

F. FINANCIAL REALITY

POLICIES

MTP Reference #	Financial
F3-001	The Regional Transportation Council will select and program projects within the guidelines established by the funding source. Programming and selection guidelines for Regional Transportation Council Local funds are determined by the Regional Transportation Council.
F3-002	Incorporate sustainability and livability options during the project selection process. Include additional weighting or emphasis as appropriate and consistent with Regional Transportation Council policy objectives, including, but not limited to, demand management, air quality, natural environment preservation, social equity, or consideration of transportation options and accessibility to other modes (freight, aviation, bicycle, and pedestrian).
F3-003	Ensure adequate funding for multimodal elements within implemented projects.
F3-004	Utilize project staging and phasing of Metropolitan Transportation Plan recommendations to maximize funding availability and cash flow.
F3-005	Ensure that adequate funding is given to maintenance and operations of the existing multimodal transportation system consistent with federal and/or state guidelines and recommendations.
F3-006	Pursue roadway and transit pricing opportunities to expedite project delivery.
F3-007	Pursue project cost reductions through value engineering, streamlined project development, and other activities.
F3-008	Pursue an increase in North Central Texas' share of state and federal allocated funds consistent with the Regional Transportation Council's legislative position.
F3-009	Pursue legislative actions aimed at increasing revenue through initiatives identified by the Regional Transportation Council.
F3-010	Leverage traditional and non-traditional transportation funding to expand services across the region.
F3-011	Utilize multiple funding sources, including innovative funding methods, as appropriate to fully fund projects.
F3-012	Support planning activities, including studies, data collection, surveys, and analyses to advance transportation policies, programs, and projects.

REVENUE AND EXPENDITURE SUMMARY

Detailed financial analysis is currently underway, and final figures will be included in the completed plan. Summaries of major revenue sources and cost categories are available for review in the Financial Reality chapter.

Mobility 2050 Revenue and Expenditures <i>All values in millions Values may not sum due to independent rounding</i>	Strategic Programs					Roadway Maintenance, Operations, Rehabilitation, and Expansion			Transit Maintenance, Operations, and Expansion			Total
	Safety, Technology, and Equity Programs	Air Quality and Environment	Bicycle/ Pedestrian Facilities	Sustainable Development and Transportation Enhancements	Congestion Management	Freeway, Tollway, HOV/Managed Facilities	Regional Arterial System	Other Arterials	Transit Operations, Maintenance	Rail Capital, Transit System and Core Capacity Expansion, Other Transit Capital	Bus and Paratransit Capital	
Traditional Federal & State Revenue												
Category 12												
Category 2												
Category 7												
Category 5												
Other TxDOT/Federal												
Local Revenue												
Local Funds (Including Local Bonds)												
Local Match Funds												
System Revenue												
Toll Revenue												
Surplus Managed Lane Toll Revenue												
Transit Revenue												
Provider-Based Revenue (sales tax, federal funds, other)												
Future Transit Federal Funds												
Local Transit Funding												
Transit Public-Private Partnership												
Other Transit												

Revenue Enhancements											
Federal/State Revenue Enhancements											
Local Option Vehicle Registration											
Total Cost											

FUNDING CATEGORY DESCRIPTIONS

Traditional Federal and State Revenue

Category 12 (Commission Funds): Discretionary funds allocated by the Texas Transportation Commission.

Category 2 (Metro and Urban Corridors): National Highway System, Metropolitan Area, and Urban Area Corridor Projects.

Category 7 (STBG): Federal Surface Transportation Block Grant Program.

Category 5 (CMAQ): Congestion Mitigation and Air Quality Improvement Program.

Other Texas Department of Transportation/Federal: Includes funds available from the state gas tax, motor vehicle registration fees, and all federal reimbursements administered by the Texas Department of Transportation.

Local Revenue

Local Match: Non-federal/state funds used as a match for federal funds.

Local Funds: Funds available from local government general funds or bond programs.

System Revenue

Toll System Revenue: Funds associated with the priced facility network, including funds generated by bonding authority and funds available to implement toll roads and managed lanes.

Surplus Managed Lane Toll Revenue: Funds generated through tolled managed lanes in excess of the cost of implementing and maintaining the facilities.

Transit Revenue

Transit Sales Tax: Funds generated through the collection of sales taxes in transit authority areas.

FTA 5307: Federal Transit Administration urban area formula funds (Section 5307).

FTA 5309: Federal Transit Administration Discretionary Program (Section 5309).

Transit CMAQ: Congestion Mitigation and Air Quality Improvement Program flexed for use on transit projects.

Future Transit Federal Funds: Forecasted future federal transit funds reasonably expected from the most recent transportation legislation.

Local Transit Funding: Funds available from local government general funds or bond programs used for transit projects.

Transit Public-Private Partnership: Funds generated through innovative financial partnerships and initiatives to support the development of a transportation project.

Other Transit: Includes all other funding sources for transit, including, but not limited to, fare box recovery and additional local, state, and federal funds.

Revenue Enhancements

Federal/State Revenue Enhancements: Funds available from the federal and state revenue assumptions detailed in the **Financial Reality** chapter.

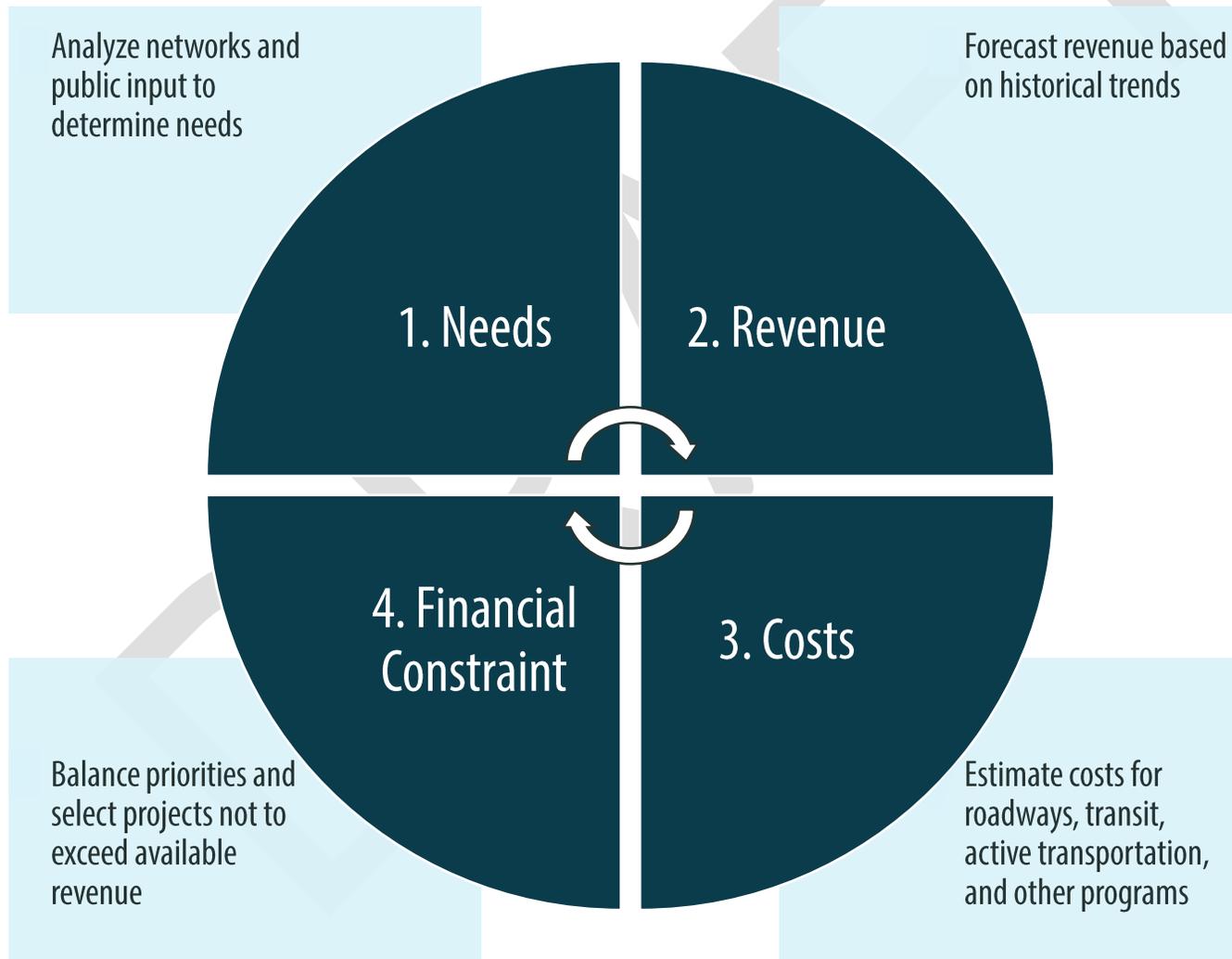
Local Option Vehicle Registration: Funds available from local revenue assumptions detailed in the **Financial Reality** chapter.

DRAFT

FINANCIAL PLANNING PROCESS

The financial planning process, as illustrated in the graphic, follows a cyclical approach to ensure that transportation investments align with available funding. It begins with Needs Assessment, where transportation networks and public input are analyzed to determine infrastructure and service priorities. Next, Revenue Forecasting is conducted based on historical trends to estimate available funding over the planning horizon. The Cost Estimation phase then calculates

the anticipated expenses for roadways, transit, active transportation, and other transportation programs. Finally, the process concludes with Financial Constraint, where priorities are balanced, and projects are selected to ensure total expenditures do not exceed projected revenues. This iterative approach helps maintain a fiscally responsible and achievable transportation plan.



Needs Assessment

The roadway needs assessment evaluates the cost of eliminating the worst levels of congestion by modeling the additional roadway capacity required to achieve a reasonable volume-to-capacity ratio. This analysis compares the projected cost of fully addressing congestion with the total cost of roadway recommendations in the Metropolitan Transportation Plan (MTP). The results consistently demonstrate that it is financially infeasible to build our way out of congestion, as the estimated need is typically four to five times greater than the planned investments. Additionally, in some cases, addressing congestion entirely would require extreme infrastructure expansions—sometimes up to 40 lanes in certain corridors—which is not practical from a financial, environmental, or land-use perspective. This assessment underscores the need for a balanced approach that integrates multimodal solutions, demand management strategies, and operational improvements rather than relying solely on roadway expansion.