

Transit Funding Update

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January 20, 2026

Collin County Transit Program

Program Services

- Subsidized shared ride service for eligible riders
 - Low income
 - Senior
 - Disabled
- Must live in MUTD Member City
 - McKinney
 - Melissa
 - Princeton
 - Prosper
 - Celina
 - Lowry Crossing

Program Funding

- State and Federal Grants
 - FTA Section 5307 Formula Funding
 - FTA CARES Act Funding
 - TxDOT Formula Funding
- Member City Contributions
- Farebox Revenues
 - Based on distance traveled
 - *Trips up to 7 miles are \$5 per person per trip*
 - *Trips greater than 7 miles cost an additional \$0.75 per mile*
 - *Trips are capped at \$17 per person per trip for trips greater than 23 miles*

Funding Overview

Local Match

FTA Funds

- Section 5307 Formula Funding
 - 50/50 match requirement
- CARES Act Funding
 - No match requirement

TXDOT Funds

- Formula Funding
 - Operating local match
 - Administrative Costs

Member Cities Contributions

- Contributions based on ridership distance
 - Operating local match

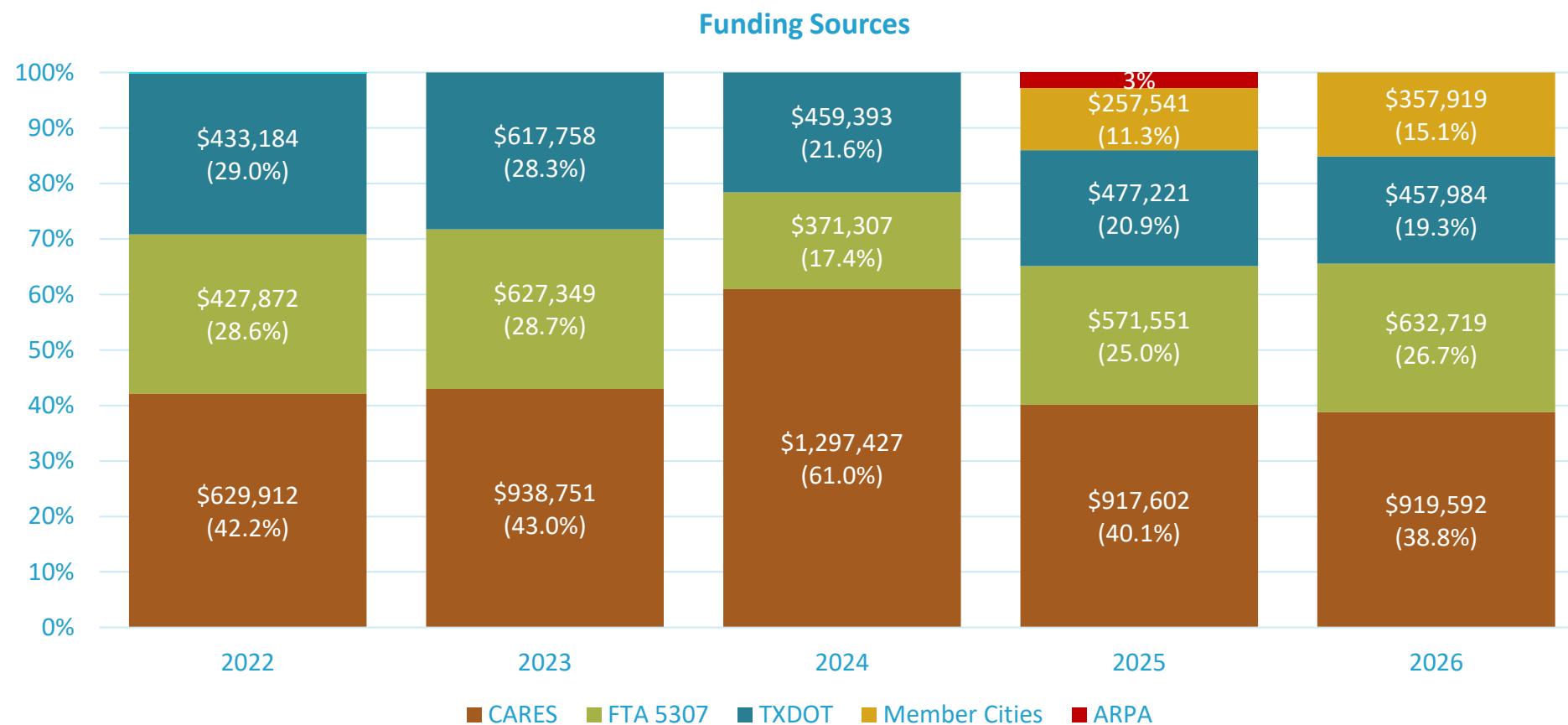
CARES Funding

- The City of McKinney was awarded \$8.8 million in CARES funding by the Federal Transit Administration in 2020
- In Federal FY25, \$917,611 of CARES Act funding was drawn down for operating expenses, leaving \$5.2 million at the beginning of September 2025
- In Federal FY26, the City of McKinney is projecting to drawdown approximately \$908,600, leaving approximately \$4.25 million for FY27 and beyond*

** Based on Q1 expenditure averages*

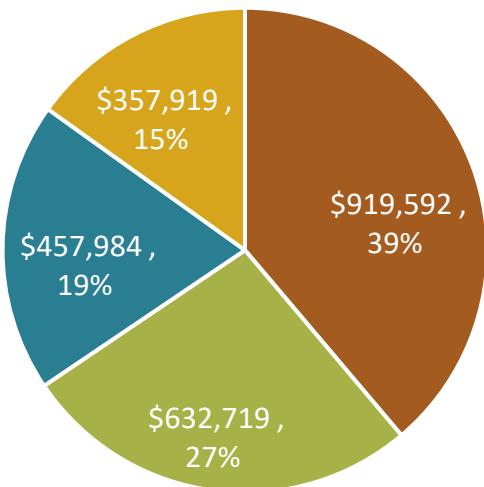
Funding Source	Awarded or Apportioned	Expended To Date	Available Funding <i>(as of FY 26)</i>	Projected FY 26 Total Expenditures	Projected Remaining	Notes
FTA 5307 - Disbursed <i>(FY16, FY18, FY19, FY20)</i>	\$11.1 million	\$2.2 million	\$8.9 million	\$633,000	\$8.3 million	<ul style="list-style-type: none"> Requires a 50/50 match Not all funds can be drawn down upon because there is insufficient local match dollars
FTA 5307 - Undisbursed <i>(FY21, FY22, FY23, FY24)</i>	\$17.9 million	N/A	\$17.9 million	\$0	\$17.9 million	
FTA CARES Act	\$8.8 million	\$3.6 million	\$5.2 million	\$920,000	\$4.3 million	<ul style="list-style-type: none"> No match requirement At the current rate of expenditure, funds are expected to be exhausted by 2030
TXDOT <i>(FY16-26)</i>	\$3.6 million	\$3.2 million	\$458,000	\$458,000	\$0	<ul style="list-style-type: none"> Can be used towards the local match Funds are also used for administrative costs (~\$846,000 over the life of the program)
Member City Contributions <i>(FY16-26)</i>	\$648,000	\$290,000	\$358,000	\$358,000	\$0	<ul style="list-style-type: none"> Based on ridership distance traveled
Total	\$42 million	\$9.2 million	\$32.8 million	\$2.3 million	\$30.5 million	<ul style="list-style-type: none"> Does not include farebox revenues

Funding Expenditures From FY 2022-2026



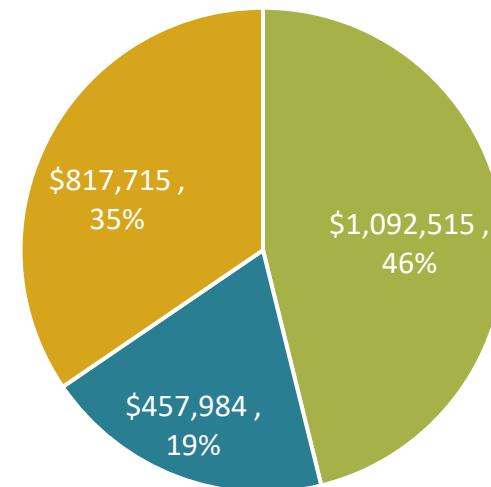
CARES Act Funding: FY 2026 Example

FY 2025 with CARES



■ CARES ■ FTA 5307 ■ TXDOT ■ Member Cities

FY 2025 without CARES



■ CARES ■ FTA 5307 ■ TXDOT ■ Member Cities

Revenues vs Expenditures

Revenues

- Grant Funding
- Member Cities Contributions
- Farebox Revenues

Expenditures

- DART ILA
 - Non-Dedicated Operations
 - Dedicated Operations
 - Platform Base
 - Artificial Intelligence
 - Call Center
 - ELERTS
 - GoPass Licensing
 - Project Management
 - Local Government Contract Fee
- Administrative costs



Changes to the Program

- Transition from Telelink to Spare Call Center
- Retirement of cutaway buses and transfer of all wheelchair service to zTrip
- Implemented dynamic fares
- Optimized trip pooling and wait time thresholds
- Implemented Artificial Intelligence within the call center
- Implemented pooling with Lyft service
- Added Uber as a second option for non-dedicated service

Key Takeaways

- Collin County Transit is a subsidized transit program
 - As ridership increases, the total amount of subsidies increases, and the cost to operate the program will also increase.
 - Farebox revenues will never be sufficient to cover the cost of operating.
- At the current rate of expenditure, CARES funds are expected to be exhausted in 4 years

Consideration and Discussion: Fiscal Responsibility

- Increase Revenues
 - Seek additional grant opportunities
 - Seek partnerships with employers, schools, medical facilities, etc.
 - Increase fares/dynamic pricing
 - Increase member cities contributions
 - Institute an administrative fee for member cities
 - Evenly distribute fixed costs among member cities
- Reduce Expenditures
 - Institute program caps
 - Trip distance
 - Number of riders
 - Number of trips
 - Reduce service hours
 - Limit trip purpose