

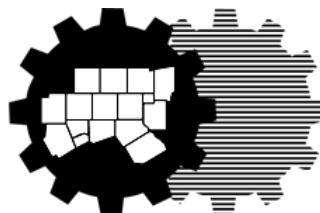


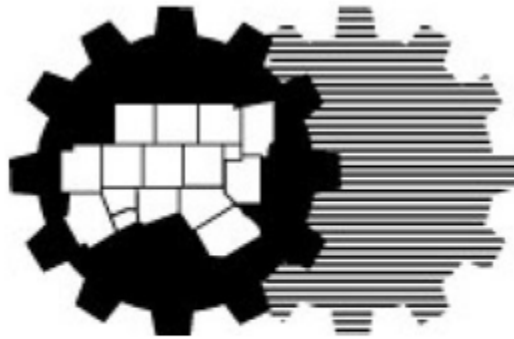
Comprehensive Annual Financial Report

Fiscal Year Ended

September 30,
2020

North Central Texas Council of Governments

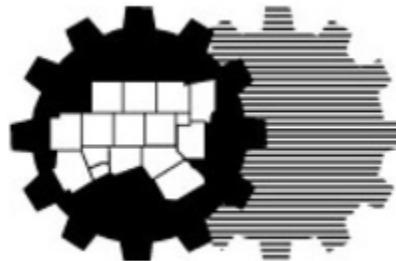




**North Central Texas
Council of Governments**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

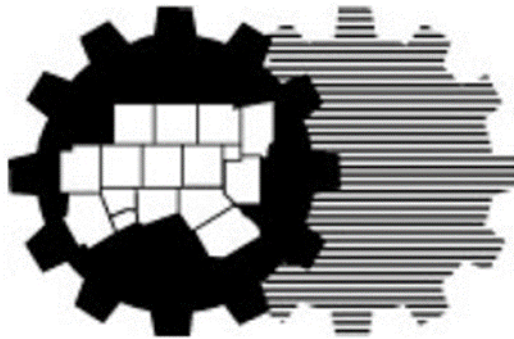
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**North Central Texas
Council of Governments**

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

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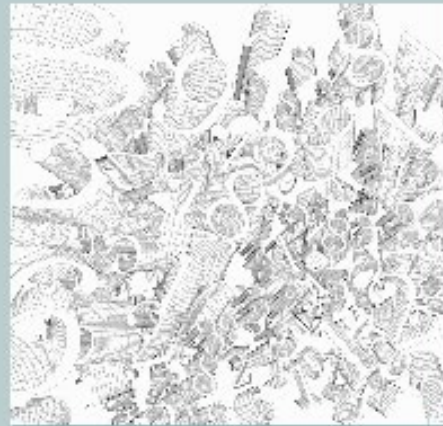
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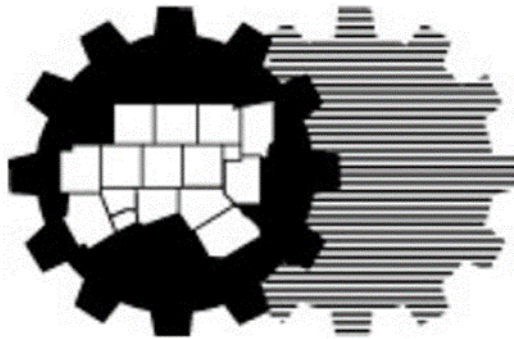
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INTRODUCTORY

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 25, 2021

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, 2020 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 Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and *State of Texas Uniform Grant Management Standards*. 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 231-member governments and the Executive Board, which is composed of 17 local officials elected by the General Assembly, and one ex-officio non-voting member of the legislature.

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 7 million, which is larger than 37 states, and an area of nearly 12,800 square miles, which is larger than nine states. NCTCOG's 231-member governments are comprised of 16 counties, 169 municipalities, 19 independent school districts, and 27 special purpose districts.

The Council's functional activities include responsibilities in the following areas – Transportation, Workforce Development, Area Agency on Aging, 9-1-1 Planning, Emergency Preparedness, Environment & Development, a Research and Information Services Center and Community Services; comprised of Criminal Justice Planning the Training & Development Institute (TDI) and Regional Law Enforcement Training.

Economic Condition and Outlook

NCTCOG's regional population increased by approximately 159,480 persons during 2020 for a January 1, 2020 total estimated population of 7.7 million.

The November 2020 unadjusted unemployment rate for the 16 county NCTCOG region was 7.1%, which was below the Texas rate of 8.0% and above the comparable national figure of 6.4%.

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 Fiscal Year 2020, the NCTCOG Transportation Department received \$2,767,690 in Congestion Mitigation and Air Quality Improvement program funds from the Texas Department of Transportation to continue administering and implementing transportation program outreach and education that encourages participation in emission reduction behaviors. Implementation fulfills obligations required under a variety of air quality mandates including the Clean Air Act, National Ambient Air Quality Standards, and State Implementation Plan.

NCTCOG received \$431,075 from the Department of Defense (DOD) Office of Economic Adjustment (OEA) for a Compatible Use Program grant to implement the recommendations of a study, completed by NCTCOG in 2018, related to compatible development activities near Naval Air Station Fort Worth Joint Reserve Base as well as Texas Military Department installations in North Texas. The implementation

activities will include community/military coordination, local planning initiatives, infrastructure planning, and public information.

Following the Dallas Midtown Autonomous Transportation System and Shared Parking Feasibility Study that NCTCOG staff and its consultant completed in September 2019, staff began utilizing these tools in other study efforts around the region. Staff also researched and categorized the various locations in the region that might be feasible in supporting an autonomous transportation system (ATS). Plans are underway to procure a consultant(s) to assist in standardizing the type of ATS and its infrastructure needs and configurations for future implementation in the feasible locations within the region. These consultant efforts are expected to begin in FY2021 and continue into FY2022.

During Fiscal Year 2020, NCTCOG initiated the Regional Rail Information System (RRIS) with regional rail partners. The RRIS, once in place, will be able to analyze aggregated data on train movements, enhance freight and passenger rail operations, and eliminate operational bottlenecks in real time. In addition, the system will be able to identify rail network issues and patterns over time, for the purpose of improved capital project selection and enhanced effectiveness of rail mobility development programs and investments. The Regional Transportation Council approved the project to move forward in FY2021.

The North Central Texas Council of Governments (NCTCOG) received \$250,000 in Surface Transportation Block Grant Program funds to implement a planning study to develop a comprehensive approach for strategic implementation of transit services focusing on internal and regional connection, increased transportation options and innovation, feasible funding options, and private-sector participation in East Dallas, Kaufman County, and Rockwall County.

NCTCOG received \$10,776,382 from the Federal Transit Administration (FTA) in response to the Coronavirus (COVID-19). These funds will be utilized to help five small public transit providers prevent, prepare for, and respond to COVID-19 with a small amount being utilized by staff to administer the funds on behalf of the providers.

In April 2020, NCTCOG received \$511,106 from the Federal Transit Administration Access and Mobility Partnership Grant to implement a regional mobility management program and improve coordination of transportation services in the region. Goals include quarterly regional mobility manager meetings with transportation partners and partnerships to provide travel navigational services and a centralized 1-800 number for individuals to access personalized transit information.

In June 2020, NCTCOG received \$1,000,000 in Regional Toll Revenue (RTR) funds for the Equitable Transit Fare Demonstration Program. The program seeks to increase the affordability of transit fares and provide incentives to transit entities for the development of sustainable and long-term access to work, job training activities and related activities. Through this initiative, NCTCOG staff is coordinating with regional transit providers to promote transit access and fare coordination for low-income individuals.

NCTCOG received \$500,000 in Surface Transportation Block Grant Program funds in September 2020 for the implementation of a regional planning study on Intermodal Transportation Hubs for colleges and universities. The goal of this project is to assist colleges and universities in the North Central Texas region with planning potential intermodal transportation hub locations and associated traffic pattern impacts. This will include the impact to transit ridership, bicycle and pedestrian mobility, and other modes used for on-campus traffic circulation.

\$500,000 in Surface Transportation Block Grant Program funds were received to complete a planning study for the Hickory Tree Road corridor in Balch Springs. The study will include public outreach and will identify context-sensitive design solutions for the corridor from Elam Road to Lake June Road.

NCTCOG received \$200,000 in RTC Local and \$800,000 in Surface Transportation Block Grant Program funds to advance a Bachman Lake Area Planning Study. The initiative will include public stakeholder engagement to identify needs and priorities addressing safe pedestrian access/facilities, general community transportation needs, and connectivity of land uses. This also includes coordination of possible improvements and impacts with other nearby ongoing major transportation projects.

Area Agency on Aging (AAA) - The Aging program received an infusion of additional funding through the CARES Act as its Area Agency on Aging and Aging and Disability Resource Center responded to the needs of North Central Texans who were affected by COVID-19. These funds allowed Aging to expand current services and launch new services.

The North Central Texas Area Agency on Aging (NCTAAA) received CARES Act funds in the amount of \$4,086,432 and Families First Coronavirus Response Act funds in the amount of \$1,186,776. The majority of these funds were dedicated to expanding the home-delivered meal program, as the pandemic increased the incidence of food insecurity among older adults.

No Wrong Door: Critical Relief Funds for COVID-19 Pandemic Response funding in the amount of \$273,207.81 allowed the North Central Texas Aging and Disability Resource Center to assist older adults and persons with disabilities make rental payments necessary to avoid eviction, make utility payments necessary to avoid shut-off, purchase emergency groceries, and obtain internet access.

In addition to CARES Act funding, the Aging program received the following revenues:

- “Base” funding for the NCTAAA from Texas Health and Human Services (HHSC) in the amount of \$8,418,066 to administer social service programs (e.g., nutrition, transportation, case management, and long-term care ombudsman) for North Central Texans age 60 and over and their family caregivers.
- “Base” funding for the NCTADRC from HHSC in the amount of \$400,328 to provide information and referral, respite, housing navigation, and options counseling services for North Central Texans who are older and/or have disabilities.
- Relocation funding in the amount of \$1,038,028, under contracts with Amerigroup, Molina Health Care, and United Health Care, to help nursing home residents return to the community.
- Fall prevention funding, awarded by the United Way of Tarrant County in the amount of \$20,900, to conduct fall prevention workshops.
- CHOICE—T/P: Grant funding in the amount of \$102,603 from a local health system to support home-delivered meal, transportation, volunteer, and counseling services for older persons who lived in Springtown (Parker County).
- WE HAIL: A Health Resources and Services Administration subgrant in the amount of \$4,250 to assess the needs of laypersons and professionals who care for people with dementia in rural counties.
- Senior Medicare Patrol: A \$20,000 subgrant from the Better Business Bureau to educate Medicare beneficiaries about program fraud.

Collectively, Aging programs served over 8,000 North Central Texans.

Community Services

Criminal Justice Planning - During Fiscal Year 2020 the Criminal Justice Program focused its efforts on meeting requirements set forth in the Interlocal Cooperation Agreement between NCTCOG and the Office of the Governor's Public Safety Office (OOG-PSO). Staff provided technical and operational assistance to more than 100 agencies for 148 new and continuation criminal justice grant applications; conducted 12 grant application workshop sessions; oversaw strategic planning efforts; and carried out other tasks that met administrative requirements of the OOG-PSO.

Training & Development Institute (TDI) - Over the 2020 Fiscal Year, and during the restrictions mandated due to the national pandemic spanning the second half of the fiscal year impacting our ability to hold originally scheduled training courses, TDI successfully facilitated 54 courses for the region: two Recurring Cohort Programs for Municipal Management and Finance Professionals in the Region, and one off-site course in the region all serving over 1,100 participants.

TDI continued to maintain two social media profiles; Twitter and Facebook to reach a social media audience for additional marketing opportunities and created branding for each training academy for use in marketing platforms and in conference marketing materials. In 2020, TDI was able to continue utilizing the audience of the NCTCOG agency's social media platforms with the "sharing" features within the programs.

Of the courses offered this fiscal year, seven were TCEQ-sanctioned water and wastewater courses, six of these courses were held at our NCTCOG offices while one course was held online. These courses are completed by individuals pursuing or renewing Texas Commission on Environmental Quality operator licenses. We had 103 participants successfully complete these 20-hour courses.

Through a partnership with the University of North Texas' Center for Public Management, the TDI hosted twelve Public Funds Investment Act training dates which are required for all public finance and investment officers in the State of Texas; 303 participants received their certificates of completion for this training course during the 2020 fiscal year through our participation.

In cooperation with NCTCOG's Transportation Department, the TDI hosted four Traffic Incident Management Safety courses for First Responders & Managers, that consisted of 111 participants from a variety of agencies. Three of the courses were hosted at our NCTCOG offices and one was hosted in Joshua, Texas at their Fire Department training facilities.

In addition to the courses outlined above, the TDI facilitated and built out the course offerings in the areas of Public Works, Contract and Procurement, Leadership and Management Academies Best Practices, and ADA Compliance. The TDI staff additionally helps provide support when needed for special requests by NCTCOG departmental staff including providing requested training and/or project facilitation support to internal departments.

Regional Law Enforcement Training (RPA) - During 2019/2020 From 1/1/2019 up to July 29, 2020 the Regional Police Academy conducted 10 Basic Peace Officer Courses and graduated 242 new law enforcement officers from throughout the NCTCOG region. This included recruit, in-service and satellite courses. The Regional Police Academy submitted 284 training rosters submitted for a total of 240,648 contact hours and 2,622 students to the Texas Commission on Law Enforcement.

Emergency Preparedness (EP) - In 2020, the North Central Texas Regional Emergency Preparedness Program, managed by the Emergency Preparedness Department, collected \$461,000 in membership dues. Membership funds were used to meet stakeholder needs through advocacy, planning, training and

exercise assistance, meeting coordination, regional program/project implementation and management, and multiple other support services. Program funds additionally supported: The Regional Emergency Preparedness Planning Council (EPPC), the Department's oversight council composed of regional elected officials; the Regional Emergency Preparedness Advisory Committee (REPAC), composed of emergency management subject matter experts, and response leaders guiding Homeland Security Grant priorities and advising EPPC; and regional Working Groups, which work to create regional approaches to training, exercise, and education.

Homeland Security Program: The Homeland Security Grant Program (HSGP) consists of both the State Homeland Security Grant Program (SHSP) and the Urban Area Security Initiative (UASI) Grant Program. HSGP funds support thirty-two core capabilities across the five mission areas of prevention, protection, mitigation, response, and recovery. Expenditures close capability gaps identified in the Threat and Hazard Identification and Risk Assessment (THIRA), Stakeholder Preparedness Review (SPR), Regional Implementation Plan (RIP), UASI Strategy, and After-Action Reports (AARs) from exercises or real-world events that have occurred within our region. Homeland Security funds have helped our region increase response capabilities by developing/updating plans, equipping special response teams, training first responders, and exercising emergency management and other special teams. In 2020, the region received \$1,658,507.87 in SHSP grant funds, and \$16,900,000 in UASI grant funds. These monies funded many projects throughout the region with a terrorism nexus, including training and exercises, hazardous materials, law enforcement, search and rescue, explosive ordnance disposal, interoperable communications, public works, cyber security, and others.

Citizen Corps Program: Citizen preparedness, training, and education continued to be supported by \$50,000 in HSGP funds allocated to north central Texas (NCT) Citizen Corps programs in 2020. The funds helped sustain various citizen volunteer programs, most notably Community Emergency Response Teams (CERT), and supported an NCT Citizen Corps Coordinator to facilitate and coordinate regional CERT meetings, trainings, exercises, and other efforts. In 2020 CERT program members served NCT in support roles such as wide area search, damage assessment, triage, and first responder rehab. Programs also continued training in shelter operation, Stop the Bleed, CPR, and other partner preparedness offerings.

Pre-Disaster Mitigation (PDM) Planning Projects: No additional PDM funds were received by the Emergency Preparedness Department in 2020.; however, the Department was awarded \$324,000 in federal PDM-17 grant funds in 2019, supporting hazard mitigation planning for 33 North Central Texas jurisdictions in Erath, Hood, Hunt, Palo Pinto, and Parker Counties. Mitigation plans for the participating jurisdictions in these counties is entering the final planning process. Additionally, the mitigation plan for the 34 jurisdictions in Tarrant County, funded by a \$264,007 PDM-16 grant received in 2017, was approved on March 23, 2020 and will expire in five years on March 22, 2025. Mitigation planning helps communities identify hazards and develop mitigation actions to reduce or eliminate vulnerability to those hazards. Once a hazard mitigation plan is approved and adopted, participating jurisdictions become eligible to apply for FEMA mitigation grant funds.

Safe Room Project: From July 2013 to date, the EP Department has received \$4,619,948.00 in federal Hazard Mitigation Grant Program (HMGP) funds to administer the Individual Safe Room Rebate Program in north central Texas. These safe room grants have resulted in 1,733 installed safe rooms and \$4,471,231.36 in awarded rebates. The North Central Texas Safe Room Rebate Program retired December 2020.

Collaborative Adaptive Sensing of the Atmosphere (CASA WX) Member Program: The Collaborative Adaptive Sensing of the Atmosphere (CASA WX) program is a weather observation system paradigm based on a low power, low cost, overlapping network of radars capable of providing rapid, enhanced

weather data. To support the weather radar system in the Dallas Fort Worth area in 2020, the EP Department continued to manage the CASA WX membership program, collecting membership dues from local jurisdictions totaling \$183,000. Membership dues go towards sustaining operational expenses of the radar network, currently consisting of seven radars. Local jurisdictions that are members of the CASA WX program gain access to the CASA website, allowing them to see CASA WX radar data down to the neighborhood level with minute-to-minute updates. This information helps reduce uncertainty during weather events, enhances decision-making, and can potentially save lives and reduce damage to property.

Environment & Development (E&D)- The overall theme for NCTCOG's environmental resource and development initiatives continued to be Sustainable Environmental Excellence. The department's efforts continue to have a focus on planning for the future of this growing region in a collaborative and cost-effective way for the benefit of all North Central Texas. The Department of Environment and Development (E&D) addresses this growth primarily within six different program areas – Materials Management, Natural Resources, Public Works, Regional Codes, Watershed Management, and Development Excellence.

In the Materials Management program area, the FY 20-21 biennial cycle of the Texas Commission on Environmental Quality (TCEQ) grant began, including performing a call for projects, hosting 43 preapplication conference calls and meetings for prospective grant applicants, and developing a Grant Recipient Toolkit. A scoring process was conducted for 36 applications with assistance from the Resource Conservation Council (RCC), and selection and awards were provided for 17 local government projects totaling \$1,250,440. Procurement and contract materials were developed for two RCC requested regional projects totaling \$220,000, including a Western Area Waste Disposal Capacity Technical Study and two annual Waste Characterization Studies for comparison to the 2018 baseline data. TimetoRecycle.com, ReportDFWDumping.org, and NCTCOG solid waste management websites were updated and maintained (172,458 pageviews) and the Regional Recycling Campaign continued including adds and social media posts. Four Resource Conservation Council meetings, two COVID-19 Solid Waste Response Conference Calls, and two Recycle Roundtable meetings were hosted. Booths were provided at four public outreach events, fifteen association meetings/conferences were attended, a regional scrap tire stakeholder meeting was hosted, and a presentation to a partner organization was given. In addition, 33 Closed Landfill Inventory requests were responded to and 575 illegal dump site reports from ReportDFWdumping.org and the hotline were forwarded to the appropriate city or county authorities for cleanup action.

In the Natural Resources program area, three Region C Water Planning Group meetings, three Water Resources Council (WRC) committee meetings, one Total Maximum Daily Load (TMDL) Coordination Committee meeting, three TMDL Technical Subcommittee meetings, and two Upper Trinity River Coordination Committee meetings were hosted. Coordination with regional Watershed Protection Plan managers was maintained and the regional Water Quality Management Plan was updated and submitted to TCEQ. Over 400 participants attended five hosted water quality training webinars. We coordinated and facilitated the annual North Central Texas Watershed Stakeholders meeting, attended the Texas Watershed Coordinators Roundtable meeting, and seven Clean Water State Revolving Fund projects were reviewed. In continued partnership with our Transportation Department and the State Energy Conservation Office (SECO); four webinars were hosted that were attended by a cumulative total of 126 live participants and also 61 cumulative views of the webinar recordings, 14 energy management related workshops were attended, and 11 Energy Efficiency and Renewable Energy Newsletters were issued to approximately 200 contacts. We maintained and updated the Regional Energy Management Webpage, the Conserve North Texas website, and the Go Solar Texas website. We coordinated Local Government Energy Report efforts to increase North Central Texas government report submittal to SECO and also produced two whitepapers. A web-based tool to demonstrate the economic and environmental benefits of natural resource stewardship for transportation and development projects, eebns.nctcog.org, was updated and promoted. Another web-based tool called the Permittee Responsible Mitigation Database, to connect landowners with developers or entities needing to rehabilitate or restore streams or wetlands to offset construction impacts elsewhere

was completed, released, and promoted. We attended 9 City of Fort Worth Open Space Conservation Work Group meetings to support Fort Worth and the Trust for Public Land.

In the Public Works program area, we hosted four Public Works Council meetings, seven Sustainable Public Rights-of-Way Subcommittee (SPROW) meetings, and four Integrated Stormwater Management (iSWM) Implementation Subcommittee meetings. We held the 21st Annual Public Works Roundup which was attended virtually by 198 individual public works professionals; hosted 11 subcommittee meetings for continued standard drawing updates to the region's Fifth Edition, 2017 Standard Specifications for Public Works Construction publication; and hosted a second Young Inspectors Workshop and Construction Contracts Workshop attended collectively by 236 participants. We maintained the Regional Public Works Training Calendar; updated the integrated Stormwater Management (iswm.nctcog.org) website; hosted two iSWM Designation and Implementation workshops, two iSWM Site Development Controls Reorganization workshops, one iSWM Technical Adopters workshop to promote low impact development and green infrastructure best practices; updated the iSWM Technical Construction Controls Manual with new detail schematics, and coordinated and posted to the iSWM website a Best Management Practices Video for a Bioretention installation. In addition, we hosted four meetings of the Wastewater Roundtable committee; facilitated outreach to the general public via Twitter, Facebook, and Instagram related to Defend Your Drains North Texas; coordinated and promoted the Holiday Grease Roundup; and maintained the DefendYourDrainsNorthTexas.com website. We also provided support for the Community Development Block Grant (TxCDBG) program through updates and trainings, hosting a webinar on Community Development Week, disseminating information on the HUD Opportunity Portal and Business Registry, identified a regional representative for the State's Unified Scoring Committee, and hosted a stakeholder meeting to set the region's priority project types.

In the Regional Codes program area, three Regional Codes Coordinating Committee (RCCC) meetings were hosted along with four virtual COVID-19 Response meetings with building officials in the region. Regional amendments to the 2020 National Electric Code were developed through six meetings of the Electrical Advisory Board (EAB). A 2020 annual code survey was conducted to determine adoption of the suite of international codes by local governments in North Central Texas, resulting in documented 51 respondents with 92% utilization of the NCTCOG amendments. A How to Update Building Codes Primer webinar with the South-central Partnership for Energy Efficiency as a Resource (SPEER) technical partner was coordinated and co-hosted.

In the Watershed Management program area, four Stormwater Management Coordinating Council meetings, two Pollution Prevention (P2) Task Force meetings, four Public Education Task Force meetings, and three Illicit Discharge Detection and Elimination task force meetings were hosted. Activities completed include: peer-to-peer exchange opportunity for P2 in the form of a site tour and mock self-inspection with twenty-eight participants; social media templates and toolkits for regional Stormwater Public Education Task Force programs were developed (Texas SmartScape, Doo the Right Thing, Aquatic Plastic Pollution Prevention); administered annual public Doo The Right Thing online photo contest; completed production of 6 videos on preventing stormwater pollution; completed an online training portal to house the preventing stormwater pollution training videos; posted 181 events to the Texas SmartScape calendar; distributed SmartScape materials at two outreach events; hosted 4 monitoring calls in support of the annual TCEQ Stormwater Monitoring report; and hosted one Post Construction Roundtable. The Trinity River COMMON VISION program continued with the integration of updated regulatory mapping and modeling for the Upper Trinity River Corridor into the Corridor Development Certificate (CDC) Manual and process, and 6 CDC applications were processed. The CDC application process was streamlined through the development of TrinityRiverCDC.com, a model storage and permit tracking software solution. Five coordination meetings of the Flood Management Task Force and one Trinity River Common Vision Steering Committee meeting were hosted. Efforts for expansion of the Common Vision footprint to include the communities along the East Fork of the Trinity River upstream from the Trinity Main Stem to the Lake

Ray Hubbard dam continued as well as the communities upstream from the Elm Fork to the Lake Grapevine dam. Further progress towards the integration of a georeferenced and consolidated CDC model, tying together the resources needed for FEMA, USACE, and CDC development applications was made. In Cooperation with our North Texas SHARE program, the Regional Early Flood Warning Software platform was adjusted to be available for all of our members. In partnership with FEMA, TWDB, and the Texas Floodplain Managers Association (TFMA), Environment and Development hosted the FEMA L-273 “Managing Floodplains through the National Flood Insurance Program” four-day course for the 24th year and hosted the TFMA Certified Floodplain Manager (CFM) Exam. In collaboration with TFMA, Floodplain Manager/Community Rating System (CRS) Users Group meetings were held three times, one being combined with our annual Elected Officials Seminar which resulted in 80 attendees. Additionally, as a part of our Cooperating Technical Partner (CTP) relationship with FEMA, administration of the FEMA CTP FY17 Richland-Chambers Discovery and the Town Creek and Stream CF-5 Flood Risk Studies were concluded. The Flood Risk Study project on Mary’s Creek in Parker County was continued. The Harriet Creek (Denton County) and Waxahachie Creek (Midlothian, Waxahachie, and Ellis County) Flood Risk Studies were initiated. A Flood Risk Study on Catherine Branch in Denton County was submitted and approved for funding as well as initial communications/outreach funding approval for our Integrated Transportation and Stormwater Management project area. An Integrated Transportation and Stormwater Management Partner Discussion in June 2020 was hosted to discuss a new large/regional watershed management study. The FEMA FY17 and FY18 projects for bringing Community Health and Resource Management (CHARM) tool to North Central Texas for community Comprehensive Plan development were wrapped up and the tool was made ready for use within our region.

In the Development Excellence program area, support for the Center of Development Excellence (DevEx) and the 12 Principles of Development Excellence continued. Redesign of the DevEx website continued with the goal of modernizing it and making it more user-friendly and searchable, to provide a broader coverage of DevEx topic areas, and to focus on and add example projects and case studies. Four meetings were hosted for the Regional Integration of Sustainability Efforts (RISE) Coalition Participants (was the North Central Texas Stewardship Forum). An annual work program, committee bylaws, committee website, and cost-share membership webpage were developed and published, and two grants were developed and submitted for a regional greenhouse gas inventory project. A Regional Climate Policy Workshop was coordinated and co-hosted with the Greater Dallas Planning Council. Eleven monthly Development Excellence newsletters were issued, one Census Count workshop and one Slow Street/Better Block pilot program webinar was hosted.

Research and Information Services (RIS)- Research NCTCOG's Research and Information Services (RIS) Department provides objective, consistent, and timely information and analysis on development in the region for use in regional and local planning and economic development activities. The emphasis is on population, employment, and other socio-economic factors; commercial and residential development; and land use. New initiatives within Research will focus on increased efficiency, customer needs, and innovation in dataset development.

Focus on Efficiency NCTCOG departments, local governments, and others find data from RIS programs indispensable for their planning and decision-making activities. RIS is exploring ways to leverage available data to develop new datasets and improve existing ones. One example is the use of detailed data from local appraisal districts to improve the precision of the land use inventory.

Focus on Customer Needs The Spatial Data Cooperative Program provides local governments and other participants with high-quality digital imagery and related products. This initiative provides a cost-savings for not just the initial participants, but anyone who purchases the products available through the program. RIS recently developed an additional high-value dataset and added another important offering to the program to address customer needs. RIS is also improving the purchase site, through which non-

participants can acquire the data. The improved purchase site is being designed to accommodate future enhancements that can improve the experience and offer additional value for the customer.

Focus on Innovation RIS has recently added machine learning capabilities to its suite of competencies. Currently, the applications have focused on work for the Demographic Forecasting. RIS is exploring the potential expansion of these capabilities to other programs such as the small area estimates program.

Workforce Development (WF)- Overview: Workforce Solutions for North Central Texas (WSNCT) consists of a Board of Directors and a network of 12 workforce centers serving the 14 counties in the North Central Texas service area. Our Board oversees the planning, oversight, policy guidance and design of services to ensure we fulfill our vision, mission and values. Our workforce centers provide services to the entire population, which includes unemployed and under-employed individuals seeking a better career, or those interested in exploring other career options. In counties where workforce centers are not physically located, services are provided using our Mobile Workforce Unit.

Achievement of Excellence in Procurement® Award 2020: In 2020, Workforce Solutions for North Central Texas, in partnership with North Central Texas Council of Governments, received the Achievement of Excellence in Procurement® (AEP) This prestigious award from the National Procurement Institute, Inc. was received for the tenth consecutive year. The AEP Award recognizes organizational excellence in public procurement and was awarded to 188 successful recipients across 23 states.

Adapting During Adversity: The onset of the Novel Coronavirus 2019 (COVID-19) pandemic demanded that Workforce Solutions for North Central Texas (WSNCT) adapt quickly and aggressively to do our part in stemming the spread of the virus. We prioritized the safety of our staff, customers and partners; built a robust technology infrastructure to support virtual communications, customer service and events; and put specific protocols and processes in place that enabled us to be effective in the midst of adversity.

In March 2020, we transitioned to a remote working environment, with all but essential personnel working from home. Staff throughout our 14-county region continued to communicate with and serve career seekers, employers, community partners, child care providers and child care parents virtually rather than in our physical Workforce Center locations. Flexible schedules and work arrangements were developed to meet the need of each WSNCT department and employee, and additional health and wellness services were made available to help staff balance work and personal needs. All staff were equipped with remote access to systems and servers, computers, cell phones and hot spots to provide a seamless transition to working remotely. A unified communications solution was used to enable staff to receive incoming calls to their work phone extension while working offsite, and calls to our Workforce Center locations were answered and forwarded to the appropriate person for direct customer assistance. We invested in virtual event software for hiring fairs and other events, and secured additional business collaboration and videoconferencing user licenses for internal meetings, training, customer one-on-ones, workshops, program orientations and other necessary communication. To ensure customers received support when virtual service was not a viable option, a sanitary and contactless in-person appointment procedure was implemented.

We increased the frequency and variety of communication with our audiences to keep them informed about how the pandemic was affecting our operations. We created a Coronavirus information page on our website, distributed daily COVID-19 updates, issued news announcements, leveraged social media platforms, produced videos, and sent emails and text messages. WSNCT spokespeople also participated in media interviews, webinars and community events to educate North Central Texas residents about how our services can help career seekers and employers affected by the pandemic.

As Unemployment Insurance (UI) claims skyrocketed, the Texas Workforce Commission (TWC) sought volunteers from among the TWC personnel who were assigned to local Workforce Boards. These volunteers were needed to assist people who were having difficulty accessing and registering in the UI system. WSNCT was the first to volunteer and worked with TWC to develop and implement a pilot program to provide these critical support services. More than 30 of our local TWC employees were deployed to assist with the extraordinarily high volume of UI requests, and our pilot became the model for other Boards across the state of Texas to follow as additional volunteers were incorporated into the program.

Serving Customers Virtually: The record-breaking high unemployment rate brought on by COVID-19's effect on businesses and the economy created an equally high demand for services from Workforce Solutions for North Central Texas. We were able to quickly shift how we operate to serve our customers safely and effectively due to prior planning.

In July 2019, we formed a Virtual Services Project Team to explore how to best reach customers in rural communities who may not have reasonable access to one of our Workforce Centers. The team was also tasked with expanding access for customers who lack transportation or have other barriers to our services. We began a pilot program in December 2019 to offer services virtually to customers and accelerated the roll out of those services in January 2020.

Two months later, the rapid spread of COVID-19 caused us to cancel our in-person meetings, workshops, conferences and other events out of care and concern for our customers. However, we moved forward aggressively with delivering virtual programs and assistance to meet the needs of those we serve. Our staff provided one-on-one customer support by phone and email as well as through safe and socially distanced visits to Workforce Centers by appointment only. Weekly workshops were provided via videoconferencing to hundreds of career seekers that increased their awareness of available job opportunities and better positioned them to gain employment.

More than 1,200 customers participated in our Workforce Innovation and Opportunity Act (WIOA) virtual orientations about services available to assist them in finding employment, furthering their education or skills training to earn a certification. Virtual training opportunities were also made available through the Metrix online learning platform provided through a partnership with the Texas Workforce Commission; 3,771 WSNCT customers took advantage of this free resource on FY20.

Our virtual hiring events provided an easy-to use and engaging way to digitally connect unemployed workers with employers who were hiring. In FY20, more than 4,700 career seekers had the opportunity to chat or videoconference with employers and interview for 4,256 job openings offered by hundreds of businesses across North Central Texas.

Youth Initiatives: Career exploration is an essential step in equipping our residents with the skills and knowledge required for success in a rapidly changing and digitally driven economy. WSNCT, in partnership with the Region 11 Education Service Center, hosted our annual iWork Youth Career Exploration Event in October 2019 for all Independent School Districts (ISDs) located within Region 11.

The event provided a hands-on career exploration and educational opportunity to 712 students from 25 ISDs. Participants engaged with interactive exhibits from 50 employers, colleges and military personnel, and more than 350 students took advantage of mock interview sessions where they received immediate feedback from workforce professionals. Participants also attended iChat sessions about relevant topics, including Social Media Do's and Don'ts, and Digital Technology.

Foster Youth are a priority population for our outreach efforts, and referrals from partner agencies such as Transition Resource Action Center and Preparation for Adult Living help us meet the needs of foster youth. Our Workforce Innovation and Opportunity Act Youth program was successful in placing a foster youth participant in our public office initiative with Commissioner Dianne Edmondson PCT 4. The youth participant, who assisted the Commissioner's Office with mapping new subdivisions, was hired in June 2020 after completing his internship.

Student HireAbility Navigator Initiative: Our Student HireAbility Navigators advocate on behalf of students with disabilities to support, expand and enhance pre-employment transition services that are provided through our partner, Texas Workforce Solutions Vocational Rehabilitation Services (TWSVRS). Navigators collaborate with employers, independent school districts (ISDs), colleges and community organizations to help them develop the right programs and processes to provide an inclusive work and educational environment for students with disabilities.

In addition to helping several students gain paid work experience with Mabank ISD in Terrell, our Student HireAbility Navigators delivered 55 presentations in FY20 to increase awareness and educate people about resources available to students with disabilities. Presentations were given across our region to ISDs, Colleges, students and family members, and during the Dyslexia Symposium, Partners Resource Network symposium, and the Charting the Course events hosted by Education Service Centers 10 and 11.

Adult Education and Literacy Regional Coalition: Adult Education Literacy (AEL) is crucial to the future of our economy. Statistics from Literacy Texas, a non-profit literacy coalition, indicate that nearly one million adults ages 25 and older in North Central Texas do not have a high school diploma or credentials, and more than 600,000 in our region have limited English proficiency. An increase of just one percent in literacy scores will lead to a 2.5 percent rise in Texas labor productivity.

Workforce Solutions for North Central Texas offers AEL programs through Denton Independent School District (ISD), Grayson College, Navarro College, Paris Junior College and Weatherford ISD. These educational partners provide adult basic academic classes, such as High School Equivalency preparation and English as a Second Language, as well as job readiness skills programs to help position North Central Texas residents for success.

Since 2015, we have leveraged our workforce expertise and connections through participation in The Adult Education & Literacy/North Central Texas Workforce Regional Coalition (AEL/Workforce Regional Coalition). The AEL/Workforce Regional Coalition promotes integration, cooperation and collaboration between AEL providers and Workforce Center staff to ensure the consistent delivery of services across all systems.

Working with Texas Workforce Commission Vocational Rehabilitation Services, we increased the reach and impact of our collective AEL efforts in 2020 by facilitating a memorandum of understanding (MOU) between Goodwill Industries and our Denton ISD AEL Provider. The MOU paved the way for Denton ISD to offer AEL classes at the Denton Goodwill location to accommodate more students and make AEL programs more accessible to area residents.

Hiring Red, White and You! Career Fair for Veterans: It is estimated that there are 1.7 million veterans in Texas, of which 967,000 are working or actively seeking work. On November 7, 2019, we hosted two 8th Annual Hiring Red, White & You! hiring events to support this highly qualified segment of our workforce. Our events were part of an annual statewide effort to connect veterans and their spouses with Texas employers that value the experience, discipline and other exceptional qualities inherent in a military background.

The Workforce Solutions for North Central Texas events were held at the Allen Event Center and the Midlothian Conference Center to better serve our career seekers in our Northern and Southern regions. The 2019 Hiring Red, White & You! events resulted in a combined 919 career seekers, and 162 companies and resource agencies. Our community resource partners were also available onsite to assist career seekers one-on-one with resume writing, career coaching and translating military experience into language that is relevant to civilian employers.

Registered Apprenticeships: Finding workers with the right mix of experience and technical skill is always a challenge for employers. While the workforce skills gap is growing nationwide, one way we're working to narrow it in North Central Texas is by collaborating with and connecting local businesses to the U.S. Department of Labor (DOL) Registered Apprenticeship (RA) program.

Registered Apprenticeships help employers recruit and develop a highly skilled workforce while improving productivity and profitability. Workers receive paid on-the-job training and can earn an industry-recognized and nationally accepted credential or academic credit toward a college degree. In 2020, Workforce Solutions for North Central Texas was involved in the development of two new RA programs in our region to help sustain the productivity and vitality of our employer community. In collaboration with Wylie Economic Development Corporation, we partnered with SAF Holland to develop a Tool & Die Maker and Maintenance Electrician RA program. As a member of the Bombardier Aviation Upskilling Committee, WSNCT worked with the company to develop an Aircraft Assembler RA program. Both RA programs are currently underway, training apprentice cohorts for the next phase of their careers.

In recognition of our momentum in identifying and mobilizing Registered Apprenticeships in our region, WSNCT was awarded a \$120,000 Texas Workforce Commission Apprenticeship Texas Expansion Grant in September 2020. This grant will allow us to offset a portion of Bombardier's Aircraft Assembler RA training costs as well as further educate North Central Texas communities about the value of Registered Apprenticeships.

Skills Development Fund and JET Grants: The North Central Texas region continued to benefit from the Skills Development Fund (SDF) Program in FY20. We identified new employers to engage in the SDF process with our community colleges, while our community college partners continued to gain the training capacity to meet the needs of local industry. Many of our employer partners participated in multiple SDF grants this past year, demonstrating the collaborative and sustainable partnerships between our educational providers and industries. In FY20, our colleges were awarded \$1,654,501 in SDF grants to serve our employer community.

During the summer of 2019, WSNCT piloted two Jobs and Education for Texans (JET) Workshops to increase the number of JET applicants in our area. In August 2020, four workshop participants were awarded JET grants, bringing a total of \$591,306 into the North Central Texas Region. We held a virtual JET grant workshop in September of 2020 with the Texas Workforce Commission, where participants gained insight from recent JET grant recipients about their experience applying for the grant, tips on submitting a high-quality application, and how receiving the funding has impacted their CTE programs and facilities.

Labor Market Information: In FY20, WSNCT answered 150 requests from employers, economic developers and educators with timely labor market information (LMI) and socioeconomic data.

The data we delivered to employers strengthened their retention and recruitment efforts, helped them meet market compensation through wage assessments, and provided insights on the labor availability in their industry. We also assisted our economic development organization (EDO) partners' work to attract

new businesses and jobs to our region. WSNCT was involved in 25 site selection projects with EDOs, researching and presenting data at various community engagements to showcase our workforce. LMI remained a priority for our educational partners in FY20, as they have an urgent need to stay knowledgeable about in-demand and high-wage careers. Our support for our educational partners reinforced their grant applications to fund technical training and guided them to areas that translated into high-return opportunities for their students. We presented LMI information at various professional development conferences as well as during one-on-one meetings with Career and Technical Education leaders within Community Colleges and Technical Colleges, and Independent School Districts.

Employers and Economic Development Organizations: Collaborating with our employer and economic development partners is one of the most beneficial things we do for our communities and economy. During the pandemic, we continued to support these important partners virtually with services and solutions that addressed their current challenges and future opportunities.

WSNCT delivered virtual services – including matching employers that needed to reduce their workforce with employers who needed to hire workers – to 1,726 employers during the pandemic, with a total of 4,355 in FY20. We continued to provide employers with labor market data to help them make informed workforce planning decisions as well as Subsidized Work Experience and On-The-Job Training benefits to help offset the costs of hiring and training new employees. Employers were also given several opportunities during the year to interact with thousands of skilled candidates through our virtual hiring events and career fairs.

We also hosted special events for our employer, chamber of commerce and economic development corporation (EDC) partners in FY20 to provide access to information and resources that would help them navigate through the COVID-19 environment. One such event, held in March 2020, was a live Virtual Town Hall Meeting and Q&A session with TWC Commissioner for Employers, Aaron Demerson, and The Small Business Administration. More than 300 people participated, and 104 of them were employers that had not previously engaged with our organization.

In October 2019, WSNCT partnered with Governor Abbott’s Office, Bridgeport EDC and Chamber of Commerce, Decatur EDC and Chamber of Commerce, and Weatherford College to host the Wise County Business Workshop. This event brought together 100 aspiring entrepreneurs and employers looking to grow or relocate their businesses. Local and Federal agencies gave presentations and networked with attendees to educate them about available resources. David Setzer, WSNCT Executive Director, was a featured presenter and shared information about our programs and services.

WSNCT and Wylie EDC partnered throughout the fiscal year to educate the community about the area’s robust manufacturing industry and to bring upskilling opportunities and resources to employers located there. We first partnered with Wylie EDC to solve a unique near-term workforce challenge faced by one of their manufacturers, SAF Holland. This opened the door for a strategic workforce discussion about the employer’s long-term training needs, which resulted in the development of a Registered Apprenticeship Program (read more about Registered Apprenticeships on page xx). WSNCT also partnered with Wylie EDC, Wylie Chamber of Commerce and Wylie ISD on Manufacturing Day, hosted in October 2019. The program for Manufacturing Day expanded into a month of activities, including student tours of Wylie’s manufacturing companies, employer networking events and a manufacturing business luncheon.

This close partnership and collaboration with Wylie EDC has increased our employer engagement in the area notably, and in January 2020 we recognized Wylie EDC with our Economic Development Partner of the Year Award. We also nominated Wylie EDC for a Texas Economic Development Council (TEDC) Workforce Excellence Award, for which they received Merit Recognition.

Quality Child Care: Selecting an early childhood setting is one of the most important decisions a parent or caregiver can make. Research studies have shown that children who attend higher quality child care programs are more prepared for school than children who do not. WSNCT believes that high-quality child care leads not only to greater school readiness, but long-term educational attainment and increased economic prosperity as well.

As part of our initiative to promote quality child care practices, we produced two videos in FY20 about quality child care. The first video educates parents on what to look for in a quality child care program and the second video, targeting child care providers, touts the benefits of becoming a certified Texas Rising Star (TRS) provider. Texas Rising Star is the State of Texas' quality rating improvement system for child care providers who are contracted with local Workforce Development boards to accept children in the Child Care Subsidy program.

WSNCT has a team of Early Childhood Specialists who provide one-on-one mentoring support for aspiring and existing TRS child care providers. In FY20, this team provided virtual mentoring to more than 95 TRS providers in our region. Our mentors brought new providers into the TRS program virtually, assessing child care centers and classroom environments using business communications and videoconferencing platforms. We also held two virtual Lunch & Learn events and provided additional training opportunities for TRS child care providers.

In May 2020, WSNCT hosted a webinar introducing Texas Child Care Tools with Texas Child Care Associates to our TRS child care providers. This resource site provides a pathway to quality child care practices and provides tools to strengthen business operations. To date, 40 TRS child care providers have been given access to this platform.

Professional Development Opportunities for Child Care Professionals: WSNCT facilitated professional development, education advancement and credential training opportunities to child care providers as a part of its initiative to promote quality child care practices.

In Fiscal Year 2020:

- 41 child care professionals graduated from the 120-hour Child Development Associate (CDA) Preparation course. Five received their CDA credential by September 2020. We also awarded stipends to 20 individuals who received their CDA Credential from CDA classes held in 2019
- 25 child care professionals were awarded Early Childhood Management Institute Administrators Credentials
- 14 students, who were employed at TRS facilities, were awarded scholarships to take classes in early childhood education and child development at colleges or universities
- 13 trainings were offered throughout the region and more than 200 early childhood professionals benefitted from quality trainings in early childhood education and child development
- 22 scholarships were awarded to early childhood professionals to attend two national conferences: Frog Street Splash Early Childhood Conference and the Zero To Three Annual Conference

Due to COVID-19, child care programs have experienced low enrollment, economic hardships, severe staff turnover and increased costs associated with maintaining health and safety standards. WSNCT provided more than \$275,000 in stipends in FY20 to child care programs that had an active agreement with us, providing relief to these business owners and educational programs during the pandemic. Funding was allocated to support and purchase the following items:

- Additional cleaning supplies, PPE, hand hygiene stations and temporary partitions

- Extra supplies and learning materials, outdoor environment materials and equipment
- Daytime security systems (cameras and keyless entry points)
- Curriculum
- Teacher stipends to incentivize teacher continuity

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 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, 2020, 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 2020 budget is approximately 81% 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 Whitley Penn 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 Uniform Guidance and Uniform Grant Management Standards to the U.S. Department of Labor (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, 2019. This was the twentieth 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.

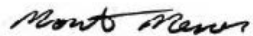
Acknowledgments

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 Whitley Penn LLP for their invaluable assistance in producing the final document.



Mike Eastland
Executive Director



Monte Mercer, CPA
Deputy Executive Director



Molly Rendon
Director of Administration

Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**North Central Texas
Council of Governments**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

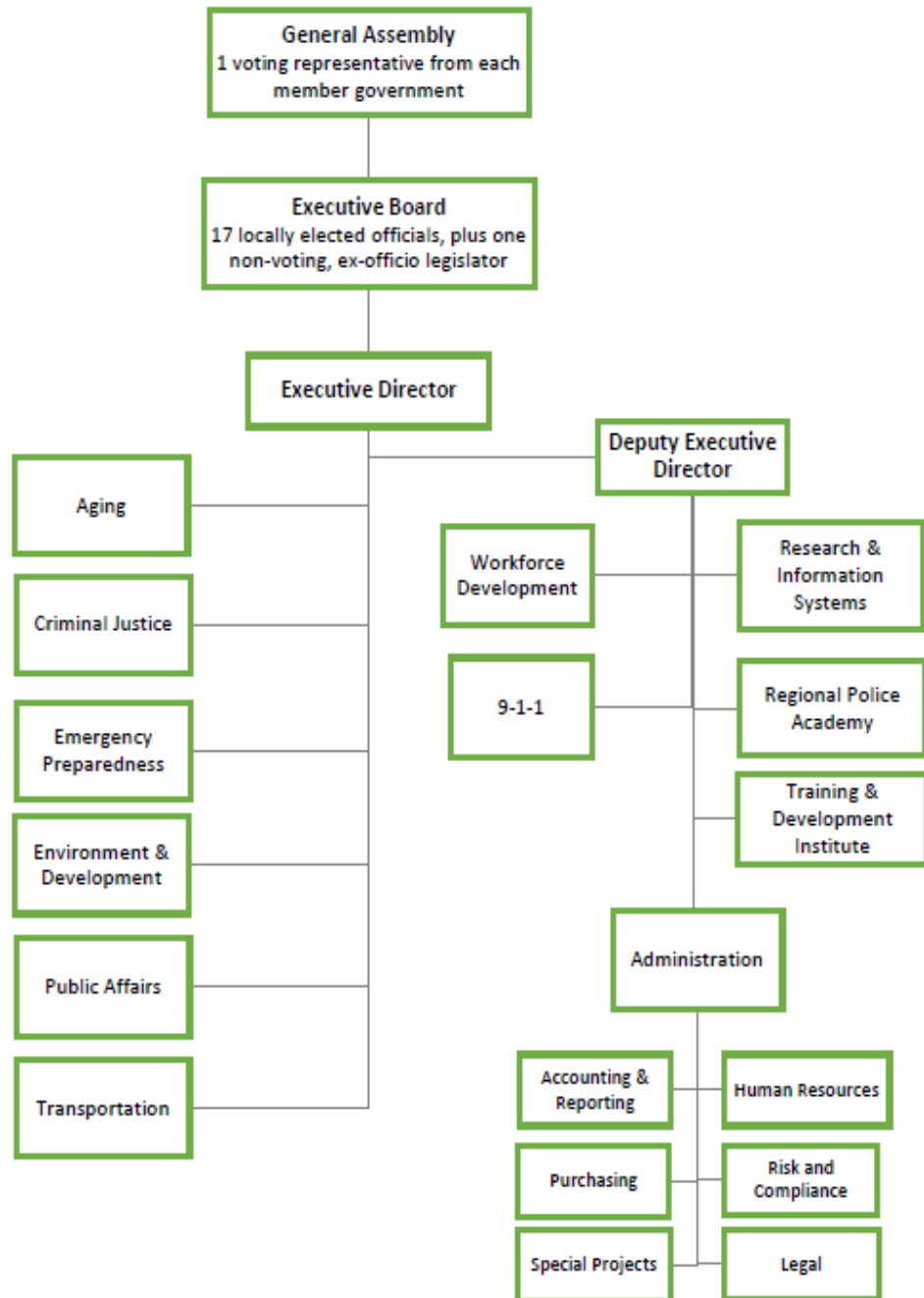
September 30, 2019

Christopher P. Morill

Executive Director/CEO

Organizational Chart

North Central Texas Council of Governments



NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
2020- 2021 EXECUTIVE BOARD

President
Ray Smith
Mayor
Town of Prosper

Vice President
David Sweet
County Judge
Rockwall County

Secretary-Treasurer
Kelly Allen Gray
Councilmember
City of Fort Worth

Past President
J.D. Clark
County Judge
Wise County

Director
Clay Jenkins
County Judge
Dallas County

Director
B. Glen Whitley
County Judge
Tarrant County

Director
Chris Hill
County Judge
Collin County

Director
Bobbie Mitchell
Commissioner
Denton County

Director
Lee Kleinman
Councilmember
City of Dallas

Director
Rick Carmona
Mayor
City of Terrell

Director
Andrew Piel
Councilmember
City of Arlington

Director
Bill Heidemann
Mayor
City of Corinth

Director
John Ryan
Councilmember
City of Denton

Director
Kayci Prince
Mayor Pro Tem
City of Plano

Director
Alfonso Campos
County Judge
Erath County

Director
Tammy Dana-Bashian
Mayor
City of Rowlett

Ex Officio Nonvoting Member
Yvonne Davis
State Representative
District 111

Executive Director
Mike Eastland

ADMINISTRATIVE STAFF

Deputy Executive Director
Monte Mercer

Director, Transportation
Michael Morris

Director, Research and Information Services
Tim Barbee

Director, Environment and Development
Edith Marvin

Director, Emergency Preparedness
Molly McFadden

Director, Area Agency on Aging
Doni Greene

Director, Regional 9-1-1
Christy Williams

Director, Workforce Development
David Setzer

Director, Agency Administration
Molly Rendon

Executive Director, Public Employee Benefits
Cooperative
Dolores Lewis

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 (231)**

Counties (16)

**Collin
Dallas
Denton
Ellis
Erath
Hood**

**Hunt
Johnson
Kaufman
Navarro
Palo Pinto
Parker**

**Rockwall
Somervell
Tarrant
Wise**

Cities (169)

**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
Celeste
Celina
Chico
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
Eules
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
Krugerville
Krum
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
New Fairview
New Hope
Newark
Northlake
North Richland Hills
Oak Point
Ovilla
Pantego
Paradise
Parker
Pecan Hill
Pilot Point
Plano
Ponder
Princeton**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MEMBER GOVERNMENTS (231)**

Cities (169) - continued

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 (19)

Arlington ISD
Birdville ISD
Cedar Hill ISD
Denton ISD
Duncanville ISD
Farmersville ISD
Garland ISD

Grand Prairie ISD
Greenville ISD
Hurst-Euless-Bedford ISD
Kaufman ISD
Lewisville ISD
Mansfield ISD
Mesquite ISD

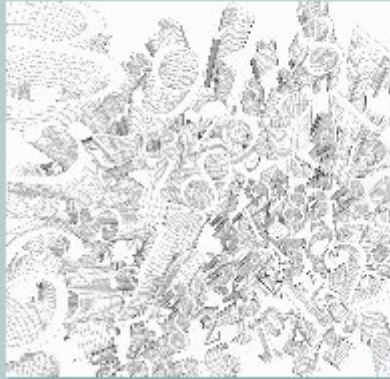
Midlothian ISD
Plano ISD
Rockwall ISD
Terrell ISD
Weatherford ISD

Special Districts (27)

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

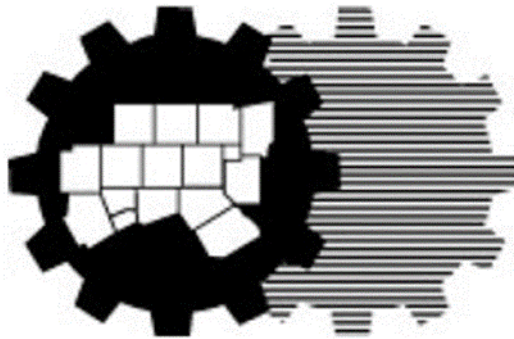
Dalworth Soil & Water
Conservation District
Denton County Fresh Water
Supply District #1A
Denton County Fresh Water
Supply District #6/7
Denton County Fresh Water
Supply District #10
Denton County Transportation
Authority
Hunt Memorial Hospital
District
Johnson County Special Utility
District
Lake Cities Municipal Utility
Authority

Metropolitan Area EMS
Authority
Northeast Texas Rural Rail
Transportation District
North Texas Municipal Water
District
North Texas Tollway Authority
Tarrant County Regional Water
District
Trinity Metro
Trinity River Authority
Trinity River Vision Authority
Trophy Club Municipal Utility
District #1
Wise County Water Control &
Improvements District



FINANCIAL

SECTION



**North Central Texas
Council of Governments**

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
North Central Texas Council of Governments
Arlington, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, 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, 2020, 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 Council’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 Council’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 of activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Council, as of September 30, 2020, and the respective changes in financial position and 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 on pages 5 to 13 and budgetary comparison information on pages 47 to 49 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 as listed in the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplemental Schedules are the responsibility of management and were 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 Supplemental Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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.

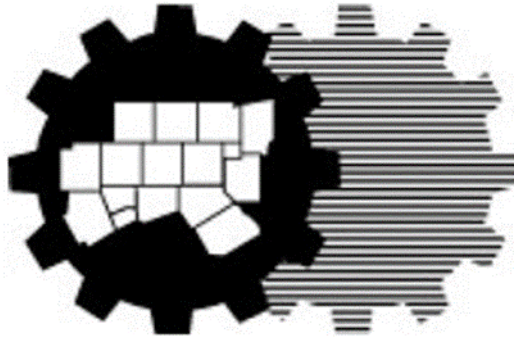
To the Board of Directors
North Central Texas Council of Governments

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2021 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 Council's internal control over financial reporting and compliance.

Whitley Penn LLP

Fort Worth, Texas
February 25, 2021



**North Central Texas
Council of Governments**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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, 2020. 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 - xvii of this report.

Financial Highlights

- NCTCOG's assets exceeded liabilities at the close of the most recent fiscal year by \$17,223,312 (net position). Of this amount \$8,479,251 (unrestricted net position) may be used to meet the government's ongoing obligations to creditors and service implementation.
- Net position increased a \$1,065,737 or 7%, in the current fiscal year comprised of a \$392,086 increase in net capital assets and a \$673,653 increase in restricted and unrestricted funds.
- NCTCOG's governmental funds reported combined ending fund balances of \$16,324,832 an increase of \$817,437 or a 5% increase in comparison with the prior year. Of the total fund balance, approximately 39% is restricted for local transportation projects, 7% is reserved for grants, and prepaids, 40% is available for spending at the government's discretion (unassigned) and 14% is assigned for other agency projects.

Overview of the Financial Statements

This discussion and analysis are 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).

Both 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.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

The government-wide financial statements include the general, special revenue and proprietary funds as shown on pages 17 and 18 of this report, as well the discretely presented component unit, NCT911.

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 19 and 21 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.

The *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 23-25 of this report.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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 27-44 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 pages 47-49 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 53-56 of this report.

Government-wide Overall Financial Analysis

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, total assets exceeded liabilities by \$17,223,312 at the close of the most recent fiscal year. Following is a summary of the Government-wide Statement of Net Position:

**COMPARATIVE SCHEDULE OF NET POSITION
September 30, 2020 and 2019**

	<u>Government Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current assets	\$ 94,852,933	\$ 98,289,780	\$ 210,516	\$ 184,511	\$ 95,063,449	\$ 98,474,291
Capital assets	1,542,292	1,150,206	-	-	1,542,292	1,150,206
Total Assets	<u>96,395,225</u>	<u>99,439,986</u>	<u>210,516</u>	<u>184,511</u>	<u>96,605,741</u>	<u>99,624,497</u>
Other liabilities	77,378,271	81,726,564	34,542	50,499	77,412,813	81,777,063
Long-term liabilities	1,969,616	1,689,859	-	-	1,969,616	1,689,859
Total Liabilities	<u>79,347,887</u>	<u>83,416,423</u>	<u>34,542</u>	<u>50,499</u>	<u>79,382,429</u>	<u>83,466,922</u>
Net position						
Net investment in capital assets	1,542,292	1,150,206	-	-	1,542,292	1,150,206
Restricted	7,201,769	6,816,436	-	-	7,201,769	6,816,436
Unrestricted	8,303,277	8,056,921	175,974	134,012	8,479,251	8,190,933
Total Net Position	<u>\$ 17,047,338</u>	<u>\$ 16,023,563</u>	<u>\$ 175,974</u>	<u>\$ 134,012</u>	<u>\$ 17,223,312</u>	<u>\$ 16,157,575</u>

A portion of NCTCOG's net position, \$1,542,292 (9%) 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.

In addition, a portion of NCTCOG's net position, \$7,201,769 (42%) is restricted. Of this amount \$6,301,700 is for Regional Transportation Council approved projects related to transportation funded initiatives. The remaining \$900,069 is restricted for grants with limitations specified by the funding agencies.

\$8,479,251 (49%) 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 THE YEAR ENDED SEPTEMBER 30, 2020**

Governmental Activities. For the year ended September 30, 2020, NCTCOG's net position for governmental activities increased \$1,023,775, or 6%, in the current fiscal year comprised of \$392,086 increase in net capital assets and \$631,689 increase in restricted and unrestricted funds. Following is a summary of the government-wide Statement of Activities:

**COMPARATIVE SCHEDULE OF CHANGES IN NET POSITION
September 30, 2020 and 2019**

	Government Activities		Business Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Federal administered grants	\$ 9,665,896	\$ 7,867,231	\$ -	\$ -	\$ 9,665,896	\$ 7,867,231
State administered grants	123,057,730	122,167,014	-	-	123,057,730	122,167,014
Local administered grants	16,814	11,947	-	-	16,814	11,947
Local contracts and in-kind	23,983,472	28,307,953	1,369,081	1,445,236	25,352,553	29,753,189
General revenues:						
Membership dues	734,911	722,858	-	-	734,911	722,858
Interest income	524,598	1,665,142	-	-	524,598	1,665,142
Total revenues	<u>157,983,421</u>	<u>160,742,145</u>	<u>1,369,081</u>	<u>1,445,236</u>	<u>159,352,502</u>	<u>162,187,381</u>
Expenses						
Agency administration	7,582,566	8,204,880	-	-	7,582,566	8,204,880
Agency management	1,278,501	1,394,848	-	-	1,278,501	1,394,848
Area Agency on Aging	12,754,861	16,739,462	-	-	12,754,861	16,739,462
Community Service	1,266,452	1,361,640	221,255	328,528	1,487,707	1,690,168
9-1-1 Planning	-	5,903,968	-	-	-	5,903,968
Emergency preparedness	2,806,164	3,457,062	-	-	2,806,164	3,457,062
Environment and development	2,799,729	4,349,585	-	-	2,799,729	4,349,585
RIS local assistance	3,493,105	3,674,309	1,105,864	1,107,443	4,598,969	4,781,752
Transportation planning	40,638,495	42,090,520	-	-	40,638,495	42,090,520
Workforce development	84,339,773	69,845,277	-	-	84,339,773	69,845,277
Total expenses	<u>156,959,646</u>	<u>157,021,551</u>	<u>1,327,119</u>	<u>1,435,971</u>	<u>158,286,765</u>	<u>158,457,522</u>
Increase (decrease) in net position	1,023,775	3,720,594	41,962	9,265	1,065,737	3,729,859
Transfers	-	(63,075)	-	36,500	-	(26,575)
Special item	-	(8,145,429)	-	-	-	(8,145,429)
Increase (decrease) in net position	<u>1,023,775</u>	<u>(4,487,910)</u>	<u>41,962</u>	<u>45,765</u>	<u>1,065,737</u>	<u>(4,442,145)</u>
Net position - beginning	<u>16,023,563</u>	<u>20,511,473</u>	<u>134,012</u>	<u>88,247</u>	<u>16,157,575</u>	<u>20,599,720</u>
Net position - ending	\$ <u>17,047,338</u>	\$ <u>16,023,563</u>	\$ <u>175,974</u>	\$ <u>134,012</u>	\$ <u>17,223,312</u>	\$ <u>16,157,575</u>

Significant components of the net position activity are as follows:

Governmental activities total revenues decreased \$2,758,724 or 1.72% in the current year. This decrease is comprised of the following major components:

- Federal revenues increased a net \$1,798,665 (23%) in the current year, primarily comprised of the following:
 - \$1,403,804 of this increase relates to Federal Transit Administration (FTA) programs. Cares Act and STAR Transit.
 - \$330,337 of this increase relates to Environmental Protection Agency (EPA) programs.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

- State revenues increased a net \$890,716 (1%) in the current year, primarily comprised of the following:
 - \$8,848,567 decreased grant funding from the Commission on State Emergency Communication (CSEC). The CSEC grant ended on December 3, 2018 and the 9-1-1 Planning Program transitioned to The North Central Texas Emergency Communications District (NCT9-1-1). The District is funded directly by emergency communication fees from telephone providers.
 - \$14,759,331 increase from the Texas Workforce Commission (TWC). This was due to the increase in funding for Child Care Programs, with \$9.8 million of the funding coming from the Corona Aid, Relief, and Economic Security (CARES) Act.
 - \$2,316,128 increased funding from the Texas Department of Transportation (TXDOT) primarily for the Automotive Occupancy program and the Phase V Traffic Signals project.
 - \$7,099,864 decreased funding from the Texas Commission on Environmental Quality (TCEQ). \$1,322,897 decrease primarily from the Solid Waste Program, this is a two-year grant with most of the money being earned in year two. \$5,776,967 decreased funding from the Aircheck program which ended in fiscal year 2019.
 - \$630,583 decrease from the Office of the Governor (OOG). This was primarily due Homeland Security Grants Programs (HSGP) being put on hold because of the pandemic.
 - \$829,534 increase from the Texas Department of Health and Human Services Commission (HHSC). This was primarily due to the Area Agency on Aging (AAA) nutrition programs receiving (CARES) Act funding.
- In-Kind and Local revenue decreased a net \$4,324,481 (15%) in the current year, primarily comprised of the following:
 - FTA in-kind increased \$1,801,894 as The City of Dallas provided local match, at grant close out, of the Dallas Streetcar project.
 - TWC in-kind increased \$561,214. The yearly amount of in-kind is based on the local match agreement in place that year. Each year this amount fluctuates based on the negotiated local match contract with local vendors.
 - EPA in-kind increased \$722,065 relating to in-kind provided on the 2017 Diesel Emissions Reduction Act (DERA) Grant.
 - Department of Commerce (DOC) in-kind decreased \$300,784 from the Comprehensive Economic Development Strategy (CEDS) program.
 - HHSC in-kind decreased \$4,571,296. This is due to only recording required match on Area Agency on Aging (AAA) programs as opposed to also recording over-match.
 - Transportation decreased \$1,854,029 in local revenue. First and final consultant payment of \$2,000,000 was made in fiscal year 2019 to the City of Dallas Mockingbird Plaza project.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

- Workforce had a decrease of \$794,681 in local revenue. The Vocational Rehabilitation Summer Earn and Learn (VR SEAL) program was canceled this year due to the pandemic.
 - RIS had a decrease of \$350,899 in local revenue. Ortho revenue decreased. Also, the Dallas County Elections program and Research and Information Services Network program (RISN) ended in FY19.
- General revenues decreased \$1,128,491 (66%) because of lower interest income; due to lower rates and the return of TCEQ Aircheck funds (\$14,667,642).

Governmental activities total expenses decreased \$61,905 or .04% in the current year. Key elements of the changes are as follows:

- Workforce Development increased \$14,494,496 or 21% due to an increase in Child Care programs expenses.
- 9-1-1 Planning decreased \$5,903,968 or 100% when compared with 2019. The CSEC grant ended on December 3, 2018 and the 9-1-1 Planning Program transitioned to The North Central Texas Emergency Communications District (NCT9-1-1).
- Transportation expenses decreased a net of \$1,452,025 or 3% when compared with 2019. This was primarily due to the 2019 ending of the Aircheck Program.
- Environment & development expenses decreased \$1,549,856 or 35% when compared to 2019. 2020 was the first year of a two-year Solid Waste grant cycle and typically, most of these expenses occur in year two.
- Research and Information Services expenditures decreased \$181,204 or 5% when compared with 2019. Contributing factors were a decrease in the orthophotography program, as a full fly over was done in 2019. In 2019 there was also the added cost of a circuit migration.
- Emergency preparedness expenses decreased \$650,898 or 19% when compared to 2019. The Saferoom program ramped down with its ending in 2021; HSGP decreased as well because of work being put on hold due to the pandemic.
- Agency Administration and Management expenses decreased \$622,314. Primarily due to Administration recognizing the portion of indirect and Internal Services that relates to component units, business type units and internal service activities.
- Area Agency on Aging expenses decreased a net of 3,982,296 or 24%. In-kind expenses decreased \$4,571,296 due to only recording required match on AAA programs as opposed to recording over-match. This decrease was partially offset by additional Home Delivered Meal expenses.

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.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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 \$16,324,832 an increase of \$817,437 in comparison with the prior year. Approximately 40% of this total amount (\$6,547,296) 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 \$7,017,177. 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 \$32,659 during the current fiscal year.

Special Revenue Fund. The fund balance of NCTCOG's special revenue fund increased by a net of \$784,778 during the current fiscal year: \$25,833 for activity in the Federal Emergency Management Agency FEMA Cooperating Technical Partners (CTP) Program, \$280,537 for transportation local projects and \$607,098 for other agency local projects. Used funds include \$2,731 for Criminal Justice programs, \$41,700 for TCEQ programs, mainly Solid Waste and \$84,259 for TXDOT programs.

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 \$26,944 which represents .37% of budgeted total current expenditures, primarily due to savings on various projects.

Capital Asset and Long-Term Liability Administration

Capital assets. The NCTCOG's investment in capital assets as of September 30, 2020 and 2019 amounted to \$1,542,292 and \$1,150,206 (net of accumulated depreciation). This investment in capital assets includes equipment, furniture, and leasehold improvements. Detailed information on the NCTCOG's capital assets can be found in Note G on pages 41-42 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 2021 is estimated at \$753,221.

NCTCOG is primarily funded by state and federal grants which fluctuate from year to year based on many factors including federal and state initiatives, demographics, and competitive grants awarded. Management reviews and makes the operational changes necessary to address these fluctuations. NCTCOG total estimated revenues and program expenses for fiscal year 2021 increased a net of \$1.39 million from fiscal year 2020.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

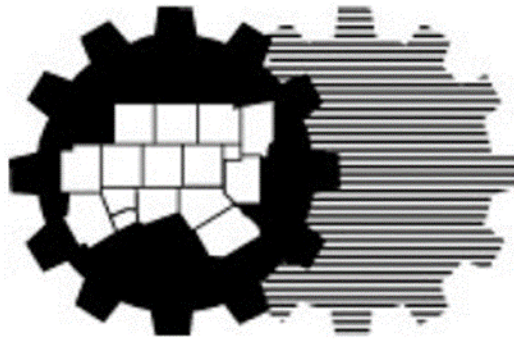
- Major state and federal program net decrease in funding of \$2.1 million mainly comprised of:
 - Transportation – \$10.6 million net increase, primarily comprised of:
 - Texas Department of Transportation (TXDOT) – (\$4.7 million increase).
 - Federal Transit Administration (FTA) – (\$4.2 million increase).
 - Environmental Protection Agency (EPA) – (\$1.5 million increase).
 - Texas Commission on Environmental Quality (TCEQ) – (\$108 thousand increase).
 - Federal Highway Administration (FHWA) – (\$51 thousand increase).
 - Department of Energy (DOE) – (\$16 thousand increase).
 - Workforce – \$17.3 million net decrease comprised of:
 - Texas Workforce Commission (TWC) – (\$17.3 million decrease).
 - Area Agency on Aging - \$2.7 million increase comprised of:
 - Texas Health and Human Services (HHS) - CARES – (\$1.5 million increase).
 - HHS Title III – (\$950 thousand increase).
 - HHS “No Wrong Door” (NWD) COVID Response – (\$250 thousand increase).
 - Environment & Development – \$1.5 million net increase, primarily comprised of:
 - Texas Commission on Environmental Quality (TCEQ) – (\$1.2 million increase).
 - Solid Waste Biennium Grant – Implementation Year.
 - Environmental Protection Agency (EPA) – (\$150 thousand increase).
 - State Energy Conservation Office (SECO) – (\$130 thousand increase).
 - Agency Management – \$200 thousand increase comprised of:
 - U.S. Department of Commerce (US DOC) – (\$200 thousand increase).
 - Emergency Preparedness – \$163 thousand net increase, primarily comprised of:
 - Texas Department of Public Safety – (\$170 thousand increase).
- Local Contracts & Other Revenue – \$866 thousand net increase, primarily due to:
 - Research and Information Services for Aerial Services – (\$3.2 million increase).
 - Transportation – (\$1.5 million decrease).
 - General Fund Interest Income – (\$180 thousand decrease).
 - Area Agency on Aging – (\$75 thousand decrease).
 - Regional Police Academy – (\$90 thousand decrease).
 - Emergency Preparedness – (\$20 thousand decrease).
 - Separate Entities:
 - Public Employee Benefits Cooperative – (\$84 thousand increase).
- In-Kind Match Funds – \$3.0 million net increase, primarily due to:
 - Transportation – (\$3.1 million increase).
 - Area Agency on Aging Title III Carryover – (\$90 thousand increase).
 - Emergency Preparedness – (\$136 thousand decrease).
 - Workforce Development – (\$43 thousand decrease).

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Requests for Information

This financial report is designed to provide a general overview of the NCTCOG's finances for all those with an interest in the agency's financial position. 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.

The NCT911 Financial Report is available on the NCT9-1-1 website, [Board of Managers - NCT9-1-1](#)



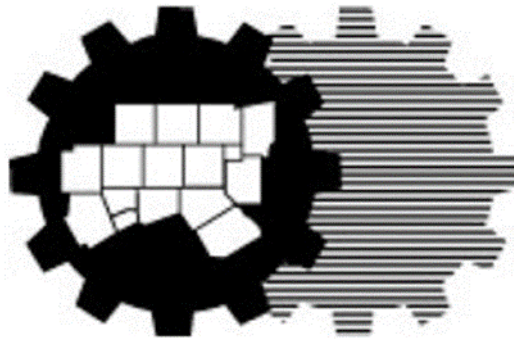
**North Central Texas
Council of Governments**

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

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**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	NCT-911 Total
Assets				
Cash and cash equivalents	\$ 1,198,342	\$ -	\$ 1,198,342	\$ 1,832,295
Investments	68,767,557	-	68,767,557	100,077
Receivables	23,352,158	82,995	23,435,153	1,462,348
Internal balances	(127,521)	127,521	-	-
Due From Component Unit	1,181,850	-	1,181,850	-
Prepaid items	480,545	-	480,545	380,617
Capital assets, net of accumulated depreciation	1,542,292	-	1,542,292	2,758,838
Total Assets	<u>96,395,223</u>	<u>210,516</u>	<u>96,605,739</u>	<u>6,534,175</u>
Liabilities				
Accounts payable and accrued expenses	20,311,171	-	20,311,171	22,050
Unearned revenue	57,067,097	34,542	57,101,639	189,100
Due to Primary Government	-	-	-	1,181,850
Long-term liabilities				
Due within one year	115,951	-	115,951	-
Due in more than one year	1,853,666	-	1,853,666	-
Total Liabilities	<u>79,347,885</u>	<u>34,542</u>	<u>79,382,427</u>	<u>1,393,000</u>
Net Position				
Net investment in capital assets	1,542,292	-	1,542,292	2,758,838
Restricted for:				
Grants	900,069	-	900,069	-
Transportation projects	6,301,700	-	6,301,700	-
Unrestricted	8,303,277	175,974	8,479,251	2,382,337
Total Net Position	<u>\$ 17,047,338</u>	<u>\$ 175,974</u>	<u>\$ 17,223,312</u>	<u>\$ 5,141,175</u>

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, 2020**

Functions/Programs	Expenses	Operating Grants and Contributions				Net (Expenses) Revenue and Change in Net Position			Component Unit Total
		Federal Funding	State/ State Admin Funding	Local Grant Funding	Local Contracts and Inkind Contributions	Governmental Activities	Primary Government		
							Business Type Activities	Total	
Primary Government:									
Governmental Activities:									
Agency administration	\$ 7,582,566	\$ -	\$ -	\$ -	\$ 1,975,886	\$ (5,606,680)	\$ -	\$ (5,606,680)	\$ -
Agency management	1,278,501	96,372	-	-	425,538	(756,591)	-	(756,591)	-
Area Agency on Aging	12,754,861	36,252	8,531,906	-	5,152,078	965,375	-	965,375	-
Community services	1,266,452	-	740,503	-	662,452	136,503	-	136,503	-
Emergency preparedness	2,806,164	-	1,421,866	-	1,679,373	295,075	-	295,075	-
Environment and development	2,799,729	672,035	713,919	-	1,574,325	160,550	-	160,550	-
RIS local assistance	3,493,105	-	-	-	594,125	(2,898,980)	-	(2,898,980)	-
Transportation planning	40,638,495	8,861,237	26,977,666	16,814	7,849,148	3,066,370	-	3,066,370	-
Workforce development	84,339,773	-	84,671,870	-	4,070,547	4,402,644	-	4,402,644	-
Total Governmental Activities	\$ 156,959,646	\$ 9,665,896	\$ 123,057,730	\$ 16,814	\$ 23,983,472	\$ (235,734)	\$ -	\$ (235,734)	\$ -
Business-Type Activities:									
Shared Service Center	1,327,119	-	-	-	1,369,081	-	41,962	41,962	-
Total Primary Government	\$ 158,286,765	\$ 9,665,896	\$ 123,057,730	\$ 16,814	\$ 25,352,553	\$ (235,734)	\$ 41,962	\$ (193,772)	\$ -
Component-Type Activities:									
NCT9-1-1	11,824,263	-	-	-	10,454,176	-	-	-	(1,370,087)
Total Component Unit	\$ 11,824,263	\$ -	\$ -	\$ -	\$ 10,454,176	\$ -	\$ -	\$ -	\$ (1,370,087)
General Revenues:									
Membership dues						734,911	-	734,911	
Interest income						524,598	-	524,598	
Total general revenues						\$ 1,259,509	\$ -	\$ 1,259,509	\$ -
Change in net position						1,023,775	41,962	1,065,737	(1,370,087)
Net position-beginning						16,023,563	134,012	16,157,575	6,511,262
Net position-ending						\$ 17,047,338	\$ 175,974	\$ 17,223,312	\$ 5,141,175

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 1,068,678	\$ 129,664	\$ 1,198,342
Investments	15,588,674	53,178,883	68,767,557
Accounts receivable:			
Federal grants	-	4,411,331	4,411,331
State and local administered grants	-	18,034,418	18,034,418
Local grants		881,334	881,334
Other	25,078	-	25,078
Due from other funds	7,295,168	-	7,295,168
Due from component unit	1,181,850	-	1,181,850
Prepays	<u>125,792</u>	<u>74,486</u>	<u>200,278</u>
Total Assets	\$ <u>25,285,240</u>	\$ <u>76,710,116</u>	\$ <u>101,995,356</u>
Liabilities			
Accounts payable	\$ 16,064,308	\$ -	\$ 16,064,308
Accrued liabilities	473,883	2,063,868	2,537,751
Accrued payroll and employee benefits	1,709,115	-	1,709,115
Due to other funds	-	8,292,253	8,292,253
Unearned revenue	<u>20,757</u>	<u>57,046,340</u>	<u>57,067,097</u>
Total Liabilities	<u>18,268,063</u>	<u>67,402,461</u>	<u>85,670,524</u>
Fund Balance			
Nonspendable	125,792	74,486	200,278
Restricted for:			
Grants	-	900,069	900,069
Transportation projects	-	6,301,700	6,301,700
Assigned	344,087	2,031,400	2,375,487
Unassigned	<u>6,547,298</u>	<u>-</u>	<u>6,547,298</u>
Total Fund Balance	<u>7,017,177</u>	<u>9,307,655</u>	<u>16,324,832</u>
Total Liabilities and Fund Balance	\$ <u>25,285,240</u>	\$ <u>76,710,116</u>	\$ <u>101,995,356</u>

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, 2020**

Amounts reported for governmental fund balance sheet are different due to the following:

Total Fund Balance - total governmental funds (page 19)	16,324,832
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,414,418
Internal service funds are used by management to charge the cost of certain activities such as network services. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	1,277,705
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,969,617)</u>
Net position of governmental activities (page 17)	<u><u>17,047,338</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, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Federal grants	\$ -	\$ 9,665,896	\$ 9,665,896
State administered grants	-	123,057,730	123,057,730
Local administered grants	-	16,814	16,814
Membership dues	734,911	-	734,911
Local contributed cash	8,687	9,760,598	9,769,285
Interest income	97,237	427,361	524,598
Program Income	-	224,114	224,114
In-Kind	-	13,990,073	13,990,073
Total Revenues	<u>840,835</u>	<u>157,142,586</u>	<u>157,983,421</u>
Expenditures			
Current:			
Agency administration	5,080,634	3,768,021	8,848,655
Agency management	773,532	520,984	1,294,516
Area Agency on Aging	-	13,064,008	13,064,008
Community services	-	1,327,938	1,327,938
Emergency preparedness	-	2,952,309	2,952,309
Environment & development	124,016	2,864,855	2,988,871
Research & information services	112,376	3,737,915	3,850,291
Transportation	167,073	42,913,714	43,080,787
Workforce development	-	84,824,493	84,824,493
Capital outlay	<u>480,913</u>	<u>282,046</u>	<u>762,959</u>
	<u>6,738,544</u>	<u>156,256,283</u>	<u>162,994,827</u>
Indirect cost allocation	(5,820,026)	-	(5,820,026)
Contributions to indirect costs	(8,817)	-	(8,817)
Total Expenditures	<u>909,701</u>	<u>156,256,283</u>	<u>157,165,984</u>
Excess of Revenues Over Expenditures	<u>(68,866)</u>	<u>886,303</u>	<u>817,437</u>
Other Financing Sources (Uses)			
Transfers in	108,176	504,122	612,298
Transfers out	(6,651)	(605,647)	(612,298)
Total Other Financing Sources and (Uses)	<u>101,525</u>	<u>(101,525)</u>	<u>-</u>
Net changes in fund balance	32,659	784,778	817,437
Fund balance - beginning	<u>6,984,518</u>	<u>8,522,877</u>	<u>15,507,395</u>
Fund balance - ending	<u>\$ 7,017,177</u>	<u>\$ 9,307,655</u>	<u>\$ 16,324,832</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, 2020**

Amounts reported for governmental activities in the statement of activities are different due to the following:

Net Change in Fund Balances-total governmental funds (page 21)	817,437
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	762,959
The internal service funds are used by management to charge the costs of certain activities such as network service to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	113,807
Current year changes in the long term liability for compensated absences does not require the use of current financial resources and, therefore, is not reported as expenditure in the governmental funds.	(279,757)
Depreciation expense on capital assets does not require the use of current financial resources and, therefore, is not reported as expenditure in the governmental funds.	<u>(390,671)</u>
Change in net position (page 18)	<u><u>1,023,775</u></u>

See accompanying notes to the basic financial statements.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

	<u>Business Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Assets		
Accounts receivable	\$ 82,995	\$ -
Due from other funds	127,521	869,564
Prepays	<u>-</u>	<u>280,267</u>
Total Current Assets	210,516	1,149,831
Capital assets, net of accumulated depreciation	<u>-</u>	<u>127,874</u>
Total Assets	<u>210,516</u>	<u>1,277,705</u>
Current Liabilities		
Accounts payable	-	-
Unearned revenue	<u>34,542</u>	<u>-</u>
Total Liabilities	<u>34,542</u>	<u>-</u>
Net Position		
Net investment in capital assets	-	127,874
Unrestricted	<u>175,974</u>	<u>1,149,831</u>
Total Net Position	<u>\$ 175,974</u>	<u>\$ 1,277,705</u>

See accompanying notes to the basic financial statements.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Business Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Operating Revenues		
Service charges	\$ 1,369,081	\$ 6,412,165
Total Operating Revenues	<u>1,369,081</u>	<u>6,412,165</u>
Operating Expenses		
Personnel	91,209	1,630,415
Indirect	15,667	280,058
Contract services	589,073	191,219
Travel	9,070	5,728
Depreciation	-	71,177
Other costs	622,100	4,119,761
Total Operating Expenses	<u>1,327,119</u>	<u>6,298,358</u>
Operating Income (Loss)	<u>41,962</u>	<u>113,807</u>
Transfers in	<u>-</u>	<u>-</u>
Change in Net Position	41,962	113,807
Net Position - Beginning	<u>134,012</u>	<u>1,163,898</u>
Net Position - Ending	<u>\$ 175,974</u>	<u>\$ 1,277,705</u>

See accompanying notes to the basic financial statements.

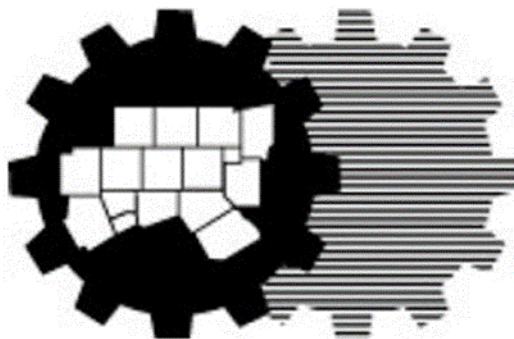
NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
THE YEAR ENDED SEPTEMBER 30, 2020FOR

	<u>Business Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Cash Flows from Operating Activities		
Receipts from service charges	\$ 1,327,119	\$ 6,400,877
Payments to other funds for indirect and other costs	(15,667)	(280,058)
Payments to suppliers for goods and services	(1,220,243)	(4,399,430)
Payments to employees	(91,209)	(1,630,415)
Net Cash Provided by (Used in) Operating Activities	<u>-</u>	<u>90,974</u>
Cash Flows from Capital and Related Financing Activities		
Additions to capital assets	-	(90,974)
Net Cash Provided (Used) by Capital Financing Activities	<u>-</u>	<u>(90,974)</u>
Net Increase in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents-Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents - End of Year	\$ <u>-</u>	\$ <u>-</u>

Reconciliation of Operating Income to Net Cash Provided (Used)
by Operating Activities:

Operating income (loss)	41,962	113,807
Adjustment to reconcile operating income/ (loss) to Net cash provided by (used in) operating activities:		
Depreciation expense	-	71,177
Increase in prepaid expenses	-	(59,722)
Decrease in unearned revenue	(15,957)	
(Increase) in accounts receivable	(79,880)	-
Decrease (Increase) in due from other funds	53,875	(11,288)
Decrease in accounts payable	-	(23,000)
Net Cash Provided by (Used in) Operating Activities	<u>\$ -</u>	<u>\$ 90,974</u>

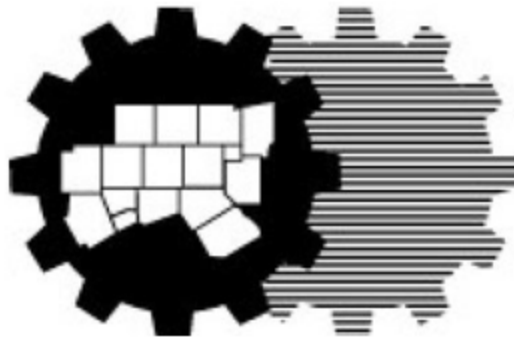
See accompanying notes to the basic financial statements.



**North Central Texas
Council of Governments**

**NOTES TO BASIC FINANCIAL STATEMENTS
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**North Central Texas
Council of Governments**

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 seventeen (17) 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 North Central Texas Emergency Communications District (NCT9-1-1) is a discretely presented component unit and is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended component unit. 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, the component unit does not issue separate financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

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

Discretely presented component unit.

On December 3, 2018 the state 9-1-1 Planning Program transitioned to The North Central Texas Emergency Communications District (NCT9-1-1). NCT9-1-1 is a legally separate entity, financially accountable and is not fiscally dependent on the primary government.

NCT9-1-1 was created pursuant to Chapter 772, Subchapter H, of the Texas Health and Safety Code through the passage of resolutions by County Commissioners Courts and City Councils within the District's service area. The service area of the District consists of all cities within Collin, Ellis, Erath, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, and Wise counties not served by another emergency communications district, as well as the cities of Balch Springs, Cockrell Hill, Sachse, Seagoville, and Wilmer in Dallas County.

NCT9-1-1 is a political subdivision of the State and carries out essential governmental functions related to the provision of 9-1-1 emergency communications services to all jurisdictions served by NCT9-1-1 and is governed by a Board of Managers consisting of elected officials.

In accordance with Sec. 772.609 of the Health and Safety Code, the Executive Director of the North Central Texas Council of Governments shall serve as the Executive Director of the District and be empowered to employ and compensate professional staff to perform NCT9-1-1 duties, which shall remain employees of the North Central Texas Council of Governments for all purposes. The North Central Texas Council of Governments shall function as the fiscal and administrative agent for the District, in accordance with Sec. 772.609 of the Health and Safety Code. NCT9-1-1 will be reported as a discrete component unit of the NCTCOG.

Separately issued financial reports are available for NCT9-1-1 and may be obtained by contacting:

NCT-9-1-1
P.O. Box 5888
Arlington, TX, 76005

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 primary government is reported separately from the NCT9-1-1 discretely presented component unit.

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

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

Program revenues include operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a 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 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 and the Training and Development Institute (TDI).

Internal Service Fund - accounts for the cost recovery of the Geographical Information System and the agency computer network cost center, print shop and facilities management. This fund accounts for these 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.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

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. Prepaid items are accounted for under the consumption method.

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:

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.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

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

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.

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.

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.

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 is not carried forward to 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 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 reviewing the personnel manual. The liability for accumulated vacations (\$1,969,617 at September 30, 2020) 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.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

The Council's sick leave policy permits the accumulation of ten (10) 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 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. See Note B for details on investments.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires 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, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize NCTCOG to invest in (1) obligations of the U. S. Treasury, certain U. S. agencies and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) Mutual Funds, (8) investment pools, (9) guaranteed investment contracts and (10) common trust funds. The Act also requires NCTCOG to have independent auditors perform test procedures related to investment practices as provided by the Act. NCTCOG is in substantial compliance with the requirements of the Act and with local policies.

In accordance with GASB Statement No. 79, Certain External Investment Pools and Pool Participants, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates reporting under GASB Statement No. 72.

6. Prepaid Items

Prepaid balances are for payments made by the agency for which benefits extend beyond September 30, 2020. The cost of governmental fund type prepaid balances are recorded as an expenditure when consumed rather than when purchased.

7. 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.

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

8. 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.

9. 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.

10. 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 Title 2 *U.S. Code of Federal Regulations (CFR) Part 200*. 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.

General and administrative costs are recorded in the General Fund as indirect costs in the accounting system and allocated to programs based upon a negotiated indirect cost rate. Indirect costs are defined by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200* as costs “(a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved.” NCTCOG’s indirect cost rate is based upon prior cost experience, documented by a cost allocation plan, and is approved by its cognizant agency. It is NCTCOG’s policy to negotiate with the cognizant agency a provisional rate which is used for billing purposes during NCTCOG’s fiscal year. Upon the completion of an independent audit at the end of each fiscal year, the indirect cost rate is finalized with the cognizant agency.

11. 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.

12. 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 reported at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

See Note G for details on capital assets.

13. Risk Management

NCTCOG is exposed to various risks of loss related to torts; theft or, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. NCTCOG maintains workers' compensation and other risks of loss coverage through commercial insurance carriers. NCTCOG's management believes such coverage is sufficient to preclude any significant uninsured losses. There were no significant reductions in insurance coverage from coverage in the prior year. There were no insurance settlements which exceeded insurance coverage in any of the past three years.

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 2020, the Council contributed \$129,324 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, 2020.

14. 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.

15. Nature and Purpose of Restrictions and Assignment of Fund Equity

In the government-wide financial statements, net position is 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 represents net position restricted by parties outside of the Council. All other net position is 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.

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 fund balance amounts that are constrained for specific purposes that are internally imposed by NCTCOG through formal action of the highest level of decision-making authority. Committed fund balance is reported pursuant to resolution passed by NCTCOG's Board of

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

Directors. It also 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 – includes fund balance amounts that are self-imposed by NCTCOG to be used for a particular purpose and 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, 2020

NOTE B - CASH AND 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	< 2 years	100%	none
US Agencies and Instrumentalities	< 2 years	85%	none
Certificates of Deposit	< 2 years	100%	none
Repurchase Agreements	< 120 days	20%	none
Money Market Mutual Funds	< 2 years	50%	none
Local Government Investment Pools	< 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, 2020 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Primary Government

Total Cash and Investments \$ 69,965,899

Cash and Investments as of September 30, 2020 consist of the following

Deposits with Financial Institutions	\$ 1,197,892
Cash on Hand	450
Investments	<u>68,767,557</u>
Total Cash and Investments	\$ <u>69,965,899</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

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 fair value, weighted average maturity, 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.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days) ⁽¹⁾</u>	<u>Minimum Rating Required</u>	<u>Rating as of Year End</u>
Primary Government				
TexPool	\$23,532,984	37	AAAm	AAAm
Logic	470	43	AAAm	AAAm
TexStar	45,234,103	27	AAAm	AAAm
	<u>\$68,767,557</u>	<u>34</u>		

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

As of September 30, 2020 NCTCOG, did not invest in any securities which are highly sensitive to interest rate fluctuations.

Following the criteria for GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, TexPool, TexStar and LOGIC use amortized cost to value portfolio assets.

As of September 30, 2020, the Council had investments in local government investment pools at totaling \$68,767,557 which are recorded at amortized cost.

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, 2020, other than external investment pools, NCTCOG did not have 5% or more of its investments with any one issuer.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 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 Collateral 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 always equal at least the bank balance less the FDIC insurance. On September 30, 2020, all of the Council's deposits had a carrying amount of \$1,400,041 and a bank ledger balance of \$1,197,892. Pledged Collateral of \$3,767,352 was available to cover the uninsured available balance, as well as \$250,000 in FDIC insurance.

Interest Rate Risk. In accordance with its investment policy, NCTCOG manages its exposure to declines in fair values by limiting the maximum allowable stated maturity of any individual investment to one year, unless otherwise provided in a specific investment strategy that complies with current law.

Credit Risk. It is NCTCOG's policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. NCTCOG's investment pool was rated AAAM by Standard and Poor's Investors Service.

Concentration of Credit Risk. NCTCOG's policy is to diversify its portfolio to eliminate the risk of loss resulting from overconcentration of assets in a specific maturity, a specific issuer, or a specific class of investments.

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's investments in local government investment pools include TexPool, TexStar, and Logic. These pools operate in full compliance with the Public Funds Investment Act.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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, 2020, 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.

	Balance <u>September 30, 2019</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>September 30, 2020</u>	<u>Due Within One Year</u>
Accrued Vacation	\$ 1,689,859	\$ 361,517	\$ 81,759	\$ 1,969,617	\$ 115,951

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 \$21,586 during 2020. The Council contributed a matching \$19,947 as the employer’s 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, 2020

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, 2020:

Transfers In/Out Other Funds:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Special Revenue Fund	\$ 108,176	Recovery of depreciation
Special Revenue Fund	General Fund	6,651	Local match dollars
Special Revenue Fund-Local	Special Revenue Fund-Local	369,049	Local funded projects
Special Revenue Fund-State/Federal	Special Revenue Fund-State/Federal	31,388	Match dollars
Special Revenue Fund-State/Federal	Special Revenue Fund-Local	91,657	Match dollars
Special Revenue Fund	Special Revenue Fund-Foundation	<u>5,377</u>	Match dollars
	Total	\$ <u><u>612,298</u></u>	

Due To/From Other Funds:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 7,295,168	\$
Special Revenue Fund		8,292,253
Enterprise Fund	127,521	
Internal Service Fund	<u>869,564</u>	<u>-</u>
Total	\$ <u><u>8,292,253</u></u>	\$ <u><u>8,292,253</u></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, 2020

NOTE G – CAPITAL ASSETS

A summary of changes in the governmental activities capital assets for the year ended September 30, 2020, follows:

Governmental activities:

	Balance at September 30, 2019	Increases	Decreases	Balance at September 30, 2020
<u>General Capital Assets</u>				
Capital assets not being depreciated				
Leasehold improvements in progress	-	263,475	-	263,475
Total capital assets not being depreciated	<u>-</u>	<u>263,475</u>	<u>-</u>	<u>263,475</u>
Capital assets being depreciated:				
Equipment	\$ 5,280,706	\$ 492,907	\$ (471,809)	\$ 5,301,803
Furniture	223,279	-	-	223,279
Leasehold improvements	2,497,787	6,578	(4,352)	2,500,013
Total capital assets being depreciated	<u>8,001,772</u>	<u>499,485</u>	<u>(476,161)</u>	<u>8,025,095</u>
Accumulated depreciation				
Equipment	4,832,105	321,229	(471,809)	4,681,525
Furniture	223,279	-	-	223,279
Leasehold improvements	1,904,259	69,442	(4,352)	1,969,349
Total accumulated depreciation	<u>6,959,643</u>	<u>390,671</u>	<u>(476,161)</u>	<u>6,874,153</u>
Total governmental funds capital assets, net	<u>1,042,129</u>	<u>372,289</u>	<u>-</u>	<u>1,414,418</u>
<u>Internal Service Fund Capital Assets</u>				
Capital assets being depreciated:				
Equipment	922,725	90,974	(20,379)	993,320
Furniture	1,005	-	-	1,005
Leasehold improvements	25,667	-	-	25,667
Total capital assets being depreciated	<u>949,397</u>	<u>90,974</u>	<u>(20,379)</u>	<u>1,019,992</u>
Accumulated Depreciation				
Equipment	825,422	68,759	(20,379)	873,802
Furniture	1,464	1,101	-	2,565
Leasehold improvements	14,434	1,316	-	15,750
Total accumulated depreciation	<u>841,320</u>	<u>71,177</u>	<u>(20,379)</u>	<u>892,118</u>
Total governmental funds capital assets, net	<u>108,077</u>	<u>19,797</u>	<u>-</u>	<u>127,874</u>
Governmental activities capital assets, net	<u>\$ 1,150,206</u>	<u>\$ 392,086</u>	<u>\$ -</u>	<u>\$ 1,542,292</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE G – CAPITAL ASSETS (continued)

	Balance at September 30, 2019	Increases	Decreases	Balance at September 30, 2020
Business Type Activities:				
Capital assets being depreciated:				
Equipment	\$ 7,483,991	\$ -	\$ -	\$ 7,483,991
Total capital assets being depreciated	<u>7,483,991</u>	<u>-</u>	<u>-</u>	<u>7,483,991</u>
Accumulated Depreciation				
Equipment	7,483,991	-	-	7,483,991
Total accumulated depreciation	<u>7,483,991</u>	<u>-</u>	<u>-</u>	<u>7,483,991</u>
Total business type activities, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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	\$ 16,374
Agency management	266
Community services-Aging	7,434
Community services-CJD	2,030
Emergency preparedness	7,135
Environment & development	4,515
RIS local assistance	17,356
Transportation planning	135,367
Workforce development	200,194
Internal service fund	71,177
Total depreciation expense - governmental activities	<u>\$ 461,848</u>
Business-Type Activities:	
Shared service center	\$ -
Total depreciation expense - business type activities	<u>\$ -</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 eligible employees. The Council contributed an amount \$3,420,850 during fiscal year 2020 equal to twelve percent (12%) of the permanent full-time employees' gross salaries. Participating employees also contributed an amount of \$1,710,425 during 2020 equal to six percent (6%) of gross salaries. Total Council payroll for the year was \$29,405,864 including \$28,507,065 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 non-cancellable and cancellable operating leases primarily for office space and equipment. Rental expenditures under all NCTCOG operating lease agreements were \$4,584,551 for 2020.

Future minimum rental payments required under operating leases, including those signed after September 30, 2020, for NCTCOG and its subcontractors that have initial or remaining lease terms in excess of one year, are as follows:

Year Ended	Amount
<u>September 30</u>	<u> </u>
2021	\$ 4,479,885
2022	4,631,022
2023	4,604,714
2024	4,552,535
Thereafter (2025-2033)	<u>39,274,630</u>
Total	<u>\$ 57,542,788</u>

The Council had no encumbrances during 2020.

NOTE J – CONTINGENCIES

For most 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 subrecipients 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

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE J – CONTINGENCIES (continued)

reimbursement of the disallowed costs either from the Council or the delegate agency. The Council generally has the right of recovery from the subrecipients.

For the year ended September 30, 2020, 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.

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 BALANCE

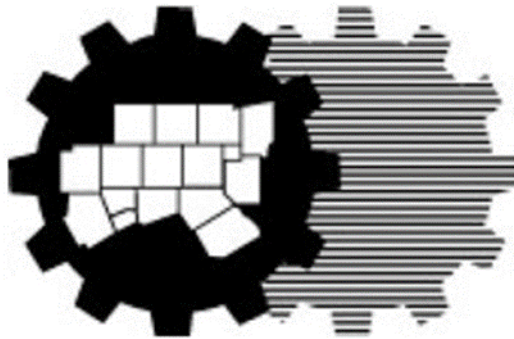
In accordance with GASB 54 the NCTCOG classifies governmental fund balances as follows:

	General Fund	Major Special Revenue						Governmental Funds
		FEMA	OOG	Local	TCEQ	TXDOT	Total	TOTAL
Fund Balances:								
Non Spendable:								
Prepays	\$ 125,792	\$ -	\$ -	73,719	\$ -	\$ 767	\$ 74,486	\$ 200,278
Inventory	-	-	-	-	-	-	-	-
Restricted:								
Grants	-	119,885	221,249	-	9,213	549,722	900,069	900,069
Local Transportation	-	-	-	6,301,700	-	-	6,301,700	6,301,700
Assigned:								
Shared Services Initiatives	-	-	-	404,150	-	-	404,150	404,150
Other	-	-	-	1,627,250	-	-	1,627,250	1,971,337
Leasehold Improvements/Equipment	344,087	-	-	-	-	-	-	344,087
Unassigned	6,547,298	-	-	-	-	-	-	6,547,298
Total Fund Balances	<u>\$ 7,017,177</u>	<u>\$ 119,885</u>	<u>\$ 221,249</u>	<u>\$ 8,406,819</u>	<u>\$ 9,213</u>	<u>\$ 550,489</u>	<u>\$ 9,307,655</u>	<u>\$ 16,324,832</u>

NOTE L – SUBSEQUENT EVENTS

In preparing these financial statements, the Council has evaluated events and transactions for potential recognition or disclosure through February 25, 2021, the date the financial statements were available and issued.

REQUIRED SUPPLEMENTAL SCHEDULES



**North Central Texas
Council of Governments**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
BUDGETARY COMPARISON
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Budget Basis Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Member dues	\$ 737,409	\$ 737,409	\$ 734,911	\$ (2,498)
Local contributed cash	22,500	22,500	8,687	(13,813)
Interest Income	200,000	200,000	97,237	(102,763)
Total revenues	<u>959,909</u>	<u>959,909</u>	<u>840,835</u>	<u>(119,074)</u>
Expenditures				
Current:				
Agency administration	5,025,725	5,000,725	4,971,704	29,021
Agency management	735,115	735,115	620,291	114,824
Public affairs	212,293	212,293	153,241	59,052
RIS local assistance	225,000	225,000	201,359	23,641
Community services	-	25,000	22,810	2,190
Environmental & development	140,000	140,000	124,312	15,688
Transportation planning	212,926	212,926	167,076	45,850
Capital outlay	825,000	825,000	480,913	344,087
	<u>7,376,059</u>	<u>7,376,059</u>	<u>6,741,706</u>	<u>634,353</u>
Indirect cost allocation	(5,981,150)	(5,981,150)	(5,820,029)	(161,121)
contributions to indirect costs	<u>(10,000)</u>	<u>(10,000)</u>	<u>(8,817)</u>	<u>(1,183)</u>
Total expenditures	<u>1,384,909</u>	<u>1,384,909</u>	<u>912,860</u>	<u>472,049</u>
Excess (deficiencies) of revenues				
Over/(under) expenditures	(425,000)	(425,000)	(72,025)	352,975
Other Financing Sources				
Transfers in	425,000	425,000	108,176	(316,824)
Transfers out	-	-	(6,651)	(6,651)
Charge for use of assets	136,300	114,300	111,337	(2,963)
Indirect allocation to special revenue fund	<u>(129,485)</u>	<u>(108,585)</u>	<u>(108,178)</u>	<u>407</u>
Total other financing sources	<u>431,815</u>	<u>430,715</u>	<u>104,684</u>	<u>(326,031)</u>
Net changes in fund balances	<u>6,815</u>	<u>5,715</u>	<u>32,659</u>	<u>26,944</u>
Fund balances - beginning	<u>6,984,518</u>	<u>6,984,518</u>	<u>6,984,518</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 6,991,333</u></u>	<u><u>\$ 6,990,233</u></u>	<u><u>\$ 7,017,177</u></u>	<u><u>\$ 26,944</u></u>

See accompanying notes to the required supplemental information.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
SEPTEMBER 30, 2020

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.

General Fund

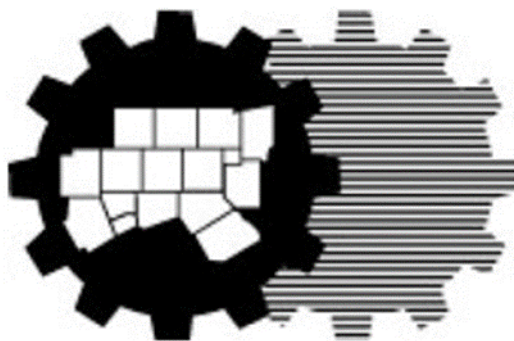
Total Net Expenditures (GAAP Basis)	\$	909,701
Plus charge for use of assets		111,337
Less: Use of assets recovered through indirect cost allocated to special revenue fund		<u>(108,178)</u>
Total expenditures (budget basis)	\$	<u><u>912,860</u></u>
Total Other Sources (GAAP Basis)	\$	101,525
Plus charge for use of assets		111,337
Less: Use of assets recovered through indirect cost allocated to Special Revenue Fund		<u>(108,178)</u>
Total other sources (budget basis)	\$	<u><u>104,684</u></u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
SEPTEMBER 30, 2020

Note B: Budgetary Controls

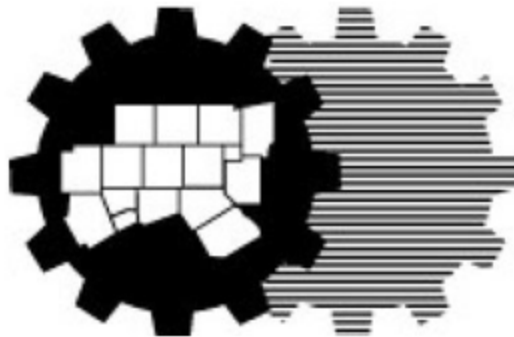
NCTCOG follows these procedures in establishing the General Fund budgetary data reflected in the basic financial statements:

- 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.
- 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



**North Central Texas
Council of Governments**

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2020**

	<u>Federal Funds Total</u>	<u>State and Locally Administered Total</u>	<u>Combined Total</u>
Revenues			
Federal Grants/Contracts	\$ 9,665,896	\$ -	\$ 9,665,896
State Grants & Contracts	-	123,057,730	123,057,730
Local Administered Grants	-	16,814	16,814
Local Contracts	293,649	9,466,949	9,760,598
In-Kind	6,168,009	7,822,064	13,990,073
Program Income	-	224,114	224,114
Interest	-	427,361	427,361
Total Revenues	<u>16,127,554</u>	<u>141,015,032</u>	<u>157,142,586</u>
Expenditures			
Current:			
Agency Administration	21,439	3,746,582	3,768,021
Agency Management	519,698	1,286	520,984
Community Service	-	1,327,938	1,327,938
Area Agency On Aging	36,176	13,027,832	13,064,008
Emergency Preparedness	-	2,952,309	2,952,309
Environment & Development	786,147	2,078,708	2,864,855
Research & Info Svcs	-	3,737,915	3,737,915
Transportation	14,754,926	28,158,788	42,913,714
Workforce Development	-	84,824,493	84,824,493
Capital Outlay	-	282,046	282,046
Total Expenditures	<u>16,118,386</u>	<u>140,137,897</u>	<u>156,256,283</u>
Excess of Revenues Over Expenditures	<u>9,168</u>	<u>877,135</u>	<u>886,303</u>
Other Financing Uses			
Transfers In - Projects	28,424	475,698	504,122
Transfers Out - Projects	<u>(11,759)</u>	<u>(593,888)</u>	<u>(605,647)</u>
Total Other Financing Uses	<u>16,665</u>	<u>(118,190)</u>	<u>(101,525)</u>
Net Change In Fund Balance	25,833	758,945	784,778
Fund Balances-Beginning Of Year	<u>94,052</u>	<u>8,428,825</u>	<u>8,522,877</u>
Fund Balances-End Of Year	<u>\$ 119,885</u>	<u>\$ 9,187,770</u>	<u>\$ 9,307,655</u>

See accompanying notes to the basic financial statements.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED SEPTEMBER 30, 2020**

	FEDERAL FUNDS							
	DOD	EPA	FEMA	DOE	FTA	DOC	CNCS	TOTAL
Revenues								
Federal Grants/Contracts	\$ 172	\$ 490,054	\$ 660,570	\$ 107,600	\$ 8,274,874	\$ 96,373	\$ 36,253	\$ 9,665,896
Local Administered Grants	-	-	-	-	-	-	-	-
Local Contracts	19	(21,732)	143,386	-	171,976	-	-	293,649
In-Kind	-	1,177,662	-	-	4,565,597	424,750	-	6,168,009
Program Income	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Revenues	191	1,645,984	803,956	107,600	13,012,447	521,123	36,253	16,127,554
Agency Administration	-	4,147	16,137	-	-	1,155	-	21,439
Agency Management	-	-	-	-	-	519,698	-	519,698
Area Agency On Aging	-	-	-	-	-	-	36,176	36,176
Community Service	-	-	-	-	-	-	-	-
Emergency Preparedness	-	-	-	-	-	-	-	-
Environment & Development	-	7,290	778,857	-	-	-	-	786,147
Research & Info Svcs	-	-	-	-	-	-	-	-
Transportation	191	1,634,517	-	112,247	13,007,971	-	-	14,754,926
Workforce Development	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	191	1,645,954	794,994	112,247	13,007,971	520,853	36,176	16,118,386
Excess/(Deficiencies) of Revenues	-	30	8,962	(4,647)	4,476	270	77	9,168
Over/(Under) Expenditures								
Other Financing Uses								
Transfers In - Projects	-	-	23,575	4,849	-	-	-	28,424
Transfers Out - Projects	-	(30)	(6,704)	(202)	(4,476)	(270)	(77)	(11,759)
Total Other Financing Uses	-	(30)	16,871	4,647	(4,476)	(270)	(77)	16,665
Net Change In Fund Balance	-	-	25,833	-	-	-	-	25,833
Fund Balances-Beginning Of Year	-	-	94,052	-	-	-	-	94,052
Fund Balances-End Of Year	\$ -	\$ -	\$ 119,885	\$ -	\$ -	\$ -	\$ -	\$ 119,885

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED SEPTEMBER 30, 2020**

	STATE AND LOCALLY ADMINISTERED FUNDS					
	OOG	TDA	TWC	TCEO	TX DOT	
Revenues				Transportation	Other	
State Grants & Contracts	\$ 1,605,785	\$ 20,631	\$ 84,540,115	\$ (264,296)	\$ 693,280	\$ 27,241,983
Local Administered Grants	-	-	-	-	-	-
Local Contracts	443,610	-	-	(9,294)	-	178,405
In-Kind	-	-	3,540,798	-	-	114,604
Program Income	-	-	(2,167)	-	-	8,375
Interest	-	-	-	1,165	3,782	128,358
Total Revenues	2,049,395	20,631	88,078,746	(272,425)	697,062	27,671,725
Agency Administration	80,430	1,704	872,856	-	29,668	7,440
Agency Management	-	-	-	-	-	-
Area Agency On Aging	-	-	-	-	-	-
Community Service	1,157,870	-	-	-	-	14,560
Emergency Preparedness	826,486	-	-	-	-	-
Environment & Development	473	18,879	-	-	707,191	12,570
Research & Info Svcs	707	-	2,725,295	-	1,315	246,127
Transportation	-	-	27,970	(273,442)	-	27,442,249
Workforce Development	-	-	84,193,398	-	-	-
Capital Outlay	-	-	236,816	-	-	-
Total Expenditures	2,065,966	20,583	88,056,335	(273,442)	738,174	27,722,946
Excess/(Deficiencies) of Revenues Over/(Under) Expenditures	(16,571)	48	22,411	1,017	(41,112)	(51,221)
Other Financing Uses						
Transfers In - Projects	16,933	-	-	148	-	36,372
Transfers Out - Projects	(3,093)	(48)	(22,411)	-	(1,753)	(69,410)
Total Other Financing Uses	13,840	(48)	(22,411)	148	(1,753)	(33,038)
Net Change In Fund Balance	(2,731)	-	-	1,165	(42,865)	(84,259)
Fund Balances-Beginning Of Year	223,980			3,656	47,257	634,748
Fund Balances-End Of Year	\$ 221,249	\$ -	\$ -	\$ 4,821	\$ 4,392	\$ 550,489

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2020

	STATE AND LOCALLY ADMINISTERED FUNDS						TOTAL
	TDEM	LOCAL		TX VC	CFOHIO	HHSC	
		Transportation	Other				
Revenues							
State Grants & Contracts	\$ 556,593	\$ -	\$ -	\$ 131,750	\$ -	\$ 8,531,889	\$123,057,730
Local Administered Grants	-	-	-	-	16,814	-	16,814
Local Contracts	-	1,661,633	7,097,412	-	-	95,183	9,466,949
In-Kind	579,982	168	1,668	-	-	3,584,844	7,822,064
Program Income	-	1,500	-	-	-	216,406	224,114
Interest	-	294,056	-	-	-	-	427,361
Total Revenues	1,136,575	1,957,357	7,099,080	131,750	16,814	12,428,322	141,015,032
Agency Administration	34,602	713,261	1,784,267	6,768	-	215,586	3,746,582
Agency Management	-	-	1,286	-	-	-	1,286
Area Agency On Aging	-	-	823,891	-	-	12,203,941	13,027,832
Community Service	-	-	155,508	-	-	-	1,327,938
Emergency Preparedness	1,144,140	-	981,683	-	-	-	2,952,309
Environment & Development	-	-	1,339,595	-	-	-	2,078,708
Research & Info Svcs	1,473	-	761,739	-	-	1,259	3,737,915
Transportation	-	901,939	39,789	-	16,780	3,503	28,158,788
Workforce Development	-	-	506,134	124,961	-	-	84,824,493
Capital Outlay	-	38,652	6,578	-	-	-	282,046
Total Expenditures	1,180,215	1,653,852	6,400,470	131,729	16,780	12,424,289	140,137,897
Excess/(Deficiencies) of Revenues	(43,640)	303,505	698,610	21	34	4,033	877,135
Over/(Under) Expenditures							
Other Financing Uses							
Transfers In - Projects	43,968	15,535	359,548	-	-	3,194	475,698
Transfers Out - Projects	(328)	(38,503)	(451,060)	(21)	(34)	(7,227)	(593,888)
							-
Total Other Financing Uses	43,640	(22,968)	(91,512)	(21)	(34)	(4,033)	(118,190)
Net Change In Fund Balance	-	280,537	607,098	-	-	-	758,945
Fund Balances-Beginning Of Year	-	6,067,966	1,451,218	-	-	-	8,428,825
Fund Balances-End Of Year	\$ -	\$ 6,348,503	\$ 2,058,316	\$ -	\$ -	\$ -	\$ 9,187,770

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
SCHEDULE OF INDIRECT COSTS (BUDGET BASIS)
GENERAL FUND
YEAR ENDED OF SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>
Salaries	\$ 2,566,243	\$ 2,614,232
Benefits	<u>1,146,472</u>	<u>1,225,185</u>
Indirect personnel	3,712,715	3,839,417
Legal	8,152	9,000
Audit	122,600	123,000
Contract services	356,943	357,025
Travel	9,853	12,000
Equipment use fee	111,337	114,300
Consumable supplies	160,725	161,500
Insurance & bonding	32,495	40,000
Rent	513,316	513,500
Printing & publications	126,947	132,000
Advertising	1,805	4,000
Maintenance & repairs	140,532	140,600
Employee recruitment	4,380	7,500
Communications	13,157	15,000
Postage	6,652	9,000
Subscriptions & dues	231,312	232,000
Other	<u>275,925</u>	<u>281,308</u>
 TOTAL	 5,828,846	 5,991,150
Less: Contributions to Indirect costs	 <u>(8,817)</u>	 <u>(10,000)</u>
 NET INDIRECT COSTS	 <u>\$ 5,820,029</u>	 <u>\$ 5,981,150</u>

Indirect costs rate computations:

Net indirect costs	\$ <u>5,820,029</u>	\$ <u>5,981,150</u>
Direct salaries & benefits - all funds	\$ 33,882,508 = 17.18%	\$ 33,798,220 = 17.70%

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
SCHEDULE OF EMPLOYEE BENEFITS – ALL FUNDS
YEAR ENDED SETEMBER 30, 2020**

Full Time Benefits Programs	<u>Actual</u>	<u>Projected</u>
Medicare insurance	\$ 405,261	\$ 423,713
Medical insurance	4,307,191	4,518,255
Worker's compensation	69,763	71,037
Flexible benefit plan	8,921	11,640
Life & disability insurance	200,863	212,561
Other benefits	88,387	97,000
Unemployment insurance	58,904	67,500
Retirement	3,105,239	2,756,557
Vacation	1,182,144	1,529,825
Sick leave	655,932	673,101
Holiday leave	1,368,491	1,456,929
Other leave	<u>107,285</u>	<u>168,107</u>
TOTAL	<u><u>\$ 11,558,381</u></u>	<u><u>\$ 11,986,225</u></u>

Employee benefits rate computations:

Total full-time benefits	\$ <u>11,558,381</u>	\$ <u>11,986,225</u>
Total regular salaries	\$ 25,733,954 = 44.91%	\$ 25,393,350 = 47.20%

Total personnel costs recap:

Salaries	\$ 25,733,954	\$ 25,393,350
Benefits	<u>11,558,381</u>	<u>11,986,225</u>
Personnel - NCTCOG	<u><u>\$ 37,292,335</u></u>	<u><u>\$ 37,379,575</u></u>

**TEXAS LOCAL GOVERNMENT CODE CHAPTER 391 INDIRECT COST
LIMITATIONS TEST
FISCAL YEAR 2020 ACTUAL
OCTOBER 1, 2019 – SEPTEMBER 30, 2020**

Total Indirect Costs	\$ 5,820,029	
Expenditures:		
General Fund	6,738,544	
Special Revenue Fund	156,256,283	
NCT9-1-1	8,884,524	
Proprietary Fund	6,298,358	
Enterprise Fund	1,327,119	
Interdepartmental Transfers for Direct Charges and Indirect Costs	<u>(12,232,194)</u>	
Total Expenditures	167,272,634 =	3.5%
Less:		
Pass-Through Funds ⁽¹⁾	(73,215,135)	
In-Kind Expenditures	(13,990,073)	
Contract Services	(20,108,853)	
Capital Expenditures	(762,959)	
Capital Expenditures NCT9-1-1	<u>(68,231)</u>	
Adjusted Expenditures	59,127,383 =	9.8%

⁽¹⁾ 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, 2020**

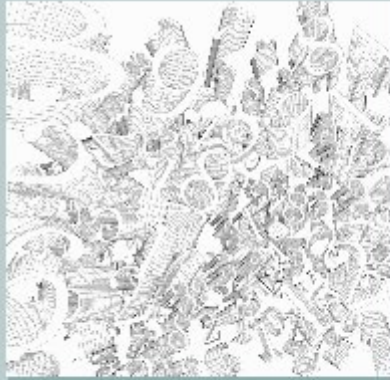
	<u>Totals</u>
Capital Assets	
Equipment	\$ 13,779,114
Furniture	224,284
Leasehold improvements	<u>2,525,680</u>
Total capital assets	\$ <u>16,529,078</u>
 Sources	
NCTCOG	
Equipment	\$ 10,788,936
Furniture	77,686
Leasehold improvements	<u>1,140,735</u>
	12,007,357
Grant Funded	
Equipment	2,990,178
Furniture	146,598
Leasehold improvements	<u>1,384,945</u>
	4,521,721
Less: Internal service fund assets	1,019,992
Less: Enterprise fund	<u>7,483,991</u>
Total general capital assets	\$ <u>8,025,095</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
AS OF SEPTEMBER 30, 2020**

	<u>Totals</u>
Capital Assets	
Local assistance	\$ 2,042,435
Transportation planning	1,101,781
Regional information services	1,598,761
Environmental resources	110,290
Emergency preparedness	271,949
Workforce development	3,824,018
Community services	65,790
Area Agency on Aging	30,063
Enterprise fund	<u>7,483,991</u>
Total Capital Assets	16,529,078
Less: Internal Service Fund	1,019,992
Less: Enterprise Fund	<u>7,483,991</u>
Total General Capital Assets	<u><u>\$ 8,025,095</u></u>

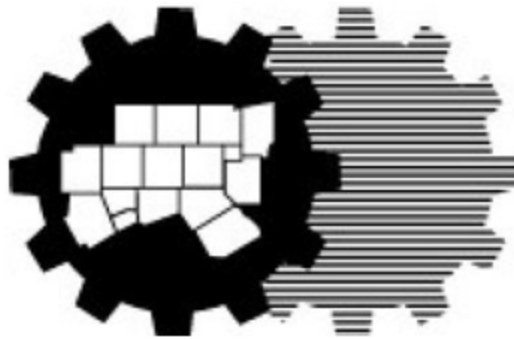
**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
AS OF SEPTEMBER 30, 2020**

	<u>2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>2020</u>
Capital Assets				
Area Agency on Aging	\$ 30,063	\$ -	\$ -	\$ 30,063
Community services	65,790	-	-	65,790
Emergency preparedness	271,949	-	-	271,949
Environmental resources	110,290	-	-	110,290
Local assistance	1,824,996	217,439	-	2,042,435
Regional information services	1,528,166	90,974	20,379	1,598,761
Transportation planning	1,482,432	38,652	419,303	1,101,781
Workforce development	3,637,483	243,394	56,859	3,824,018
Enterprise fund	<u>7,483,991</u>	<u>-</u>	<u>-</u>	<u>7,483,991</u>
Total capital assets	16,435,160	590,459	496,541	16,529,078
Less: Internal service fund	949,397	90,974	20,379	1,019,992
Less: Enterprise fund	<u>7,483,991</u>	<u>-</u>	<u>-</u>	<u>7,483,991</u>
Total general capital assets	<u>\$ 8,001,772</u>	<u>\$ 499,485</u>	<u>\$ 476,162</u>	<u>\$ 8,025,095</u>



STATISTICAL

SECTION



**North Central Texas
Council of Governments**

**STATISTICAL SECTION
(UNAUDITED)**

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, note disclosures, and required supplementary information says about NCTCOG's overall financial health. This information has not been audited by the independent auditor.

<u>Contents</u>	<u>Table #s</u>
Financial Trends These schedules contain trend information to help the reader understand how NCTCOG's financial performance and well-being have changed over time.	1, 2, 3 & 4
Revenue Capacity All of NCTCOG's significant revenue is provided by other governments. It does not impose any taxes or charge any significant fees of its own. These tables contain information to help the reader assess NCTCOG's most significant local revenue sources.	5
Demographic and Economic Indicators These schedules offer demographic and economic indicators to help the reader understand the environment within which NCTCOG's financial activities take place.	6 & 7
Operating Information These schedules contain service data to help the reader understand how the information in NCTCOG's financial report relates to the services NCTCOG provides and the resources it utilizes to provide these services.	8 & 9

Source: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental activities				
Net investment in capital assets	\$ 1,542,292	\$ 1,150,206	\$ 6,488,405	\$ 4,848,728
Restricted	7,201,769	6,816,436	6,124,568	5,924,051
Unrestricted	<u>8,303,277</u>	<u>8,056,921</u>	<u>7,898,500</u>	<u>6,496,927</u>
Total governmental activities net position	<u>\$ 17,047,338</u>	<u>\$ 16,023,563</u>	<u>\$ 20,511,473</u>	<u>\$ 17,269,706</u>
Business-type activities				
Net investment in capital assets	-	-	728	21,997
Unrestricted	<u>175,974</u>	<u>134,012</u>	<u>87,519</u>	<u>44,713</u>
Total business-type activities net position	<u>\$ 175,974</u>	<u>\$ 134,012</u>	<u>\$ 88,247</u>	<u>\$ 66,710</u>
Primary government				
Net investment in capital assets	\$ 1,542,292	\$ 1,150,206	\$ 6,489,133	\$ 4,870,725
Restricted	7,201,769	6,816,436	6,124,568	5,924,051
Unrestricted	<u>8,479,251</u>	<u>8,190,933</u>	<u>7,986,019</u>	<u>6,541,640</u>
Total primary governmental net position	<u>\$ 17,223,312</u>	<u>\$ 16,157,575</u>	<u>\$ 20,599,720</u>	<u>\$ 17,336,416</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

Table 1

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 5,805,480	\$ 2,920,629	\$ 1,493,197	\$ 951,869	\$ 1,131,432	\$ 1,368,144
5,649,654	5,634,043	5,473,922	5,401,133	6,231,665	14,061,433
6,038,512	5,930,520	5,714,552	5,226,610	4,312,103	4,122,881
<u>\$ 17,493,646</u>	<u>\$ 14,485,192</u>	<u>\$ 12,681,671</u>	<u>\$ 11,579,612</u>	<u>\$ 11,675,200</u>	<u>\$ 19,552,458</u>
53,520	\$ 76,899	\$ 18,502	\$ 25,791	\$ 13,260	\$ 22,100
17,040	52,248	36,409	20,801	67,769	55,656
<u>\$ 70,560</u>	<u>\$ 129,147</u>	<u>\$ 54,911</u>	<u>\$ 46,592</u>	<u>\$ 81,029</u>	<u>\$ 77,756</u>
\$ 5,859,000	\$ 2,997,528	\$ 1,511,699	\$ 977,660	\$ 1,144,692	\$ 1,390,244
5,649,654	5,634,043	5,473,922	5,401,133	6,231,665	14,061,433
6,055,552	5,982,768	5,750,961	5,247,411	4,379,872	4,178,537
<u>\$ 17,564,206</u>	<u>\$ 14,614,339</u>	<u>\$ 12,736,582</u>	<u>\$ 11,626,204</u>	<u>\$ 11,756,229</u>	<u>\$ 19,630,214</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year			
	2020	2019	2018	2017
Expenses				
Governmental activities:				
Agency administration	\$ 7,582,566	\$ 8,204,880	\$ 7,852,410	\$ 7,410,029
Agency management	1,278,501	1,394,848	885,791	802,210
* Area agency on aging	12,754,861	16,739,462	16,601,140	15,557,099
Community services	1,266,452	1,361,640	1,364,502	1,140,500
* 9-1-1 Planning	-	5,903,968	14,423,825	8,056,787
Emergency preparedness	2,806,164	3,457,062	4,434,937	2,926,935
Environment and development	2,799,729	4,349,585	2,212,906	3,293,253
RIS local assistance	3,493,105	3,674,309	2,704,069	4,847,837
Transportation planning	40,638,495	42,090,520	38,551,550	44,387,187
Workforce development	84,339,773	69,845,277	61,478,270	60,308,475
Total governmental activities expenses	<u>156,959,646</u>	<u>157,021,551</u>	<u>150,509,400</u>	<u>148,730,312</u>
Business-type activities:				
Shared service center	1,327,119	1,435,971	1,445,222	1,354,760
Total business-type activities expenses	<u>1,327,119</u>	<u>1,435,971</u>	<u>1,445,222</u>	<u>1,354,760</u>
Total primary government expenses	<u>158,286,765</u>	<u>158,457,522</u>	<u>151,954,622</u>	<u>150,085,072</u>
Program Revenues				
Governmental activities:				
Operating grants:				
Agency administration	-	-	-	-
Agency management	96,372	31,216	104,093	8,631
* Area agency on aging	8,568,158	7,846,815	7,460,116	7,878,659
Community Service	740,503	862,656	976,123	965,583
* 9-1-1 Planning	-	8,848,567	16,926,172	9,844,978
Emergency preparedness	1,421,866	2,273,508	2,757,243	2,039,596
Environment and development	1,385,954	2,748,162	960,517	2,387,730
RIS local assistance	-	-	-	-
Transportation planning	35,855,717	37,524,433	38,464,100	43,518,006
Workforce development	84,671,870	69,910,835	61,521,158	59,606,274
Local grants and contributions	23,983,472	28,307,953	22,945,328	21,255,533
Total governmental activities program revenues	<u>156,723,912</u>	<u>158,354,145</u>	<u>152,114,850</u>	<u>147,504,990</u>
Business-type activities:				
Charges for services:				
Shared service center	1,369,081	1,445,236	1,440,309	1,314,460
Total business-type activities program revenues	<u>1,369,081</u>	<u>1,445,236</u>	<u>1,440,309</u>	<u>1,314,460</u>
Total primary government program revenues	<u>158,092,993</u>	<u>159,799,381</u>	<u>153,555,159</u>	<u>148,819,450</u>
Net (Expenses) Revenue				
Governmental activities	(235,734)	1,332,594	1,605,450	(1,225,322)
Business-type activities	41,962	9,265	(4,913)	(40,300)
Total primary government net expenses	<u>(193,772)</u>	<u>1,341,859</u>	<u>1,600,537</u>	<u>(1,265,622)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Membership fees	734,911	722,858	708,243	697,285
Interest on investments	524,598	1,665,142	954,524	340,547
Transfers in (out)	-	(63,075)	(26,450)	(36,450)
** Special item	-	(8,145,429)	-	-
Total governmental activities	<u>1,259,509</u>	<u>(5,820,504)</u>	<u>1,636,317</u>	<u>1,001,382</u>
Business-type activities:				
Transfers in (out)	-	36,500	26,450	36,450
Total business-type activities	<u>-</u>	<u>36,500</u>	<u>26,450</u>	<u>36,450</u>
Total primary government	<u>1,259,509</u>	<u>(5,784,004)</u>	<u>1,662,767</u>	<u>1,037,832</u>
Change in Net Position				
Governmental activities	1,023,775	(4,487,910)	3,241,767	(223,940)
Business-type activities	41,962	45,765	21,537	(3,850)
Total Change in Net Position	<u>1,065,737</u>	<u>(4,442,145)</u>	<u>3,263,304</u>	<u>(227,790)</u>

Note: 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.

NCTCOG began the break out of the Area Agency on Aging and 9-1-1 Planning from Community Services in FY2016

**9-1-1 Planning became a District (NCT9-1-1) in 2019

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

Table 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	7,126,021	\$ 6,796,651	\$ 5,775,899	\$ 5,463,174	\$ 5,276,175	\$ 5,201,324
	641,576	740,381	754,076	706,873	759,547	848,942
	15,727,538	14,240,408	13,508,941	-	-	-
	1,089,685	1,265,731	1,289,674	24,883,533	18,522,455	22,909,179
	7,937,736	7,297,342	5,586,715	-	-	-
	3,814,764	2,650,262	3,672,635	1,426,129	2,062,309	3,539,299
	2,554,177	3,436,397	2,302,909	3,310,704	2,074,557	4,587,918
	3,121,551	3,643,793	2,748,710	3,040,498	2,637,422	3,446,598
	40,574,850	57,414,019	53,195,247	55,148,280	56,170,198	76,151,018
	60,257,318	56,808,063	57,742,893	59,152,671	55,962,878	58,952,928
	<u>142,845,216</u>	<u>154,293,047</u>	<u>146,577,699</u>	<u>153,131,862</u>	<u>143,465,541</u>	<u>175,637,206</u>
	<u>1,560,006</u>	<u>1,398,101</u>	<u>1,639,004</u>	<u>1,868,172</u>	<u>1,936,213</u>	<u>1,947,896</u>
	<u>1,560,006</u>	<u>1,398,101</u>	<u>1,639,004</u>	<u>1,868,172</u>	<u>1,936,213</u>	<u>1,947,896</u>
	<u>144,405,222</u>	<u>\$ 155,691,148</u>	<u>\$ 148,216,703</u>	<u>\$ 155,000,034</u>	<u>\$ 145,401,754</u>	<u>\$ 177,585,102</u>
	-	-	-	-	120,965	238,845
	47,526	51,597	5,359	-	-	-
	8,166,710	7,709,678	6,819,762	-	-	-
	1,010,092	1,012,142	997,865	18,843,748	13,050,047	17,129,937
	11,634,747	9,447,330	6,627,544	-	-	-
	2,426,230	1,513,243	2,102,303	872,066	1,658,836	3,378,498
	1,318,498	2,241,342	835,146	2,123,277	1,003,473	3,799,786
	-	-	-	-	-	37,938
	37,874,414	38,065,646	47,130,223	44,801,874	37,113,912	48,336,809
	59,051,999	56,715,045	57,642,394	59,198,773	55,814,882	59,195,722
	23,553,737	38,635,349	24,839,146	26,477,435	26,132,659	26,264,855
	<u>145,083,953</u>	<u>155,391,372</u>	<u>146,999,742</u>	<u>152,317,173</u>	<u>134,894,774</u>	<u>158,382,390</u>
	<u>1,474,969</u>	<u>1,472,337</u>	<u>1,643,984</u>	<u>1,833,735</u>	<u>1,939,496</u>	<u>1,939,738</u>
	<u>1,474,969</u>	<u>1,472,337</u>	<u>1,643,984</u>	<u>1,833,735</u>	<u>1,939,496</u>	<u>1,939,738</u>
	<u>146,558,922</u>	<u>\$ 156,863,709</u>	<u>\$ 148,643,726</u>	<u>\$ 154,150,908</u>	<u>\$ 136,834,270</u>	<u>\$ 160,322,128</u>
	2,238,737	\$ 1,098,325	\$ 422,043	\$ (814,689)	\$ (8,570,767)	\$ (14,254,816)
	(85,037)	74,236	4,980	(34,437)	3,283	(8,158)
	<u>2,153,700</u>	<u>\$ 1,172,561</u>	<u>\$ 427,023</u>	<u>\$ (849,126)</u>	<u>\$ (8,567,484)</u>	<u>\$ (14,262,974)</u>
	685,727	678,492	664,694	657,054	651,539	663,091
	110,440	26,704	18,661	62,047	41,970	218,421
	(26,450)	-	(3,339)	-	-	4,237
	-	-	-	-	-	-
	<u>769,717</u>	<u>705,196</u>	<u>680,016</u>	<u>719,101</u>	<u>693,509</u>	<u>885,749</u>
	26,450	-	3,339	-	-	(4,237)
	<u>26,450</u>	<u>-</u>	<u>3,339</u>	<u>-</u>	<u>-</u>	<u>(4,237)</u>
	<u>796,167</u>	<u>\$ 705,196</u>	<u>\$ 683,355</u>	<u>\$ 719,101</u>	<u>\$ 693,509</u>	<u>\$ 881,512</u>
	3,008,454	\$ 1,803,521	\$ 1,102,059	\$ (95,588)	\$ (7,877,258)	\$ (13,369,067)
	(58,587)	74,236	8,319	(34,437)	3,283	(12,395)
	<u>2,949,867</u>	<u>\$ 1,877,757</u>	<u>\$ 1,110,378</u>	<u>\$ (130,025)</u>	<u>\$ (7,873,975)</u>	<u>\$ (13,381,462)</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

General Fund	Fiscal Year - Post GASB 54			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Non Spendable:				
Non spendable	\$ 125,792	\$ 60,316	\$ 104,680	\$ 57,469
Spendable:				
Assigned	344,087	-	-	-
Unassigned	6,547,298	6,924,202	6,763,649	6,426,703
Total General Fund	<u>\$ 7,017,177</u>	<u>\$ 6,984,518</u>	<u>\$ 6,868,329</u>	<u>\$ 6,484,172</u>
Non Spendable:				
Non spendable	\$ 74,486	\$ 322,851	\$ 748,494	\$ 124,116
Spendable:				
Restricted for grants	900,069	802,476	699,983	719,573
Restricted for local transportation	6,301,700	6,013,960	5,424,585	5,204,478
Assigned	2,031,400	1,383,590	354,764	285,208
Total all other governmental funds	<u>\$ 9,307,655</u>	<u>\$ 8,522,877</u>	<u>\$ 7,227,826</u>	<u>\$ 6,333,375</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 3

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 40,417	\$ 44,133	\$ 51,512	\$ 67,473	\$ 55,616	\$ 80,646
-	-	-	-	-	-
6,156,230	5,788,867	5,504,106	5,266,892	5,029,314	4,918,967
<u>\$ 6,196,647</u>	<u>\$ 5,833,000</u>	<u>\$ 5,555,618</u>	<u>\$ 5,334,365</u>	<u>\$ 5,084,930</u>	<u>\$ 4,999,613</u>
\$ 93,484	\$ 123,393	\$ 162,150	\$ 98,930	\$ 57,990	\$ 36,339
574,167	646,082	344,380	271,591	193,244	181,786
5,075,487	4,987,961	5,129,542	5,129,542	6,038,421	13,877,396
318,268	478,494	604,763	765,271	248,498	204,827
<u>\$ 6,061,406</u>	<u>\$ 6,235,930</u>	<u>\$ 6,240,835</u>	<u>\$ 6,265,334</u>	<u>\$ 6,538,153</u>	<u>\$ 14,300,348</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues				
Federal grants	\$ 9,665,896	\$ 7,867,231	\$ 6,122,920	\$ 9,417,021
State administered grants	123,057,730	122,167,014	122,996,621	116,521,194
* Local administered grants	16,814	11,947	49,981	311,242
Membership dues	734,911	722,858	708,243	697,285
Local contributed cash	9,769,285	11,883,148	7,862,199	7,032,388
In-Kind	13,990,073	16,081,552	14,768,786	13,838,816
Program income	224,114	343,253	314,343	384,331
Interest income	524,598	1,665,142	954,524	340,547
	<u>157,983,421</u>	<u>160,742,145</u>	<u>153,777,617</u>	<u>148,542,824</u>
Expenditures				
Current:				
Agency administration	8,848,655	8,420,241	8,297,167	7,626,153
Agency management	1,294,516	1,407,127	927,382	821,879
Community services	1,327,938	1,446,168	1,457,306	1,180,134
** Area Agency on Aging	13,064,008	17,046,773	16,923,077	15,691,248
*** 9-1-1 Planning	-	5,842,660	12,120,927	8,230,234
Emergency preparedness	2,952,309	3,609,118	4,594,979	2,997,823
Environment & development	2,988,871	4,520,625	2,390,973	3,374,010
Research & information services	3,850,291	4,126,173	3,085,187	5,035,633
Transportation	43,080,787	44,377,829	40,975,838	45,519,190
Workforce development	84,824,493	70,289,424	61,961,130	60,598,233
Capital outlay	762,959	3,777,855	4,963,607	1,739,299
	<u>162,994,827</u>	<u>164,863,993</u>	<u>157,697,573</u>	<u>152,813,836</u>
Indirect cost allocation	(5,820,026)	(5,582,753)	(5,199,871)	(4,851,794)
Contributions to indirect costs	(8,817)	(13,410)	(25,143)	(15,161)
Total expenditures	<u>157,165,984</u>	<u>159,267,830</u>	<u>152,472,559</u>	<u>147,946,880</u>
Excess of revenues over expenditures	817,437	1,474,315	1,305,058	595,944
Other Financing Sources and (Uses)				
Transfers in	612,298	126,583	283,218	886,189
Transfers out	(612,298)	(189,658)	(309,668)	(922,639)
Total other financing sources (uses)	<u>-</u>	<u>(63,075)</u>	<u>(26,450)</u>	<u>(36,450)</u>
Net change in fund balance	<u>\$ 817,437</u>	<u>\$ 1,411,240</u>	<u>\$ 1,278,608</u>	<u>\$ 559,494</u>

*In 2016 NCTCOG began the breakout of Local administered grants

**NCTCOG began the break out of the Area Agency on Aging and 9-1-1 Planning from Community Services in FY2016

***9-1-1 Planning became a District (NCT9-1-1) in 2019

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 4

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	9,130,586	\$ 13,357,415	\$ 22,491,763	\$ 20,631,697	\$ 10,839,413	\$ 12,979,109
	112,250,105	103,398,608	99,668,833	105,208,041	97,922,702	119,138,426
	149,525	-	-	-	-	-
	685,727	678,492	664,694	657,054	651,539	663,091
	7,212,111	15,874,027	8,144,514	12,964,481	6,000,683	7,718,250
	15,901,151	22,288,500	16,227,555	13,125,408	19,820,625	21,228,282
	440,475	472,822	467,077	387,546	311,351	318,323
	110,440	26,704	18,661	62,047	41,970	218,421
	<u>145,880,120</u>	<u>156,096,568</u>	<u>147,683,097</u>	<u>153,036,274</u>	<u>135,588,283</u>	<u>162,263,902</u>
	7,427,418	7,166,721	6,190,755	6,020,958	6,123,956	6,037,841
	663,102	767,169	782,985	570,521	522,548	602,541
	1,150,646	1,428,428	1,390,999	25,323,042	18,967,988	23,368,882
	15,911,917	14,384,061	13,731,082	-	-	-
	8,163,109	7,521,090	5,786,845	-	-	-
	3,909,795	2,775,433	3,816,952	1,549,436	2,199,152	3,703,670
	2,678,049	3,580,973	2,480,694	3,480,494	2,237,449	4,814,780
	3,382,440	3,916,598	3,049,466	3,308,621	2,875,759	3,691,229
	42,021,853	59,104,042	55,083,003	56,926,135	57,792,540	77,753,457
	60,614,440	57,182,521	58,157,641	59,530,189	56,271,929	59,235,482
	4,212,490	2,143,073	1,021,314	168,034	229,057	793,319
	<u>150,135,259</u>	<u>159,970,109</u>	<u>151,491,736</u>	<u>156,877,430</u>	<u>147,220,378</u>	<u>180,001,201</u>
	(4,456,006)	(4,127,471)	(3,985,911)	(3,799,890)	(3,634,081)	(3,718,074)
	<u>(14,706)</u>	<u>(18,547)</u>	<u>(22,821)</u>	<u>(17,882)</u>	<u>(321,138)</u>	<u>(292,163)</u>
	<u>145,664,547</u>	<u>155,824,091</u>	<u>147,483,004</u>	<u>153,059,658</u>	<u>143,265,159</u>	<u>175,990,964</u>
	215,573	272,477	200,093	(23,384)	(7,676,876)	(13,727,062)
	412,599	364,834	963,409	1,239,823	1,144,310	1,234,411
	<u>(439,049)</u>	<u>(364,834)</u>	<u>(966,748)</u>	<u>(1,239,823)</u>	<u>(1,144,310)</u>	<u>(1,230,174)</u>
	<u>(26,450)</u>	<u>-</u>	<u>(3,339)</u>	<u>-</u>	<u>-</u>	<u>4,237</u>
\$	<u>189,123</u>	<u>\$ 272,477</u>	<u>\$ 196,754</u>	<u>\$ (23,384)</u>	<u>\$ (7,676,876)</u>	<u>\$ (13,722,825)</u>

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	LOCAL					Total
	Member Dues	Interest (1)	Contributions (1)	In-Kind	Program	
2020	\$ 734,911	\$ 524,598	\$ 9,769,285	\$ 13,990,073	\$ 224,114	\$ 25,242,981
2019	722,858	1,665,142	11,883,148	16,081,552	343,253	30,695,953
2018	708,243	954,524	7,862,199	14,768,786	314,343	24,608,095
2017	697,285	340,547	7,032,388	13,838,816	384,331	22,293,366
2016	685,727	110,440	7,212,111	15,901,151	440,475	24,349,904
2015	678,492	26,704	15,874,027	22,288,500	472,822	39,340,545
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

Notes: (1) Includes General and Special Revenue
 *In 2016 NCTCOG began the breakout of Local administered grants from Local Contributions
 Source: Statement of Revenues, Expenditures and Changes in Fund Balance

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
REVENUES BY SOURCE
LAST TEN FISCAL YEAR
(Unaudited)

Table 5

	GRANTS			Total	GRAND TOTAL
	*Local	State	Federal		
\$ 16,814	\$ 123,057,730	\$ 9,665,896	\$ 132,740,440	\$ 157,983,421	
11,947	122,167,014	7,867,231	130,046,192	160,742,145	
49,981	122,996,621	6,122,920	129,169,522	153,777,617	
311,242	116,521,194	9,417,021	126,249,457	148,542,824	
149,525	112,250,105	9,130,586	121,530,216	145,880,120	
-	103,398,608	13,357,415	116,756,023	156,096,568	
-	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	

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

Table 6

Year	Estimated		Per Capita		Unemployment Rate ^d
	Population ^a	Personal Income ^b	Personal Income ^b	School Enrollment ^c	
2020	7,714,230 *	454,118,487,672 *	59,965 *	1,452,149	7.1%
2019	7,554,750	444,730,277,000	58,725	1,434,859	3.1%
2018	7,394,520	417,480,600,000	55,886	1,425,257	3.2%
2017	7,250,350	392,145,500,000	52,995	1,405,496	3.4%
2016	7,126,020	369,614,741,000	51,099	1,379,534	4.0%
2015	7,007,200	362,947,715,000	50,593	1,349,985	4.0%
2014	6,901,240	344,279,922,000	49,506	1,329,571	5.0%
2013	6,793,740	320,035,384,000	46,989	1,312,126	5.7%
2012	6,700,010	311,008,898,000	46,400	1,289,298	6.7%
2011	6,619,810	292,079,377,000	44,450	1,264,190	7.8%

Sources: ^aYearly NCTCOG Population Estimates. Each year the entire time series is updated.

^bDallas-Fort Worth-Arlington, Tx Metropolitan Statistical Area; bea.gov

^cTexas Education Agency

^dBureau of Labor Statistics; bls.gov

Other: N/A - Data not available.

* - Approximation only, as information not published yet

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)**

Table 7

2020			2011		
Employer ^a	Employees	Percentage of Total NCTCOG Employment	Employer ^a	Employees	Percentage of Total NCTCOG Employment
Wal-Mart Stores Inc.	37,000	0.94%	Wal-Mart Stores Inc.	34,700	1.11%
American Airlines Group Inc.	30,000	0.76%	American Airlines Group Inc.	24,888	0.80%
Baylor Scott & White Health	23,865	0.61%	Texas Health Resources	24,189	0.78%
Texas Health	23,466	0.60%	Bank of America	20,000	0.64%
Dallas Independent School District	22,222	0.57%	AT&T	17,500	0.56%
Lockheed Martin	22,200	0.57%	Baylor Health Care System	17,097	0.55%
University of Texas Southwest Medical Center	17,000	0.43%	Lockheed Martin Aeronautics	15,000	0.48%
Medical City Healthcare	14,500	0.37%	JPMorgan Chase	13,500	0.43%
Univeristy of North Texas System	13,620	0.35%	HCA North Texas Division	11,400	0.37%
Bank of America	13,500	0.34%	Verizon Communications	10,500	0.34%
Total	<u>217,373</u>	<u>5.53%</u>	Total	<u>188,774</u>	<u>6.06%</u>
Total NCTCOG Region Employees b	3,928,864		Total NCTCOG Region Employees b	3,115,023	

Source: ^a Dallas Business Journal, Book of Lists 2020; RIS department
^b Bureau of Economic Analysis (W&S)

Source: ^a Dallas Business Journal, Book of Lists 2012
^b Bureau of Economic Analysis (W&S)

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

Table 8

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Agency Management	4	3	3	3	3	3	3	3	3	3
Agency Administration	48	48	46	45	44	42	41	39	38	39
*Area Agency on Aging	24	24	24	21	22	-	-	-	-	-
Community Services	9	9	8	8	7	47	46	44	44	45
**9-1-1 Planning/(NCT9-1-1)	33	33	32	26	24	-	-	-	-	-
Emergency Preparedness	12	12	12	11	11	11	12	12	13	18
Environment & Development	14	14	14	13	13	13	12	12	18	23
Public Affairs	2	2	2	2	2	2	2	2	3	4
Research and Information Services	35	35	35	35	29	27	27	27	26	30
Transportation	167	169	166	161	158	148	149	149	153	158
Workforce Development	48	44	37	40	40	34	34	31	28	25
Total	396	393	379	365	353	327	326	319	326	345

Source: Agency Annual Fiscal Program

*NCTCOG began the break out of the Area Agency on Aging and 9-1-1 Planning from Community Services in FY2016

**9-1-1 Planning became a District (NCT9-1-1) in 2019

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

<u>Function/Program</u>	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
*Area agency on aging	\$ 30,063	\$ 30,063	\$ 30,063	\$ 30,063
**9-1-1 planning	-	-	13,034,335	8,291,207
Community services	65,790	65,790	65,790	65,790
Emergency preparedness	271,949	271,949	271,949	262,583
Environmental resources	110,290	110,290	110,290	110,290
Local assistance	1,824,996	1,824,996	1,330,459	1,305,119
Regional information services	1,528,166	1,528,166	1,983,373	1,983,373
Transportation	1,482,432	1,482,432	1,329,239	1,310,706
Workforce development	3,637,483	3,637,483	4,145,950	3,959,340
Enterprise fund	7,483,991	7,483,991	7,483,991	7,483,991

*NCTCOG began the break out of the Area agency on aging and 9-1-1 planning from Community services in FY2016

**9-1-1 Planning became a District (NCT9-1-1) in 2019

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

Table 9

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 30,063	\$ 30,063	\$ 30,063	\$ -	\$ -	\$ -
6,747,587	3,312,911	1,452,079	-	-	-
65,790	83,061	83,060	792,998	697,102	600,545
262,583	252,688	252,688	240,834	241,709	241,709
110,290	110,810	93,194	99,054	99,054	99,054
1,296,232	1,268,031	1,265,257	1,298,343	1,284,610	1,220,486
1,818,749	1,435,746	1,286,210	1,286,210	1,301,023	1,301,023
1,307,581	841,120	841,120	731,705	731,705	726,435
3,829,235	3,597,104	3,352,543	3,291,296	3,291,867	3,234,064
7,483,991	7,467,896	7,389,956	7,383,536	7,361,554	7,361,554