.5 million in the Aircheck Low Income Rate Assistance Program (LIRAP), decrease of \$1.2 million due to Diesel Emission Reduction Act (DERA) Clean School Bus and DERA On-Site Idle Reduction grants ending in fiscal year 2013, as well as an increase of \$7 million in Federal Transit Administration (FTA) grants with \$3.8 million relating to the Dallas streetcar project.

**Financial Analysis of the Government's Funds**

As noted earlier, the NCTCOG uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the NCTCOG's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the NCTCOG's financial requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the NCTCOG's governmental funds reported combined ending fund balances of \$11,796,453 an increase of \$196,754 in comparison with the prior year. Approximately 47% of this total amount (\$5,504,106) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for use because it has already been committed to liquidate contracts and purchase orders of the prior period along with future project obligations. The general fund is the chief operating fund of the NCTCOG. At the end of the current fiscal year, the total general fund balance reached \$5,555,618. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 4% of total governmental fund expenditures.

**General Fund.** The fund balance of NCTCOG's general fund increased by \$221,253 during the current fiscal year.

**Special Revenue Fund.** The fund balance of NCTCOG's special revenue fund decreased by \$24,499 during the current fiscal year.

**General Fund Budgetary Highlights**

There were administrative adjustments made among functions that resulted in no net change in fund balance between the original and final budget. The net change in fund balance between the final budget and actual amounts resulted in an increase of \$219,671, approximately 23% of budgeted total expenditures.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2014**

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**Capital Asset and Long Term Liability Administration**

**Capital assets.** The NCTCOG's investment in capital assets for its governmental activities as of September 30, 2014, amounts to \$1,493,197 (net of accumulated depreciation). This investment in capital assets includes equipment, furniture, and leasehold improvements.

	<u>2014</u>	<u>2013</u>
<u>Governmental Activities</u>		
Equipment	\$ 952,858	\$ 373,754
Leasehold Improvements	<u>540,339</u>	<u>578,115</u>
Total government activities capital assets	<u><u>\$ 1,493,197</u></u>	<u><u>\$ 951,869</u></u>

Detailed information on the NCTCOG's capital assets can be found in Note G on pages 32-33 of this report.

**Long-term liabilities.** At the end of the current fiscal year, the NCTCOG had total long-term liabilities outstanding of \$1,268,945. This debt is related to accrued vacation that is payable to employees at the time of their departure from NCTCOG.

	Balance <u>September 30, 2013</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>September 30, 2014</u>	Due Within <u>One Year</u>
Accrued vacation	\$ 1,262,912	\$ 197,661	\$ 191,628	\$ 1,268,945	\$ 143,945
Total	<u><u>\$ 1,262,912</u></u>	<u><u>\$ 197,661</u></u>	<u><u>\$ 191,628</u></u>	<u><u>\$ 1,268,945</u></u>	<u><u>\$ 143,945</u></u>

Detailed information on the long-term debt can be found in Note D on page 30 of this report.

**Economic Factors and Next Year's Budgets and Rates**

NCTCOG membership dues are calculated based on current population of governmental units as certified annually by NCTCOG. Per capita membership dues for fiscal year 2015 is estimated at \$678,000.

NCTCOG is primarily funded by state and federal grants which fluctuate from year to year. NCTCOG total estimated revenues and program expenses for fiscal year 2015 decreased a net of \$4.2 million from fiscal year 2014. Major program changes are:

Community Services estimated a \$3.4 million decrease in state and federal grants primarily comprised of; \$799 thousand increase from the Department of Aging and Disability Services (DADS), \$4.1 million decrease from the Commission on State Emergency Communications (CSEC), \$205 thousand decrease from the Texas Department of Public Safety (DPS) as well as a \$957 thousand increase in local contract funding.

Emergency preparedness anticipated decreased state funding of \$577 thousand from Texas Department of Public Safety (TDPS) as well as a \$1.2 million increase in local contract funding.

Environment and Development estimated increased state and federal funding of \$678 thousand; \$479 thousand from the Federal Emergency Management Agency (FEMA), \$199 thousand from the Texas Commission on Environmental Quality (TCEQ), as well as a reduction in local funds of \$358 thousand.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2014**

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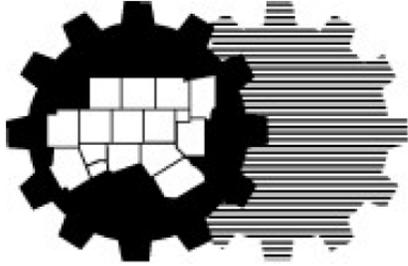
Workforce programs estimated \$750 thousand decreased state and federal funding; \$352 thousand decrease from the Texas Workforce Commission (TWC) and \$397 thousand decrease from the U.S. Department of Labor (DOL).

Transportation programs projected state and federal funding increase of \$3 million primarily comprised of; \$2.6 million increase from the Texas Department of Transportation (TXDOT), \$1.6 million increase from the Federal Transit Authority (FTA), \$385 thousand increase from the Federal Highway Administration (FHWA), \$718 thousand decrease from the Department of Energy (DOE), \$438 thousand decrease from the Federal Aviation Administration (FAA), \$295 thousand decrease from the Texas Commission on Environmental Quality (TCEQ), \$90 thousand decrease from the Environmental Protection Agency (EPA), as well as reduced local contract funding of \$5 million.

All of these factors were considered in preparing the NCTCOG's budget for the 2015 fiscal year.

**Requests for Information**

This financial report is designed to provide a general overview of the NCTCOG's financed for all those with an interest in the agency's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Administration, North Central Texas Council of Government, P.O. Box 5888, Arlington, Texas, 76005-5888. This report is also available on the NCTCOG website, [www.nctcog.org](http://www.nctcog.org).



**North Central Texas  
Council of Governments**

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include integrated sets of financial statements as required by GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
  - Governmental Funds
  - Proprietary Funds
  - Agency fund

In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
GOVERNMENT-WIDE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 951,829	\$ -	\$ 951,829
Investments	48,080,388	-	48,080,388
Receivables	26,187,194	277,494	26,464,688
Prepays and other assets	213,662	-	213,662
Capital assets, net of accumulated depreciation	1,493,197	18,502	1,511,699
<b>TOTAL ASSETS</b>	<b>76,926,270</b>	<b>295,996</b>	<b>77,222,266</b>
<b>LIABILITIES:</b>			
Accounts payable and accrued expenses	18,795,897	-	18,795,897
Unearned revenue	44,420,842	-	44,420,842
Internal balances	(241,085)	241,085	-
Long-term liabilities			
Due within one year	143,945	-	143,945
Due in more than one year	1,125,000	-	1,125,000
<b>TOTAL LIABILITIES</b>	<b>64,244,599</b>	<b>241,085</b>	<b>64,485,684</b>
<b>NET POSITION:</b>			
Investment in capital assets	1,493,197	18,502	1,511,699
Restricted for grants	344,380	-	344,380
Restricted for local transportation projects	5,129,542	-	5,129,542
Unrestricted	5,714,552	36,409	5,750,961
<b>TOTAL NET POSITION</b>	<b>\$ 12,681,671</b>	<b>\$ 54,911</b>	<b>\$ 12,736,582</b>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Functions/Programs	Expenses	Operating Grants and Contributions			Net (Expenses) Revenue and Changes in Net Position		
		Federal Funding	State/State Admin Funding	Local Contracts and In-kind Contributions	Primary Government		
					Governmental Activities	Business Type Activities	Total
<b>Primary Government:</b>							
Governmental Activities:							
Agency administration	\$ 5,775,899	\$ -	\$ -	\$ 886,614	\$ (4,889,285)	\$ -	\$ (4,889,285)
Agency management	754,076	5,359	-	19,217	(729,500)	-	(729,500)
Community services	20,385,330	-	14,445,171	7,598,556	1,658,397	-	1,658,397
Emergency preparedness	3,672,635	-	2,102,303	1,857,713	287,381	-	287,381
Environment and development	2,302,909	213,161	621,985	1,416,200	(51,563)	-	(51,563)
RIS local assistance	2,748,710	-	-	901,114	(1,847,596)	-	(1,847,596)
Transportation	53,195,247	21,144,090	25,986,133	9,273,037	3,208,013	-	3,208,013
Workforce development	57,742,893	1,129,153	56,513,241	2,886,695	2,786,196	-	2,786,196
<b>Total governmental activities</b>	<b>146,577,699</b>	<b>22,491,763</b>	<b>99,668,833</b>	<b>24,839,146</b>	<b>422,043</b>	<b>-</b>	<b>422,043</b>
Business-type activities:							
Shared services	1,639,004	-	-	1,643,984	-	4,980	4,980
<b>Total primary government</b>	<b>\$ 148,216,703</b>	<b>\$ 22,491,763</b>	<b>\$ 99,668,833</b>	<b>\$ 26,483,130</b>	<b>\$ 422,043</b>	<b>\$ 4,980</b>	<b>\$ 427,023</b>
General Revenues:							
					664,694	-	664,694
					18,661	-	18,661
					(3,339)	3,339	-
					<u>680,016</u>	<u>3,339</u>	<u>683,355</u>
					1,102,059	8,319	1,110,378
					<u>11,579,612</u>	<u>46,592</u>	<u>11,626,204</u>
					<u>\$ 12,681,671</u>	<u>\$ 54,911</u>	<u>\$ 12,736,582</u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 951,829	\$ -	\$ 951,829
Investments	6,578,039	41,502,349	48,080,388
Accounts Receivable:			
Federal grants	-	7,179,681	7,179,681
State administered grants	-	17,413,648	17,413,648
Local grants	-	1,564,123	1,564,123
Other	29,636	106	29,742
Due from other funds	12,049,194	-	12,049,194
Prepays	16,631	162,150	178,781
Other assets	34,881	-	34,881
<b>TOTAL ASSETS</b>	<b><u>\$ 19,660,210</u></b>	<b><u>\$ 67,822,057</u></b>	<b><u>\$ 87,482,267</u></b>
<b>LIABILITIES:</b>			
Accounts payable	\$ 13,377,455	\$ -	\$ 13,377,455
Accrued liabilities	37,983	4,754,796	4,792,779
Accrued payroll and employee benefits	625,663	-	625,663
Due to other funds	-	12,469,075	12,469,075
Unearned revenue	63,491	44,357,351	44,420,842
<b>TOTAL LIABILITIES</b>	<b><u>14,104,592</u></b>	<b><u>61,581,222</u></b>	<b><u>75,685,814</u></b>
<b>FUND BALANCES:</b>			
Nonspendable	51,512	162,150	213,662
Restricted for grants	-	344,380	344,380
Restricted for local transportation	-	5,129,542	5,129,542
Assigned	-	604,763	604,763
Unassigned	5,504,106	-	5,504,106
<b>TOTAL FUND BALANCES</b>	<b><u>5,555,618</u></b>	<b><u>6,240,835</u></b>	<b><u>11,796,453</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 19,660,210</u></b>	<b><u>\$ 67,822,057</u></b>	<b><u>\$ 87,482,267</u></b>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

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Amounts reported for governmental fund balance sheet (page 13) are different due to the following:

Total Fund Balance - total governmental funds	\$ 11,796,453
Add: Capital assets net of accumulated depreciation as of September 30, 2014 used in governmental activities were not current financial resources and therefore not reported in the governmental funds balance sheet (excluding Internal Service Fund).	1,457,466
Add: Internal Service Funds are used by management to charge the cost of certain activities, such as financing of the Geographical Information System, to individual funds. The net affect of this activity is to increase net position.	696,697
Less: Long term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.	<u>(1,268,945)</u>
Net position of governmental activities (page 11)	<u><u>\$ 12,681,671</u></u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>			
Federal grants	\$ -	\$ 22,491,763	\$ 22,491,763
State administered grants	-	99,668,833	99,668,833
Membership dues	664,694	-	664,694
Local contributions	273,731	7,870,783	8,144,514
In-Kind	-	16,227,555	16,227,555
Program income	-	467,077	467,077
Interest income	3,450	15,211	18,661
<b>TOTAL REVENUES</b>	<u>941,875</u>	<u>146,741,222</u>	<u>147,683,097</u>
<b>EXPENDITURES:</b>			
Current:			
Agency administration	3,217,506	2,973,249	6,190,755
Agency management	768,127	14,858	782,985
Community services	202,663	20,706,263	20,908,926
Emergency preparedness	136	3,816,816	3,816,952
Environment & development	138,234	2,342,460	2,480,694
Research & information services	299,287	2,750,179	3,049,466
Transportation	100,397	54,982,606	55,083,003
Workforce development	-	58,157,641	58,157,641
Capital outlay	7,267	1,014,047	1,021,314
	<u>4,733,617</u>	<u>146,758,119</u>	<u>151,491,736</u>
Indirect Cost Allocation	(3,985,911)	-	(3,985,911)
Contributions to Indirect Costs	(22,821)	-	(22,821)
<b>TOTAL EXPENDITURES</b>	<u>724,885</u>	<u>146,758,119</u>	<u>147,483,004</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>216,990</u>	<u>(16,897)</u>	<u>200,093</u>
<b>OTHER FINANCING SOURCES AND USES:</b>			
Transfers In	37,860	925,549	963,409
Transfers Out	(33,597)	(933,151)	(966,748)
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<u>4,263</u>	<u>(7,602)</u>	<u>(3,339)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>221,253</u>	<u>(24,499)</u>	<u>196,754</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>5,334,365</u>	<u>6,265,334</u>	<u>11,599,699</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5,555,618</u>	<u>\$ 6,240,835</u>	<u>\$ 11,796,453</u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT  
OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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Amounts reported for governmental activities in the statement of activities (page 12) are different due to the following:

Net change in Fund Balances - Total Governmental Funds (page 15)	\$ 196,754
Governmental funds report capital outlay as expenditures, however, in the government-wide statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.	1,021,314
Internal Service Funds are used by management to charge the cost of certain activities, such as financing of the Geographical Information System, to individual funds. This is the net change in fund balances for Internal Service Funds.	351,353
Current year changes in the long term liability for compensated absences do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.	(6,033)
Depreciation expense on capital assets is reported in the government-wide statement of activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.	<u>(461,329)</u>
Change in net position of governmental activities (page 12)	<u><u>\$ 1,102,059</u></u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2014**

	<u>Business Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
<b>ASSETS</b>		
Accounts receivable	\$ 277,494	\$ -
Due from other funds	-	660,966
Total current assets	<u>277,494</u>	<u>660,966</u>
Capital assets, net of accumulated depreciation	<u>18,502</u>	<u>35,731</u>
<b>TOTAL ASSETS</b>	<u>295,996</u>	<u>696,697</u>
<b>CURRENT LIABILITIES</b>		
Due to other funds	<u>241,085</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>241,085</u>	<u>-</u>
<b>NET POSITION</b>		
Investment in capital assets	18,502	35,731
Unrestricted	<u>36,409</u>	<u>660,966</u>
<b>TOTAL NET POSITION</b>	<u>\$ 54,911</u>	<u>\$ 696,697</u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Business Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
<b>OPERATING REVENUES</b>		
Service charges	\$ 1,643,984	\$ 4,779,446
<b>TOTAL OPERATING REVENUES</b>	<u>1,643,984</u>	<u>4,779,446</u>
<b>OPERATING EXPENSES</b>		
Personnel	20,734	869,510
Indirect	3,662	153,575
Contract services	1,136,235	53,096
Travel	187	4,290
Depreciation	13,709	18,657
Other costs	464,477	3,328,965
<b>TOTAL OPERATING EXPENSES</b>	<u>1,639,004</u>	<u>4,428,093</u>
<b>OPERATING INCOME</b>	<u>4,980</u>	<u>351,353</u>
Transfers in	<u>3,339</u>	<u>-</u>
CHANGE IN NET POSITION	8,319	351,353
NET POSITION - BEGINNING OF YEAR	<u>46,592</u>	<u>345,344</u>
NET POSITION - END OF YEAR	<u>\$ 54,911</u>	<u>\$ 696,697</u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

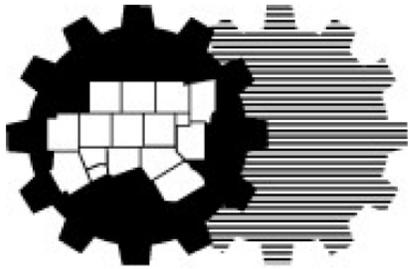
	<u>Business Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from service charges	\$ 1,833,026	\$ 4,779,446
Payments to other funds for indirect and other costs	(208,499)	(523,585)
Payments to suppliers for goods and services	(1,600,712)	(3,386,351)
Payments to employees	(20,734)	(869,510)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>3,081</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL INVESTING ACTIVITIES:</b>		
Transfer in	3,339	-
Purchase of capital assets	(6,420)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(3,081)</u>	<u>-</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	-	-
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 4,980	\$ 351,353
Adjustment to reconcile operating income to net cash provided by operating activities:		
Depreciation	13,709	18,657
Decrease in prepaid expenses	150	147,589
Decrease in accounts receivable	189,079	-
(Increase) in due from other funds	-	(517,599)
(Decrease) in due to other funds	(204,533)	-
(Decrease) in unearned revenue	(304)	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 3,081</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

## NOTES TO BASIC FINANCIAL STATEMENTS

### INDEX

<b>NOTE A:</b>	General Statement and Summary of Significant Accounting Policies	
1.	Reporting Entity	20
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**North Central Texas  
Council of Governments**

**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

**General Statement**

The North Central Texas Council of Governments (the Council or NCTCOG) is a voluntary association of cities, counties, school districts, and special districts within the sixteen-county North Central Texas region. The Council was established in 1966 to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. NCTCOG is a political subdivision of the State of Texas under state enabling legislation Chapter 391 - Local Government Code (formerly Article 1011(m), Revised Civil Statutes, State of Texas).

**Summary of Significant Accounting Policies**

The accounting and reporting policies of the Council relating to the funds included in the accompanying basic financial statements conform in all material respects to accounting principles generally accepted in the United States of America and applicable to state and local governments.

The following significant accounting policies were applied in the preparation of the accompanying basic financial statements:

**1. Reporting Entity**

***Primary Government***

Membership in NCTCOG is voluntary. Any county, city or special purpose district within the North Central Texas region may become a member of the independent association by passing a resolution to join the Council and paying annual dues. Each member government is entitled to have one voting representative in the Council's General Assembly, which is NCTCOG's governing body. Each year the General Assembly elects a thirteen (13) member Executive Board that is the policymaking and oversight body for the Council.

The financial reporting entity is determined in accordance with GASB No. 14, "The Financial Reporting Entity", as amended by GASB No. 39, "Determining Whether Certain Organizations are Component Units".

The accompanying financial statements present the government and its blended component unit, North Central Texas Council of Governments Foundation, for which the government is considered to be financially accountable. The governing bodies of the blended component unit are substantially the same as the Council and, although legally separate entities are in substance part of the Council's operations and accordingly, are presented as such.

**2. Basis of Presentation**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the Council. Historically, governmental activities are supported by grant funding, indirect cost reimbursements from within the agency and membership dues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include operating or capital grants and contributions

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

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**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

that are restricted to meeting the operational or capital requirements of a particular program. Other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The Council segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental funds and proprietary funds. These statements present each major fund as a separate column on the fund financial statements. There are no non-major fund categories in the Council's presentation.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balances of current financial resources. The Council has presented the following major governmental funds:

General Fund—

The General Fund is the main operating fund of the Council. This fund is used to account for all financial resources not accounted for in other funds. All general revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds—

The Special Revenue Fund accounts for the proceeds of specific revenue sources, the expenditures for which are legally restricted for purposes specified in the grant agreements. These funds include Federal, State, State Administered, and Locally funded grants.

Proprietary Fund Type –

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net position. The Council has presented the following proprietary funds:

Enterprise Fund – accounts for charges to outside customers for full costs of services provided, including City Net shared services, law enforcement and court analysis portals.

Internal Service Fund – accounts for the cost recovery of the Geographical Information System and the agency computer network cost center. This fund accounts for these computer and maintenance services on a cost reimbursement basis and through user fees.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**3. Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

The governmental fund types (General Fund and Special Revenue Funds) use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, revenues are considered available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable.

The accrual basis of accounting and flow of economic resources measurement focus are used in all proprietary fund types. Under the accrual basis of accounting, revenues are recognized when earned, and expenses (including depreciation) are recorded when the liability is incurred.

The major sources of revenue are grants, membership dues, local contributed cash, and in-kind and contributed services as follows:

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

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**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

a) Federal, State, and Local Grant Revenue

Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. Such revenue is subject to review by the funding agency and may result in disallowance in subsequent periods.

Unearned revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue also arises when resources are received by NCTCOG, before it has a legal claim to them, as when grant money is received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when NCTCOG has a legal claim to the resources, the liability for the unearned revenue is removed from the balance sheet and revenue is recognized.

b) Member Government Dues

All member governments are required to pay dues to NCTCOG. Dues are determined annually and are recognized as revenues when assessed because they are measurable and are collectible within the current period.

Dues are reported in the General Fund and funds are transferred to the Special Revenue Fund as needed to meet matching requirements of the grants.

c) Local Contributed Cash

Contributions to grant programs from local governments and other participants are recognized as revenue when grant expenditures are incurred in the case of cost reimbursement grants, and when courses are completed in the case of Regional Police Academy tuition.

d) In-Kind and Contributed Services

Local contributions, which include contributed services provided by individuals, private organizations and local governments, are used to match federal and state administered funding on various grants. Contributed services are therefore recorded as revenue and expenditures in the individual grants. The amounts of such services are recorded in the accompanying financial statements at their estimated fair market values at date of service.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**4. Leave Policies**

Employees eligible for leave include (1) full-time employees and (2) part-time employees that work a minimum of 20 hours per week.

Based on full time or part time accrual rates employees may accrue, during the first five years of employment, up to ten (10) days of vacation leave per year. During the second five years of employment, an employee accrues up to fifteen (15) days per year, and after ten years of employment, up to twenty (20) days per year. The maximum of unused vacation leave a full-time and eligible part-time employee may accumulate is the number of days, which the employee would

**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

accumulate in three (3) years at their current accrual rate. Upon termination of employment from the Council, an employee will be paid for unused vacation leave not to exceed the maximum amount normally accrued based on hire date. Specific information related to vacation accrual is available for review in the personnel manual. The liability for accumulated vacations (\$1,268,945 at September 30, 2014) for governmental fund types, which represents normal accumulations, has been recorded. The current portion of accrued vacation pay, which would be liquidated with expendable available resources, is not material.

The Council's sick leave policy permits the accumulation of fifteen (15) sick days per year up to a maximum of 90 days. Employees are not paid for unused sick days upon termination of employment. Accordingly, sick pay is charged to expenditures when taken. No provision has been made in the financial statements for unused sick leave. The General Fund is typically used to liquidate the liability for governmental activities' compensated absences. Long-term accrued compensated absences are not expected to be liquidated with expendable available financial resources and are not reported in the governmental fund financial statements.

**5. Investments**

The Council invests in authorized investment pools and funds. Investments are carried at fair value. See Note B for details on investments.

**6. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. The commitments (purchase orders, contracts, and other commitments for the expenditure of funds) are not treated as expenditures until a liability for payment is incurred, but are merely used to facilitate effective budget control and cash planning and management.

**7. State Administered Grants**

State Administered Grants are federal grant funds, appropriated state funds, or a combination of the two, which are allocated to State agencies, and then, passed through to local units of government.

**8. Transfers**

Transfers are the distribution of local cash resources to grant projects requiring a local cash match in accordance with the terms and conditions of the grant contract. Local funds are derived primarily from NCTCOG dues paid by member governments.

**9. Allocation of Employee Benefits and Indirect Costs**

NCTCOG Employee Benefits and Indirect Costs are allocated based upon actual expenditures to all grants in accordance with the Office of Management and Budget Circular A-87. NCTCOG employee benefits are allocated to grant projects as a percentage of NCTCOG direct labor costs. Indirect costs necessary to sustain overall operations are allocated as a percentage of total direct labor costs and employee benefits charged to grant projects. Contributions to Indirect Costs represent revenues that offset certain costs included in the Indirect Cost Pool.

**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

**10. Transactions Between Funds**

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund reimbursed. All other interfund transactions, except interfund services and reimbursements, are recorded as transfers.

**11. Capital Assets**

Capital assets, which include equipment, furniture and leasehold improvements, are reported in the governmental activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. See Note G for details on capital assets.

**12. Risk Management**

The NCTCOG participates in the Texas Municipal League Intergovernmental Risk Pool (TML-IRP) to provide workers' compensation coverage and general liability and property insurance. The Council, along with other participating entities, contributes annual amounts determined by TML-IRP management.

As claims arise they are submitted to and paid by TML-IRP. During 2014, the Council contributed \$86,348 to the fund for this insurance coverage. There were no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the year ended September 30, 2014 or any of the three preceding years ending September 30<sup>th</sup>.

**13. Cash and Cash Equivalents**

Cash of all funds is pooled into a common bank account in order to maximize investment opportunities. The external investment pools satisfy the definition of cash equivalents, however, it is the Council's policy to treat these as investments rather than cash equivalents. NCTCOG elects to exclude investments with an original maturity of one year or less from the date of purchase from fair value reporting. These investments are reported at amortized cost.

**14. Nature and Purpose of Restrictions and Assignment of Fund Equity**

In the government-wide financial statements, net position are reported in three categories: net position invested in capital assets; restricted net position; and unrestricted net position. Net position invested in capital assets represent capital assets less accumulated depreciation. Restricted net position represent net position restricted by parties outside of the Council. All other net position are considered unrestricted.

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the NCTCOG classifies governmental fund balances as follows.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

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**NOTE A - GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (continued)**

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers (grantors) either through laws and regulations, constitutionally or through enabling legislation.

Committed fund balance – includes amounts that can be used only for the specific purposes determined by the Executive Board. Commitments may be changed or lifted only by the Executive Board.

Assigned fund balance – comprises amounts intended to be used by the Council for specific purposes and is authorized by the Executive Board or by the Executive Director. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed.

Unassigned fund balance – residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Unrestricted fund balance - total of committed fund balance, assigned fund balance, and unassigned fund balance.

In an effort to ensure the continuance of sound financial management of public resources, the Council's unrestricted fund balance will be maintained in the General Fund. This will provide the Council with sufficient funds to address emergencies, sudden loss of revenue or operating needs, and unexpected downturns without borrowing.

This policy establishes the amounts the Council will strive to maintain in its General Fund balance, the conditions under which fund balance may be spent, and the method by which fund balances will be restored. These amounts are expressed as goals, recognizing that fund balance levels can fluctuate from year to year in the normal course of operations for any government.

Minimum Unassigned/Unrestricted Fund Balance - It is the intent of the Council to limit use of unassigned/unrestricted fund balances to address unanticipated, non-recurring needs or known and planned future obligations. Fund balances shall not normally be applied to recurring annual operating expenditures. Unassigned fund balances may, however, be used to allow time for the Council to restructure its operations in a deliberate manner, but such use will only take place in the context of long-term financial planning.

The Council's unassigned/unrestricted fund balance in the general fund should represent no less than two months of operating expenditures. The Council considers a fund balance of less than two months of operating expenditures to be cause for concern, barring unusual or deliberate circumstances.

If unassigned fund balance falls below the targeted minimum level or has a deficiency, the Council will request increased local funding over the subsequent fiscal years.

It is the policy of the Council that expenditures for which more than one category of fund balance could be used, that the order of use is: Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. A schedule of NCTCOG fund balances is provided in Note K.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014**

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**NOTE B - CASH AND INVESTMENTS**

GASB 40 requires the following disclosure for investments:

**1. Legal and Contractual Provisions Governing Deposits and Investments**

The Public Funds Act contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things it requires the NCTCOG to adopt, implement and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar weighted maturity, allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes and the NCTCOG's investment policy authorized the NCTCOG to invest in the following investments as summarized in the table below:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
US Treasury Securities	less than 2 years	100%	none
US Agencies and Instrumentalities	less than 2 years	85%	none
Certificates of Deposit	less than 2 years	100%	none
Repurchase Agreements	less than 120 days	20%	none
Money Market Mutual Funds	less than 2 years	50%	none
Local Government Investment Pools	less than 2 years	100%	none

The Act also requires the NCTCOG to have independent auditors perform test procedures related to investment practices as provided by the Act. The NCTCOG is in substantial compliance with the requirements of the Act and with local policies.

Cash and investments as of September 30, 2014 are classified in the accompanying financial statements as follows:

**Statement of net position:**

Primary Government	
Total cash and investments	<u>\$ 49,032,217</u>

Cash and investments as of September 30, 2014 consist of the following:

Deposits with financial institutions	\$ 951,179
Cash on hand	650
Investments	<u>48,080,388</u>
Total cash and investments	<u>\$ 49,032,217</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

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**NOTE B - CASH AND INVESTMENTS (continued)**

**2. Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the NCTCOG manages its exposure to risk is to invest in local government investment pools because all invested funds are intended to cover expenditures that are expected to occur within the next twelve months.

As of September 30, 2014, NCTCOG had the following investments:

Investment Type	Amount	Weighted Average Maturity(1)
TexPool	\$ 21,455,191	48 days
Logic	438	59 days
TexStar	26,624,759	51 days
	\$ 48,080,388	

(1) Based on the final maturity dates of each floating rate instrument held in the portfolio.

As of September 30, 2014 NCTCOG did not invest in any securities which are highly sensitive to interest rate fluctuations.

**3. Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, NCTCOG's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Amount	Minimum Rating Required	Rating as of Year End
Primary Government			
TexPool	\$ 21,455,191	AAA	AAAm
Logic	438	AAA	AAAm
TexStar	26,624,759	AAA	AAAm
Total Primary Government	\$ 48,080,388		

**4. Concentration of Credit Risk**

The investment policy of NCTCOG contains no limitation on the amount that can be invested in any one issuer. As of September 30, 2014 other than external investment pools, NCTCOG did not have 5% or more of its investments with any one issuer.

**NOTE B - CASH AND INVESTMENTS (continued)**

**5. Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act and NCTCOG's investment policy do not contain legal policy requirements that would limit the exposure to custodial credit risk for deposits or investment other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times. At September 30, 2014, the Council's deposits had a carrying amount of \$951,179 and a bank ledger balance of \$2,153,266 . Pledged collateral of \$3,525,158 was available to cover the uninsured available balance, as well as \$250,000 in FDIC insurance.

**6. Investment in Local Government Investment Pools**

NCTCOG is a voluntary participant in various investment pools organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Public Funds Investment Act allows eligible entities of the State of Texas to jointly invest their funds in permitted investments. NCTCOG invests in the following investment pools:

**TexPool:** The Texas Comptroller of Public Accounts (the "Comptroller") is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. Administrative and investment services to TexPool are provided by Federated Investors, Inc., under an agreement with the Comptroller, acting on behalf of the Texas Treasury Safekeeping Trust Company. The Comptroller maintains oversight of the services provided to TexPool by Federated Investors, Inc. In addition, the TexPool Advisory Board advises on the Investment Policies for TexPool and approves any fee increases. As required by the Public Funds Investment Act, the Advisory Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool.

**TEXSTAR:** J.P. Morgan Investment Management Inc. and First Southwest Company serve as co-administrators for TexSTAR under an agreement with the TexSTAR board of directors. JPMIM provides investment management services, and First Southwest Company provides participant services and marketing. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investor Services Co. Transfer agency services are provided by Boston Financial Data Services, Inc. TexSTAR 's advisory board is composed of Participants in TexSTAR and other persons who do not have a business relationship with TexSTAR. Members are appointed and serve at the will of the Board.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE B - CASH AND INVESTMENTS (continued)**

**LOGIC:** Day to day administration of Logic is performed by First Southwest Company and J.P. Morgan Investment Management Inc. (the "Co-Administrators"). First Southwest Company provides distribution, administrative, participant support and marketing services. J.P. Morgan Investment Management Inc. or its affiliates provides investment management, custody and fund accounting services. Transfer agency services are provided by Boston Financial Data Services, Inc. Logic's governing body is a five-member Board of Directors comprised of employees, officers or elected officials of participant Government Entities or individuals who do not have a business relationship with the Cooperative and are qualified to advise it. A maximum of two advisory board members represent the Co-Administrators of Logic.

Each investment pool the NCTCOG participates and operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940 to the extent such rule is applicable to its operations. Accordingly, the investment pools use the amortized cost method permitted by SEC Rule 2a-7 to report net position and share prices since that amount approximates fair value. A Board of Directors comprised of local government officers, including participants of the investment pools, performs regulatory oversight in the external investment pools.

**NOTE C - FEDERAL AND STATE ADMINISTERED GRANT RECEIVABLES**

Federal and state administered grant receivables consist of receivables for reimbursement of expenditures under various programs and grants. All amounts are expected to be collected within the next year.

**NOTE D - CHANGES IN LONG-TERM LIABILITIES**

A summary of long-term liability transactions for the year ended September 30, 2014, is presented below. Due to the nature of the obligation for accrued vacation, annual requirements to amortize such obligations are not determinable and have not been presented. Compensated absences are liquidated by all governmental funds by allocating amounts based on labor hours charged to those funds.

	Balance September 30, 2013	Increases	Decreases	Balance September 30, 2014	Due Within One Year
Accrued vacation	\$ 1,262,912	\$ 197,661	\$ 191,628	\$ 1,268,945	\$ 143,945
Total	<u>\$ 1,262,912</u>	<u>\$ 197,661</u>	<u>\$ 191,628</u>	<u>\$ 1,268,945</u>	<u>\$ 143,945</u>

**NOTE E - DEFERRED COMPENSATION PLAN**

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The International City Management Association Retirement Corporation (ICMARC) administers the plan. The plan, available to all Council employees, permits them to defer a portion of their salary until future years. All amounts of compensation deferred, all property and rights purchased, and all income, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries. NCTCOG has no fiduciary responsibility for the plan and the amounts are not accessible by the Council or its creditors. Therefore, the plan assets are not reported in the financial statements.

The Council also contributes to a Section 457 deferred compensation plan for part-time employees. This plan is also administered by ICMARC. Part-time employees contributed \$18,403 during 2014. The Council contributed a matching \$16,485 as the employers match, 3.75% of gross salaries. Part-time employees are 100% vested in the plan from the first contribution.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

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**NOTE F - TRANSACTIONS AND TRANSFERS**

Internal transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund reimbursed. All other interfund transactions are recorded as transfers (See Note A).

The following is a summary of interfund transfers at September 30, 2014:

Transfers in/out other funds:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Special Revenue	\$ 37,860	Recovery of Depreciation
Enterprise Fund	Special Revenue	3,339	Local Funded Projects
Special Revenue	General Fund	33,597	Local match dollars
Special Revenue	Special Revenue	891,952	State funded projects/local match
	Total	<u>\$ 966,748</u>	

Due to/from other funds:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 12,049,194	\$ -
Special Revenue Fund	-	12,469,075
Enterprise Fund	-	241,085
Internal Service Fund	<u>660,966</u>	<u>-</u>
Total	<u>\$ 12,710,160</u>	<u>\$ 12,710,160</u>

The outstanding balances between funds result mainly from the time lag between dates that interfund goods and services are provided or reimbursable expenditures occur and/or payments between funds are made.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

**NOTE G - CAPITAL ASSETS**

**Governmental activities:**

A summary of changes in the governmental activities capital assets for the year ended September 30, 2014, follows:

	Balance at October 1, 2013	Increases	Decreases	Balance at September 30, 2014
<b>Governmental Activities</b>				
<b><u>General Capital Assets</u></b>				
Capital Assets being depreciated:				
Equipment	\$ 4,521,969	\$ 954,776	\$ (21,221)	\$ 5,455,524
Furniture	384,587	-	(57,164)	327,423
Leasehold Improvements	2,268,614	66,538	-	2,335,152
Total capital assets being depreciated	<u>7,175,170</u>	<u>1,021,314</u>	<u>(78,385)</u>	<u>8,118,099</u>
Accumulated depreciation				
Equipment	4,195,952	357,015	(21,221)	4,531,746
Furniture	384,587	-	(57,164)	327,423
Leasehold Improvements	1,697,150	104,314	-	1,801,464
Total accumulated depreciation	<u>6,277,689</u>	<u>461,329</u>	<u>(78,385)</u>	<u>6,660,633</u>
Total governmental funds capital assets, net	<u>897,481</u>	<u>559,985</u>	<u>-</u>	<u>1,457,466</u>
<b><u>Internal Service Fund Capital Assets</u></b>				
Capital assets being depreciated:				
Equipment	549,594	-	(27,155)	522,439
Furniture	1,005	-	-	1,005
Leasehold Improvements	14,671	-	-	14,671
Total capital assets being depreciated	<u>565,270</u>	<u>-</u>	<u>(27,155)</u>	<u>538,115</u>
Accumulated depreciation				
Equipment	501,857	18,657	(27,155)	493,359
Furniture	1,005	-	-	1,005
Leasehold Improvements	8,020	-	-	8,020
Total accumulated depreciation	<u>510,882</u>	<u>18,657</u>	<u>(27,155)</u>	<u>502,384</u>
Total internal service funds capital assets, net	<u>54,388</u>	<u>(18,657)</u>	<u>-</u>	<u>35,731</u>
Governmental activities capital assets, net	<u>\$ 951,869</u>	<u>\$ 541,328</u>	<u>\$ -</u>	<u>\$ 1,493,197</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

**NOTE G - CAPITAL ASSETS (continued)**

	Balance at October 1, 2013	Increases	Decreases/ Transfers	Balance at September 30, 2014
Business-type Activities:				
<u>Capital assets being depreciated:</u>				
Equipment	\$ 7,383,536	\$ 6,420	\$ -	\$ 7,389,956
Total capital assets being depreciated	<u>7,383,536</u>	<u>6,420</u>	<u>-</u>	<u>7,389,956</u>
<u>Accumulated Depreciation:</u>				
Equipment	7,357,745	13,709	-	7,371,454
Total accumulated depreciation	<u>7,357,745</u>	<u>13,709</u>	<u>-</u>	<u>7,371,454</u>
Total Business-type activities capital assets, net	<u>\$ 25,791</u>	<u>\$ (7,289)</u>	<u>\$ -</u>	<u>\$ 18,502</u>

Assets capitalized have an original cost of \$5,000 or more per unit and over three (3) years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Equipment	3 years
Furniture	5 years
Leasehold Improvements	Length of remaining lease

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental Activities

Agency Administration	\$ 42,931
Agency Management	87
Community Services	64,398
Emergency Preparedness	16,704
Environment & Development	20,397
RIS Local Assistance	35,760
Transportation	230,644
Workforce Development	50,408
Internal Service Fund	18,657
Total depreciation expense-governmental activities	<u>\$ 479,986</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014**

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**NOTE H - RETIREMENT PLAN**

International City Management Association Retirement Corporation (ICMARC) administers the Council's 401(a) retirement plan. It is a defined contribution retirement plan, which provides retirement benefits for all full-time permanent employees. The Council contributed an amount (\$2,339,987) during fiscal year 2014 equal to twelve percent (12%) of the permanent full-time employees' gross salaries. Full-time employees also contributed an amount of \$1,169,993 during 2014 equal to six percent (6%) of gross salaries. Total Council payroll for the year was \$20,174,893 including \$19,537,360 payroll covered by the plan. Employees become 40 percent (40%) vested in the Council's contributions after three full years of employment. An additional 15 percent (15%) is vested for each additional full year of employment. An employee becomes fully vested after seven years of employment. The Council's retirement plan was formed under the authority of the Council Executive Board and the Executive Board has the authority to amend/or terminate the retirement plan and/or contribution requirements at any time.

**NOTE I - COMMITMENTS**

The Council entered into non-cancellable operating leases primarily for office space and equipment. Rental expenditures under all NCTCOG operating lease agreements were \$3,751,640 for 2014.

Future minimum rental payments required under operating leases for NCTCOG and its subcontractors that have initial or remaining lease terms in excess of one year as of September 30, 2014, are as follows:

Year Ending September 30	
2015	\$ 3,697,630
2016	3,271,464
2017	3,062,232
2018	2,984,419
2019	2,802,366
Thereafter (2020-2025)	9,886,933
	\$ 25,705,043

**NOTE J - CONTINGENCIES**

For a majority of the expenditures in Workforce Development (WD) and Aging Programs, the Council contracts with other governments or local agencies to perform the specific services set forth in the grant agreements. The Council disburses grant funds to the agencies based on monthly expenditure and performance reports received from each agency.

WD and Aging program subcontractors are required to have an annual independent audit. The Council requires each agency to submit a copy of the audit reports. If such audits disclose expenditures not in accordance with terms of the grants, the grantor agency could disallow the costs and require reimbursement of the disallowed costs either from the Council or the delegate agency. The Council generally has the right of recovery from the subcontractors.

For the year ended September 30, 2014, agency costs of various amounts were disbursed for which the audits have not been received. Based on prior experience, management believes that the Council will not incur significant losses from possible grant disallowances.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014**

**NOTE J – CONTINGENCIES (continued)**

Additionally, grantor agencies reserve the right to perform certain audit work in addition to the work performed by the Council's independent auditors. Disallowed costs, if any, resulting from such additional work, would have to be absorbed by the Council. Management does not believe that the Council will incur any significant costs if such additional work should occur.

**NOTE K – FUND BALANCES**

In accordance with GASB 54 the NCTCOG classifies governmental fund balances as follows:

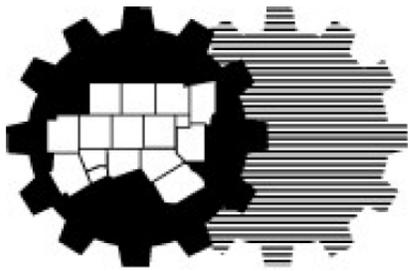
**DETAILED FUND BALANCE DISCLOSURE**

	General Fund	Major Special Revenue Fund					TOTAL
		CJD	Local	TCEQ	TXWD	TXDOT	
<b>FUND BALANCES:</b>							
Non Spendable:							
Prepays	\$ 16,631	\$ -	\$ 162,150	\$ -	\$ -	\$ -	\$ 178,781
Inventory	34,881	-	-	-	-	-	34,881
Restricted:							
Grants	-	155,725	-	863	117,997	69,795	344,380
Local Transportation	-	-	5,129,542	-	-	-	5,129,542
Assigned:							
Other Agency Purposes	-	-	604,763	-	-	-	604,763
Unassigned	5,504,106	-	-	-	-	-	5,504,106
<b>TOTAL FUND BALANCES:</b>	<b>\$ 5,555,618</b>	<b>\$ 155,725</b>	<b>\$ 5,896,455</b>	<b>\$ 863</b>	<b>\$ 117,997</b>	<b>\$ 69,795</b>	<b>\$ 11,796,453</b>

**NOTE L – SUBSEQUENT EVENTS**

In preparing these financial statements, the Council has evaluated events and transactions for potential recognition or disclosure through February 13, 2015, the date the financial statements were available to be issued.

**REQUIRED  
SUPPLEMENTAL  
INFORMATION**



**North Central Texas  
Council of Governments**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 BUDGETARY COMPARISON  
 GENERAL FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budgeted Amounts</u>		<u>Budget Basis Actual</u>	<u>Variance with Final Budget (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Membership dues	\$ 665,212	\$ 665,212	\$ 664,694	\$ (518)
Local contributions	263,585	263,585	273,731	10,146
Interest income	10,000	10,000	3,450	(6,550)
Total revenues	<u>938,797</u>	<u>938,797</u>	<u>941,875</u>	<u>3,078</u>
<b>EXPENDITURES</b>				
Current:				
Agency administration	3,267,919	3,267,919	3,217,764	50,155
Agency management	759,693	679,693	603,168	76,525
Public affairs	212,807	212,807	164,959	47,848
Research and information services	271,263	301,263	300,179	1,084
Community services	241,085	241,085	202,795	38,290
Environment & development	140,000	140,000	138,391	1,609
Transportation	65,000	105,000	100,399	4,601
Capital outlay	-	10,000	7,267	2,733
Total current expenditures	<u>4,957,767</u>	<u>4,957,767</u>	<u>4,734,922</u>	<u>222,845</u>
Indirect cost allocation	(4,008,970)	(4,008,970)	(3,985,911)	(23,059)
Contributions to indirect costs	<u>(10,000)</u>	<u>(10,000)</u>	<u>(22,821)</u>	<u>12,821</u>
Total expenditures	<u>938,797</u>	<u>938,797</u>	<u>726,190</u>	<u>212,607</u>
Excess (deficiencies) of revenues Over/(under) expenditures	-	-	215,685	215,685
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	37,860	37,860
Transfers out	-	-	(33,597)	(33,597)
Charge for use of assets	35,000	35,000	39,164	4,164
Indirect allocation to Special Revenue Fund	<u>(33,418)</u>	<u>(33,418)</u>	<u>(37,859)</u>	<u>(4,441)</u>
Total other financing sources	<u>1,582</u>	<u>1,582</u>	<u>5,568</u>	<u>3,986</u>
Net changes in fund balances	1,582	1,582	221,253	219,671
Fund balances - beginning	<u>5,334,365</u>	<u>5,334,365</u>	<u>5,334,365</u>	-
Fund balances - ending	<u>\$ 5,335,947</u>	<u>\$ 5,335,947</u>	<u>\$ 5,555,618</u>	<u>\$ 219,671</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
 SEPTEMBER 30, 2014**

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**NOTE A: FINANCIAL STATEMENT PRESENTATION - BUDGET BASIS**

It is NCTCOG's policy to prepare the annual budget on a basis, which includes an equipment usage charge in the General Fund. Accordingly, the Budgetary Comparison Schedule - General Fund is prepared on the basis utilized in preparing the budget, which includes this equipment usage charge. However, the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund, prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), does not include this equipment usage charge.

The effect of this difference on the Budgetary Comparison Schedule - General Fund is an increase in reported expenditures offset by an adjustment to other sources (uses) in the amounts of the current year equipment usage charge. After this adjustment is made through the transfers in (out), the net changes in budget basis versus GAAP basis are the same.

<u>General Fund</u>	
Total Net Expenditures (GAAP Basis)	\$ 724,885
Plus Charge for use of assets	39,164
Less: Use of assets recovered through indirect cost allocated to Special Revenue Fund	<u>(37,859)</u>
Total Expenditures (Budget Basis)	<u>\$ 726,190</u>
 Total Other Sources (GAAP Basis)	 \$ 4,263
Plus Charge for use of assets	39,164
Less: Use of assets recovered through indirect cost allocated to Special Revenue Fund	<u>(37,859)</u>
Total Other Sources (Budget Basis)	<u>\$ 5,568</u>

**NOTE B: BUDGETARY CONTROLS**

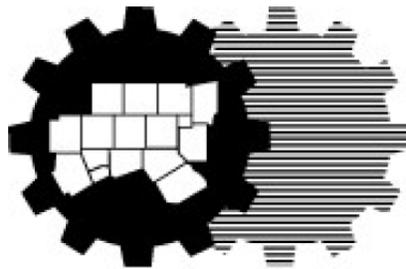
NCTCOG follows these procedures in establishing the General Fund budgetary data reflected in the basic financial statements:

- a) Prior to October 1, the Executive Director submits to the Executive Board a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Prior to October 1, the Executive Board formally approves the budget document following a public hearing.
- c) The approved annual budget is used as a control device for the General Fund. The individual grant contracts are used as the control device within the Special Revenue Funds.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
SEPTEMBER 30, 2014**

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- d) The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP) except that depreciation and the increase in NCTCOG's liability for accrued vacation is included as expenditures. Budgetary comparisons presented for the General Fund in this report are on this non-GAAP budgetary basis.
- e) Appropriations for the General Fund lapse at the end of the fiscal year.
- f) Expenditures cannot legally exceed appropriations at the fund level. Expenditures are monitored by the Department of Administration. When expenditures are required for functions that have not been budgeted, authorization to incur the expenditures is requested from NCTCOG's Executive Board by resolution during its regular monthly meetings.
- g) The Executive Director is authorized to transfer budgeted amounts between programs; however, NCTCOG's Executive Board would approve any revisions, which would increase total expenditures.



**North Central Texas  
Council of Governments**

**OTHER  
SUPPLEMENTAL  
INFORMATION**

Other supplementary information includes financial schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

- Combining Schedules- Federal, State and Locally Administered Grant Funds
- Schedule of Indirect Costs (Budget Basis)
- Schedule of Employee Benefits- All Funds
- Texas Local Government Code Chapter 391 Indirect Cost Limitations Test
- Capital Assets:
  - By Source
  - By Function and Activity
  - Changes by Function and Activity

Additional support for specific grants within the Special Revenue governmental fund can be found in the supplemental booklet available upon request.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – FEDERAL, STATE AND LOCALLY ADMINISTERED GRANTS  
YEAR ENDED SEPTEMBER 30, 2014**

	<u>Federal Funds Total</u>	<u>State and Locally Administered Funds Total</u>	<u>Combined Total</u>
<b>REVENUES</b>			
Federal grants	\$ 22,491,763	\$ -	\$ 22,491,763
State administered grants	-	99,668,833	99,668,833
Local contributions	62,671	7,808,112	7,870,783
In-Kind	5,188,283	11,039,272	16,227,555
Program income	-	467,077	467,077
Interest income	-	15,211	15,211
<b>TOTAL REVENUES</b>	<u>27,742,717</u>	<u>118,998,505</u>	<u>146,741,222</u>
<b>EXPENDITURES</b>			
Current:			
Agency administration	100,822	2,872,427	2,973,249
Agency management	14,720	138	14,858
Community services	-	20,706,263	20,706,263
Emergency preparedness	-	3,816,816	3,816,816
Environment & development	299,077	2,043,383	2,342,460
Research & information services	183	2,749,996	2,750,179
Transportation	26,750,157	28,232,449	54,982,606
Workforce development	1,118,969	57,038,672	58,157,641
Capital Outlay	-	1,014,047	1,014,047
<b>TOTAL EXPENDITURES</b>	<u>28,283,928</u>	<u>118,474,191</u>	<u>146,758,119</u>
<b>EXCESSES (DEFICIENCIES) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(541,211)</u>	<u>524,314</u>	<u>(16,897)</u>
<b>OTHER FINANCING SOURCES AND USES</b>			
Transfers In	542,693	382,856	925,549
Transfers Out	(1,482)	(931,669)	(933,151)
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>541,211</u>	<u>(548,813)</u>	<u>(7,602)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(24,499)	(24,499)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>-</u>	<u>6,265,334</u>	<u>6,265,334</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 6,240,835</u>	<u>\$ 6,240,835</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
 BALANCES – FEDERAL GRANTS  
 YEAR ENDED SEPTEMBER 30, 2014**

	Federal Funds						TOTAL
	DOE	EPA	FTA	FEMA	DOL	DOC	
<b>REVENUES</b>							
Federal grants	\$ 776,513	\$ 23,124	\$20,344,454	\$ 213,160	\$1,129,153	\$ 5,359	\$22,491,763
State administered grants	-	-	-	-	-	-	-
Local contributions	-	-	(6,079)	68,750	-	-	62,671
In-Kind	1,436,448	2,012	3,740,455	-	-	9,368	5,188,283
<b>TOTAL REVENUES</b>	<b>2,212,961</b>	<b>25,136</b>	<b>24,078,830</b>	<b>281,910</b>	<b>1,129,153</b>	<b>14,727</b>	<b>27,742,717</b>
<b>EXPENDITURES</b>							
Current:							
Agency administration	23,794	1,037	63,487	2,924	9,580	-	100,822
Agency management	-	-	-	-	-	14,720	14,720
Emergency preparedness	-	-	-	-	-	-	-
Environment & development	18,987	-	-	280,090	-	-	299,077
Research & information services	-	-	-	-	183	-	183
Transportation	2,169,648	24,086	24,556,240	-	183	-	26,750,157
Workforce development	-	-	-	-	1,118,969	-	1,118,969
Capital Outlay	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,212,429</b>	<b>25,123</b>	<b>24,619,727</b>	<b>283,014</b>	<b>1,128,915</b>	<b>14,720</b>	<b>28,283,928</b>
<b>EXCESS/(DEFICIENCIES) OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>532</b>	<b>13</b>	<b>(540,897)</b>	<b>(1,104)</b>	<b>238</b>	<b>7</b>	<b>(541,211)</b>
<b>OTHER FINANCING SOURCES AND USES</b>							
Transfers in	-	-	541,555	1,138	-	-	542,693
Transfers out	(532)	(13)	(658)	(34)	(238)	(7)	(1,482)
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<b>(532)</b>	<b>(13)</b>	<b>540,897</b>	<b>1,104</b>	<b>(238)</b>	<b>(7)</b>	<b>541,211</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – STATE AND LOCALLY ADMINISTERED FUNDS  
YEAR ENDED SEPTEMBER 30, 2014**

	State and Locally Administered Funds				
	CJD	CSEC	LOCAL		TDA
			Transportation	Other	
<b>REVENUES</b>					
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -
State administered grants	959,226	6,627,544	-	-	20,667
Local contributions	209,152	-	2,008,312	3,991,283	-
In-Kind	-	-	(8)	-	-
Program income	-	-	-	-	-
Interest income	-	450	8,381	-	-
<b>TOTAL REVENUES</b>	<b>1,168,378</b>	<b>6,627,994</b>	<b>2,016,685</b>	<b>3,991,283</b>	<b>20,667</b>
<b>EXPENDITURES</b>					
Current:					
Agency administration	25,387	64,950	63,176	995,933	841
Agency management	-	138	-	-	-
Community services	1,064,576	5,786,845	-	45,006	-
Emergency preparedness	5,092	-	-	568,386	-
Environment & development	-	-	40,138	1,332,759	20,229
Research & information services	1,312	-	-	892,767	-
Transportation	1,446	406	1,777,211	188	-
Workforce development	-	-	-	230	-
Capital Outlay	-	773,345	-	8,023	-
<b>TOTAL EXPENDITURES</b>	<b>1,097,813</b>	<b>6,625,684</b>	<b>1,880,525</b>	<b>3,843,292</b>	<b>21,070</b>
<b>EXCESS/(DEFICIENCIES) OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>70,565</b>	<b>2,310</b>	<b>136,160</b>	<b>147,991</b>	<b>(403)</b>
<b>OTHER FINANCING SOURCES AND USES</b>					
Transfers in	-	-	3,071	3,354	429
Transfers out	(904)	(2,310)	(139,231)	(248,633)	(26)
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<b>(904)</b>	<b>(2,310)</b>	<b>(136,160)</b>	<b>(245,279)</b>	<b>403</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>69,661</b>	<b>-</b>	<b>-</b>	<b>(97,288)</b>	<b>-</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>86,064</b>	<b>-</b>	<b>5,129,542</b>	<b>864,201</b>	<b>-</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 155,725</b>	<b>\$ -</b>	<b>\$ 5,129,542</b>	<b>\$ 766,913</b>	<b>\$ -</b>

**State and Locally Administered Funds**

TCEQ		DADS	TDPS	TWC	TVC	TXDOT	TXWD	Total
Transportation	Other							
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,351,992	601,318	6,819,762	2,140,943	56,380,376	132,866	22,634,139	-	99,668,833
-	-	120,587	-	-	-	1,478,778	-	7,808,112
-	-	6,730,045	1,046,774	2,735,591	-	526,870	-	11,039,272
62,898	-	237,051	-	143,416	-	23,712	-	467,077
965	227	-	-	-	-	5,188	-	15,211
<u>3,415,855</u>	<u>601,545</u>	<u>13,907,445</u>	<u>3,187,717</u>	<u>59,259,383</u>	<u>132,866</u>	<u>24,668,687</u>	<u>-</u>	<u>118,998,505</u>
13,990	16,185	166,591	124,410	676,573	6,244	718,147	-	2,872,427
-	-	-	-	-	-	-	-	138
-	-	13,731,082	12,761	-	-	65,993	-	20,706,263
-	-	-	3,237,236	6,102	-	-	-	3,816,816
-	587,747	-	-	2,616	-	59,894	-	2,043,383
19,808	-	2,997	38,549	1,546,992	-	247,571	-	2,749,996
3,384,370	103	5,377	-	7,021	-	23,056,327	-	28,232,449
-	-	-	-	56,911,829	126,613	-	-	57,038,672
-	-	-	12,189	102,456	-	118,034	-	1,014,047
<u>3,418,168</u>	<u>604,035</u>	<u>13,906,047</u>	<u>3,425,145</u>	<u>59,253,589</u>	<u>132,857</u>	<u>24,265,966</u>	<u>-</u>	<u>118,474,191</u>
<u>(2,313)</u>	<u>(2,490)</u>	<u>1,398</u>	<u>(237,428)</u>	<u>5,794</u>	<u>9</u>	<u>402,721</u>	<u>-</u>	<u>524,314</u>
2,805	1,022	2,250	238,522	-	-	131,403	-	382,856
(412)	(673)	(3,648)	(1,094)	(5,794)	(9)	(528,935)	-	(931,669)
<u>2,393</u>	<u>349</u>	<u>(1,398)</u>	<u>237,428</u>	<u>(5,794)</u>	<u>(9)</u>	<u>(397,532)</u>	<u>-</u>	<u>(548,813)</u>
80	(2,141)	-	-	-	-	5,189	-	(24,499)
483	2,441	-	-	-	-	64,606	117,997	6,265,334
<u>\$ 563</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,795</u>	<u>\$ 117,997</u>	<u>\$ 6,240,835</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF INDIRECT COSTS (BUDGET BASIS)  
GENERAL FUND  
YEAR ENDED SEPTEMBER 30, 2014**

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	<u>Actual</u>	<u>Budget</u>
Salaries	\$ 1,738,843	\$ 1,662,109
Benefits	<u>755,292</u>	<u>732,990</u>
Indirect personnel	2,494,135	2,395,099
Legal	8,453	20,000
Audit	86,250	91,000
Contract services	261,301	309,400
Travel	11,110	17,900
Equipment use fee	39,164	35,000
Consumable supplies	40,242	122,200
Insurance & bonding	36,375	36,200
Rent	394,229	466,600
Printing & publications	27,982	34,600
Equipment rental	6,525	0
Advertising	3,114	4,000
Maintenance & repairs	95,954	125,000
Employee recruitment	1,401	2,600
Communications	14,764	17,800
Postage	9,439	10,400
Subscriptions & dues	120,937	162,300
Other	<u>357,357</u>	<u>168,871</u>
<b>TOTAL</b>	4,008,732	4,018,970
Less: Contributions to Indirect costs	<u>( 22,821)</u>	<u>(10,000)</u>
<b>NET INDIRECT COSTS</b>	<u>\$ 3,985,911</u>	<u>\$ 4,008,970</u>
Indirect costs rate computations:		
Net indirect costs	\$ <u>3,985,911</u>	\$ <u>4,008,970</u>
Direct salaries & benefits - all funds	\$ 22,567,372 = 17.66%	\$ 22,650,814 = 17.70%

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EMPLOYEE BENEFITS - ALL FUNDS  
YEAR ENDED SEPTEMBER 30, 2014**

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<b>Full Time Benefits Programs</b>	<u>Actual</u>	<u>Projected</u>
Medicare insurance	\$ 272,020	\$ 284,974
Medical insurance	2,290,017	2,359,493
Worker's compensation	49,750	56,728
Flexible benefit plan	7,511	11,662
Life & disability insurance	141,263	144,490
Other benefits	29,315	112,000
Unemployment insurance	70,407	41,796
Retirement	2,177,589	2,058,406
Vacation	1,121,720	1,094,909
Sick leave	529,416	576,424
Holiday leave	766,953	768,565
Other leave	<u>88,527</u>	<u>56,701</u>
<b>TOTAL</b>	<b>\$ <u>7,544,488</u></b>	<b>\$ <u>7,566,148</u></b>
Employee benefits rate computations:		
Total full-time benefits	\$ <u>7,544,488</u>	\$ <u>7,566,148</u>
Total regular salaries	\$ 17,268,278 = 43.69%	\$ 17,156,802 = 44.10%
Total personnel costs recap:		
Salaries	\$ 17,268,278	\$ 17,156,802
Benefits	<u>7,544,488</u>	<u>7,566,148</u>
Personnel - NCTCOG	<u>\$ 24,812,766</u>	<u>\$ 24,722,950</u>

**TEXAS LOCAL GOVERNMENT CODE CHAPTER 391 INDIRECT COST LIMITATIONS TEST  
 FISCAL YEAR 2014 ACTUAL  
 OCTOBER 1, 2013 - SEPTEMBER 30, 2014**

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<b>Total Indirect Costs</b>	<b>\$ 3,985,911</b>		
<b>Expenditures:</b>			
General Fund	4,733,617		
Special Revenue Fund	146,758,119		
Proprietary Fund	4,428,093		
Enterprise Fund	1,639,004		
Interdepartmental Transfers for Direct Charges and Indirect Costs	<u>(8,765,357)</u>		
<b>Total Expenditures</b>	<b>148,793,476</b>	<b>=</b>	<b>2.7%</b>
<b>Less:</b>			
Pass-Through Funds <sup>(1)</sup>	(47,914,796)		
In-Kind Expenditures	(16,177,614)		
Contract Services	(35,366,112)		
Capital Expenditures	<u>(1,021,314)</u>		
<b>Adjusted Expenditures</b>	<b>48,313,640</b>	<b>=</b>	<b>8.3%</b>

<sup>(1)</sup> Includes Subgrants & Subcontracts

**Texas Statutes §391.0115 (e).** “A commission may not spend an amount more than 15 percent of the commission's total expenditures on the commission's indirect costs. For the purposes of this subsection, the commission's capital expenditures and any subcontracts, pass-throughs, or subgrants may not be considered in determining the commission's total direct costs. In this subsection, "pass-through funds" means funds, including subgrants or subcontracts, that are received by a commission from the federal or state government or other grantor for which the commission serves merely as a cash conduit and has no administrative or financial involvement in the program, such as contractor selection, contract provisions, contract methodology payment, or contractor oversight and monitoring.”

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF CAPITAL ASSETS BY SOURCE  
AS OF SEPTEMBER 30, 2014**

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	<u>Totals</u>
<b>CAPITAL ASSETS</b>	
Equipment	\$ 13,367,919
Furniture	328,428
Leasehold Improvements	<u>2,349,823</u>
Total Capital Assets	<u>\$ 16,046,170</u>
<b>SOURCES</b>	
NCTCOG	
Equipment	\$ 9,966,945
Furniture	89,693
Leasehold Improvements	<u>619,601</u>
	10,676,239
GRANT FUNDED	
Equipment	3,400,975
Furniture	238,736
Leasehold Improvements	<u>1,730,220</u>
	5,369,931
Less: Internal Service Fund Assets	538,115
Less: Enterprise Fund	<u>7,389,956</u>
Total General Capital Assets	<u>\$ 8,118,099</u>

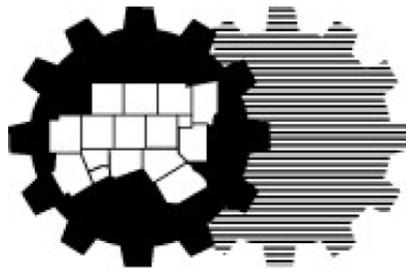
**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY  
AS OF SEPTEMBER 30, 2014**

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	<u>Totals</u>
<b>CAPITAL ASSETS</b>	
Local Assistance	\$ 1,265,257
Transportation Planning-TxDOT	841,120
Regional Information Services	1,286,210
Environmental Resources	93,194
Emergency Preparedness	252,688
Workforce Development	3,352,543
Community Services	1,565,202
Enterprise Fund	<u>7,389,956</u>
 Total Capital Assets	 16,046,170
 Less: Internal Service Fund	 538,115
Less: Enterprise Fund	<u>7,389,956</u>
 Total General Capital Assets	 \$ <u><u>8,118,099</u></u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY  
AS OF SEPTEMBER 30, 2014**

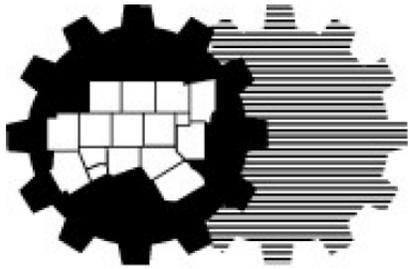
	<u>2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>2014</u>
<b>CAPITAL ASSETS</b>				
Local assistance	\$ 1,298,343	\$ 15,290	\$ 48,376	\$ 1,265,257
Transportation planning-TxDOT	731,705	118,034	8,619	841,120
Regional information services	1,286,210	-	-	1,286,210
Environmental resources	99,054	-	5,860	93,194
Emergency preparedness	240,834	12,189	335	252,688
Workforce development	3,291,296	102,456	41,209	3,352,543
Community services	792,998	773,345	1,141	1,565,202
Enterprise fund	<u>7,383,536</u>	<u>6,420</u>	<u>-</u>	<u>7,389,956</u>
 Total capital assets	 15,123,976	 1,027,734	 105,540	 16,046,170
 Less: Internal service fund	 565,270	 -	 27,155	 538,115
Less: Enterprise fund	<u>7,383,536</u>	<u>6,420</u>	<u>-</u>	<u>7,389,956</u>
 Total General Capital Assets	 <u>\$ 7,175,170</u>	 <u>\$ 1,021,314</u>	 <u>\$ 78,385</u>	 <u>\$ 8,118,099</u>



**North Central Texas  
Council of Governments**

# Statistical Section





**North Central Texas  
Council of Governments**

## STATISTICAL SECTION

This part of the North Central Texas Council of Governments' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the Council's overall financial health. This information has not been audited by the independent auditor.

<b><u>Contents</u></b>	<b><u>Table #s</u></b>
<b>Financial Trends</b> These tables contain trend information to help the reader understand how the Council's financial performance and well-being have changed over time.	<b>1, 2, 3 &amp; 4</b>
<b>Revenue Capacity</b> These tables are to contain information to help the reader assess the Council's most significant local revenue sources.	<b>5</b>
<b>Debt Capacity</b> These tables are to present information to help the reader assess the affordability of the Council's current levels of outstanding debt.	<b>6</b>
<b>Economic and Demographic Information</b> These tables offer economic and demographic indicators to help the reader understand the environment within which the Council's financial activities take place.	<b>7 &amp; 8</b>
<b>Operating Information</b> These tables contain service and infrastructure data to help the reader understand how the information in the Council's financial report relates to the services the Council provides.	<b>9 &amp; 10</b>

**Source:** Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The Council implemented GASB Statement 34 in fiscal year 2003: tables presenting government-wide information include information beginning in that year.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	<b>Fiscal Year</b>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental activities			
Net investment in capital assets	\$ 1,493,197	\$ 951,869	\$ 1,131,432
Restricted	5,473,922	5,401,133	6,231,665
Unrestricted	<u>5,714,552</u>	<u>5,226,610</u>	<u>4,312,103</u>
Total governmental activities net position	<u>\$ 12,681,671</u>	<u>\$ 11,579,612</u>	<u>\$ 11,675,200</u>
Business-type activities			
Net investment in capital assets	\$ 18,502	\$ 25,791	\$ 13,260
Unrestricted	<u>36,409</u>	<u>20,801</u>	<u>67,769</u>
Total business-type activities net position	<u>\$ 54,911</u>	<u>\$ 46,592</u>	<u>\$ 81,029</u>
Primary government			
Investment in capital assets	\$ 1,511,699	\$ 977,660	\$ 1,144,692
Restricted	5,473,922	5,401,133	6,231,665
Unrestricted	<u>5,750,961</u>	<u>5,247,411</u>	<u>4,379,872</u>
Total primary governmental net position	<u>\$ 12,736,582</u>	<u>\$ 11,626,204</u>	<u>\$ 11,756,229</u>

**Source:** Comprehensive Annual Financial Report

**Note:** Accrual-basis financial information for the NCTCOG as a whole is only available back to 2003, the year GASB Statement 34 was implemented.

**TABLE 1**

<b>Fiscal Year</b>						
<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 1,368,144	\$ 1,161,862	\$ 1,497,753	\$ 1,255,488	\$ 484,470	\$ 498,220	\$ 546,788
14,061,433	27,942,962	38,909,613	53,519,795	40,565,985	202,931	144,383
4,122,881	3,816,701	3,646,310	3,776,966	3,254,971	2,900,375	2,729,099
<u>\$ 19,552,458</u>	<u>\$ 32,921,525</u>	<u>\$ 44,053,676</u>	<u>\$ 58,552,249</u>	<u>\$ 44,305,426</u>	<u>\$ 3,601,526</u>	<u>\$ 3,420,270</u>
\$ 22,100	\$ -	\$ -	\$ 1,217,307	\$ 3,759,091	\$ 6,527,148	\$ -
55,656	90,141	67,345	128,515	(94,171)	108,308	-
<u>\$ 77,756</u>	<u>\$ 90,141</u>	<u>\$ 67,345</u>	<u>\$ 1,345,822</u>	<u>\$ 3,664,920</u>	<u>\$ 6,635,456</u>	<u>\$ -</u>
\$ 1,390,244	\$ 1,161,862	\$ 1,497,753	\$ 2,472,795	\$ 4,243,561	\$ 7,025,368	\$ 546,788
14,061,433	27,942,962	38,909,613	53,519,795	40,565,985	202,931	144,383
4,178,537	3,906,842	3,713,655	3,905,481	3,160,800	3,008,683	2,729,099
<u>\$ 19,630,214</u>	<u>\$ 33,011,666</u>	<u>\$ 44,121,021</u>	<u>\$ 59,898,071</u>	<u>\$ 47,970,346</u>	<u>\$ 10,236,982</u>	<u>\$ 3,420,270</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	2014	2013	2012	2011
<b>Expenses</b>				
Governmental activities:				
Agency administration	\$ 5,775,899	\$ 5,463,174	\$ 5,276,175	\$ 5,201,324
Agency management	754,076	706,873	759,547	848,942
Community services	20,385,330	24,883,533	18,522,455	22,909,179
Emergency preparedness	3,672,635	1,426,129	2,062,309	3,539,299
Environment and development	2,302,909	3,310,704	2,074,557	4,587,918
RIS local assistance	2,748,710	3,040,498	2,637,422	3,446,598
Transportation	53,195,247	55,148,280	56,170,198	76,151,018
Workforce development	57,742,893	59,152,671	55,962,878	58,952,928
Total governmental activities expenses	<u>146,577,699</u>	<u>153,131,862</u>	<u>143,465,541</u>	<u>175,637,206</u>
Business-type activities:				
Shared service center	1,639,004	1,868,172	1,936,213	1,947,896
Total business-type activities expenses	<u>1,639,004</u>	<u>1,868,172</u>	<u>1,936,213</u>	<u>1,947,896</u>
Total primary government expenses	<u>\$ 148,216,703</u>	<u>\$ 155,000,034</u>	<u>\$ 145,401,754</u>	<u>\$ 177,585,102</u>
<b>Program Revenues</b>				
Governmental activities:				
Operating grants:				
Agency administration	\$ 5,359	\$ -	\$ 120,965	\$ 238,845
Community services	14,445,171	18,843,748	13,050,047	17,129,937
Emergency preparedness	2,102,303	872,066	1,658,836	3,378,498
Environment and development	835,146	2,123,277	1,003,473	3,799,786
RIS local assistance	-	-	-	37,938
Transportation	47,130,223	44,801,874	37,113,912	48,336,809
Workforce development	57,642,394	59,198,773	55,814,882	59,195,722
Local grants and contributions	24,839,146	26,477,435	26,132,659	26,264,855
Total governmental activities program revenues	<u>146,999,742</u>	<u>152,317,173</u>	<u>134,894,774</u>	<u>158,382,390</u>
Business-type activities:				
Charges for services:				
Shared services	1,643,984	1,833,735	1,939,496	1,939,738
Total business-type activities program revenues	<u>1,643,984</u>	<u>1,833,735</u>	<u>1,939,496</u>	<u>1,939,738</u>
Total primary government program revenues	<u>\$ 148,643,726</u>	<u>\$ 154,150,908</u>	<u>\$ 136,834,270</u>	<u>\$ 160,322,128</u>
<b>Net (Expenses) Revenue</b>				
Governmental activities	\$ 422,043	\$ (814,689)	\$ (8,570,767)	\$ (14,254,816)
Business-type activities	4,980	(34,437)	3,283	(8,158)
Total primary government net expenses	<u>\$ 427,023</u>	<u>\$ (849,126)</u>	<u>\$ (8,567,484)</u>	<u>\$ (14,262,974)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Membership dues	\$ 664,694	\$ 657,054	\$ 651,539	\$ 663,091
Interest on investments	18,661	62,047	41,970	218,421
Transfers in (out)	(3,339)	-	-	4,237
Total governmental activities	<u>680,016</u>	<u>719,101</u>	<u>693,509</u>	<u>885,749</u>
Business-type activities:				
Transfers in (out)	3,339	-	-	(4,237)
Total business-type activities	<u>3,339</u>	<u>-</u>	<u>-</u>	<u>(4,237)</u>
Total primary government	<u>\$ 683,355</u>	<u>\$ 719,101</u>	<u>\$ 693,509</u>	<u>\$ 881,512</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 1,102,059	\$ (95,588)	\$ (7,877,258)	\$ (13,369,067)
Business-type activities	8,319	(34,437)	3,283	(12,395)
Total primary government	<u>\$ 1,110,378</u>	<u>\$ (130,025)</u>	<u>\$ (7,873,975)</u>	<u>\$ (13,381,462)</u>

**Source:** Comprehensive Annual Financial Report

**Note:** Accrual-basis financial information for the NCTCOG as a whole is only available back to 2003, the year GASB Statement 34 was implemented.

The Governmental activities revenues have been restated for the years presented to reflect revenues generated from operating grants as opposed to local grants and contributions.

**TABLE 2**

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 5,227,937	\$ 5,269,854	\$ 5,355,259	\$ 4,802,438	\$ 3,655,700	\$ 2,909,373
776,145	853,457	571,395	558,360	610,618	947,451
20,488,403	22,490,067	19,668,658	14,732,789	15,019,016	13,912,338
2,781,337	2,435,347	4,461,768	6,766,770	1,129,860	1,090,853
4,614,671	5,709,613	4,343,873	5,520,315	2,960,701	5,607,103
2,487,667	3,486,236	2,979,893	2,227,484	2,279,069	2,987,476
75,614,317	63,238,757	59,886,873	47,265,285	14,443,094	12,346,155
59,043,491	53,269,187	48,193,206	49,917,806	44,205,070	43,430,365
<u>171,033,968</u>	<u>156,752,518</u>	<u>145,460,925</u>	<u>131,791,247</u>	<u>84,303,128</u>	<u>83,231,114</u>
1,987,466	2,861,816	4,023,843	4,484,126	2,094,538	114,631
<u>1,987,466</u>	<u>2,861,816</u>	<u>4,023,843</u>	<u>4,484,126</u>	<u>2,094,538</u>	<u>114,631</u>
<u>\$ 173,021,434</u>	<u>\$ 159,614,334</u>	<u>\$ 149,484,768</u>	<u>\$ 136,275,373</u>	<u>\$ 86,397,666</u>	<u>\$ 83,345,745</u>
\$ 123,814	\$ 100,626	\$ 78,732	\$ 829,212	\$ 770,046	\$ 133,036
15,802,837	17,634,359	14,759,657	10,043,056	10,341,041	9,827,308
3,087,356	2,262,037	4,547,830	6,846,840	1,140,891	1,157,462
1,795,328	4,353,732	1,943,294	2,430,434	1,920,421	3,942,280
158,382	200,903	159,905	1,115,696	1,405,433	13,906
56,793,123	42,882,386	46,223,986	29,793,889	13,173,525	13,040,326
58,439,547	51,946,951	50,814,449	51,347,719	45,422,270	44,466,690
22,639,979	21,644,684	38,238,325	66,241,118	9,393,181	9,871,427
<u>158,840,366</u>	<u>141,025,678</u>	<u>156,766,178</u>	<u>168,647,964</u>	<u>83,566,808</u>	<u>82,452,435</u>
2,010,262	1,583,339	1,704,745	1,513,590	8,729,994	114,631
<u>2,010,262</u>	<u>1,583,339</u>	<u>1,704,745</u>	<u>1,513,590</u>	<u>8,729,994</u>	<u>114,631</u>
<u>\$ 160,850,628</u>	<u>\$ 142,609,017</u>	<u>\$ 158,470,923</u>	<u>\$ 170,161,554</u>	<u>\$ 92,296,802</u>	<u>\$ 82,567,066</u>
\$ (12,193,602)	\$ (15,726,840)	\$ 11,305,253	\$ 36,856,717	\$ (736,320)	\$ (778,679)
22,796	(1,278,477)	(2,319,098)	(2,970,536)	6,635,456	-
<u>\$ (12,170,806)</u>	<u>\$ (17,005,317)</u>	<u>\$ 8,986,155</u>	<u>\$ 33,886,181</u>	<u>\$ 5,899,136</u>	<u>\$ (778,679)</u>
\$ 654,835	\$ 645,519	\$ 632,215	\$ 617,503	\$ 595,578	\$ 579,019
406,616	582,748	2,308,855	3,230,180	321,998	294,684
-	-	-	-	-	-
<u>1,061,451</u>	<u>1,228,267</u>	<u>2,941,070</u>	<u>3,847,683</u>	<u>917,576</u>	<u>873,703</u>
-	-	-	-	-	-
<u>\$ 1,061,451</u>	<u>\$ 1,228,267</u>	<u>\$ 2,941,070</u>	<u>\$ 3,847,683</u>	<u>\$ 917,576</u>	<u>\$ 873,703</u>
\$ (11,132,151)	\$ (14,498,573)	\$ 14,246,323	\$ 40,704,400	\$ 181,256	\$ 95,024
22,796	(1,278,477)	(2,319,098)	(2,970,536)	6,635,456	-
<u>\$ (11,109,355)</u>	<u>\$ (15,777,050)</u>	<u>\$ 11,927,225</u>	<u>\$ 37,733,864</u>	<u>\$ 6,816,712</u>	<u>\$ 95,024</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

	<b>Fiscal Year - Pre GASB 54</b>			
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund				
Reserved <sup>a</sup>	\$ 10,946	\$ 3,158	\$ 13,322	\$ 15,555
Unreserved	4,988,995	4,884,409	4,708,103	4,256,017
Total general fund	<u>\$ 4,999,941</u>	<u>\$ 4,887,567</u>	<u>\$ 4,721,425</u>	<u>\$ 4,271,572</u>
All Other Governmental Funds				
Reserved for:				
Prepaid items	\$ 79,881	\$ 55,054	\$ 47,588	\$ 48,359
Grants	221,448	796,364	645,283	437,221
Local transportation projects	27,721,514	38,113,249	52,874,512	40,148,643
Unreserved, reported in:				
Special revenue funds	-	-	-	(66,059)
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 28,022,843</u>	<u>\$ 38,964,667</u>	<u>\$ 53,567,383</u>	<u>\$ 40,568,164</u>
	<b>Fiscal Year - Post GASB 54</b>			
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund				
Non Spendable:				
Non Spendable	\$ 51,512	\$ 67,473	\$ 55,616	\$ 80,646
Spendable:				
Unassigned	5,504,106	5,266,892	5,029,314	4,918,967
Total General Fund	<u>\$ 5,555,618</u>	<u>\$ 5,334,365</u>	<u>\$ 5,084,930</u>	<u>\$ 4,999,613</u>
All Other Governmental Funds				
Non Spendable:				
Non Spendable	\$ 162,150	\$ 98,930	\$ 57,990	\$ 36,339
Spendable:				
Restricted for grants	344,380	271,591	193,244	181,786
Restricted for local transportation	5,129,542	5,129,542	6,038,421	13,877,396
Assigned	604,763	765,271	248,498	204,827
Total all other governmental funds	<u>\$ 6,240,835</u>	<u>\$ 6,265,334</u>	<u>\$ 6,538,153</u>	<u>\$ 14,300,348</u>

**Source:** Comprehensive Annual Financial Report

**Notes:** <sup>a</sup>Includes encumbrances and prepaid items.  
 GASB 54 adopted in 2011  
 2010 data restated for GASB 54 comparable presentation

**TABLE 3**

---

<b>Fiscal Year - Pre GASB 54</b>	
<u>2006</u>	<u>2005</u>
\$ 142,193	\$ 169,310
<u>3,612,647</u>	<u>3,309,101</u>
<u>\$ 3,754,840</u>	<u>\$ 3,478,411</u>
\$ 51,762	\$ 42,122
104,684	102,261
-	-
-	-
-	-
<u>\$ 156,446</u>	<u>\$ 144,383</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	<b>FISCAL YEAR</b>			
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>				
Federal grants	\$ 22,491,763	\$ 20,631,697	\$ 10,839,413	\$ 12,979,109
State administered grants	99,668,833	105,208,041	97,922,702	119,138,426
Membership dues	664,694	657,054	651,539	663,091
Local contributed cash	8,144,514	12,964,481	6,000,683	7,718,250
In-Kind	16,227,555	13,125,408	19,820,625	21,228,282
Program income	467,077	387,546	311,351	318,323
Interest income	18,661	62,047	41,970	218,421
<b>TOTAL REVENUES</b>	<b>147,683,097</b>	<b>153,036,274</b>	<b>135,588,283</b>	<b>162,263,902</b>
<b>EXPENDITURES</b>				
Current:				
Agency administration	6,190,755	6,020,958	6,123,956	6,037,841
Agency management	782,985	570,521	522,548	602,541
Community services	20,908,926	25,323,042	18,967,988	23,368,882
Emergency preparedness	3,816,952	1,549,436	2,199,152	3,703,670
Environment & development	2,480,694	3,480,494	2,237,449	4,814,780
Research & information services	3,049,466	3,308,621	2,875,759	3,691,229
Transportation	55,083,003	56,926,135	57,792,540	77,753,457
Workforce development	58,157,641	59,530,189	56,271,929	59,235,482
Capital outlay	1,021,314	168,034	229,057	793,319
	<b>151,491,736</b>	<b>156,877,430</b>	<b>147,220,378</b>	<b>180,001,201</b>
Indirect cost allocation	(3,985,911)	(3,799,890)	(3,634,081)	(3,718,074)
Contributions to indirect costs	(22,821)	(17,882)	(321,138)	(292,163)
<b>TOTAL EXPENDITURES</b>	<b>147,483,004</b>	<b>153,059,658</b>	<b>143,265,159</b>	<b>175,990,964</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>200,093</b>	<b>(23,384)</b>	<b>(7,676,876)</b>	<b>(13,727,062)</b>
<b>OTHER FINANCING SOURCES AND USES</b>				
Capital-related debt issued (note payable)	-	-	-	-
Transfers In	963,409	1,239,823	1,144,310	1,234,411
Transfers out	(966,748)	(1,239,823)	(1,144,310)	(1,230,174)
Total other financing sources (uses)	<b>(3,339)</b>	<b>-</b>	<b>-</b>	<b>4,237</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 196,754</b>	<b>\$ (23,384)</b>	<b>\$ (7,676,876)</b>	<b>\$ (13,722,825)</b>

**TABLE 4**

<b>FISCAL YEAR</b>					
<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 12,842,963	\$ 3,391,827	\$ 4,796,333	\$ 2,130,761	\$ 695,214	\$ 311,125
123,357,424	115,989,167	113,731,520	100,276,085	73,478,413	72,269,883
654,835	645,519	632,215	617,503	595,578	579,019
7,242,670	9,694,057	26,908,819	44,262,299	4,342,999	5,383,009
15,055,527	11,505,589	10,893,201	21,514,892	4,565,843	3,934,202
341,782	445,038	436,305	463,927	484,339	554,216
406,616	582,748	2,308,855	3,230,180	321,998	294,684
<u>159,901,817</u>	<u>142,253,945</u>	<u>159,707,248</u>	<u>172,495,647</u>	<u>84,484,384</u>	<u>83,326,138</u>
6,149,666	6,239,753	5,380,601	4,780,155	3,681,798	3,301,741
611,201	617,456	580,135	569,182	636,145	959,325
20,913,065	22,810,881	20,020,526	15,051,041	15,442,386	14,097,463
2,919,321	2,555,857	4,527,038	6,892,294	1,144,842	1,144,296
4,842,179	5,906,678	4,380,767	5,612,603	3,020,890	5,774,954
2,688,156	3,660,746	3,000,855	2,215,495	2,323,786	3,119,094
77,112,327	64,537,300	60,937,748	48,098,352	14,761,367	12,949,745
59,291,468	53,457,071	49,234,539	51,333,120	45,410,697	43,633,788
198,978	614,578	1,423,653	374,854	201,959	348,945
<u>174,726,361</u>	<u>160,400,320</u>	<u>149,485,862</u>	<u>134,927,096</u>	<u>86,623,870</u>	<u>85,329,351</u>
(3,614,978)	(3,359,333)	(2,860,926)	(2,872,021)	(2,160,816)	(2,186,536)
(380,116)	(378,949)	(366,759)	(363,527)	(352,543)	(279,397)
<u>170,731,267</u>	<u>156,662,038</u>	<u>146,258,177</u>	<u>131,691,548</u>	<u>84,110,511</u>	<u>82,863,418</u>
(10,829,450)	(14,408,093)	13,449,071	40,804,099	373,873	462,720
-	-	-	149,887	-	-
717,919	1,058,306	627,426	314,725	218,893	330,534
(717,919)	(1,086,787)	(627,426)	(340,564)	(303,970)	(424,710)
<u>-</u>	<u>(28,481)</u>	<u>-</u>	<u>124,048</u>	<u>(85,077)</u>	<u>(94,176)</u>
<u><u>\$ (10,829,450)</u></u>	<u><u>\$ (14,436,574)</u></u>	<u><u>\$ 13,449,071</u></u>	<u><u>\$ 40,928,147</u></u>	<u><u>\$ 288,796</u></u>	<u><u>\$ 368,544</u></u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>LOCAL</u>					<u>TOTAL</u>
	<u>MemberDues</u>	<u>Interest (1)</u>	<u>Contributions (1)</u>	<u>In-Kind</u>	<u>Program</u>	
2014	\$ 664,694	\$ 18,661	\$ 8,144,514	\$ 16,227,555	\$ 467,077	\$ 25,522,501
2013	657,054	62,047	12,964,481	13,125,408	387,546	27,196,536
2012	651,539	41,970	6,000,683	19,820,625	311,351	26,826,168
2011	663,091	218,421	7,718,250	21,228,282	318,323	30,146,367
2010	654,835	406,616	7,242,670	15,055,527	341,782	23,701,430
2009	645,519	582,748	9,694,057	11,505,589	445,038	22,872,951
2008	632,215	2,308,855	26,908,819	10,893,201	436,305	41,179,395
2007	617,503	3,230,180	44,262,299	21,514,892	463,927	70,088,801
2006	595,578	321,998	4,342,999	4,565,843	484,339	10,310,757
2005	579,019	294,684	5,383,009	3,934,202	554,216	10,745,130

**Notes:** (1) Includes General and Special Revenue

**TABLE 5**

---

<b>GRANTS</b>			<b>GRAND</b>
<u>State</u>	<u>Federal</u>	<u>TOTAL</u>	<b>TOTAL</b>
\$ 99,668,833	\$ 22,491,763	\$ 122,160,596	\$ 147,683,097
105,208,041	20,631,697	125,839,738	153,036,274
97,922,702	10,839,413	108,762,115	135,588,283
119,138,426	12,979,109	132,117,535	162,263,902
123,357,424	12,842,963	136,200,387	159,901,817
115,989,167	3,391,827	119,380,994	142,253,945
113,731,520	4,796,333	118,527,853	159,707,248
100,276,085	2,130,761	102,406,846	172,495,647
73,478,413	695,214	74,173,627	84,484,384
72,269,883	311,125	72,581,008	83,326,138

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 OUTSTANDING DEBT-GOVERNMENTAL ACTIVITIES  
 LAST SEVEN FISCAL YEARS  
 (UNAUDITED)**

**TABLE 6**

<u>Fiscal Year</u>	<u>Outstanding Note Payable (1)</u>	<u>Annual Payments</u>	<u>Total Revenues</u>	<u>Payments as Percent of Total Revenues</u>
2014	\$ -	\$ -	\$ 147,683,097	0.0000%
2013	-	-	153,036,274	0.0000%
2012	-	-	135,588,283	0.0000%
2011	-	-	162,263,902	0.0000%
2010	-	60,957	159,901,817	0.0381%
2009	60,957	42,896	142,253,945	0.0302%
2008	103,853	39,469	159,707,248	0.0247%
2007	143,322	6,565	172,495,647	0.0038%

**Source:** Details on outstanding debt can be found in the notes to the financial statements

**Note:** (1) The Note Payable is for equipment for the Agency

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN CALENDAR YEARS  
 (UNAUDITED)**

**TABLE 7**

Year	Estimated Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>b</sup>	School Enrollment <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	6,841,530 *	\$ 324,248,246,715 *	\$ 47,608 *	1,336,653 *	4.5%
2013	6,752,640	320,035,384,000	46,989	1,312,126	5.7%
2012	6,671,280	311,008,898,000	46,400	1,289,298	6.7%
2011	6,602,560	292,079,377,000	44,450	1,264,190	7.8%
2010	6,539,950	267,544,467,000	41,462	1,240,827	8.2%
2009	6,639,630	256,748,150,000	40,485	1,216,929	7.8%
2008	6,538,850	272,171,616,000	43,820	1,193,011	5.1%
2007	6,406,450	252,997,455,000	41,598	1,168,405	4.3%
2006	6,242,800	239,510,993,000	40,303	1,122,168	4.8%
2005	6,047,800	218,771,377,000	37,872	1,086,599	5.2%

**Sources:** <sup>a</sup>Yearly NCTCOG Population Estimates.  
<sup>b</sup>Income provided by BEA Regional Bearfacts for the  
 Dallas-Fort Worth-Arlington, Tx Metropolitan Statistical Area, via tracer2.com  
<sup>c</sup>Texas Education Agency  
<sup>d</sup>Texas Workforce Commission, via tracer2.com

**Notes:** N/A - Data not available.  
 \* - Approximation only, as information not published yet

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND PREVIOUS FIVE YEARS  
(UNAUDITED)**

**TABLE 8**

2014		
Employer <sup>a</sup>	Employees	Percentage of Total NCTCOG Employment
Wal-Mart Stores	52,700	1.55%
American Airlines Group, Inc.	23,700	0.70%
Baylor Health Care System	22,000	0.65%
Dallas ISD	20,793	0.61%
Texas Health Resources	16,205	0.48%
Bank of America	15,400	0.45%
City of Dallas	13,000	0.38%
JP Morgan Chase Bank N.A.	13,000	0.38%
Texas Instruments Inc.	13,000	0.38%
Lockheed Martin Aeronautics Co.	12,600	0.37%
<b>Total</b>	<b>202,398</b>	<b>5.96%</b>

Total NCTCOG Region Employees <sup>b</sup> 3,397,119

Source: <sup>a</sup> Dallas Business Journal, Book of Lists 2015  
<sup>b</sup> NCTCOG, RIS department

2013		
Employer <sup>a</sup>	Employees	Percentage of Total NCTCOG Employment
Texas Health Resources	21,100	0.64%
Bank of America	20,000	0.60%
Dallas ISD	19,800	0.60%
American Airlines	19,219	0.58%
Baylor Health Care Systems	16,850	0.51%
Lockheed Martin	16,000	0.48%
JPMorgan Chase	14,500	0.44%
Texas Instruments	14,000	0.42%
City of Dallas	13,000	0.39%
UT Southwestern.	12,100	0.37%
<b>Total</b>	<b>166,569</b>	<b>5.03%</b>

Total NCTCOG Region Employees <sup>b</sup> 3,313,916

Source: <sup>a</sup> Dallas Business Journal, Book of Lists 2014  
<sup>b</sup> NCTCOG, RIS department

2012		
Employer <sup>a</sup>	Employees	Percentage of Total NCTCOG Employment
American Airlines	24,700	0.77%
Bank of America	20,000	0.62%
Texas Health Resources	19,230	0.60%
Dallas ISD	18,314	0.57%
Baylor Health Care System	17,097	0.53%
AT&T	15,800	0.49%
Lockheed Martin	14,126	0.44%
JP Morgan Chase	13,500	0.42%
UT Southwestern Medical Center	13,122	0.41%
City of Dallas	12,836	0.40%
<b>Total</b>	<b>168,725</b>	<b>5.26%</b>

Total NCTCOG Region Employees <sup>b</sup> 3,209,334

Source: <sup>a</sup> Dallas Business Journal, Book of Lists 2013  
<sup>b</sup> NCTCOG, RIS department

2011		
Employer <sup>a</sup>	Employees	Percentage of Total NCTCOG Employment
Wal-Mart	34,700	1.11%
American Airlines	24,888	0.80%
Texas Health Resources	24,189	0.78%
Bank of America	20,000	0.64%
AT&T*	17,500	0.56%
Baylor Health Care System	17,097	0.55%
Lockheed Martin	15,000	0.48%
JP Morgan Chase	13,500	0.43%
HCA North Texas Division	11,400	0.37%
Verizon	10,500	0.34%
<b>Total</b>	<b>188,774</b>	<b>6.06%</b>

Total NCTCOG Region Employees <sup>b</sup> 3,115,023

Source: <sup>a</sup> Dallas Business Journal, Book of Lists 2012  
<sup>b</sup> NCTCOG, RIS department

2010		
Employer <sup>a</sup>	Employees	Percentage of Total NCTCOG Employment
Wal-Mart	34,700	1.13%
American Airlines	20,700	0.67%
Bank of America	20,000	0.65%
Baylor Health Care System	19,700	0.64%
Texas Health Resources	18,700	0.61%
AT&T	17,500	0.57%
Lockheed Martin Aeronautics	14,900	0.49%
JPMorgan Chase	13,000	0.42%
HCA North Texas Division	12,300	0.40%
Verizon Communications	11,000	0.36%
<b>Total</b>	<b>182,500</b>	<b>5.94%</b>

Total NCTCOG Region Employees <sup>b</sup> 3,072,082

Source: <sup>a</sup> Dallas Business Journal, Book of Lists 2011  
<sup>b</sup> NCTCOG, RIS department

2009		
Employer <sup>a</sup>	Employees	Percentage of Total NCTCOG Employment
Wal-Mart	37,100	1.21%
American Airlines	21,935	0.72%
Baylor Health Care System	18,000	0.59%
Texas Health Resources	17,485	0.57%
AT&T	14,400	0.47%
Lockheed Martin Aeronautics	14,100	0.46%
Verizon Communication	14,000	0.46%
HCA	12,300	0.40%
JPMorgan Chase	10,000	0.33%
Citi	9,100	0.30%
<b>Total</b>	<b>168,420</b>	<b>5.51%</b>

Total NCTCOG Region Employees <sup>b</sup> 3,059,028

Source: <sup>a</sup> Dallas Business Journal, Book of Lists 2010  
<sup>b</sup> NCTCOG, RIS department

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 FULL-TIME EQUIVALENT COUNCIL EMPLOYEES BY  
 FUNCTION/PROGRAM LAST TEN FISCAL YEARS  
 (UNAUDITED)**

**TABLE 9**

Function/Program	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Agency Management	3	3	3	3	3	3	3	3	3	3
Agency Administration	39	39	38	39	39	39	34	30	27	24
Public Affairs	2	2	3	4	4	4	4	4	4	4
Research and Information Services	27	27	26	30	32	32	31	27	26	24
Community Services	47	44	44	45	41	40	38	34	32	31
Environment & Development	12	12	18	23	23	24	26	24	24	24
Transportation	149	149	153	158	149	154	145	116	108	90
Workforce Development	34	31	28	25	22	22	24	23	28	28
Emergency Preparedness	12	12	13	18	18	13	11	9	6	6
<b>Total</b>	<b>325</b>	<b>319</b>	<b>326</b>	<b>345</b>	<b>331</b>	<b>331</b>	<b>316</b>	<b>270</b>	<b>258</b>	<b>234</b>

**Source:**

Agency Annual Fiscal Program

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

Function/Program	Fiscal Year			
	2014	2013	2012	2011
Local assistance	\$ 1,265,257	\$ 1,298,343	\$ 1,284,610	\$ 1,220,486
Transportation - TxDOT	841,120	731,705	731,705	726,435
Regional information services	1,286,210	1,286,210	1,301,023	1,301,023
Environmental resources	93,194	99,054	99,054	99,054
Emergency preparedness	252,688	240,834	241,709	241,709
Workforce development	3,352,543	3,291,296	3,291,867	3,234,064
Community services	1,565,202	792,998	697,102	600,545
Enterprise Fund	7,389,956	7,383,536	7,361,554	7,361,554
Prior Year Balance	-	-	-	-

**Source:** Comprehensive Annual Financial Report

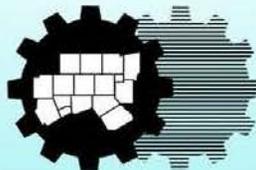
**TABLE 10**

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<b>Fiscal Year</b>					
<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 1,188,120	\$ 1,185,086	\$ 1,208,926	\$ 772,363	\$ 583,680	\$ 580,468
617,517	617,517	540,975	414,588	344,444	334,216
1,264,710	1,264,710	1,102,440	837,499	800,347	753,631
99,054	99,054	99,054	99,054	99,054	135,912
215,893	188,670	88,164	67,451	59,186	39,307
2,659,095	2,592,517	2,530,547	2,076,129	2,026,134	2,081,390
600,545	501,362	376,749	151,005	130,390	164,217
7,335,034	7,335,034	7,335,034	8,080,514	8,080,514	553,333
-	-	-	-	3,967,800	3,967,800

# Federal Financial Assistance Reports

Fiscal Year Ended September 30, 2014



**North Central Texas Council of Governments**

**NORTH CENTRAL TEXAS  
COUNCIL OF GOVERNMENTS**

**FEDERAL FINANCIAL  
AND  
COMPLIANCE INFORMATION**

**YEAR ENDED SEPTEMBER 30, 2014**

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## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the Executive Board  
North Central Texas Council of Governments  
Arlington, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the North Central Texas Council of Governments (the Council) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated February 13, 2015.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Weaver and Tidwell, L.L.P.*  
WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
February 13, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB  
CIRCULAR A-133 AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Members of the Executive Board  
North Central Texas Council of Governments  
Arlington, Texas

Report on Compliance for Each Major Federal Program

We have audited North Central Texas Council of Governments' (the Council) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended September 30, 2014. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Council's compliance.

Opinion on Each Major Federal Program

In our opinion, the Council, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of North Central Texas Council of Governments, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise North Central Texas Council of Governments basic financial statements. We issued our report thereon dated February 13, 2015, which

contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Weaver and Tidwell, L.L.P.*  
WEAVER AND TIDWELL, L.L.P

Dallas, Texas  
February 13, 2015

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Section I-Summary of Auditors' Results**

**BASIC FINANCIAL STATEMENTS:**

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ Yes      X  No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)? \_\_\_ Yes      X  None reported

Noncompliance which is material to the basic financial statements noted? \_\_\_ Yes      X  No

**FEDERAL AWARDS:**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_ Yes      X  No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)? \_\_\_ Yes      X  None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_ Yes      X  No

Identification of federal major programs:

CFDA Number(s)	Name of Federal Programs or Cluster
20.513, 20.516, 20.521	Transit Services Program Cluster
93.575, 93.596	CCDF Cluster

Dollar threshold used to distinguish Between type A and type B programs: \$2,862,423

Auditee qualified as low-risk auditee?  X  Yes     \_\_\_ No

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Section II-Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no findings for the year ended September 30, 2014.

**Section III-Federal Awards Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by Circular A-133 Compliance Supplement. Where practical, findings should be organized by federal agency or pass-through entity.

There were no findings for the year ended September 30, 2014.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

There were no findings from the year ended September 30, 2013.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Federal Grantor / Pass-Through Grantor/ Program Title	NCTCOG Grant Number	Federal CFDA Number	Contract Number	Federal Expenditures
<b><u>U.S. Department of Transportation:</u></b>				
<i>Pass-Through Texas Department of Transportation:</i>				
TxDot JARC Regional Coordination	0717005	20.516	51202F7246	\$ 228,191
TxDot JARC Reg Coord FY14	0717006	20.516	51418F7245	323,519
Value Pricing Pilot Program	0780004	20.200	0918-00-195	86,267
INVEST Implementation Project	0780005	20.205	TRX 1806	8,380
Ecological Implement	0780006	20.205	TRX 1851	65,496
Climate Change	0780007	20.205	TRX 1844	18,456
Regional Jobs Opportunity Pilot Program	0780008	20.205	18-4XXF7002	67,349
Bike-Walk N TX Safety	0780009	20.205	0902-00-0140	937
Air Quality Initiatives	0782002	20.205	18-1XXF1004	273,979
Regional Traffic Signal	0782010	20.205	02-0XXF1002	175,287
Freeway Incident Management Program	0782011	20.205	18-0XXF1006	160,522
Freeway Incident Management Program	0782012	20.205	18-1XXF1003	60,456
Regional Traffic Signal	0782013	20.205	18-0XXF1006	432,068
Incident Mgt/Sty Patrol	0782015	20.205	18-3XXF1016	1,501,552
AQ Initiatives CMAQ FY13	0782016	20.205	18-3XXF1009	108,074
Air Quality Initiatives	0783002	20.205	02-0XXF1004	201,500
Regional Goods Movement	0783041	20.205	02-2XXF1006	247,387
Regional Bicycle Pedestrian	0783042	20.205	18-0XXF1001	2,987
Travel Survey (2010-2012)	0783045	20.205	18-0XXF1003	306,902
Plan Oversight Administration and Implementation Initiatives	0783046	20.205	02-0XXF1003	311,467
Regional Project Tracking	0783047	20.205	02-0XXF1001	58,547
Regional Aerial Photography - Data Collection and Planning	0783049	20.205	0918-00-178	5,043
Implementation of Management	0783050	20.205	02-1XXF1003	933,358
Streamlined Project Delivery	0783052	20.205	02-2XXF1007	441,624
Reg Trip / Vanpool / Bike Pedestrian	0783053	20.205	18-2XXF1007	1,268,556
Regional ITS Data Archiving FY2012	0783054	20.205	18-2XXF1008	110,076
Streamlined Project Delivery	0783055	20.205	18-3XXF1011	76,151
Travel Survey Program	0783056	20.205	18-3XXF1015	1,173,243
Congestion Mgmt and Data	0783057	20.205	18-3XXF1021	47,221
Regional Goods Mvmt FY 13	0783058	20.205	02-3XXF10009	14,712
Proj Oversight & Admin	0783059	20.205	02-3XXF1008	439,308
Trip/Vanpool/Bike/Ped/SD	0783060	20.205	18-3XXF1014	832,793
Blacklands/NETEX	0783061	20.205	18-3XXF1020	853,926
Dept Streamlining FY2014	0783062	20.205	18-4XXF1022	10,910
Corridor Study of SH 199	0783064	20.205	0171-05-095	76
People Mover Test Track	0783065	20.205	0902-90-008	1,268
Highway Planning & Construction	07D1Y14	20.205	50-14F006	8,440,761
<i>Texas Department of Transportation, subtotal</i>				<u>19,288,349</u>
<i>Pass-Through Federal Transit Administration:</i>				
FTA - JA/RC Administration	0717001	20.516	TX-37-X014	144,085
FTA - Grantee Administration	0711Y06	20.507	TX-90-X760	3,565
FTA - Grantee Administration	0711Y07	20.507	TX-90-X814	142,037
FTA - Urban Funding	0711Y08	20.507	TX-90-X840	230,674
FTA - Urban Funding	0711Y09	20.507	TX-90-X862	234,427
FTA - Urban Funding	0711Y10	20.507	TX-90-X911	607,421
FTA - Urban Funding	0711Y11	20.507	TX-90-X948	203,869
FTA - Urban Funding	0711Y12	20.507	TX-90-X980	489,464
FTA - Urban Funding	0711Y13	20.507	TX-90-Y040	265,142
Transit Planning Studies - Travel Surveys (Alt. Analysis)	0713001	20.522	TX-39-0001	3,008
FTA - Grantee Administration (New Freedom)	0712Y08	20.521	TX-57-X009	236,509
FTA - Grantee Administration (New Freedom)	0712Y09	20.521	TX-57-X021	350,556
FTA - Grantee Administration (New Freedom)	0712Y11	20.521	TX-57-X039	410,174
FTA - Grantee Administration (New Freedom)	0712Y12	20.521	TX-57-X043	64,071
FTA - JA/RC Administration	0717Y08	20.516	TX-37-X061	67,076
FTA - JA/RC Administration	0717Y09	20.516	TX-37-X074	74,938
FTA - JA/RC Administration	0717Y10	20.516	TX-37-X081	797,157
FTA - JA/RC Administration	0717Y11	20.516	TX-37-X096	222,435
FTA - JA/RC Administration	0717Y12	20.516	TX-37-X106	634,076
FYA - 5310 Funds FY13	0718Y13	20.513	TX-16-X010-00	1,239,940
* FTA - ARRA Dallas Street Car	0715002	20.932	TX-78-0001	13,923,830
<i>Federal Transit Administration, subtotal</i>				<u>20,344,454</u>
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>				<u><b>39,632,803</b></u>

(continued)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Federal Grantor / Pass-Through Grantor/ Program Title	NCTCOG Grant Number	Federal CFDA Number	Contract Number	Federal Expenditures
<b>U. S. Department of Labor:</b>				
<i>Direct Programs:</i>				
Community-Based Job Training	0801810	17.269	CB-20564-10-60-A-48	42,323
H1-B	0801812	17.268	HG-22735-12-60.A-48	1,086,830
<i>Direct Programs, subtotal</i>				<u>1,129,153</u>
<i>Pass-Through Texas Workforce Commission:</i>				
Workforce Investment Act, Youth Program	0800614	17.259	0413WIY000	3,489,366
Workforce Investment Act, Youth Program	0800615	17.259	0414WIY000	382,644
Workforce Investment Act, Adult Program	0800713	17.258	0412WIA000	156,751
Workforce Investment Act, Adult Program	0800714	17.258	0413WIA000	3,129,520
Workforce Investment Act, Dislocated Worker	0800813	17.278	0412WID000	86,289
Workforce Investment Act, Dislocated Worker	0800814	17.278	0413WID000	5,404,864
<i>Workforce Investment Act, subtotal</i>				<u>12,649,434</u>
Emergency Unemployment Compensation Reemployment and Eligibility Assessment	0802512	17.225	0412EUC000	31,485
Trade Adjustment Assistance	0802113	17.245	0413TRA000	194,047
Trade Adjustment Assistance	0802114	17.245	0414TRA000	743,860
<i>Trade Adjustment Assistance, subtotal</i>				<u>937,907</u>
Wagner Peyser Employment Services	0801714	17.207	0414RAG000	14,116
Wagner Peyser Employment Services	0801714	17.273	0414RAG000	1,242
Wagner Peyser Employment Services	0801913	17.207	0413WPA000	144,267
Wagner Peyser Employment Services	0801914	17.207	0414WPA000	507,247
<i>Wagner Peyser Employment Services, subtotal</i>				<u>666,872</u>
Performance Incentive Award	0802613	17.207	0413PAE000	1,866
Performance Incentive Award	0802613	17.259	0413PAE000	187
Performance Incentive Award	0802613	17.278	0413PAE000	1,679
<i>Performance Incentive Award, subtotal</i>				<u>3,732</u>
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>				<b>15,418,583</b>
<b>U.S. Department of Agriculture:</b>				
<i>Pass-Through Texas Workforce Commission:</i>				
Food Stamp Employment & Training	0800913	10.561	0413SNE000	18,097
Food Stamp Employment & Training	0800914	10.561	0414SNE000	484,476
Food Stamp ABAWD	0801013	10.561	0413SNA000	19,729
Food Stamp ABAWD	0801014	10.561	0414SNA000	317,303
<i>Texas Workforce Commission Award, subtotal</i>				<u>839,605</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>				<b>839,605</b>
<b>U. S. Environmental Protection Agency:</b>				
<i>Direct Programs:</i>				
Freight Efficiency Outreach Center	0720006	66.041	AF-83495901	23,124
<i>Pass-Through Texas Commission on Environmental Quality:</i>				
Water Quality Management Planning	0667014	66.454	582-14-40167	98,046
Water Quality Management Planning	0667015	66.454	582-15-50106	4,713
<i>Texas Commission on Environmental Quality, subtotal</i>				<u>102,759</u>
<b>TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				<b>125,883</b>
<b>U. S. Department of Health and Human Services:</b>				
<i>Pass-Through Texas Department of Aging and Disability Services:</i>				
Title VII - Prevention of Elder Abuse, Neglect & Exploitation	0300714	93.041	539-11-0002-0001	13,621
Title VII - Long Term Care Ombudsman Services for Older Individuals	0300814	93.042	539-11-0002-0001	73,877
<i>Title VII, subtotal</i>				<u>87,498</u>
Title III, Part B - Administration	0300114	93.044	539-11-0002-0001	143,060
Title III, Part B - Grants for Supportive Services and Senior Centers	0300214	93.044	539-11-0002-0001	1,087,292
Title III, Part B - Grants for Supportive Services and Senior Centers	0301713	93.044	539-11-0002-0001	33,243
Title III, Part B - Grants for Supportive Services and Senior Centers	0301714	93.044	539-11-0002-0001	14,993
<i>Title III, Part B, subtotal</i>				<u>1,278,588</u>

(continued)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Federal Grantor / Pass-Through Grantor/ Program Title	NCTCOG Grant Number	Federal CFDA Number	Contract Number	Federal Expenditures
Title III, Part C-1 - Administration	0300114	93.045	539-11-0002-0001	185,385
Title III, Part C-2 - Administration	0300114	93.045	539-11-0002-0001	38,992
Title III, Part C-1 Nutrition Services	0300314	93.045	539-11-0002-0001	700,340
Title III, Part C-2 Nutrition Services	0300414	93.045	539-11-0002-0001	1,617,746
<i>Title III, Part C, subtotal</i>				<u>2,542,463</u>
Title III, Part D, Disease Prevention and Health Promotion Services	0300513	93.043	539-11-0002-0001	3,342
Title III, Part D, Disease Prevention and Health Promotion Services	0300514	93.043	539-11-0002-0001	98,197
<i>Title III, Part D, subtotal</i>				<u>101,539</u>
Title III, Part E - Administration	0300114	93.052	539-11-0002-0001	18,589
Title III, Part E National Family Caregiver Support Program	0300614	93.052	539-11-0002-0001	454,314
<i>Title III, Part E, subtotal</i>				<u>472,903</u>
Nutrition Services Incentive Program	0300914	93.053	539-11-0002-0001	584,589
ADRC Options Counseling Training/Sustainability	0301514	93.048	539-11-0002-0001	60,874
ADRC Local Contact Agency	0301514	93.791	539-11-0002-0001	44,189
ADRC Operations	0301514	93.778	539-11-0002-0001	182,886
ADRC Operations	0301515	93.778	539-11-0002-0001	26,779
<i>Aging &amp; Disability Resource Center, subtotal</i>				<u>314,728</u>
CMS-HCFA - Centers for Medicare & Medicaid Services Research, Demonstrations and Evaluations	0301113	93.779	539-11-0002-0001	22,163
CMS-HCFA - Centers for Medicare & Medicaid Services Research, Demonstrations and Evaluations	0301114	93.324	539-11-0002-0001	13,397
CMS-MIPPA	0390014	93.518	539-11-0002-0001	29,488
CMS-Money Follows the Person Rebalancing Demonstration	0301214	93.791	539-11-0002-0001	129
CMS-Money Follows the Person--Housing Navigation	0301314	93.791	539-11-0002-0001	43,999
<i>CMS-HCFA - Centers for Medicare &amp; Medicaid Services, subtotal</i>				<u>109,176</u>
<i>Texas Department of Aging and Disability Services, subtotal</i>				<u>5,491,484</u>
<i>Pass-Through Texas Workforce Commission:</i>				
Temporary Assistance for Needy Families	0801313	93.558	0413TAN000	81,441
Temporary Assistance for Needy Families	0801314	93.558	0414TAN000	3,031,615
<i>Temporary Assistance for Needy Families, subtotal</i>				<u>3,113,056</u>
<i>Pass-Through Texas Workforce Commission:</i>				
Direct Child Care Services	0800313	93.596	0413CCF000	166,254
Direct Child Care Services	0800313	93.575	0413CCF000	856,470
Direct Child Care Services	0800314	93.596	0414CCF000	13,355,964
Direct Child Care Services	0800314	93.575	0414CCF000	7,339,858
Direct Child Care Services	0800314	93.558	0414CCF000	135,372
Child Care Attendance Automation	0801614	93.575	0414CAA000	232,708
Child Care - Local Match	0800413	93.596	0413CCM000	831,298
Child Care - Local Match	0800414	93.596	0414CCM000	3,876,436
Child Care - Quality	0802714	93.575	0414CCQ000	728,730
<i>Child Care Services, subtotal</i>				<u>27,523,090</u>
Wagner Peyser Employment Services	0801913	93.558	0413WPA000	25,254
Wagner Peyser Employment Services	0801914	93.558	0414WPA000	87,710
<i>Wagner Peyser Employment Services, subtotal</i>				<u>112,964</u>
<i>Texas Workforce Commission, subtotal</i>				<u>30,749,110</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				<u><b>36,240,594</b></u>

(continued)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Federal Grantor / Pass-Through Grantor/ Program Title	NCTCOG Grant Number	Federal CFDA Number	Contract Number	Federal Expenditures
<b><u>U.S. Department of Homeland Security:</u></b>				
<i>Pass-Through Texas Department of Public Safety:</i>				
Urban Area Security Initiative, 2011	0902Y11	97.067	EMW-2011-SS-00019	30,712
Urban Area Security Initiative, 2012	0902Y12	97.067	EMW-2012-SS-00018-S01	318,879
Urban Area Security Initiative, 2013	0902Y13	97.067	EMW-2013-SS-0045	72,511
State Homeland Security Grant Program 2011	0901Y11	97.067	EMW-2011-SS-00019	39,990
State Homeland Security Grant Program 2012	0901Y12	97.067	EMW-2012-SS-00018-S01	530,852
State Homeland Security Grant Program 2013	0901Y13	97.067	EMW-2013-SS-0045	140,018
Pre-Disaster Mitigation Program Fiscal Year 13	0911301	97.047	PDM FY-13-001	21,032
Hazard Mitigation Grant Program DR-1999-023	0911923	97.039	DR-1999-023	113,946
Hazard Mitigation Grant Program DR-1931-004	0911931	97.039	DR-1931-004	(2,451)
Pre-Disaster Mitigation Program Fiscal Year 12	0911232	97.047	PDM FY-12-032	66,332
Safe Room Rebate	0911992	97.039	DR-1999-002	809,122
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>				<b><u>2,140,943</u></b>
<b><u>U.S. Department of Energy:</u></b>				
<i>Direct Programs:</i>				
Clean Cities Coalition	0740012	81.086	DE-FE0004002	30,882
Moving North Texas Forward	0740014	81.086	DE-EE00603	292,207
* ARRA North Central Texas Alternative Fuel and Advanced Technology Investments	074A001	81.086	DE-EE0005589	391,315
			<i>Direct Programs, subtotal</i>	<u>714,404</u>
<i>Pass-Through Mid-America Regional Council</i>				
Solar Rooftop	0740015	81.117	TRX 1876	62,109
<b>TOTAL U.S. DEPARTMENT OF ENERGY</b>				<b><u>776,513</u></b>
<b><u>U.S. Department of Commerce</u></b>				
<i>Direct Programs:</i>				
Comprehensive Economic Development Strategy	0100003	11.302	08-86-04969	5,359
<b>TOTAL U.S. DEPARTMENT OF COMMERCE</b>				<b><u>5,359</u></b>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<i>Pass-Through Texas Department of Agriculture</i>				
Texas Department of Agriculture CDBG grant	0667114	14.228	C713207	20,667
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				<b><u>20,667</u></b>
<b><u>U.S. Federal Emergency Management Agency</u></b>				
<i>Direct Programs:</i>				
Coop Technical Partners	0668413	97.045	EMT-2012-CA-0008	6,911
Coop Technical Partners	0668414	97.045	EMT-2013-CA-0009	206,249
<b>TOTAL U.S. DEPARTMENT OF FEDERAL EMERGENCY MANAGEMENT</b>				<b><u>213,160</u></b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b><u>\$ 95,414,110</u></b>

\* Denotes American Recovery and Reinvestment Act of 2009 - Stimulus Funds

(concluded)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**NOTE 1. GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all applicable federal awards of the North Central Texas Council of Governments (the Council). The Council's reporting entity is defined in Note A to the basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies are included on the schedule.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note A to the basic financial statements.

**NOTE 3. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related federal financial reports with grantor agencies because of accruals which would be included in the next report filed with the agencies.

**NOTE 4. RELATIONSHIP TO THE BASIC FINANCIAL STATEMENTS**

Federal awards revenues are reported in the Council's basic financial statements as follows:

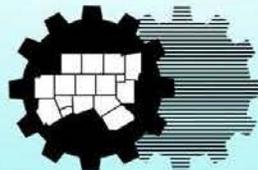
Federal Grants	\$ 22,491,763
State Administered Grants	99,668,833
Less: State funded grant awards	<u>26,746,486</u>
Per Schedule of Expenditures of Federal Awards	<u><u>\$ 95,414,110</u></u>

**NOTE 5. NEGATIVE AMOUNTS**

Due to a revision in the calculation of administrative costs, the funding agent has retroactively calculated certain grant expenditures. As a result of this recalculation, the effected grants reflect a negative balance on the current schedule of expenditures of federal awards.

# **Uniform Grant Management Standards Reports**

**Fiscal Year Ended September 30, 2014**



**North Central Texas Council of Governments**

**NORTH CENTRAL TEXAS  
COUNCIL OF GOVERNMENTS**

**UNIFORM GRANT MANAGEMENT  
STANDARDS REPORTS**

**YEAR ENDED SEPTEMBER 30, 2014**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the Executive Board  
North Central Texas Council of Governments  
Arlington, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Central Texas Council of Governments (the Council) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated February 13, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Weaver and Tidwell, L.L.P.*  
WEAVER AND TIDWELL, L.L.P

Dallas, Texas  
February 13, 2015



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM  
GRANT MANAGEMENT STANDARDS AND ON THE SCHEDULE OF EXPENDITURES OF  
STATE AWARDS**

Members of the Executive Board  
North Central Texas Council of Governments  
Arlington, Texas

**Report on Compliance for Each Major State Program**

We have audited North Central Texas Council of Governments' (the Council) compliance with the types of compliance requirements described in the Uniform Grant Management Standards issued by the Governor's Office of Budget and Planning that could have a direct and material effect on each of the Council's major state programs for the year ended September 30, 2014. The Council's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Council's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Uniform Grants Management Standards issued by the Governor's Office of Budget and Planning. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Council's compliance.

**Opinion on Each Major State Program**

In our opinion, the Council, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2014.

### **Report on Internal Control Over Compliance**

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with Uniform Grant Management Standards, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Grant Management Standards. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of State Awards Required by Uniform Grant Management Standards**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of North Central Texas Council of Governments, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise North Central Texas Council of Governments' basic financial statements. We issued our report thereon dated February 13, 2015, which

contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by Uniform Grant Management Standards and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Weaver and Tidwell, L.L.P.*  
WEAVER AND TIDWELL, L.L.P

Dallas, Texas  
February 13, 2015

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Section I-Summary of Auditors' Results**

**BASIC FINANCIAL STATEMENTS:**

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)?  Yes  None reported

Noncompliance which is material to the basic financial statements noted?  Yes  No

**STATE AWARDS:**

Internal control over major programs:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)?  Yes  None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that are required to be reported under the Uniform Grants Management Standards?  Yes  No

Identification of state major programs:

<u>State Grant Number(s)</u>	<u>Name of State Grant or Program</u>
N/A	9-1-1 Programs
Various	Relocation Programs
SF-14-A10-14604-14	Regional Police Training
0918-00-191	HOV OP O/S DART

Dollar threshold used to distinguish Between type A and type B programs: \$802,395

Auditee qualified as low-risk auditee?  Yes  No

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Section II-Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no findings for the year ended September 30, 2014.

**Section III-State Awards Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major state programs, as required to be reported by Uniform Grant Management Standards issued by the Governor's Office of Budget and Planning. Where practical, findings should be organized by state agency or pass-through entity.

There were no findings for the year ended September 30, 2014.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

There were no findings from the year ended September 30, 2013.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<u>State Grantor / Program Title</u>	<u>NCTCOG Grant Number</u>	<u>State Contract Number</u>	<u>State Expenditures</u>
<b><u>Texas Department of Aging and Disability Services:</u></b>			
State General Revenue	0301014	53900-0-0000050391-M2	\$ 362,279
Relocation Programs	0301412	53900-0-0000050391-M2	(145)
Relocation Programs	0301413	53900-0-0000050391-M2	315
Relocation Programs	0301414	53900-0-0000050391-M2	849,340
Relocation Programs	0301415	53900-0-0000050391-M2	72,977
State General Revenue-ADRC Operations	0301514	53900-0-0000050391-M2	26,828
Transition Assistance Services	0301613	1017098	(174)
Transition Assistance Services	0301614	1017098	<u>16,858</u>
<b>TOTAL TEXAS DEPARTMENT OF AGING AND DISABILITY SERVICES</b>			<b><u>1,328,278</u></b>
<b><u>Texas Commission on Environmental Quality:</u></b>			
Solid Waste Coordination Grant	0658712	582-12-10157	7,164
Solid Waste Coordination Grant	0658714	582-14-40586	<u>400,202</u>
<i>Solid Waste, subtotal</i>			<u>407,366</u>
Greater Trinity River TMDL Implementation Project	0666414	582-11-90502 w.o.#4	86,496
Greater Trinity River Impaired Watersheds Outreach	0666415	582-11-90502 w.o.#5	<u>4,697</u>
<i>TMDL Implementation, subtotal</i>			<u>91,193</u>
<i>Pass-through Collin County</i>			
Aircheck Texas	0761Y14	582-12-20275	360,092
Aircheck Texas	0761Y15	582-12-20275	768
<i>Pass-through Dallas County</i>			
Aircheck Texas	0761Y14	582-12-20270	1,181,779
Aircheck Texas	0761Y15	582-12-20270	32,027
<i>Pass-through Denton County</i>			
Aircheck Texas	0761Y14	582-12-20274	342,688
Aircheck Texas	0761Y15	582-12-20274	12,706
<i>Pass-through Ellis County</i>			
Aircheck Texas	0761Y14	582-12-20276	63,233
Aircheck Texas	0761Y15	582-12-20276	3,714
<i>Pass-through Johnson County</i>			
Aircheck Texas	0761Y14	582-12-20277	55,242
Aircheck Texas	0761Y15	582-12-20277	1,310
<i>Pass-through Kaufman County</i>			
Aircheck Texas	0761Y14	582-12-20285	50,784
Aircheck Texas	0761Y15	582-12-20285	2,785
<i>Pass-through Parker County</i>			
Aircheck Texas	0761Y14	582-12-20278	57,532
Aircheck Texas	0761Y15	582-12-20278	7,917
<i>Pass-through Rockwall County</i>			
Aircheck Texas	0761Y14	582-12-20279	78,330
Aircheck Texas	0761Y15	582-12-20279	4,452
<i>Pass-through Tarrant County</i>			
Aircheck Texas	0761Y14	582-12-20287	975,389
Aircheck Texas	0761Y15	582-12-20287	<u>31,746</u>
<i>Aircheck Texas, subtotal</i>			<u>3,262,494</u>

(continued)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<u>State Grantor / Program Title</u>	<u>NCTCOG Grant Number</u>	<u>State Contract Number</u>	<u>State Expenditures</u>
Air Quality Technical Assistance	0760Y12	582-11-13174	89,498
<b>TOTAL COMMISSION ON ENVIRONMENTAL QUALITY</b>			<b>3,850,551</b>
<b><u>Office of the Governor, Criminal Justice Division:</u></b>			
Criminal Justice Planning Fund	0565014	N/A	239,676
Criminal Justice Planning Fund	0565015	N/A	9,955
Regional Police Training	0565514	SF-14-A10-14604-14	709,595
<b>TOTAL OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION</b>			<b>959,226</b>
<b><u>Commission on State Emergency Communications:</u></b>			
9-1-1 Programs	0553900	N/A	2,806,259
9-1-1 Programs	0553903	N/A	3,821,285
<b>TOTAL COMMISSION ON STATE EMERGENCY COMMUNICATIONS</b>			<b>6,627,544</b>
<b><u>Texas Department of Transportation:</u></b>			
Outer Loop (Collin County)	0751001.04	0918-24-174	67,676
Cottonbelt (Dallas County)	0751001.06	0918-45-877	29,315
Planning Support Regional	0751001.08	0918-00-197	269,857
Planning Support - Tarrant	0751001.08	0918-00-197	8,179
Planning Support - Collin	0751001.08	0918-00-197	28,185
Planning Support - Dallas	0751001.08	0918-00-197	229,221
Planning Support - Denton	0751001.08	0918-00-197	2,265
IH 635 to US 380	0751002.01	0918-02-119	5,798
Regional Vehicle for Hire	0751002.02	0918-00-174	19,407
FTA - Grantee Administration (New Freedom)	0712Y08	0918-00-174	197,954
FTA - Grantee Administration (New Freedom)	0712Y09	0918-00-174	309,156
HOV OP O/S DART	0751004	0918-00-191	800,000
Sec 404 & Mitigation Bank	0751005	0918-00-198	155,727
Safety Assurance Reviews Sec 408 Permits	0751006	0918-00-229	60,627
RTR Administration	0751007	0918-00-987	540,154
RTR Administration	0751008	0918-24-205	136,323
Regional Jobs Opportunity Pilot Program	0780008	18-4XXF7002	16,837
Regional Goods Movement	0783041	02-XXF1006	9,277
Regional Traffic Signal	0782013	18-0XXF1006	71,579
Incident Mgt/Sfty Patrol	0782015	18-3XXF1016	375,388
Regional Good Mvmt FY13	0783058	02-3XXF1009	1,839
Regional Aerial Photography	0783049	0918-00-178	1,261
<i>Pass-Through Texas A&amp;M Transportation Institute:</i>			
US75 Corridor Study	07L0043	TTI 2AC 18-0XX1A003 P36002	9,765
<b>TOTAL TEXAS DEPARTMENT OF TRANSPORTATION</b>			<b>3,345,790</b>

(continued)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<u>State Grantor / Program Title</u>	<u>NCTCOG Grant Number</u>	<u>State Contract Number</u>	<u>State Expenditures</u>
<b><u>State General Revenue:</u></b>			
<i>Pass-Through Texas Workforce Commission</i>			
Child Care Direct Care	0800314	0414CCF000	5,832,882
SNAP	0800914	0414SNE000	177,264
Temporary Assistance for Needy Families	0801314	0414TAN000	318,095
NCP	0802814	0414NCP000	53,180
RAG ISAMS	0801714	0414RAG000	3,463
Child Care PRS	0800513	0413CCP000	(273)
Child Care PRS	0800514	0414CCP000	3,748,617
Child Care PRS	0800515	0415CCP000	<u>369,003</u>
<b>TOTAL STATE GENERAL REVENUE</b>			<b><u>10,502,231</u></b>
 <b><u>Texas Veterans Commission</u></b>			
Texas Veterans	0802214	VES-14-04	<u>132,866</u>
<b>TOTAL TEXAS VETERANS COMMISSION</b>			<b><u>132,866</u></b>
 <b>TOTAL EXPENDITURES OF STATE AWARDS</b>			 <b><u>\$ 26,746,486</u></b>

(concluded)

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**NOTE 1. GENERAL**

The accompanying Schedule of Expenditures of State Awards presents the activity of all applicable state awards of the North Central Texas Council of Governments (Council). The Council's reporting entity is defined in Note A to the basic financial statements. State awards received directly from state agencies, as well as state awards passed through other government agencies are included on the schedule.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of State Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note A to the basic financial statements.

**NOTE 3. RELATIONSHIP TO STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related state financial reports with grantor agencies because of accruals which would be included in the next report filed with the agencies.

**NOTE 4. RELATIONSHIP TO THE BASIC FINANCIAL STATEMENTS**

State awards revenues are reported in the Council's basic financial statements as follows:

Federal Grants	\$ 22,491,763
State Administered Grants	99,668,833
Less: Federally funded grant awards	<u>95,414,110</u>
Per Schedule of Expenditures of State Awards	<u><u>\$ 26,746,486</u></u>

**NOTE 5. NEGATIVE AMOUNTS**

Due to a revision in the calculation of administrative costs, the funding agent has retroactively calculated certain grant expenditures. As a result of this recalculation, the effected grants reflect a negative balance on the current schedule of expenditures of state awards.



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 18, 2015

FROM: Christy Williams  
Director of 9-1-1 Program

SUBJECT: **Resolution Authorizing Agreements for Replacement of the Automatic Location Identification (ALI) Database Solution for NCTCOG 9-1-1**

The North Central Texas Council of Governments (NCTCOG) 9-1-1 Program is pursuing replacement of its ALI Database solution for the region, as the current 9-1-1 ALI Database service provider contact expires on August 31, 2015. Recently, NCTCOG contracted Mission Critical Partners (MCP) to study and recommend options for the most efficient and effective replacement ALI Database solution to meet the region's needs. NCTCOG's preferred option is to become the provider of ALI Database services in the region and enter into an Interlocal Agreement (ILA) with the Greater Harris County 9-1-1 Network (GHC 9-1-1) to host the NCTCOG ALI Database. This is an opportunity to leverage the capital investment made by GHC 9-1-1 and utilize its surplus infrastructure capacity at no cost to NCTCOG. Other 9-1-1 entities have entered into similar agreements with GHC 9-1-1.

While the ILA with GHC 9-1-1 has no direct costs, it does necessitate a Service Level Agreement (SLA) with 911Datamaster for its software platform, which GHC 9-1-1 procured. Moving to the 911Datamaster platform allows NCTCOG to continue to maintain the regional E9-1-1 data, while setting timeframes and a path toward the data needs for Next Generation 9-1-1 (NG9-1-1). This will be a three (3) year agreement with optional annual renewals and an approximate cost of \$175,000.00 annually.

The transition also requires additional services for NCTCOG's NG9-1-1 GIS data. In order to maintain an accurate ALI Database, NCTCOG wishes to engage GeoComm to provide Master Street Addressing Guide (MSAG) Delta Processing services and location change services. This is a three (3) year service agreement with optional annual renewals. The cost for this service is a non-recurring cost of \$10,000.00 with annual recurring price of \$15,000.00 for the services provided.

Implementing the proposed ALI Database solution will enhance services; provide cost-savings in comparison to the current legacy ALI Database system; and allow NCTCOG to realize the maximum potential of its substantial investments in NG9-1-1 core functionality.

**616 Six Flags Drive, Centerpoint Two  
P.O. Box 5888, Arlington, Texas 76005-5888  
(817) 640-3300 FAX: 817-608-2372  
[www.nctcog.org](http://www.nctcog.org)**

**RESOLUTION AUTHORIZING AGREEMENTS FOR REPLACEMENT OF  
THE AUTOMATIC LOCATION IDENTIFICATION (ALI) DATABASE SOLUTION  
FOR NCTCOG 9-1-1**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) is engaged in the planning, implementation, and maintenance of an emergency 9-1-1 (E9-1-1) system for 44 Public Safety Answering Points within a 14 county 9-1-1 service area; and,

**WHEREAS**, NCTCOG has identified the need and determined that providing Automatic Location Information (ALI) Database services is the preferred and most efficient solution to meet regional 9-1-1 needs; and,

**WHEREAS**, Greater Harris 9-1-1 Network has offered to host the NCTCOG ALI Database at no cost utilizing its surplus infrastructure capacity; and,

**WHEREAS**, services are required from 911Datamaster and GeoComm, Inc., for NCTCOG to provide ALI Database services; and,

**WHEREAS**, this solution will provide NCTCOG significant cost-savings in comparison to its existing solution.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

- Section 1.** An Interlocal Agreement between NCTCOG and Greater Harris County 9-1-1 Network be and is hereby approved.
- Section 2.** A contract between NCTCOG and 911Datamaster for 9-1-1 software and support services, in an amount not to exceed \$550,000, be and is hereby approved.
- Section 3.** A contract between NCTCOG and GeoComm, Inc., for data processing and location change services, in an amount not to exceed \$75,000, be and is hereby approved.
- Section 4.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.
- Section 5.** This resolution shall be in effect immediately upon its adoption.

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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

**616 Six Flags Drive, Centerpoint Two  
P.O. Box 5888, Arlington, Texas 76005-5888  
(817) 640-3300 FAX: 817-608-2372  
www.nctcog.org**

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

---

Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth

**616 Six Flags Drive, Centerpoint Two  
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**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 18, 2015

FROM: Doni Green  
Director of Aging Programs

SUBJECT: Resolution Authorizing Contract with National Council on Aging for Establishment of a Benefits Enrollment Center

The North Central Texas Council of Governments (NCTCOG), in its capacity as the 14-county Area Agency on Aging, submitted an application for a \$100,000 grant from the National Council on Aging (NCoA) to establish a Benefits Enrollment Center (BEC) and was selected as one of ten awardees nationwide. NCTCOG wishes to use the funds to expand the capacity of its benefits counseling program, screening consumers of all ages for the Medicare Part D Low Income Subsidy, Medicare Savings Programs, Medicaid, nutrition assistance, utilities assistance, and other programs. BEC staff will work closely with NCTCOG staff and volunteer Benefits Counselors to assess clients' needs and submit applications for benefits.

This work is consistent with the benefits counseling scope of work, which includes providing information, counseling, application assistance and advocacy to people who are older and others who are Medicare-eligible regarding their benefits.

Under the performance-based contract with NCoA, NCTCOG must commit to assisting a minimum of 1,383 individuals to file applications or re-certifications during the 15-month period of performance, beginning March 1, 2015 and ending May 31, 2016. To support these grant activities, NCTCOG plans to utilize the funds to hire two temporary employees who will have responsibilities for completing and submitting applications on behalf of eligible persons. The balance of grant funding will be used to develop and disseminate outreach materials. NCTCOG intends to conduct targeted outreach through its subcontractors, local charities, the Texas Department of Aging and Disability Services (DADS), the Texas Health and Human Services Commission, health care providers, pharmacies, churches, public housing complexes, and other entities that serve low-income Medicare beneficiaries.

Staff is seeking Board authorization to enter into a contract with the National Council on Aging for the purpose of establishing a Benefits Enrollment Center.

I will be available during the February 26<sup>th</sup> Board meeting to respond to questions.

DG:ct

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[www.nctcog.org](http://www.nctcog.org)**

**RESOLUTION AUTHORIZING CONTRACT WITH NATIONAL COUNCIL ON AGING  
FOR ESTABLISHMENT OF A BENEFITS ENROLLMENT CENTER**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Area Agency on Aging (AAA) for State Planning Region 4A by the Texas Department of Aging and Disability Services (DADS); and,

**WHEREAS**, NCTCOG, in its capacity as AAA, submitted an application to the National Council on Aging (NCoA) requesting funding for the purpose of establishing a Benefits Enrollment Center (BEC) to counsel and assist older adults regarding available benefits; and,

**WHEREAS**, NCoA has recommended NCTCOG's application for funding in an amount of approximately \$100,000; and

**WHEREAS**, the NCoA scope of work is consistent with, and a natural expansion of, NCTCOG's existing benefits counseling program.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** A contract between the North Central Texas Council of Governments and National Council on Aging in an amount of approximately \$100,000 for purposes of establishing a Benefits Enrollment Center and is hereby approved.
- Section 2.** These funds shall be incorporated into the appropriate fiscal year budget(s).
- Section 3.** The Executive Director or designee is authorized to execute contractual agreements to carry out this program.
- Section 4.** This resolution shall be in effect immediately upon its adoption.

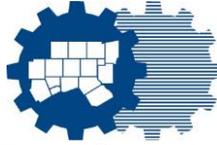
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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Endorsing Submittal of Grant Application to the Federal Highway Administration's Strategic Highway Research Program 2 (SHRP2) Implementation Assistance Program

The Federal Highway Administration (FHWA) is in the fifth round of the Strategic Highway Research Program 2 (SHRP2) Implementation Assistance Program. SHRP2 is a program that delivers solutions to help transportation professionals address issues related to safety, renewal, reliability, and capacity. Staff has applied for funding to develop SHRP2 product tools that will look at performance measures for decision making and transportation visioning for communities. The application deadline was February 13, 2015.

Staff requests endorsement of the submittal of an application, and if awarded, authorization to receive funding through the SHRP2 Implementation Assistance Program- Planning Process Bundle in an amount of \$300,000. Staff proposes a local in-kind contribution of an existing budgeted \$200,000 Regional Transportation Council (RTC) Local funds. Funds will be used to supplement various upcoming efforts which may include corridor analysis on high-profile State facilities (State Highway 183, State Highway 5, State Highway 199, and Northwest Highway/Loop 12).

A draft resolution endorsing submittal of an application to the Federal Highway Administration under the SHRP2 Program in an amount of \$300,000 is attached for Executive Board consideration. I will provide a brief presentation of this item and will be available to answer any questions prior to requesting board approval.

TI:tmb  
Attachment

**RESOLUTION ENDORSING SUBMITTAL OF GRANT APPLICATION TO THE FEDERAL  
HIGHWAY ADMINISTRATION'S STRATEGIC HIGHWAY RESEARCH PROGRAM 2 (SHRP2)  
IMPLEMENTATION ASSISTANCE PROGRAM**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG, and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.03 provides for land use and transportation activities; and,

**WHEREAS**, the Federal Highway Administration announced the fifth round of funding opportunities through the Strategic Highway Research Program Implementation Assistance Program; and,

**WHEREAS**, on February 13, 2015, the North Central Texas Council of Governments submitted a grant application in response to the fifth Strategic Highway Research Program Implementation Assistance Program.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** The Executive Board endorses the submittal of a grant application to the Federal Highway Administration for the SHRP2 Implementation Assistance Program in the amount of approximately \$300,000 with an in-kind contribution of \$200,000 in existing budgeted RTC Local funds.
- Section 2.** If awarded, NCTCOG is authorized to receive approximately \$300,000 from FHWA under the SHRP2 Implementation Assistance Program.
- Section 3.** If awarded, these funds shall be incorporated into the appropriate fiscal year budget.
- Section 4.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.
- Section 5.** This resolution shall be in effect immediately upon its adoption.

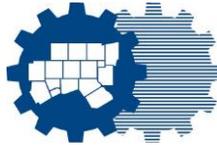
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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland, Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.

SUBJECT: Resolution Endorsing Submittal of Grant Application to the Texas Department of Transportation for Advancing Small Transit Providers in North Central Texas

Executive Board endorsed Access North Texas, the regional public transportation coordination plan, on October 24, 2013. The plan made several recommendations related to needs for training, technical assistance, and coordination for small transit providers operating outside of the transit authorities' service areas in North Central Texas. Extensive growth in these areas outside of the region's core has created new challenges and opportunities for public transportation service, and Access North Texas identified opportunities to strengthen the ability of small transit providers in the North Central Texas region to meet growing and changing demands. In addition, Task 3.05 of the FY2014 and FY2015 Unified Planning Work Program (UPWP) calls for NCTCOG staff to support initiatives that encourage short-term operational planning at small transit providers in the region.

To expand staff's ability to implement Access North Texas and Task 3.05 of the UPWP, staff submitted a proposal for a three-year project in response to a Call for Projects issued by the Texas Department of Transportation (TxDOT) for public transportation projects under various Federal Transit Administration (FTA) programs. The deadline for the application was February 9, 2015. The project will support small transit providers by providing training, facilitating peer-to-peer support, and implementing projects of mutual benefit to small transit providers. The initiative will seek local input to develop tools that support a growing regional transit network.

The proposed project will leverage rural funding requested from TxDOT with urban funding currently available to NCTCOG for transit planning. The total proposed project cost is \$302,100, which includes a grant request to TxDOT of \$211,470 in rural funding and requested TxDOT Transportation Development Credits to cover the local match. The remaining \$90,630 will be provided by FTA urban funding currently available to NCTCOG and local match to be provided by transit providers and existing sources.

A draft resolution endorsing submittal of grant application to the Texas Department of Transportation in the amount of \$211,470 for advancing small transit providers in North Central Texas is attached for Executive Board consideration. I will provide a brief presentation of this item and will be available to answer any questions prior to requesting Board approval.

JP/SJC/JH:tmb  
Attachment

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[www.nctcog.org](http://www.nctcog.org)**

**RESOLUTION ENDORSING SUBMITTAL OF GRANT APPLICATION TO THE TEXAS  
DEPARTMENT OF TRANSPORTATION FOR ADVANCING SMALL TRANSIT PROVIDERS  
IN NORTH CENTRAL TEXAS**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) is designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG and continues to be the regional forum for cooperative decisions on transportation; and,

**WHEREAS**, the RTC is committed to the development of a strong and integrated regional transit network; and,

**WHEREAS**, the North Central Texas Council of Governments as a designated recipient for several Federal Transit Administration Program funds has supported continued growth of small transit providers;

**WHEREAS**, the North Central Texas Council of Governments through its designation as the lead agency to develop and support the public transportation coordination plan for the 16-county North Central Texas region has identified opportunities to assist small transit providers; and,

**WHEREAS**, the Texas Department of Transportation (TxDOT), through Federal Transit Administration Programs, has made funding available to implement projects that support public transportation services across the State of Texas.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** The Executive Board endorses the submittal of the grant application to the Texas Department of Transportation for advancing small transit providers in North Central Texas.
- Section 2.** NCTCOG is authorized to receive \$211,470 matched with Transportation Development Credits from the Texas Department of Transportation, if awarded.
- Section 3.** If awarded, these funds shall be incorporated into the appropriate fiscal year budget.
- Section 4.** The Executive Director or designee is authorized to execute necessary agreements to carry out this project; including agreements for receipt of local match funds.
- Section 5.** This resolution shall be in effect immediately upon its adoption.

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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing Submittal of Grant Application to the Department of Defense  
Office of Economic Adjustment

The North Central Texas Council of Governments (NCTCOG) served as the project sponsor for the 2008 Joint Land Use Study (JLUS) conducted for the Naval Air Station Fort Worth, Joint Reserve Base (NAS Fort Worth, JRB) and surrounding communities. The purpose of the study was to identify recommendations to promote compatible community growth that supports military training and operations. The Navy has recently nominated NAS Fort Worth, JRB to receive funding from the Department of Defense Office of Economic Adjustment to support an update of the 2008 JLUS in 2015.

Recognizing that there are other significant military training facilities within the North Texas region, the proposed JLUS scope is expanded to address encroachment issues and preserve capabilities of military operations at a number of military facilities across North Texas. This would help ensure that the collective economic strength of military facilities in the region is maintained as missions change. Issues to be analyzed include land use compatibility, flight hazards, and military/community outreach. The final JLUS report would include strategies for all of the local governments and installations to ensure regional growth is compatible near military facilities. If awarded, the project would begin in summer 2015 and is anticipated to take eighteen months to complete.

A resolution authorizing submittal of the grant application and authorization to receive approximately \$450,000 in funding from the Department of Defense Office of Economic Adjustment is attached for Executive Board consideration. The 10 percent local match portion of the grant will be funded by Regional Transportation Council (RTC) local funds. I will provide a brief presentation of this item and will be available to answer any questions prior to requesting Board approval.

KCW:tmb  
Attachment

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(817) 640-3300 FAX: 817-608-2372  
[www.nctcog.org](http://www.nctcog.org)**

**RESOLUTION AUTHORIZING SUBMITTAL OF GRANT APPLICATION TO THE  
DEPARTMENT OF DEFENSE OFFICE OF ECONOMIC ADJUSTMENT**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG, and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.12 provides regional military and community coordination activities; and,

**WHEREAS**, the North Central Texas Council of Governments conducted a 2008 Joint Land Use Study for the Naval Air Station Fort Worth, Joint Reserve Base; and,

**WHEREAS**, the Navy has nominated the Naval Air Station Fort Worth, Joint Reserve Base to receive funds from the Department of Defense Office of Economic Adjustment to update the 2008 Joint Land Use Study.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** NCTCOG is authorized to submit a grant application to the Department of Defense Office of Economic Adjustment in the amount of approximately \$450,000 to update the 2008 Joint Land Use Study.
- Section 2.** If awarded, NCTCOG is authorized to receive approximately \$450,000 from the Department of Defense Office of Economic Adjustment.
- Section 3.** If awarded, these funds shall be incorporated into the appropriate fiscal year budget.
- Section 4.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.
- Section 5.** This resolution shall be in effect immediately upon its adoption.

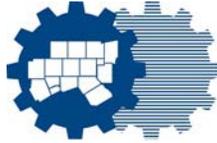
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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing Coordination with Grafton Technologies for Submittal of a Grant Application to the Transportation Research Board

The Unified Planning Work Program Element 5.11, Regional Aviation System Planning, includes planning strategies to assist local airports in the region. As part of this effort, the North Central Texas Council of Governments (NCTCOG) has been asked to coordinate with Grafton Technologies on a grant submittal for the Transportation Research Board's Airport Cooperative Research Program (ACRP). Grafton Technologies will submit the overall grant application for an approximate amount of \$350,000. NCTCOG's portion of the grant is expected to be no greater than \$100,000. There is no local match requirement for this funding opportunity.

The application is in response to ACRP 03-37 Request for Proposal, Using GIS for Collaborative Land-Use Compatibility Planning Near Airports. If awarded, NCTCOG staff will receive funds to help develop a guidebook of evidence-based best practices, training materials, and outreach materials to foster ongoing stakeholder collaboration for airport land-use compatibility. Research is needed to assist airports, local governments, and other stakeholders in using GIS to help protect safety, health, quality of life, and public investments related to airports in or near local jurisdictions.

A draft resolution authorizing coordination with Grafton Technologies for submittal of an application to the Transportation Research Board and receipt of awarded funds is attached for Executive Board consideration. I will provide a brief presentation on this item and will be available to answer any questions prior to requesting Board approval.

MWM:lk/tmb  
Attachment

**RESOLUTION AUTHORIZING COORDINATION WITH GRAFTON TECHNOLOGIES FOR  
SUBMITTAL OF A GRANT APPLICATION TO THE  
TRANSPORTATION RESEARCH BOARD**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG, and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.11 includes aviation planning activities; and,

**WHEREAS**, the Transportation Research Board has made funding available through the Airport Cooperative Research Program; and,

**WHEREAS**, Grafton Technologies has requested the North Central Texas Council of Governments to coordinate on development and submittal of a grant application.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** The Executive Board authorizes coordination with Grafton Technologies for submittal of a grant application to the Transportation Research Board, and if awarded authorizes the receipt of funds, in an amount of approximately \$100,000.
- Section 2.** If awarded, these funds shall be incorporated into the appropriate fiscal year budget.
- Section 3.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.
- Section 4.** This resolution shall be in effect immediately upon its adoption.

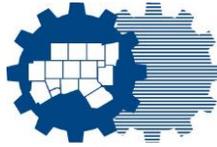
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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



February 26, 2015 – Item 9

**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing an Amended Agreement with the Texas Transportation Institute for Technical Assistance

In 2012, the North Central Texas Council of Governments (NCTCOG) and the Texas Transportation Institute (TTI) executed a subcontract to provide various technical assistance by NCTCOG for the Texas Department of Transportation (TxDOT). As a continuation of this effort, TxDOT has requested NCTCOG staff to continue to provide research and technical assistance activities by amending the current agreement between NCTCOG and TTI.

NCTCOG will provide TxDOT and TTI assistance with activities such as forecasting, feasibility studies, environmental analyses, and other initiatives as requested. NCTCOG will also provide for public involvement, coordination meetings, value engineering, and other project development activities associated with corridors throughout the region. A draft resolution authorizing the execution of an amended agreement with TTI for technical assistance, in the amount of \$200,000 for a total contract amount of \$300,000 for Fiscal Years (FY) 2015 and FY2016, is attached for Executive Board consideration. I will provide a brief presentation on this item and will be available to answer any questions prior to requesting Board approval.

EB:tmb  
Attachment

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[www.nctcog.org](http://www.nctcog.org)**

**RESOLUTION AUTHORIZING AN AMENDED AGREEMENT WITH THE TEXAS  
TRANSPORTATION INSTITUTE FOR TECHNICAL ASSISTANCE**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG, and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.01 provides for corridor studies and environmental studies to support planning for various corridors; and,

**WHEREAS**, the Texas Department of Transportation has requested NCTCOG to provide various research and technical assistance for corridors throughout the region under subcontract with the Texas Transportation Institute.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** An amended Agreement with the Texas Transportation Institute for various NCTCOG technical assistance activities, in the amount of \$200,000 for a total contract amount of \$300,000 be and is hereby approved.
- Section 2.** These funds shall be incorporated into the appropriate fiscal year budget.
- Section 3.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.
- Section 4.** This resolution shall be in effect immediately upon its adoption.

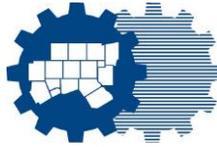
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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing Use of RTC Local funds to Support HOV/Managed Lane Pooled Fund Study

As managed lanes are being implemented across the country, all agencies and regions are experiencing various hurdles in project implementation due to the unique design and operating characteristics of tolled managed lanes relative to traditional High Occupancy Vehicle (HOV) lanes and toll roads. As part of a national research initiative, the Federal Highway Administration has initiated a Pooled Fund Study as a way for public agencies and other stakeholders to combine resources and achieve common research goals. Other contributing members to the pooled fund are state departments of transportation from California, Florida, Georgia, Massachusetts, Minnesota, New York, Tennessee, Virginia, Washington, and the Metropolitan Planning Organization (MPO) from the San Francisco Bay Area, Metropolitan Transportation Commission. Each is contributing similar amounts to the North Central Texas Council of Governments (NCTCOG).

NCTCOG staff will contribute up to \$60,000 of Regional Transportation Council (RTC) Local funds to support involvement in the program. Staff will help oversee research regarding critical policy, program, and technical issues that arise during the planning, design, and operation of managed lanes. Additionally, staff will help to develop national policy requirements and program guidelines related to performance monitoring, evaluation, and report as well as enforcement and traffic incident management. The RTC approved the use of RTC Local funds for this purpose on February 12, 2015.

A draft resolution authorizing the use of \$60,000 RTC Local funds over the next several years to support involvement in the program is attached for Executive Board consideration. I will provide a brief presentation on this item and will be available to answer any questions prior to requesting Board approval.

This "pooled fund" initiative is being implemented in the memory of Ron Kirby, the MPO Director from Washington, DC, who lost his life in 2013.

EB:tmb  
Attachment

**RESOLUTION AUTHORIZING USE OF RTC LOCAL FUNDS TO SUPPORT HOV/MANAGED LANE POOLED FUND STUDY**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG, and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.06 provides for activities related to managed lane technology as part of the congestion management operations program; and,

**WHEREAS**, the Federal Highway Administration has initiated the High Occupancy Vehicle (HOV)/Managed Use Lane Pooled Fund Study; and,

**WHEREAS**, in February 2015, the Regional Transportation Council endorsed NCTCOG's membership in the Pooled Fund Study.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

- Section 1.** The Executive Board approves the use of \$60,000 in Regional Transportation Council Local funds to participate in the Federal Highway Administration's HOV/Managed Lane Pooled Fund Study, consistent with RTC action on February 12, 2015.
- Section 2.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.
- Section 3.** This resolution shall be in effect immediately upon its adoption.

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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing the Purchase of Federal Highway Administration Household  
Travel Survey Data

The North Central Texas Council of Governments (NCTCOG) has received Surface Transportation Program-Metropolitan Mobility funds to support Travel Forecasting and Data collection activities. These activities are included in the Unified Planning Work Program Element 2.01, Travel Forecasting Support.

The Federal Highway Administration (FHWA) will start the National Household Travel Survey in the fall of 2015. The Texas Department of Transportation (TxDOT) is participating in this survey by purchasing 20,000 additional samples distributed throughout the State. NCTCOG would like to purchase an extra 2,500 survey samples distributed in the region to enhance the geographical resolution of the data. Upon completion of the survey, all the collected data will be made available to the participating agencies, including the original FHWA data, and the TxDOT add-ons. The add-on sample data purchased from FHWA will be used in conjunction with other travel survey efforts completed by NCTCOG this year.

A draft resolution authorizing NCTCOG to purchase Federal Highway Administration Household Travel Survey Data, in an amount of approximately \$660,000 is attached. These funds are Surface Transportation Program – Metropolitan Mobility. I will provide a brief presentation of this item and will be available to answer any questions prior to requesting Board approval.

EB:tmb  
Attachment

**RESOLUTION AUTHORIZING THE PURCHASE OF FEDERAL HIGHWAY  
ADMINISTRATION HOUSEHOLD TRAVEL SURVEY DATA**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 2.01 provides for travel forecasting, data collection, and travel demand modeling activities; and,

**WHEREAS**, the Federal Highway Administration (FHWA) will complete a National Household Travel Survey in 2015; and,

**WHEREAS**, the Federal Highway Administration will make survey sample data available to partner agencies.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** NCTCOG is authorized to purchase the Federal Highway Administration's 2015 National Household Travel Survey, in the amount of \$660,000.

**Section 2.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.

**Section 3.** This resolution shall be in effect immediately upon its adoption.

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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing Execution of an Agreement with the City of Mineral Wells for Innovative Aviation Data Collection Using an Unmanned Aircraft

The Unified Planning Work Program Element 5.11, Regional Aviation System Planning, includes planning strategies to collect data and aerial imagery, with an unmanned aircraft, for local governments in support of aviation planning purposes. The City of Mineral Wells is interested in growing Unmanned Aircraft Systems (UAS) activity and has requested a partnership to collect high resolution imagery using an unmanned aircraft for data collection, to benefit aviation planning at their municipal airport. Preliminary industry discussions suggest that aerial imagery processing may be provided at no cost. Attachment A contains proposed agreement terms.

The North Central Texas Council of Governments (NCTCOG) served as the project sponsor for the Federal Aviation Administration's Regional General Aviation and Heliport System Plan, completed in 2012. The purpose of the planning study was to analyze and evaluate the current regional aviation system within the 16-county region and future trends. During this process, a UAS report was completed and accepted by the Air Transportation Technical Advisory Committee (ATTAC) that included recommendations for regional coordination of technology integration. The City's Municipal Airport Manager serves as a voting member on ATTAC.

A draft resolution authorizing NCTCOG to enter into agreement with the City of Mineral Wells is attached for Executive Board consideration. I will provide a brief presentation of this item and will be available to answer any questions prior to requesting Board approval.

MB:lk  
Attachment

**RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH THE CITY OF  
MINDERAL WELLS FOR INNOVATIVE AVIATION DATA COLLECTION USING AN  
UNMANNED AIRCRAFT**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG, and has been and continues to be a forum for cooperative decisions on transportation; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.05 includes data collection activities; and,

**WHEREAS**, the Fiscal Year (FY) 2014 and FY2015 Unified Planning Work Program Element 5.11 includes aviation planning activities and aerial imagery and data collection with an unmanned aircraft system; and,

**WHEREAS**, in June 2012, Executive Board approved the receipt of Surface Transportation Program-Metropolitan Mobility funds for congestion management and data collection activities, including data collection for aviation planning purposes; and,

**WHEREAS**, the City of Mineral Wells expressed interest in partnering with NCTCOG to collect high resolution aerial imagery using an unmanned aircraft system; and

**WHEREAS**, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, provides authority for NCTCOG to coordinate with local partners for the provision of governmental functions and services of mutual interest.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** Consistent with terms outlined in Attachment A, an Interlocal Agreement between NCTCOG and the City of Mineral Wells for collection of high resolution aerial imagery using an unmanned aircraft system be and is hereby approved.

**Section 2.** The Executive Director or designee is authorized to execute contractual agreements necessary to carry out this program, in the name of the North Central Texas Council of Governments.

**Section 3.** This resolution shall be in effect immediately upon its adoption.

---

Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth

### **North Central Texas Unmanned Aircraft Pilot Project**

The North Central Texas Council of Governments (NCTCOG) and the City of Mineral Wells would like to enter into an Interlocal Agreement for collection of high resolution, color aerial imagery using an Unmanned Aircraft System (UAS).

This effort is intended to demonstrate:

1. Cost-savings by utilizing an unmanned aircraft to collect high-resolution orthophotogrammetry produced for a local government; and
2. Deliverables suitable to achieve initiatives of the Unified Planning Work Program.

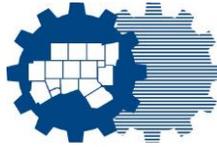
### **Proposed Agreement Terms**

NCTCOG commits to:

1. Provide aviation technical expertise to draft content necessary for development, submission, and Federal Aviation Administration (FAA) acceptance of a Certificate of Authorization (COA) to operate an unmanned aircraft
2. If requested, operate necessary UAS equipment, including training
3. Project management
4. Manage aerial imagery acquisition process, assist flight planning for project area
5. Perform analysis of project deliverables and provide the City with data and imagery
6. Document the benefits of UAS and project methodologies

The City of Mineral Wells commits to:

1. Submit FAA COA application, and any required revisions requested by FAA, with NCTCOG assistance
2. Procure lease or otherwise acquire a small UAS
3. Facilitate access to project area for UAS flights, including airport stakeholder coordination
4. Hold harmless and defend NCTCOG of liability in the event of any claims or damages



February 26, 2015 – Item 13

**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Michael Morris, P.E.  
Director of Transportation

SUBJECT: Resolution Authorizing Foreign Travel for Hua Yang of the Transportation  
Department

In April 2015, the United States-China Transportation Forum will be held in Shanghai, China. As part of this forum, it has been requested for an international presenter to talk on the successful travel demand model practices in the United States. Hua Yang, of the Transportation Department, has been requested to provide this presentation. The United States Department of Transportation will reimburse all travel expenses. The North Central Texas Council of Governments will only be responsible to cover salary costs for the employee.

A draft resolution authorizing foreign travel for Hua Yang of the Transportation Department is attached for Executive Board consideration. I will provide a brief presentation on this item and will be available to answer any questions prior to requesting Board approval.

EB:tmb  
Attachment

**RESOLUTION AUTHORIZING FOREIGN TRAVEL FOR HUA YANG OF THE  
TRANSPORTATION DEPARTMENT**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth Metropolitan Area by the Governor of the State of Texas in accordance with federal law; and,

**WHEREAS**, the North Central Texas Council of Governments' Personnel Policy requires explicit approval by the Executive Board for staff travel outside of North America; and,

**WHEREAS**, the United States-China Transportation Forum is being held in Shanghai, China in April 2015; and,

**WHEREAS**, a request for a speaker on the successful travel model practices in the United States; and,

**WHEREAS**, Hua Yang, of the Travel Demand Model and Forecasting Program in the Transportation Department, has been requested to make a presentation on successful travel model practices in the United States; and,

**WHEREAS**, this conference provides an opportunity for an exchange of knowledge on subject matter of critical importance to this region, and in turn will showcase successful travel demand practices by the North Central Texas region among others.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** In accordance with NCTCOG's personnel policy for travel, permission is granted for Hua Yang to travel outside of North America to the United States-China Transportation Forum held in Shanghai, China.

**Section 2.** The Executive Director or designee is authorized to execute all related travel documents, in the name of the North Central Texas Council of Governments.

**Section 3.** This resolution shall be in effect immediately upon its adoption.

---

Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

**TO:** Executive Board

**DATE:** February 18, 2015

**FROM:** Mike Eastland

**SUBJECT:** Resolution Appointing a Legislator as an Ex-Officio Member of the North Central Texas Council of Governments' Executive Board

House Bill 2160 became law after the 82nd Session of the State Legislature. It requires Councils of Governments to offer an ex-officio, non-voting seat on each of their Executive Boards to a member of the legislature whose district is located wholly or partly within their region. The Executive Board, by resolution, specified the process for choosing a legislator to fill this seat. Thus, letters were mailed to each of the eligible legislators asking them to acknowledge their interest in holding this seat, with the understanding that they would be placed in a lottery to assure an impartial selection. We received four letters of interest. The lottery will be conducted when this item is considered and the person chosen in this lottery will be appointed by a resolution of the Board to hold this seat through January 31, 2017. The legislators who expressed an interest in this seat include:

Senators

1. Senator Craig Estes

Representatives

2. Representative Cindy Burkett
3. Representative Nicole Collier
4. Representative Jeff Leach

**RESOLUTION APPOINTING A LEGISLATOR AS AN EX-OFFICIO MEMBER OF THE NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS' EXECUTIVE BOARD**

**WHEREAS**, HB 2160 was passed during the 82nd Session of the Texas State Legislature; and;

**WHEREAS**, this Act requires a Council of Governments to offer a legislator a seat on its Executive Board; and,

**WHEREAS**, a legislator eligible to hold said seat must represent a Legislative District that is located in-whole or in-part in a county holding membership in the North Central Texas Council of Governments; and,

**WHEREAS**, said seat is ex-officio and non-voting; and,

**WHEREAS**, there is no provision for the assignment of this seat to another person or for an alternate to be named; and,

**WHEREAS**, the Executive Board has conducted an impartial lottery to determine the legislator to hold this seat, and,

**WHEREAS**, Senator/Representative \_\_\_\_\_ was selected through this lottery process.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

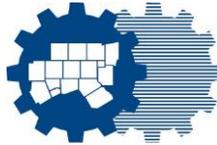
**SECTION 1.** Senator/Representative \_\_\_\_\_ is appointed to be a member of the NCTCOG Executive Board in accordance with HB 2160.

**SECTION 2.** Senator/Representative \_\_\_\_\_ is to serve on the Executive Board until January 31, 2017.

\_\_\_\_\_  
Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

\_\_\_\_\_  
Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: NCTCOG Executive Board

DATE: February 18, 2015

FROM: Mike Eastland  
Executive Director

SUBJECT: Action Providing Comments to the Environmental Protection Agency Regarding the Proposed Ozone Standard

On December 17, 2014, the Environmental Protection Agency (EPA) published *Proposed Rule: National Ambient Air Quality Standards for Ozone, EPA-HQ-OAR-2008-0699; FRL-9918-43-OAR*, which would strengthen the current ozone standard between 65 – 70 parts per billion (ppb), with consideration to a level as low as 60 ppb, and other refinements. The current ozone standard was established in 2008 with an attainment target at less than or equal to 75 ppb. Associated to this proposal is a 90-day comment period that ends on March 17, 2015. Attachment 1 is an EPA Fact Sheet summarizing its Proposed Rule.

The North Central Texas Council of Governments plays a significant role in coordinating regional air quality and environmental activities on behalf of member governments and the State air agency, the Texas Commission of Environmental Quality. Staff has reviewed EPA's proposal, compiled comments, and is requesting Executive Board approval to forward comments to the EPA.

The comment letter is included as Attachment 2 for Executive Board consideration. I will provide a brief overview on this item and will be available to answer any questions prior to requesting Board approval.

JPL:ch  
Attachments

**Final Rule - Implementation of the 2008 National Ambient Air Quality Standards for Ozone:  
State Implementation Plan (SIP) Requirements****Action**

- On February 13, 2015, the U.S. Environmental Protection Agency issued a final rule that addresses a range of implementation requirements for the 2008 National Ambient Air Quality Standards (NAAQS) for ground-level ozone. The EPA set the final primary and secondary standards at 0.075 ppm on March 12, 2008.
- Implementation of the ozone standards is a shared responsibility of the EPA and states and tribes. This final rule interprets the requirements of the Clean Air Act (CAA) and includes provisions that give the EPA's partners flexibility to minimize administrative burdens while still ensuring the public health protections achieved by meeting the 2008 ozone standards.
  - The EPA will continue to work closely with states, tribes and communities to provide assistance in implementing the 2008 ozone standards.
- This final action specifically:
  - Establishes due dates for air agencies to submit state implementation plans (SIPs) demonstrating how areas designated as nonattainment for the 2008 ozone NAAQS will meet the standards by the appropriate attainment date;
  - Clarifies attainment dates for each nonattainment area according to its classification (established based on air quality thresholds);
  - Provides guidance on nearly all aspects of the attainment planning requirements for designated nonattainment areas;
  - Revokes the 1997 ozone NAAQS; and
  - Establishes anti-backsliding requirements for areas remaining nonattainment for the 1997 ozone NAAQS.
- The state planning and emissions control requirements addressed in this rule include: attainment demonstrations; reasonable further progress emissions reduction plans; reasonably available control technology; reasonably available control measures; nonattainment new source review; emission inventories; and other implementation-related topics.
- This final rule clarifies the attainment dates for each ozone nonattainment area classification in light of a December 2014 decision by the U.S. Court of Appeals for the D.C. Circuit (the court) vacating the deadlines previously established in the Agency's 2012 Classifications Rule for the 2008 ozone NAAQS.
  - There are 46 areas designated nonattainment for the 2008 ozone NAAQS nationwide. Of those, 36 areas are classified as "Marginal" nonattainment.
- This final rule revokes the 1997 NAAQS for all purposes, including transportation conformity, upon its effective date, which will occur 30 days after publication in the *Federal Register*. The EPA's 2012 Classifications Rule for the 2008 ozone NAAQS previously revoked the 1997 NAAQS for purposes of transportation conformity only. However, that portion of the Classifications Rule was vacated by the court in December 2014.

- In this rule, the EPA is finalizing a number of anti-backsliding measures for areas that remain nonattainment for the 1997 8-hour ozone NAAQS after the 1997 standard is revoked. These anti-backsliding measures will ensure that certain emission controls remain in place and air quality in the nonattainment areas does not get worse after the 1997 standard is revoked, while at the same time minimizing administrative and planning burdens associated with the transition to the more stringent 2008 standard.
- This final rule is focused on implementation-related activities for the 2008 ozone NAAQS. Implementation activities undertaken to meet the 2008 ozone NAAQS are expected to help many areas make progress toward meeting any future revised ozone standards.
  - On November 25, 2014, the EPA proposed to strengthen the ozone NAAQS in order to ensure that the standards meet the requirements of the CAA. The EPA will complete that proposed rulemaking in 2015. In the event EPA takes final action to revise the current (2008) NAAQS, EPA would issue a new implementation rule specific to that future revised NAAQS.
- Ozone pollution has been declining in recent years. From 1990 to 2013, the U.S. has experienced a 23% decline in national average ozone concentrations.
  - Though there is more work to be done, national rules now in place, such as the Tier 3 Vehicle Emission and Fuel Standards Program, will continue to improve air quality and help the states meet the NAAQS.

**For Further Information:**

- To download a copy of the notice, visit:  
<http://www.epa.gov/air/ozonepollution/actions.html#impl>.
- Today's final rule and other background information are also available either electronically at <http://www.regulations.gov>, EPA's electronic public docket and comment system, or in hardcopy at the EPA Docket Center's Public Reading Room.
- The Public Reading Room is located at EPA Headquarters, room number 3334 in the William Jefferson Clinton West Building, 1301 Constitution Avenue, NW, Washington, D.C. Hours of operation are 8:30 a.m. to 4:30 p.m. eastern standard time, Monday through Friday, excluding federal holidays.
  - Visitors are required to show photographic identification, pass through a metal detector, and sign the EPA visitor log. All visitor materials will be processed through an X-ray machine as well. Visitors will be provided a badge that must be visible at all times.
- Materials for this final action can be accessed using Docket ID No. EPA-HQ-OAR-2010-0885.
- Additional information on the 2008 ozone nonattainment areas is available on the EPA Green Book at <http://www.epa.gov/airquality/greenbook/hindex.html>
- For more information on the final rule, contact either Dr. Karl Pepple at (206) 553-1778 or email at [pepple.karl@epa.gov](mailto:pepple.karl@epa.gov) or Mr. Butch Stackhouse at (919) 541-5208 or email at [stackhouse.butch@epa.gov](mailto:stackhouse.butch@epa.gov).

February 26, 2015

Environmental Protection Agency  
EPA Docket Center (EAP/DC)  
Mailcode 28221T  
Attention Docket ID NO. OAR-2008-0699  
1200 Pennsylvania Ave. NW  
Washington, DC 20460

RE: *Proposed Rule: National Ambient Air Quality Standards for Ozone*, EPA-HQ-OAR-2008-0699; FRL-9918-43-OAR

The North Central Texas Council of Governments (NCTCOG) Executive Board (Board), composed of 13 locally elected officials, and one ex-officio non-voting member of the legislature, is the policy-making body for all activities undertaken by the NCTCOG. The 2014-2015 Board roster is included in Attachment 1. The Board, supported by technical, study, and policy development committees and a professional staff, has been aggressive in authorizing NCTCOG staff to pursue grant opportunities that would result in lowering the regional emissions footprint that otherwise play into high ozone days. On behalf of the NCTCOG Board, please accept the following comments regarding the Environmental Protection Agency's (EPA) *Proposed Rule: National Ambient Air Quality Standards for Ozone*, EPA-HQ-OAR-2008-0699; FRL-9918-43-OAR, published in the December 17, 2014, *Federal Register*. The comments provided do not question EPA's proposal to provide requisite protection of public health and welfare, but discusses issues with implementation at the local level.

### **Ozone Season Extention**

In the proposed rule, the EPA suggests extending the ozone season in the Dallas-Fort Worth (DFW) nonattainment region from the end of October through the end of November. Upon reviewing historical ozone data for the month of November in the DFW region, Attachment 2,

- the nonattainment area has not experienced an exceedance day equal to or above the current 75 parts per billion (ppb) standard since 1999;
- the nonattainment area has not experienced an exceedance day between the range of 70 and 74 ppb since 2001; and
- the nonattainment area has experienced only one exceedance day between the range of 65 - 69 ppb in 1999 and 2011.

During the year 2011, there were extreme weather conditions that resulted in ozone values that did not provide an accurate representation of an average ozone season. Additionally, 2011 is now beyond the three-year average that determines a regional design value. Since the data suggests our region has not experienced exceedance days in November, there is not a valid reason, or benefit to air quality by extending the ozone season. The amount of resources required to re-educate the public and develop new marketing and outreach materials to account for the additional month at the end of the current ozone season will far outweigh any potential reduction to the region's design value. As standard practice, the NCTCOG does promote these

programs on a year round basis due to their ancillary benefits of congestion mitigation or operational efficiencies. The Board respectfully requests the DFW nonattainment region ozone season remain March 1 through October 31.

### **Impact of Background and Transport Ozone**

In addition to federal control strategies currently in place in the DFW nonattainment area, both State and local efforts have led to significant decreases in recorded ozone levels; however, State and local strategies are not sufficient to reach the proposed 65 – 70 ppb range. Due to the incoming background levels estimated to be as high as 55 ppb during the peak ozone season from outside the DFW/North Texas area coupled with a continually decreasing ozone standard, locally enforced control strategies will have significantly less impact in keeping the DFW area air quality monitors' limits below the standard. Dr. Michael Honeycutt, Director of the Toxicology Division at the Texas Commission on Environmental Quality states, "Some places in the U.S. have background levels of ozone that account for up to 80 percent of total ozone."<sup>1</sup> In addition, EPA's data provided in EPA's *Air Quality Modeling Technical Support Document for the 2008 Ozone NAAQS Transport Assessment*<sup>2</sup> suggests 62 percent of the ozone at Receptor Site ID 481210034, Denton County, Texas is attributable to boundary concentrations, other states, biogenics and other (including wildfires, prescribed burns, offshore emissions, and anthropogenic emissions from Canada and Mexico).<sup>3</sup> The Board encourages the EPA to establish guidance on how regional airshed assessments can quantify transport influences and implement rules that would not subject regional airshed to reduce emissions they are not responsible for producing.

### **Technology Research and Funding Needs**

Each time the EPA adopts a new, more stringent ozone standard, a corresponding implementation rule is developed and implemented. Although the implementation rule provides guidelines on how and when the new standard will be implemented, it does not provide the necessary tools for the regions designated as nonattainment to come into attainment.

In order for nonattainment regions to achieve and then maintain the proposed eight-hour ozone standard, we believe it is prudent and necessary that EPA lead and/or support research to identify new reasonably available control technologies (RACT) for point sources that would be appropriate for new and existing installations. A multi-pollution approach should be incorporated into the research.

A success story for how research and implementation of new technologies has benefited air quality greatly is illustrated by EPA's close working relationship with the automotive industry to dramatically decrease the on-road emissions from vehicles, which has resulted in a positive impact on the nation's air quality. The Board encourages the EPA to take a similar approach to reducing emissions in the point source sector.

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<sup>1</sup> ***Will EPA's Proposed New Ozone Standard Provide Measurable Health Benefits?***

<http://www.tceq.state.tx.us/publications/pd/020/2014/will-epas-proposed-new-ozone-standards-provide-measurable-health-benefits>

<sup>2</sup> <http://www.epa.gov/airtransport/O3TransportAQModelingTSD.pdf>, p. 85.

**Updating and Adhering to NAAQS Review Frequency**

While the EPA sets strict deadlines for regions to come into attainment, transportation conformity determinations, State Implementation Plan submittals, etc., the EPA has established a recent precedence of not meeting the CAA required five-year National Ambient Air Quality Standards (NAAQS) review timetable. In addition, federal deadlines to adopt and publish implementation rules are often delayed to a point where local areas are under multiple designations from the same pollutant (i.e. 1997 eight-hour and 2008 eight-hour ozone standard). This failure of the EPA to revoke old ozone standards in a timely manner puts an undue burden on nonattainment regions to develop State Implementation Plans and conduct transportation conformity determinations, which end up being nothing more than a paper exercise to fulfill the outdated requirements of a less stringent standard. The Board suggests the EPA revisit the current five-year NAAQS review timetable, including designation and implementation, to develop a more practical, effective, and efficient schedule, decreasing the burden on regions simultaneously designated under two standards for the same pollutant.

The NCTCOG Board appreciates the opportunity to provide comments on the proposed eight-hour ozone NAAQS, and looks forward to continued collaboration between our agencies, including offering staff expertise to assist in lessening both the health and environmental impacts of ground-level ozone in our region. NCTCOG will continue to work with local, State, and federal agencies to implement local air quality projects and programs to bring the DFW region into attainment.

Sincerely,

Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

JPL:ch  
Attachments

cc: Guy Donaldson, Chief-Air Quality Section, EPA-Region 6  
Mike Eastland, Executive Director, NCTCOG

**NCTCOG Executive Board 2014 - 2015**

President <b>Kathryn Wilemon</b> Mayor Pro Tem City of Arlington	Director <b>Vonciel Jones Hill</b> Councilmember City of Dallas	Director <b>Dr. Larry Marshall</b> Councilmember City of Benbrook	Director <b>B. Glen Whitley</b> County Judge Tarrant County
Vice-President <b>John Horn</b> County Judge Hunt County	Director <b>Clay Lewis Jenkins</b> County Judge Dallas County	Director <b>Keith Self</b> County Judge Collin County	Ex Officio, Non-Voting Member <b>Toni Rose</b> Texas House of Representatives
Secretary-Treasurer <b>Daniel Scarth</b> Councilmember City of Fort Worth	Director <b>Tom Lombard</b> Councilmember City of North Richland Hills	Director <b>Kevin Strength</b> Mayor City of Waxahachie	General Counsel <b>Jerry Gilmore</b>
Past President <b>Stephen Terrell</b> Mayor City of Allen	Director <b>Laura Maczka</b> Mayor City of Richardson	Director <b>Laura Wheat</b> Mayor Town of Westlake	Executive Director <b>R. Michael Eastland</b>

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**Regional Transportation Council 2014 - 2015**

<b>Mike Cantrell, Chair</b> Commissioner, Dallas County	<b>Roger Harmon</b> County Judge, Johnson County	<b>Daniel Scarth</b> Councilmember, City of Fort Worth
<b>Mark Riley, Vice Chair</b> County Judge, Parker County	<b>Vonciel Jones Hill</b> Councilmember, City of Dallas	<b>Kelly Selman, P.E.</b> District Engineer Texas Department of Transportation, Dallas District
<b>Ron Jensen, Secretary</b> Mayor, City of Grand Prairie	<b>Clay Lewis Jenkins</b> County Judge, Dallas County	<b>Lissa Smith</b> Mayor Pro Tem, City of Plano
<b>Douglas Athas</b> Mayor, City of Garland	<b>Jungus Jordan</b> Councilmember, City of Fort Worth	<b>Mike Taylor</b> Mayor Pro Tem, City of Colleyville
<b>Brian Barth, P.E.</b> District Engineer Texas Department of Transportation, Fort Worth District	<b>Sheffie Kadane</b> Councilmember, City of Dallas	<b>Stephen Terrell</b> Mayor, City of Allen
<b>Carol Bush</b> County Judge, Ellis County	<b>Gerilyn Kever</b> Councilmember, City of McKinney	<b>T. Oscar Trevino, Jr., P.E.</b> Mayor, City of North Richland Hills
<b>Sheri Capehart</b> Councilmember, City of Arlington	<b>Lee Kleinman</b> Councilmember, City of Dallas	<b>William Velasco, II</b> Citizen Representative, City of Dallas
<b>Rudy Durham</b> Councilmember, City of Lewisville	<b>Stephen Lindsey</b> Councilmember, City of Mansfield	<b>Oscar Ward</b> Councilmember, City of Irving
<b>Andy Eads</b> Commissioner, Denton County	<b>Laura Maczka</b> Mayor, City of Richardson	<b>Bernice J. Washington</b> Board Member Dallas/Fort Worth International Airport
<b>Charles Emery</b> Board Chair, Denton County Transportation Authority	<b>David Magness</b> Commissioner, Rockwall County	<b>Duncan Webb</b> Commissioner, Collin County
<b>Mark Enoch</b> Board Member Dallas Area Rapid Transit	<b>Scott Mahaffey</b> Board Chair Fort Worth Transportation Authority	<b>B. Glen Whitley</b> County Judge, Tarrant County
<b>Gary Fickes</b> Commissioner, Tarrant County	<b>Matthew Marchant</b> Mayor, City of Carrollton	<b>Kathryn Wilemon</b> Mayor Pro Tem, City of Arlington
<b>Rob Franke, P.E.</b> Mayor, City of Cedar Hill	<b>Maher Maso</b> Mayor, City of Frisco	<b>Zim Zimmerman</b> Councilmember, City of Fort Worth
<b>Sandy Greyson</b> Councilmember, City of Dallas	<b>John Monaco</b> Mayor, City of Mesquite	<b>Michael Morris, P.E.</b> Director of Transportation, NCTCOG
<b>Mojoy Haddad</b> Board Member, North Texas Tollway Authority	<b>Kevin Roden</b> Councilmember, City of Denton	
	<b>Amir Rupani</b> Citizen Representative, City of Dallas	

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Historical Exceedance Days in November				
	≥60	≥65	≥70	≥75
1997	0	0	0	0
1998	0	0	0	0
1999	3	2	2	2
2000	0	0	0	0
2001	2	0	1	0
2002	0	0	0	0
2003	0	0	0	0
2004	0	0	0	0
2005	0	0	0	0
2006	0	0	0	0
2007	1	0	0	0
2008	0	0	0	0
2009	0	0	0	0
2010	0	0	0	0
2011	0	1	0	0
2012	2	0	0	0
2013	0	0	0	0
2014	0	0	0	0

Source: Texas Commission on Environmental Quality



**North Central Texas Council of Governments**

**TO:** NCTCOG Executive Board **DATE:** February 18, 2015  
**FROM:** Mike Eastland  
Executive Director  
**SUBJECT:** **Resolution Supporting the Texas Legislature in Efforts to Reduce Reliance on General Revenue-Dedicated Accounts**

General Revenue-Dedicated Accounts balances have been counted toward the total amount of revenue available to certify the state budget for almost 25 years. The Texas Legislature began to focus their attention on this issue in recent years as the balances of the General Revenue-Dedicated Accounts continued to grow larger. The 84<sup>th</sup> session of the Texas Legislature commenced on January 13, 2015, and legislators may consider proposals to stop using General Revenue-Dedicated Accounts for purposes other than those for which they were originally intended.

The attached resolution supports the Texas Legislature as they work to reduce the reliance on General Revenue-Dedicated Accounts for budget certification.

RH:ch  
Attachment

**RESOLUTION SUPPORTING THE TEXAS LEGISLATURE IN EFFORTS  
TO REDUCE RELIANCE ON GENERAL REVENUE-DEDICATED ACCOUNTS**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) represents 235 member governments within 16 counties; and,

**WHEREAS**, the NCTCOG Executive Board is responsible for the general policies and programs of the NCTCOG; and,

**WHEREAS**, each legislative session since 1991, unappropriated General Revenue-Dedicated Accounts balances have been counted toward the amount of revenue available to certify the state budget and have not been used for their intended purpose; and,

**WHEREAS**, the Texas Legislature recently began to focus on General Revenue-Dedicated Accounts as the amounts of unappropriated balances have grown; and,

**WHEREAS**, during the 84<sup>th</sup> session of the Texas Legislature, lawmakers may consider proposals to stop using General Revenue-Dedicated Accounts for purposes other than those for which they were originally intended.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** The NCTCOG Executive Board supports the Texas Legislature as they work to reduce reliance on General Revenue-Dedicated Accounts for certification of the state budget.

**Section 2.** Dedicated Accounts of particular concern include 9-1-1 Service fees, Texas Emission Reduction Program fees and taxes, Low Income Repair and Replacement Program fees, and Solid Waste fees.

**Section 3.** This resolution will be transmitted to the North Central Texas legislative delegation.

**Section 4.** This resolution shall be in effect immediately upon its adoption.

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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

**TO:** Mike Eastland  
Executive Director

**DATE:** February 18, 2015

**FROM:** Edith Marvin, P.E.  
Director of Environment & Development

**SUBJECT:** Resolution Authorizing a Contract with Halff Associates, Inc., as the Professional Services Provider for the FY2014 Bear Creek Watershed Flood Risk Identification Project

The North Central Texas Council of Governments (NCTCOG) has been a leader in floodplain management in the region for several decades. The Agency has assembled and facilitated many successful cooperative, multijurisdictional watershed programs, and cultivated productive partnerships with related state and federal agencies. In 2002, NCTCOG was named a Cooperating Technical Partner (CTP) of the Federal Emergency Management Agency (FEMA). In 2009, we crafted a Mapping Needs Assessment tool in conjunction with FEMA and the Texas Water Development Board (TWDB). Then in 2013, NCTCOG performed FEMA's Discovery Project for the Lower West Fork and Elm Fork of the Trinity River, which produced a prioritized list of areas in need of a Flood Risk Mapping Study. This list led to the Village Creek Watershed Flood Risk Identification Project which was completed in 2014.

These ongoing efforts have resulted in another opportunity to strengthen our relationship with FEMA through a second Flood Risk Identification Project. On August 28, 2014, the NCTCOG Executive Board approved an authorization to seek funds from FEMA for an amount up to \$1,000,000 per annum for Fiscal Year (FY) 15-16. The item also authorized the submittal of a grant application to FEMA for the CTP FY14 Bear Creek Watershed Flood Risk Identification Project. This grant proposal, which included cost-share matching funds from the City of Colleyville and the City of Southlake, was accepted by FEMA in September, and the funds were made available to NCTCOG in January. The upcoming mapping process will serve communities in this watershed by identifying flood risk areas and potential future priority mitigation efforts. These measures will also continue the regional effort initiated by the TWDB funded Map Needs Assessment in late 2009.

In order to move forward with the awarded grant from FEMA, our agency will require the assistance of a professional services firm. In January 2015, NCTCOG initiated procurement of a consultant to assist with the Bear Creek Watershed Flood Risk Identification Project. Several firms submitted proposals in response to the Request for Proposals. The Consultant Selection Committee (CSC) met on February 16, 2015, to review and evaluate the consultant proposals. The CSC recommends the proposal from Halff (Halff) Associates, Inc., to complete the scope of work. They have completed a significant portion of the FEMA mapping in our region

over the last several years and performed the technical work associated with the Map Needs Assessment in 2009. They have also assisted in NCTCOG's Discovery Efforts conducted in the Elm Fork and Lower West Fork Trinity River sub-watersheds, along with more recently serving as the flood risk consultant on the FY13 Village Creek Flood Risk Identification Project. Halff has an intimate familiarity with FEMA, the Upper Trinity Basin, and our local communities. They have already established the engineering and geographic information system mapping processes necessary to successfully accomplish the Bear Creek Watershed Flood Risk Identification efforts in the time-frame defined for this project.

The Executive Board's authorization will allow NCTCOG to respond to this opportunity while allowing us to continue building on our Cooperating Technical Partnership for flood risk reduction, consistent with the work program initiatives endorsed by NCTCOG's Public Works Council for the entire region, and to implement the regional SEE Safe Clean & Green plan.

A resolution authorizing a consultant contract with Halff Associates, Inc. in an amount not to exceed \$887,000 is attached for Executive Board consideration. This work is for approximately a one-year period.

I will provide a brief presentation of this item and will be available to answer any questions prior to requesting Board approval.

/em

Attachment

**RESOLUTION AUTHORIZING A CONTRACT WITH HALFF ASSOCIATES, INC. AS THE  
PROFESSIONAL SERVICES PROVIDER FOR THE FY14 BEAR CREEK WATERSHED  
FLOOD RISK IDENTIFICATION PROJECT**

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) is established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development; and,

**WHEREAS**, NCTCOG has outlined a multijurisdictional risk assessment process known as HazMAP that identified the hydrological hazards that this region will likely face over the next 30 years; and,

**WHEREAS**, NCTCOG participates in the nationally recognized Cooperative Technical Partners (CTP) program with the Federal Emergency Management Agency (FEMA); and,

**WHEREAS**, NCTCOG has successfully completed Mapping Activity Statements and provided data, outreach, and research as a CTP for FEMA's RiskMAP Program; and,

**WHEREAS**, on August 28, 2014, the Executive Board approved an authorization to seek funds from FEMA for an amount up to \$1,000,000 per annum for Fiscal Year (FY) 2015-2016, and also authorized the submittal of a grant application to FEMA for the Bear Creek Watershed Flood Risk Identification Project; and,

**WHEREAS**, the grant proposal was accepted by FEMA in September, and the funds were made available to NCTCOG in January resulting in NCTCOG issuing a Request for Proposals for consultant services for the Bear Creek Watershed Flood Risk Identification Project; and,

**WHEREAS**, Halff Associates, Inc., has been recommended by the Consultant Selection Committee to complete the project; and,

**WHEREAS**, NCTCOG has complied with federal and state regulations regarding contract and procurement proceedings.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** A contract between NCTCOG and Halff Associates, Inc. in an amount not to exceed \$887,000, be approved.

**Section 2.** The Executive Director or designee is authorized to execute a contract with Halff Associates, Inc., in the name of the North Central Texas Council of Governments.

**Section 3.** This resolution shall be in effect immediately upon its adoption.

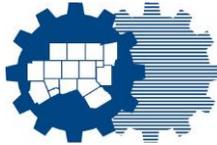
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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 18, 2015

FROM: Kelly Schmidt  
Senior Criminal Justice Planner

SUBJECT: Appointments to the Criminal Justice Policy Development Committee (CJPDC)

The Criminal Justice Policy Development Committee reviews funding requests for local justice-related grants. Members serve as the grant review and priority-setting committee for approximately \$9.5 million in law enforcement, courts, juvenile and victims' services funds.

According to the Office of the Governor's Criminal Justice Division (CJD) guidelines, membership of the committee must include representatives from the following nine areas: citizens or parents, drug abuse prevention, education, juvenile justice, law enforcement, mental health, nonprofit organizations, prosecution/courts, and victim services. In addition, the Interagency Cooperation Agreement with CJD requires that no one category exceed one-third of the total membership.

Per the Committee's approved Policies and Procedures, membership reflects the geographic area's percentage of the region's population. Every attempt has been made to have at least one representative from each of this region's 16 counties.

The CJPDC Nominations Subcommittee reviewed all nominations and presents for Executive Board approval ten new appointment recommendations; profile sheets for these nominees are attached. Additionally, of the continuing members, four are recommended to be reappointed to another three-year term.

Also per the Policies and Procedures, Committee officers include a Chair and Vice-Chair with a term limit of two years. The current Chair and Vice-Chair are Mr. Eric Nishimoto, Public Information Officer for Collin County and Ms. Lisa Tomlinson, Chief of Johnson-Somervell County Juvenile Services, respectively. They each have completed one year of a two-year term.

I will be available February 26<sup>th</sup> should you or the Board have questions.

Thank you.

## **PRIMARY RESPONSIBILITY OF COMMITTEE**

The Criminal Justice Policy Development Committee is appointed by and serves at the pleasure of NCTCOG's Executive Board. This Committee assists the Executive Board in establishing criminal justice planning policy and priorities, reviews requests for criminal justice funding, and encourages public awareness of criminal justice matters.

## **NUMBER OF COMMITTEE MEMBERS**

Not more than 50

## **TERMS OF MEMBERSHIP**

Terms of membership are based on staggered three-year terms with approximately one-third of the membership appointed each year. There may be years when the one-third provision does not work because of early retirements from the Committee, reappointments, and members fulfilling one of the ten permanent positions.

## **STANDARD MEETING DATE**

The Committee meets as needed, usually no more than six times a year.

## **SPECIAL REQUIREMENTS**

The composition of the Committee includes representation from the following sectors, per NCTCOG's contract with the Office of the Governor's Criminal Justice Division:

- Citizens or Parents
- Drug Abuse Prevention
- Education
- Juvenile Justice
- Law Enforcement
- Mental Health
- Nonprofit Organizations
- Prosecution/Courts
- Victim Services

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
CRIMINAL JUSTICE POLICY DEVELOPMENT COMMITTEE**

**Officers**

	<b>Name</b>		<b>Title</b>	<b>Entity</b>	<b>Committee Status</b>
1.	Mr. Eric	Nishimoto	Public Information Officer	Collin County	<i>Chair</i>
2.	Ms. Lisa	Tomlinson	Chief	Johnson-Somervell County Juvenile Services	<i>Vice-Chair – <b>Reappointment</b></i>

**Proposed New Members:**

3.	Mr. Chris	Alexander	Assistant Director	Denton County CSCD	Proposed New Member – Denton County (Recommended by Peggy Carr, Director of Denton County CSCD)
4.	Ms. Jennifer	Gonzalez, PhD	Assistant Professor	UT School of Public Health (Dallas Regional Campus of UT Southwestern Medical Center)	Proposed New Member – Dallas County (nominated herself)
5.	Mr. Arrick	Jackson, PhD	Vice President of Continuing Education	Tarrant County College District	Proposed New Member – Tarrant County (Recommended by Mary Lee Hafley, Executive Director of SafeHaven Tarrant County)
6.	Mr. Craig	Johnson	Justice of the Peace, Precinct 2	Wise County	Proposed New Member – Wise County (Recommended by J.D. Clark, County Judge)
7.	Ms. Molly	Mabery	Community Relations Coordinator	Pecan Valley Centers for Behavioral and Developmental Health Care	Proposed New Member – Erath County (Recommended by Lisa Tomlinson, Chief of Johnson/Somervell County Juvenile Services)
8.	Ms. Kelli	Martin	Research Unit Supervisor	Tarrant County CSCD	Proposed New Member – Tarrant County (Recommended by Cynthia Hipolito, Researcher for Tarrant County CSCD)
9.	Mr. Luis	Soler	Chief of Police	City of Crowley	Proposed New Member – Tarrant County (Recommended by Debbie Emerson, City of Crowley Police Department)
10.	Mr. Duane	Steele	Dallas County Criminal Justice Advisory Board Coordinator	Dallas County	Proposed New Member – Dallas County (Recommended by Ron Stretcher, Director of Criminal Justice Department, Dallas County)
11.	Ms. Carmen	White	Assistant District Attorney / Chief of Child Abuse Division	Dallas County District Attorney's Office	Proposed New Member – Dallas County (Recommended by Felicia Oliphant, Assistant District Attorney of Rockwall County)
12.	Mr. Gary D.	Word	Senior Pastor	Cityview Community Church Assembly of God	Proposed New Member – Palo Pinto County (Recommended by Russ Authier, Chief Deputy of Parker County Sheriff's Office)

**Leaving Committee:**

13.	Mr. Stan	Brien	Citizen-At-Large	Denton County	Leaving Committee
14.	Dr. Ellen	Elliston	Citizen-At-Large	Tarrant County	Leaving Committee
15.	Mr. Jim	French	Director	Palo Pinto CSCD	Leaving Committee
16.	Ms. Virginia	Hoft	Executive Director	Santa Fe Youth Services	Leaving Committee
17.	Ms. Terri L.	Johnson	Justice of the Peace, Precinct 2	Wise County	Deceased
18.	Mr. Russ	Kerbow	Chief of Police	City of Lewisville	Leaving Committee
19.	Ms. Jodee	Lucero	Executive Director	Cross Timbers Family Services	Leaving Committee
20.	Ms. Jennifer	Morrison	Consultant	North Texas Nonprofit Resources	Leaving Committee
21.	Ms. LaKerrie	Owens	Executive Director	Youth Conversion, Inc.	Leaving Committee
22.	Ms. Evy Kay	Washburne	Citizen-At-Large	Dallas County	Leaving Committee
23.	Ms. Rhonda	Welch	Safety & Security Coordinator	Midlothian ISD	Leaving Committee

**Reappointments (see member #2 for additional reappointment)**

24.	Mr. Ed	Drain	Assistant Chief of Police	City of Plano	Reappointment
25.	Rev. Ernie	McCoulskey	Director	Kauf-Van Baptist Association	Reappointment
26.	Mr. John	Sands	Citizen-At-Large	Hunt County	Reappointment

**Continuing Members**

27.	Mr. Samuel	Allen	Community Service Liaison	City of Balch Springs	
28.	Mr. Russ	Authier	Chief Deputy	Parker County Sheriff's Office	
29.	Ms. Lee Ann	Breading	Citizen-At-Large	Denton County	
30.	Ms. Linda	Brooke	Assistant Director	Tarrant County Juvenile Services	
31.	Ms. Deborah	Caddy	Director	The Women's Center of Tarrant County	
32.	Mr. Santos	Cadena	Deputy Chief of Police	City of Dallas	
33.	Ms. Pam	Corder	Project Manager	Kaufman County	
34.	Mr. Joseph W.	Costa	Chief of Police	City of DeSoto	
35.	Mr. Chris	Crawford	Police Lieutenant	City of Weatherford	
36.	Ms. Kenda	Culpepper	District Attorney	Rockwall County	
37.	Ms. Tonia	Cunningham	Victim Assistance and Grant Administrator	City of Frisco	
38.	Ms. Michelle	Espy	Budget and Program Coordinator	Tarrant County CSCD	
39.	Ms. Holly	Griffin	Assistant District Attorney	Collin County District Attorney's Office	
40.	Ms. Nancy	Hagan	Citizen-At-Large	Tarrant County	
41.	Ms. Allison	Harris	Grant Services Supervisor	Dallas County Juvenile Services	
42.	Mr. Brian	Harvey	Chief of Police	City of Allen	

43.	Ms. Christy	Jack	Litigation Expert	Tarrant County District Attorney's Office
44.	Ms. Sasha	Kane	Police Planner/Grant Manager	City of Fort Worth
45.	Ms. Gina	Kennedy	Grant Manager	Dallas County District Attorney's Office
46.	Mr. Curtis	Krohn	Senior Pastor	Faith Bible Church
47.	Ms. Ellen	Magnis	Chief of External Affairs	Dallas Children's Advocacy Center
48.	Ms. Ruby (Rue)	Mayweather	Grant Writer	Dallas County Sheriff's Office
49.	Ms. Dee	Pedigo	Misdemeanor Court Services Supervisor	Dallas County CSCD
50.	Ms. Nori	Rhodes	Police Patrol Support Captain	City of Corsicana
51.	Mr. Jerry	Rucker	Records Manager	Tarrant County Sheriff's Office
52.	Mr. Steve	Smith	Captain	Hood County Sheriff's Office
53.	Dr. Terry	Smith	Director	Dallas County Juvenile Services
54.	Mr. Jerry	Stringer	Commissioner, Precinct #3	Johnson County
55.	Ms. Kathryn	Taylor	Citizen-At-Large	Denton County
56.	Ms. Eren	Turner	Executive Director	Youth and Family Counseling
57.	Ms. Jerri	Vaughn	Executive Director	Johnson County Family Crisis Center
58.	Ms. Jewel	West	Director of Finance and Grant Management	Hunt County Rape Crisis Center / Children's Advocacy Center
59.	Mr. Kelly	Willis	Victims' Services Supervisor	Tarrant County Juvenile Services
60.	Mr. Patrick	Wilson	County and District Attorney	Ellis County



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 18, 2015

FROM: Doni Green  
Director of Aging Programs

SUBJECT: Status Report on Agreement with Texas A&M University for Implementation of  
Texercise Select Research Study

Texercise Select (TS) is an exercise program designed for older adults by the Cooper Clinic under the direction of the Texas Department of Aging and Disability Services (DADS). DADS wishes to establish an evidence base for TS and is contracting with Texas A&M to develop and implement a research study. Texas A&M wishes to engage the North Central Texas Council of Governments (NCTCOG), in its role as the Area Agency on Aging, to plan and carry out TS classes in Collin and Denton Counties.

Under the terms of the agreement with Texas A&M, NCTCOG is to market TS classes to older adults in Denton and Collin counties, recruit a sufficient number of class leaders, provide stipends to class leaders upon request, make local arrangements for at least 12 series of 20 classes each, handle class registrations, assist with collection of participant data, and participate in weekly calls with Texas A&M researchers. In return, NCTCOG will be reimbursed \$25,000, inclusive of all costs. The goal is to have 300 eligible older adults participate in the program.

I will be available during the February 26<sup>th</sup> Board meeting to respond to questions.

DG:ct



**North Central Texas Council of Governments**

TO: Mike Eastland  
Executive Director

DATE: February 19, 2015

FROM: Molly McFadden (Thoerner)  
Emergency Preparedness Director

SUBJECT: Status Report on Public Education Preparedness Campaign

The Public Education Subcommittee, will be running a four week emergency preparedness campaign beginning in mid-March via radio, television, and billboards. The same campaign will be promoted during the month of September. The total cost for the two month campaign is \$42,680.

**Radio Campaign – 15 second spots**

- 102.9 FM: Saturday & Sunday 10 AM – 3PM (3 each time period)
- 92.5 FM: Saturday & Sunday 10 AM – 3PM (3 each time period)
- 99.5 FM: Saturday & Sunday Mornings (3 each time period)
- 94.1 FM: Monday – Friday 7 PM – 10 PM (2 each time period)
- 105.7 FM: Saturday & Sunday 10 AM – 7 PM (3 each time period)
- 101.1 FM: Saturday 6 AM – 7 PM & Sunday 6 AM – 10 PM (3 each time period)
- 103.3 FM: Saturday & Sunday 6AM – 8 PM (3 each time period)

**Television Campaign – 10 second spot**

- CBS Channel 11: Monday-Friday 6AM – 7AM

**Billboard Campaign**

- I-30 (E.R.L.T.) W/O Ferguson N/S F/E
- I-35E N/O Ninth E/S F/S
- 121 222' E/O Minnis Drive S/S F/E
- I-20 4300' W/O Cedar Ridge N/S F/E
- I-30 before 360
- I-45 S/O Lamar W/S F/S
- 287 E/O Vaughn & Berry S/S F/E
- Central (75) N/O 190 E/S F/N
- Jct 1171 W/O 121 W/S F/N
- I-35W .2 Mi N/O Sycamore School Rd Exit W/S F/S

**616 Six Flags Drive, Centerpoint Two  
P.O. Box 5888, Arlington, Texas 76005-5888  
(817) 640-3300 FAX: 817-608-2372  
www.nctcog.org**

Should either you or the Executive Board members have questions, staff and I will be present at the meeting to summarize and address any questions, or I may be contacted by phone at 817-608-2322 or by e-mail at [mthoerner@nctcog.org](mailto:mthoerner@nctcog.org).

MM(T):cf



**North Central Texas Council of Governments**

**2015 NCTCOG Executive Board Calendar**

<b>March 26, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>April 23, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>May 28, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>June 18, 2015</b>	<b>GENERAL ASSEMBLY</b>
<b>June 25, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>July 23, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>August 27, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>September 24, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>October 22, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>November 19, 2015</b>	Executive Board Meeting – NCTCOG Offices
<b>December 17, 2015</b>	Executive Board Meeting – NCTCOG Offices

## EXECUTIVE BOARD ATTENDANCE

June 2014 - May 2015

Name	June	July	August	September	October	November	December	January	February	March	April	May	TOTAL
<b>Kathryn Wilemon</b> President	P	P	P	P	P	NM	P	P					7
<b>John Horn</b> Vice-President	P	P	P	P	P	NM	P	P					7
<b>Daniel Scarth</b> Secretary/Treasurer	P	P	P	P	P	NM	P	EA					6
<b>Steve Terrell</b> Past President	P	P	P	P	P	NM	P	P					7
<b>Vonciel Jones Hill</b>	P	EA	P	EA	P	NM	EA	P					4
<b>Clay Jenkins</b>	P	EA	P	P	EA	NM	EA	P					4
<b>Tom Lombard</b>	P	P	EA	P	P	NM	EA	P					5
<b>Laura Maczka</b>	EA	P	P	P	P	NM	EA	P					5
<b>Larry Marshall, MD</b>	P	P	P	P	P	NM	P	P					7
<b>Keith Self</b>	P	EA	P	P	P	NM	P	P					6
<b>Kevin Strength</b>	P	P	P	P	P	NM	P	EA					6
<b>Glen Whitley</b>	P	P	P	P	P	NM	EA	EA					5
<b>Laura Wheat</b>	EA	EA	P	P	EA	NM	EA	P					3
<b>Toni Rose - Ex Officio, Non-Voting Member</b>	EA	EA	P	EA	EA	NM	P	EA					2
<b>TOTAL PRESENT</b>	11	9	13	12	11	NM	8	10					
<b>Attendance Code:</b>	P=Present EA=Excused Absence A=Absence NM=No meeting												

# North Central Texas Council of Governments Foundation, Inc.

616 Six Flags Drive, Arlington, TX, 76011

## BOARD MEETING

February 26, 2015

[Immediately Following the Executive Board Meeting]

_____ Kathryn Wilemon	_____ Clay Jenkins	
_____ John Horn	_____ Vonciel Jones Hill	_____ Keith Self
_____ Daniel Scarth	_____ Tom Lombard	_____ Kevin Strength
_____ Stephen Terrell	_____ Laura Maczka	_____ Laura Wheat
	_____ Larry Marshall	_____ Glen Whitley

### Staff

_____ Mike Eastland	_____ Edith Marvin	_____ Christy Williams
_____ Monte Mercer	_____ Michael Morris	_____ Lucille Johnson
_____ Tim Barbee	_____ David Setzer	_____ Stephanie Cecil
_____ Doni Green	_____ Molly Thoerner	

### NCTCOG FOUNDATION BOARD:

Call to order time: \_\_\_\_\_

<u>Item #</u>	<u>Name of Item</u>
____/____ F1.	<b>Resolution Authorizing Depository Services Contract (Monte Mercer)</b>

Adjournment: \_\_\_\_\_



**North Central Texas Council of Governments**

**TO:** Mike Eastland  
Executive Director

**DATE:** February 18, 2015

**FROM:** Monte Mercer  
Deputy Executive Director

**SUBJECT:** Resolution Authorizing Depository Services Contract

The North Central Texas Council of Governments Foundation, Inc., (“Foundation”) bylaws state that funds of the Foundation will be deposited in depositories that the North Central Texas Council of Governments (NCTCOG) Executive Board selects.

Previously funds of the Foundation were deposited in NCTCOG’s primary depository institution, Frost Bank. Subsequent to the amended Foundation bylaws dated June 27, 2013, there have been no funds received by the Foundation, but it’s anticipated that Foundation activity will increase in the future. To ensure proper delineation of assets, a stand-alone depository account should be established for the Foundation. Because of the existing relationship between NCTCOG and Frost Bank, as well as Frost’s offer to extend the same pricing and conditions to the Foundation, staff is recommending Frost Bank as the NCTCOG Foundation, Inc. depository.

I will be available at the Foundation meeting to answer any questions.

MM:rwm

## RESOLUTION AUTHORIZING DEPOSITORY SERVICES CONTRACT

**WHEREAS**, the North Central Texas Council of Governments Executive Board is authorized to select a depository for the North Central Texas Council of Governments Foundation, Inc.; and

**WHEREAS**, Frost Bank has been designated NCTCOG's depository institution since February 28, 2013; and

**WHEREAS**, Frost Bank has offered to extend the same pricing and conditions to the NCTCOG Foundation as NCTCOG currently receives.

### **NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.** Frost Bank be and is hereby designated as NCTCOG Foundation, Inc., depository.

**Section 2.** The Executive Director or designee is authorized to execute all contractual agreements necessary to effectuate this transaction.

**Section 3.** This resolution shall be in effect immediately upon its adoption.

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Kathryn Wilemon, President  
North Central Texas Council of Governments  
Mayor Pro Tem, City of Arlington

I hereby certify that this resolution was adopted by the Executive Board of the North Central Texas Council of Governments on February 26, 2015.

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Daniel Scarth, Secretary-Treasurer  
North Central Texas Council of Governments  
Councilmember, City of Fort Worth