

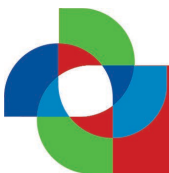
Utah Transit Authority

Tentative Budget Document 2022



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Message from the Executive Director



Bolstered by Utah's strong economy and significant commitments from our federal, state, and local partners, the Utah Transit Authority's 2022 budget and underlying five-year Capital and Operating plans position the agency for a future of growth and expansion.

Our 2,800 employees have performed admirably during the COVID-19 pandemic, continuing to provide essential transportation services to the region and especially those most dependent on transit. Our front-line operators, maintenance workers, safety and security personnel and support staff have endured these difficult times and inspired our organization.

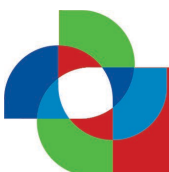
However, like our fellow transit agencies across the country, we continue to feel the impacts of the pandemic. The plans and mitigation strategies articulated in this budget include specific actions to help the agency continue to recover, as well as expand and improve service to the community.

After carefully monitoring ridership and route performance for the first half of 2021, UTA continued its efforts to restore service, guided by UTA's adopted 5-Year Service Plan and the route evaluation criteria outlined in our Service Guidelines. In August, UTA increased service on the S-Line Streetcar, TRAX and FrontRunner to address gaps created by COVID-19 service reductions. The Board of Trustees also approved transitioning UTA On Demand to a permanent service. Building on the success of the Microtransit pilot, several underperforming Flex routes were replaced with UTA On Demand with increased service hours on weekdays and Saturdays.

The 2022 budget includes additional service adjustments across fixed route bus, paratransit, and FrontRunner, including almost 100,000 annual hours of new or restored service, primarily focused in Salt Lake County with revenue from our City and County partners. The request also includes a further expansion of UTA On Demand Microtransit service in Tooele and Davis Counties. Later next year, we will begin partial service on our new bus rapid transit line connecting the FrontRunner Ogden Station with Weber State University (WSU) through downtown Ogden. The "Ogden Express" or "OGX" will connect entertainment, retail, and business destinations from downtown Ogden to WSU every 10-15 minutes on weekdays and 15-30 minutes on weekends with a fleet of all-electric buses. Initial OGX shuttle service on WSU campus will begin August 2022, and the full line will open August 2023.

Like so many industries across the state and country, UTA is facing unprecedented challenges in recruiting and retaining employees, from bus operators to maintenance employees to administration. The 2022 budget includes funding for strategic recruitment and retention to allow UTA to emerge from the pandemic with a highly skilled and capable workforce engaged in delivering our operating and capital programs.

Leveraging one-time funds, the 2022 budget includes an historic commitment to the workforce of the future. Working with our labor partners, UTA will begin developing and implementing a long-planned Rail



Maintenance apprenticeship program, modeled after our highly successful Bus Maintenance apprenticeship program. During the coming year, UTA will develop curriculum and course materials, purchase training aids and develop state-of-the art training and tools to graduate rail apprentices to journey level status. This investment will pay on-going dividends in safety and security, reliability, service quality and cost effectiveness. The programs will be prepared for certification with the Department of Labor by the end of 2022.

During the 2021 Session, the State Legislature invested \$330 million to plan for, expand, and improve public transportation across UTA's service area. Of that, \$300 million was earmarked to fund double tracking of the FrontRunner commuter rail system and leverage federal funds for the project. Double-tracking FrontRunner in strategic locations will enable UTA to improve travel time and increase ridership along this important corridor.

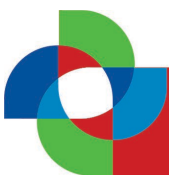
This extraordinary commitment by the State, coupled with strong partnerships with the Federal Transit Administration, Wasatch Front Regional Council (WFRC), Mountainland Association of Governments (MAG) and a host of local government partners, have created a renewed sense of urgency and heightened expectations for project and program delivery at UTA. In response, UTA has been ramping up planning and design efforts, identified needed project delivery resources, and introduced a more focused approach to project and program delivery that will ensure successful delivery of the 5-year program.

The \$228 million in the 2022 capital budget and the \$1.2 billion 5-Year Capital Plan focuses on system-wide safety and reliability and reflects our ongoing commitment to maintaining a state of good repair for our revenue vehicles, infrastructure, and supporting systems. The capital plan also:

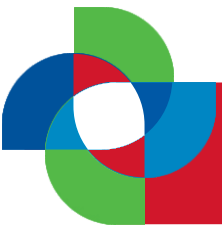
- Funds strategic double tracking along the FrontRunner alignment
- Completes the new Depot District facility to meet the future growth of the system
- Completes the Ogden Express – OGX (BRT) line in Ogden, increasing regional connectivity
- Funds the design and construction of the Mid-Valley bus rapid transit (BRT) line and the S-Line Streetcar extension
- Provides planning and design funds for major investments at Point of the Mountain, South Valley Transit, and others
- Provides \$20 million to help our local partners complete high priority projects that support transit throughout our service area
- Begins planning for the replacement of our light rail and commuter rail fleets as they reach the end of their planned lifespan in the next decade

The 2022 budget and 5-year plans provide an exciting vision for the future at UTA and the Wasatch Front region. We are prepared to deliver on the incredible commitments our federal, state, county, local, and regional partners, elected officials, and customers, have entrusted in us.

Together with our employees, the Board of Trustees, and our community partners, we are poised and excited to continue providing Wasatch Front residents safe, reliable, and convenient transit service.



Budget Overview



Budget Summaries

UTAH TRANSIT AUTHORITY 2022 TENTATIVE OPERATING BUDGET October 27, 2021

Exhibit A-1

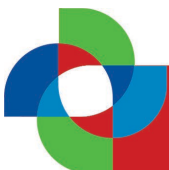
<u>Revenue</u>	2022 Tentative <u>Budget</u>
1 Sales Tax	\$ 419,100,000
2 Federal Preventive Maintenance	59,500,000
3 Passenger Revenue	36,033,000
4 Advertising	1,370,000
5 Investment Income	4,832,000
6 Other Revenues	13,826,000
7 Stimulus Funding	100,100,000
8 Total Revenue	634,761,000
<u>Operating Expense</u>	
9 Bus	116,830,000
10 Commuter Rail	31,721,000
11 Light Rail	56,900,000
12 Paratransit Service	25,888,000
13 Rideshare/Vanpool	3,705,000
14 Operations Support	61,525,000
15 Management & Support	49,140,000
16 Planning/Capital Support	9,377,000
17 Non-Departmental	1,000,000
18 Total Operating Expense	356,086,000
<u>Debt Service, Contribution to Reserves, and Transfer to Capital</u>	
19 Principal and Interest	144,340,000
20 Bond Service Utah County for UVX BRT program	8,872,000
21 Contribution to Reserves	16,400,000
22 Transfer to Capital	109,063,000
23 Total Debt Service and Reserves	278,675,000
24 Total Expense	\$ 634,761,000



UTAH TRANSIT AUTHORITY
2022 TENTATIVE CAPITAL BUDGET - SUMMARY
October 27, 2021

Exhibit A-1

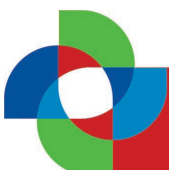
<u>Funding Sources</u>	<u>2022 Tentative Budget</u>	
25 UTA Current Year Funding	\$ 121,386,000	
26 Grants	44,291,000	
27 Local Partner Contributions	10,603,000	
28 State Contribution	35,946,000	
29 Leasing	15,832,000	
30 Total Funding Sources	<u>228,058,000</u>	-
<u>Expense</u>		
31 State of Good Repair	71,338,000	
32 Depot District	32,562,000	
33 Ogden/Weber BRT	25,465,000	
34 Front Runner Forward	15,000,000	
35 Mid Valley Connector	10,000,000	
36 TIGER Program of Projects	8,206,000	
37 Other Capital Projects	65,487,000	
38 Total Expense	<u>\$ 228,058,000</u>	-



**UTAH TRANSIT AUTHORITY
2022 TENTATIVE OPERATING BUDGET
October 27, 2021**

Exhibit A-2

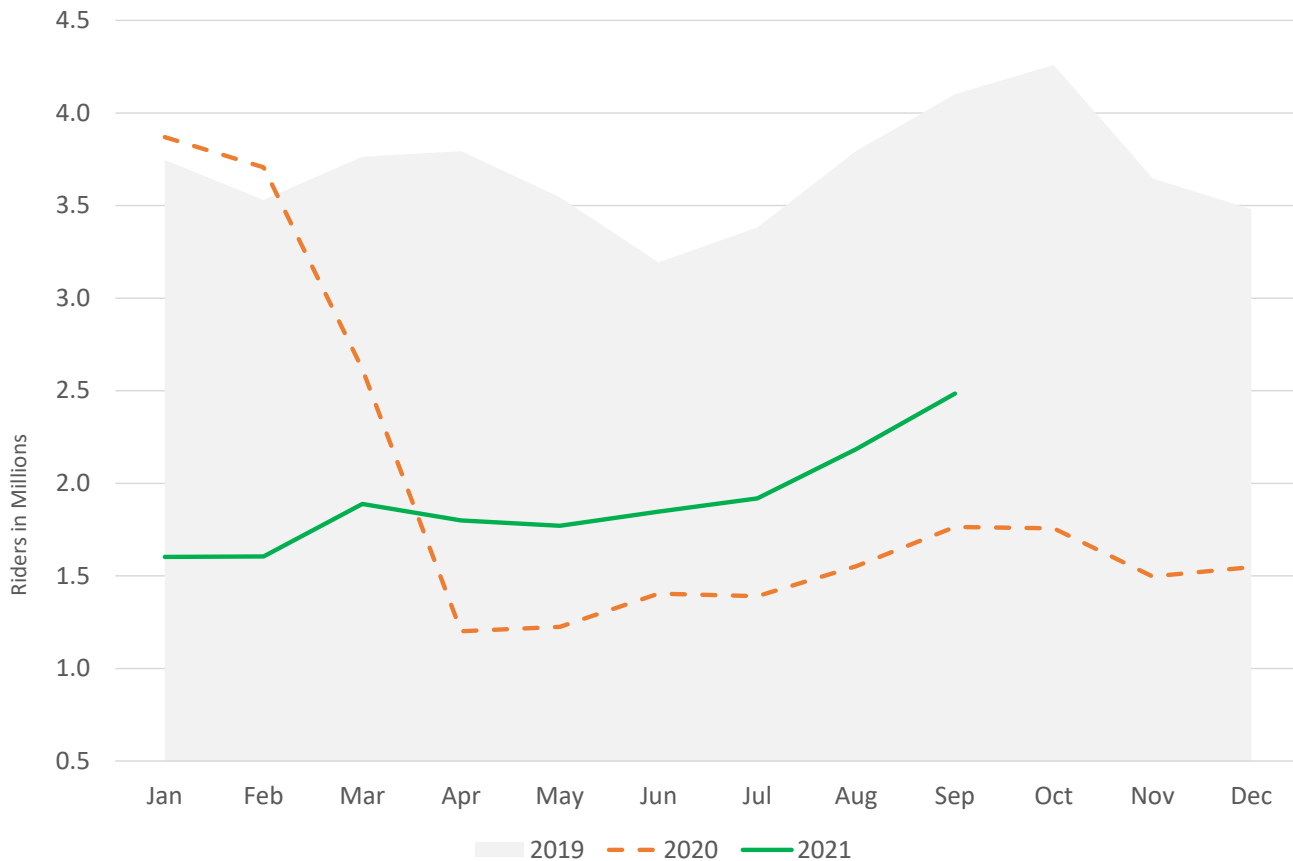
<u>Revenue</u>	Tentative 2022 Budget	
1 Sales Tax	\$ 419,100,000	
2 Federal Preventive Maintenance	59,500,000	
3 Passenger Revenue	36,033,000	
4 Advertising	1,370,000	
5 Investment Income	4,832,000	
6 Other Revenues	13,826,000	
7 Stimulus Funding	100,100,000	
8 Total Revenue	\$ 634,761,000	
<u>Operating Expense</u>		FTE
9 Board of Trustees	\$ 2,677,000	13.4
10 Executive Director	8,446,000	41.5
11 Operations	270,502,000	2,285.2
12 Finance	14,589,000	113.5
13 Service Development	7,782,000	56.0
14 Planning & Engagement	13,086,000	73.2
15 Enterprise Strategy	22,525,000	115.0
16 People Office	15,479,000	84.0
17 Non-Departmental	1,000,000	-
18 Total Operations	356,086,000	2,781.8
19 Debt Service	153,212,000	
20 Contribution to Reserves	16,400,000	
21 Transfer to Capital Budget	109,063,000	
22 Total Tentative 2020 Operating Budget	\$ 634,761,000	2,781.8



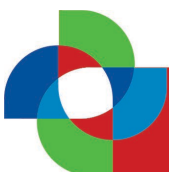
2022 Tentative Budget Overview

The Utah Transit Authority's 2022 Budget was developed during a time of hopeful recovery modulated by corrections and adjustments as the pandemic receded but returned with the emergence of new variants. UTA responded to the ebbs and flows and steadily moved toward its goal of restoring service and encouraging the return of ridership. The 2022 Budget reflects current economic projections and targeted investments to achieve this goal while providing safe, secure, and reliable service.

Total System Ridership



2022 ridership is recovering at about the pace projected in the 2021 Budget forecast. While ridership through September lags 2019 totals by about 40 percent, steady and significant gains over 2020 ridership can be seen on the chart above. In fact, 2021 ridership for the months April through September are about 40 percent over ridership for the same period in 2020. The 2022 Budget and underlying 5-year financial plan assume that the system will return to 2019 ridership levels by 2025. Recovery has been uneven by mode.

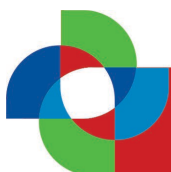
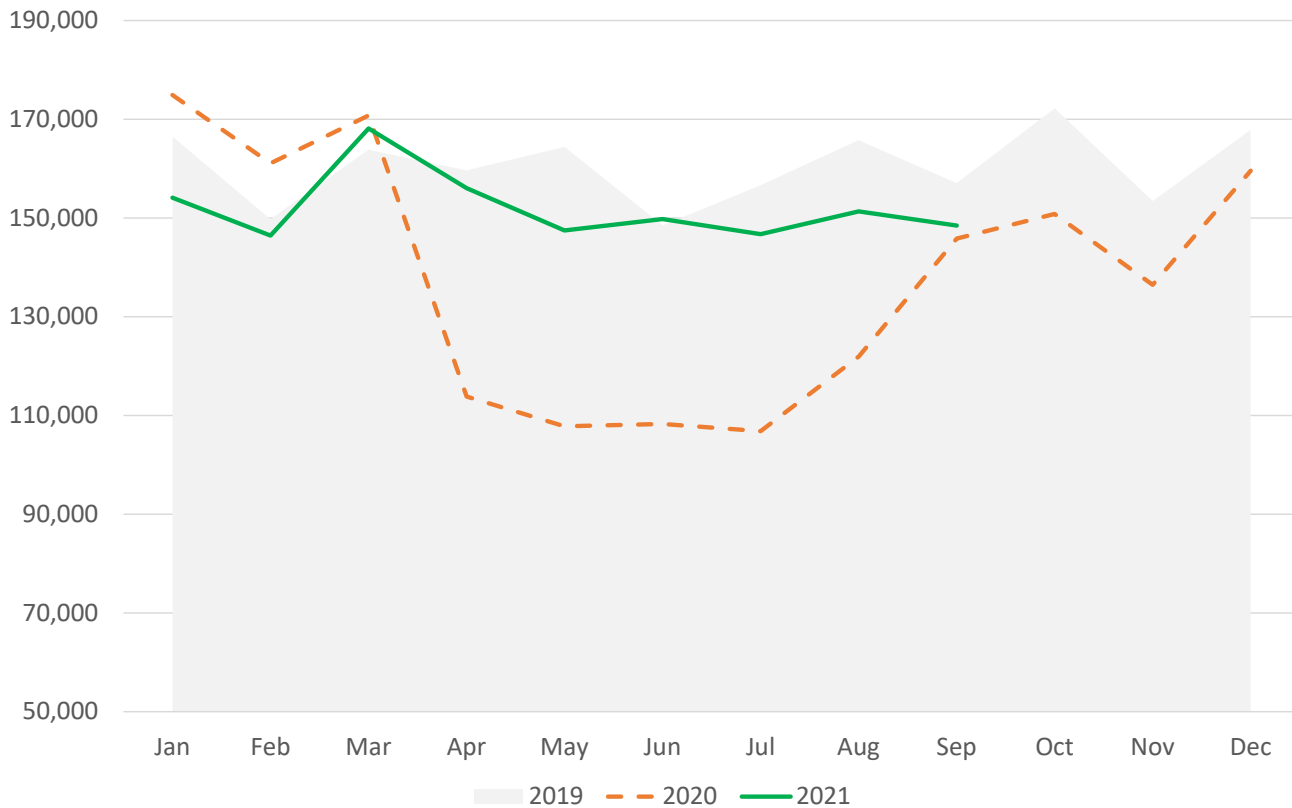


On April 5, 2020, to limit the spread of the COVID-19 virus, keep customers and employees safe, respond to dramatic losses in ridership and fares, and react to projected steep reductions in sales tax revenues, UTA reduced service by about 50 percent.

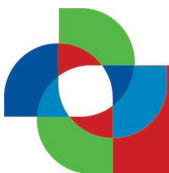
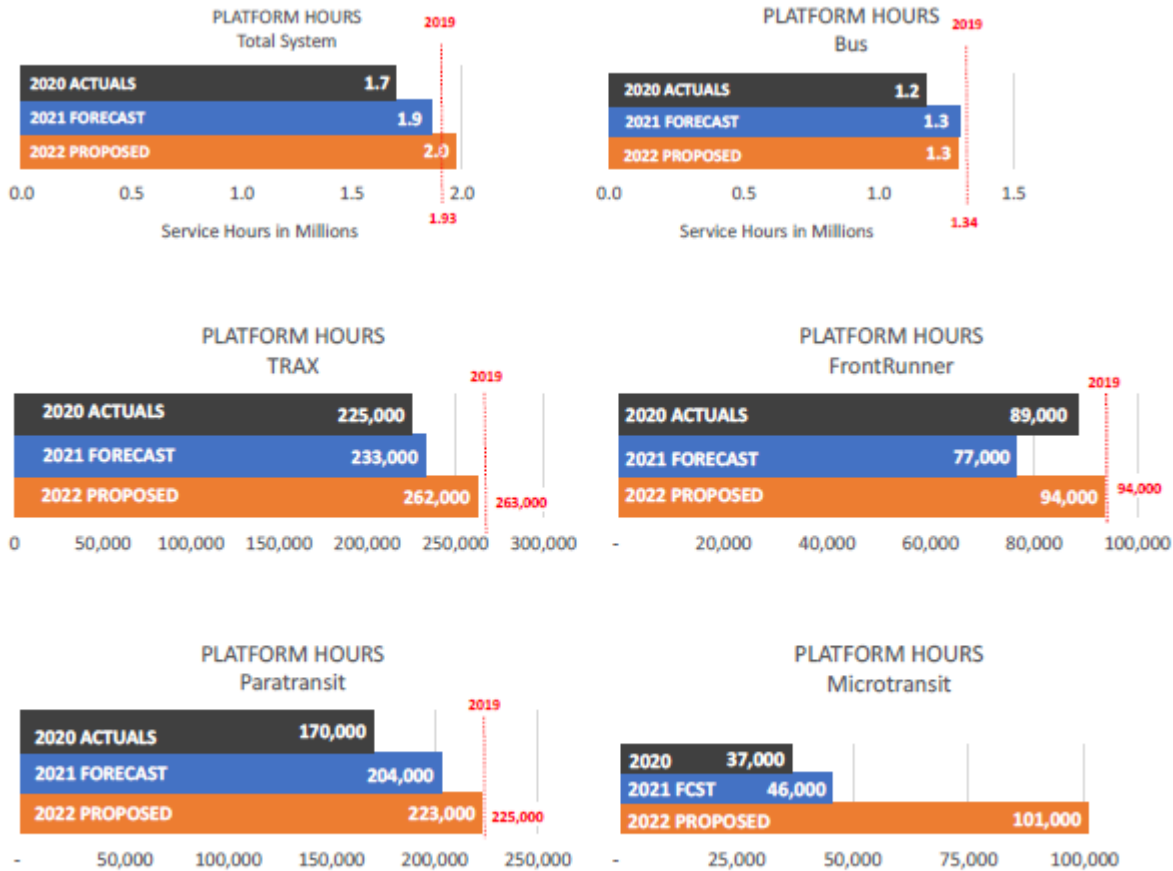
Four months later, as a result of increasing ridership numbers, public feedback, and changes regarding COVID policies, much of the service that was changed or reduced in April was restored, or even improved, beyond pre-COVID levels.

In 2021, UTA continued its targeted service change strategy focusing on route performance and emerging ridership trends. The August service change reduced/replaced unproductive service, added service, and introduced Microtransit as a new, permanent mode.

Total Platform Hours



The 2022 budget envisions adding 99,000 hours of service across modes and throughout the system. When these service changes are implemented next summer, all modes except Microtransit will be operating slightly behind pre-COVID levels. Microtransit was introduced in 2019 on a pilot basis and, with the proposed service additions in 2022, will nearly triple in size.



Key Assumptions and Sources and Uses

In the spring and early summer of 2021, staff began identifying key assumptions that would assist in the development of the 2022 budget and underlying 5-year plans. For the first time in recent history, UTA contracted with the Economic Development Unit at the University of Utah to generate sales tax forecasts. This Tentative Budget and 5-year plan include assumptions from the University's April 2021 forecast. The forecast will be updated in October and will inform the 2022 Final Budget and 5-year plans.

Other assumptions developed in April were re-evaluated in August and presented to the Board of Trustees and the Local Advisory Council in September and October for their review. The key assumptions and rationale for the assumptions are provided below.

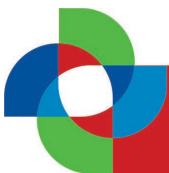
Summary – 2022 Sources

Operating sources of funds are \$599.2 million, a decrease of \$69.1 million or (10.3%) from the FY21 forecast. The primary sources are detailed below:

- Sales Tax contributions of \$419.1 million are up \$17.6 million. This assumes a 4.38% growth in sales tax over projected 2021 sales tax collections. In 2021 UTA engaged Stephen C. Bannister, PH.D. Associate Director of Economics at the University of Utah to provide an expert view of our historical sales tax data and provide UTA with professional forecasts based on the University's econometric models. These funds are used for operations and maintenance, agency operating, and future project development expenses.
- Federal Stimulus funds – The CARES, CRRSAA, and a third round of federal COVID related relief known as American Rescue Plan Act (ARPA) have been used to supplement operations and maintenance. The majority of these three stimulus programs has been consumed in 2021 with 100.0 million projected to be utilized in 2022.

This amount and the strategy to spend all Stimulus funds is under review at the time of printing. Final decisions will be reflected in the 2022 Final Budget and supporting 5-Year Capital Plan.

- Passenger revenue is \$36.0 million, up \$4.0 million from FY21. Slow ridership recovery has resulted in lower fare growth in collections due to ongoing COVID impacts in ridership habits and trends. The projected increase in fare revenue is due to the return to front door boardings.
- Federal Preventive funds are programmed at \$59.5 million to support both TRAX, Streetcar and Frontrunner systemwide improvements and State of Good Repair. These Federal formula programs fund a portion of preventive maintenance.



- Other revenue is \$19.9 million, up from \$17.8 million in FY21 primarily due to increasing advertising revenue, investment interest, Transit Oriented Development funding returns. The economic impact of COVID is still affecting UTA's revenue sources.

Capital sources of funds are \$112.7 million, a decrease of \$38.7 million or (25.5) % from the FY21 forecast. The primary sources are detailed below:

- Grant funding has a decrease of \$33.8 million. These funds are used for specific approved capital projects.
- Leasing sources of funds has a decrease of \$19.1 million. These funds are used for the purchase of revenue vehicles and is determined by the revenue vehicles replacement plan.
- Utah State funding for capital projects has increased of \$28.6 million. These funds are used for specific approved capital projects.
- Local funding from local communities and organizations decreased \$14.5 million. These funds are used for specific approved capital projects.

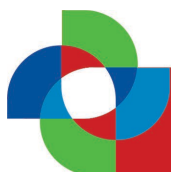
Summary – 2022 Uses

Operating uses of funds are \$356.1 million, an increase of \$33.8 million or 10.5% from the FY21 budget. The primary uses are detailed below:

- Employee compensation and benefits increased 7.8% and 10.8% respectively. These increases are due to an average wage increase of 3.1%, increased benefits costs of 7.5%, and the reestablishment of hiring after a pause due to the economic impact of COVID. The FY22 budget includes the hiring of 133 FTE's.
- Fuel costs are budgeted at an increase of 14.9%. Fuel prices have increased significantly due to supply chain and demand issues. The FY22 budget assumes \$2.50 per gallon for diesel and \$2.35 per gallon for gasoline.
- Utilities costs are projected to increase 7.3%. Greater importance will be placed on utility costs as UTA balances the bus fleet with electric service vehicles.
- Parts represent a 1.3% increase primarily due to increases in prices for parts and increased shipping cost. Overall usage of parts is expected to decline if those two factors are excluded from parts costs.

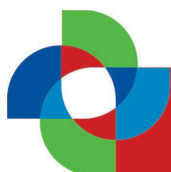
Capital uses of funds are \$228.1 million, this represents a reduction of a decrease of about \$28 million over the adopted 2021 Budget. The primary uses are detailed below:

- Major capital projects such as: \$32.6 million Depot District transit center, \$25.5 million Ogden/Weber State University BRT (OSX), \$15.0 million Frontrunner double tracking project, and \$15.0 million for the beginning of the Mid-Valley Connector (BRT) in Salt Lake County.



- UTA has allocated \$71.4 million to continue efforts to bring all transit systems into a state of good repair. This includes capital budget toward vehicle replacements, technology replacements and upgrades, facility maintenance, rail vehicles overhauls and rail system replacements.
- Other capital projects consist of, but not limited to, Box Elder right-of-way preservation, wayfinding signage, end of line enhancements, bus garage expansions, video camera sustainability and expansion, arc flash project, facility security, and a Frontrunner paint booth.

Debt Service is cash that is required to cover the repayment of interest and principal on the debt related to UTA's Bond and Leasing program. Total combined debt service for FY22 is \$153.2 million, which includes Leasing debt of \$10.5 million. The FY22 debt service budget also reflects the ongoing offset of \$8.9 million from the federal interest subsidy related to the Build America Bonds issued in 2012.



Sources – 2022 Detail

Sales and Use Tax

The largest operating source of revenue for the Authority is a local sales tax, which is imposed by the individual jurisdictions within the service area of the Authority. In July 2019, the Salt Lake County Council and the Utah County Commission approved increasing their tax rate by 0.25 percent with 0.10 percent dedicated to UTA.

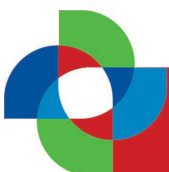
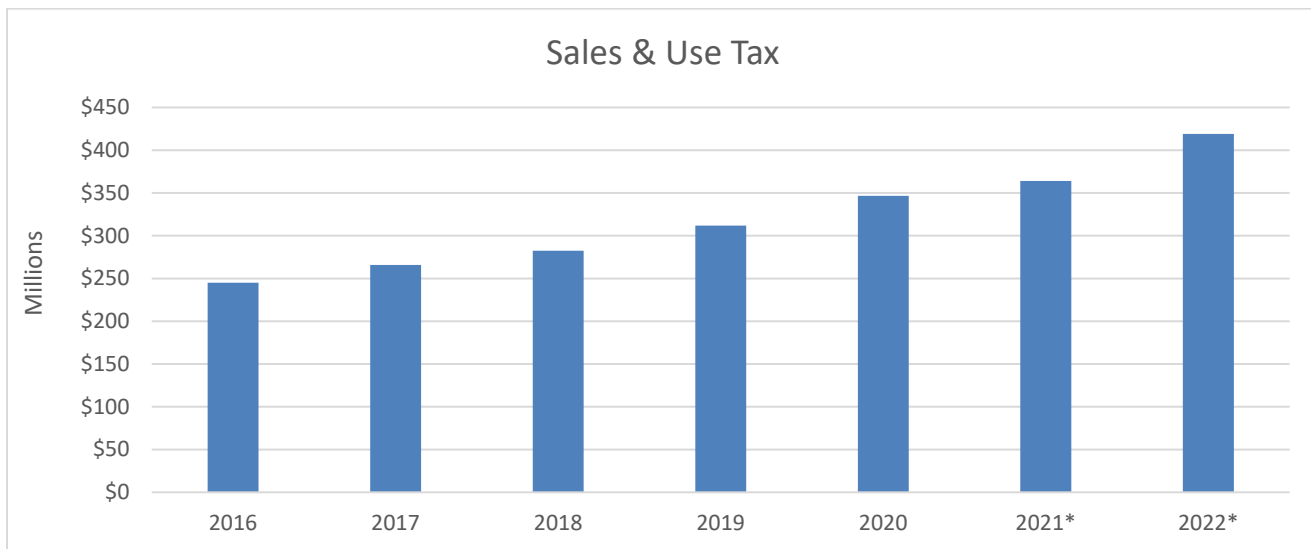
UTA's sales tax is applied by each jurisdiction within the service area to gross taxable sales within the service district. From 2004 through 2020, gross taxable sales have grown by an average of 7.0%. Sales tax forecasting is a priority for UTA, and in 2021 UTA engaged Stephen C. Bannister, PH.D. Associate Director of Economics at the University of Utah to provide an expert view of historical sales tax data and generate the most accurate forecast possible, using the best methodology available.

2022 Sales Tax Revenues - \$419.1 million:

The 2022 Budget assumes a 4.5 percent increase over 2021 projected sales tax collections. The estimate is based on the University's Economic Development Unit (EDU), projected sales tax growth rates applied to an adjusted 2021 projection using actuals through July. The estimate is generated using EDU's econometric models. Sales tax forecasts will be updated by EDU in October and will inform the Final 2022 Budget and supporting 5-year Capital and financial plans.

Year	2017	2018	2019	2020	2021*	2022*
Sales Tax	\$245,008,000	\$265,770,000	\$298,640,000	\$361,591,000	\$401,500,000	\$419,100,000

*Budget/Projected

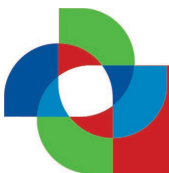
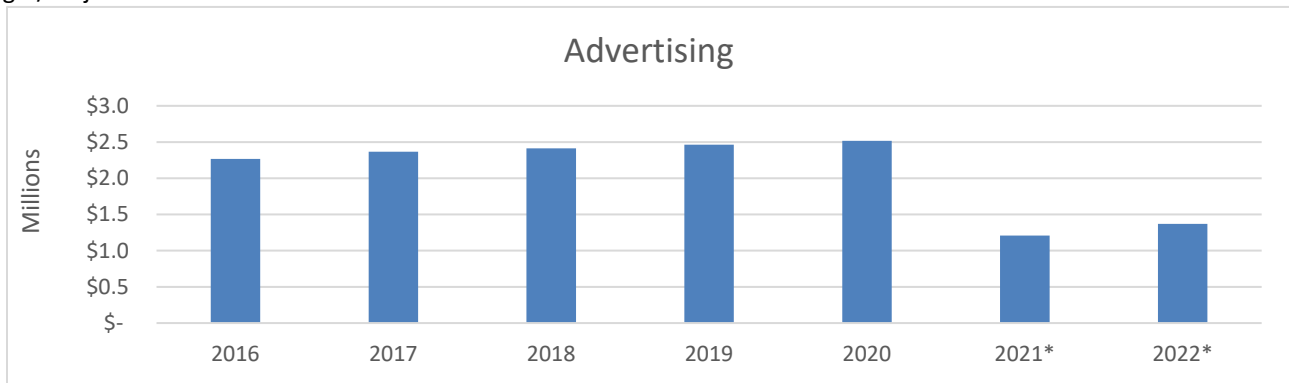


Advertising

Advertising revenues for the Authority come from the lease of exterior space on the sides and rear of bus, light rail vehicles, and the signage inside of commuter rail cars. The annual growth rate for advertising over the last four years has been declining. For 2021 and 2022 advertising is projected to produce \$1.2 million and \$1.4 million, a decrease due to the economic conditions related to the impact of COVID.

Year	2017	2018	2019	2020	2021*	2022*
Advertising	\$2,367,000	\$2,413,000	\$2,463,000	\$2,035,000	\$1,208,000	\$1,370,000

* Budget/Projected



Passenger Revenue

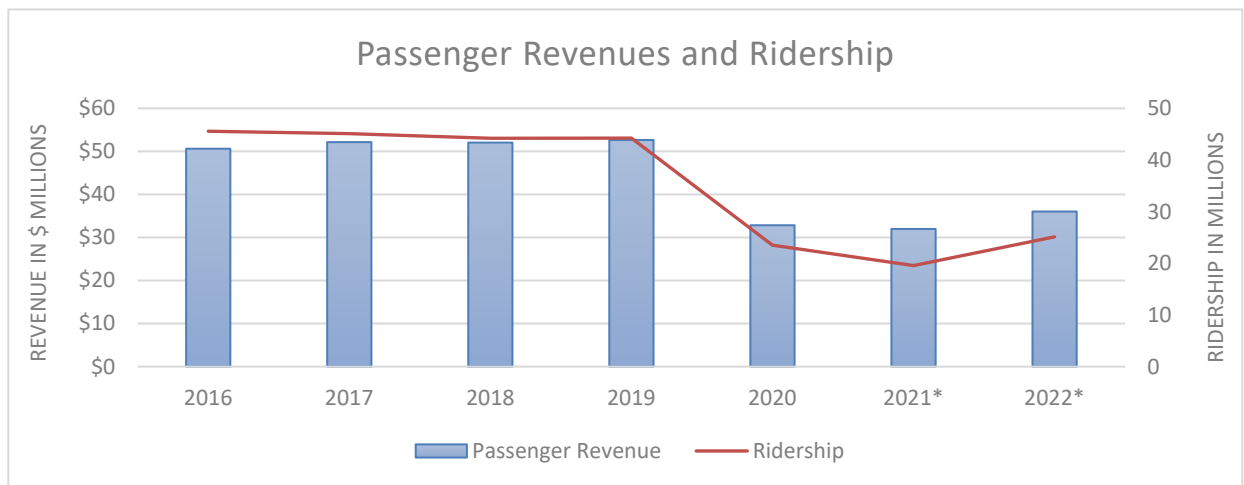
Since 2013, the Authority’s base fare has been \$2.50. Fares range from \$1.25 for senior citizens to \$5.50 for premium express service. Additional service in Salt Lake City and Salt Lake County, service increases planned in 2022, and continued population and employment growth, will all contribute to an increase in passenger revenues.

2022 Passenger Revenue – \$36.0 million:

Ridership and fares recovered roughly as projected in the 2021 budget. The 2022 budget assumes a 12 percent increase in passenger revenues, driven by continued growth in ridership. The 5-year plan assumes that passenger revenues will return to pre-pandemic levels by 2025.

Year	2017	2018	2019	2020	2021*	2022*
Passenger Revenue	\$52,159,000	\$52,052,000	\$52,649,000	\$32,845,000	\$31,979,000	\$36,033,000
Ridership*	45,119,782	44,216,695	44,239,223	23,530,441	19,564,000	25,115,000

* Budget/Projected



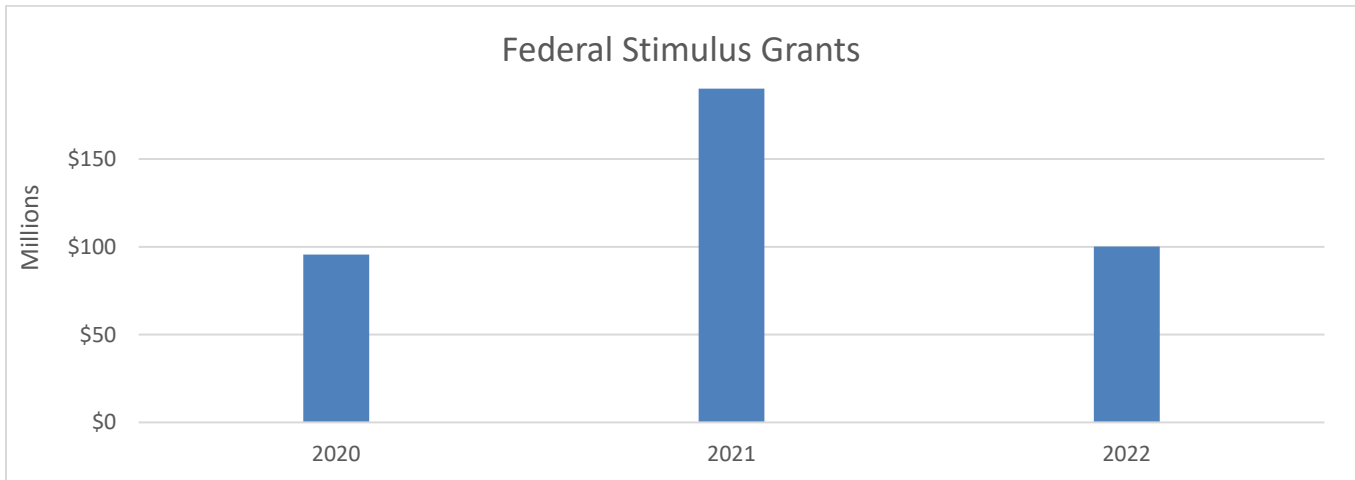
Federal Stimulus Grants

Congress enacted three federal stimulus programs to support Transit Operations in the United States. Funding is provided at a 100-percent federal share, with no local match required, and is available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID. UTA received about \$390 million in federal Stimulus funds from the CARES, CRRSAA, and ARP Acts. These funds were provided to transit agencies to support day-to-day operations, help offset lost fare revenues and support the economic recovery.

Operating expenses incurred beginning on January 20, 2020, were eligible including expenses to maintain transit services as well as paying for administrative leave for transit personnel due to reduced operations during an emergency. CARES Act funding of \$187 million was exhausted in 2021. The CRRSAA Act funding of \$33.6 is also completely drawn down. ARPA reimbursement will occur as follows: \$68 million in 2021 and the remaining \$100 million in 2022.

2022 Federal Stimulus Funding - \$100.1 million:

UTA has aggressively drawn down these funds and will exhaust the last of them (ARPA) in 2022. UTA has used these funds to support service, retain its workforce, offset lost fare revenues, and position itself to support economic recovery in the region.



Federal Preventive Maintenance Formula Grants

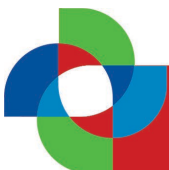
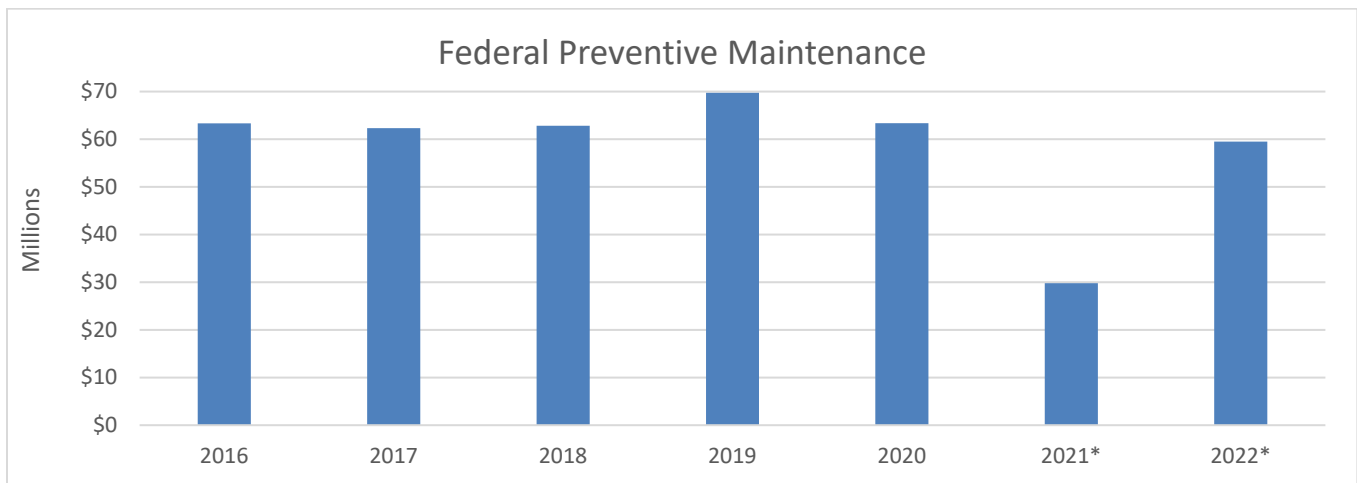
In 2016 the Transportation Bill, Fixing Americas' Surface Transportation (FAST) was approved by Congress. FAST allows the Authority to use formula funds for preventive maintenance. These formula funds may be used to cover up to 80% of preventive maintenance costs. After operating additional TRAX lines/extensions for 7 years UTA qualified for additional formula funds.

2022 Federal Preventive Maintenance – \$59.5 million

The financial plan assumes \$59.5 million in FTA formula funds to support the operating program (preventive maintenance).

Year	2017	2018	2019	2020	2021*	2022*
Operating Grants	\$62,314,000	\$61,821,000	\$69,746,000	\$63,351,000	\$29,800,000	\$59,500,000

* Budget/Projected



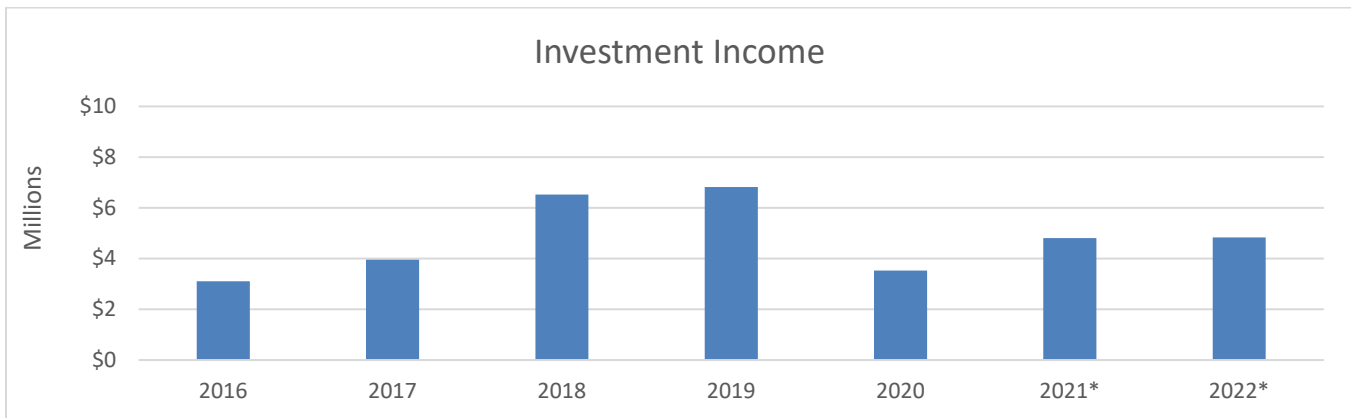
Investment Income

Interest income consists of interest earned on invested operating funds not yet expended and funds held for future capital expenditures. Some of the Authority’s funds are invested with the Public Treasurers Investment Fund managed by the State Treasurer’s office; others are placed in investments that can yield a higher interest but are still secure.

Interest rates have fallen below the 2021 projection of 2.30%. An approximate rate of 2.00% is applied to projected reserve accounts in the 2022 Transit Development Plan. Due to the current economic conditions and impacts of COVID, UTA’s projected 2021 investment revenues are \$4.80 million with 2022 being projected at \$4.83million.

Year	2017	2018	2019	2020	2021*	2022*
Investment Income	\$3,955,000	\$6,526,000	\$6,822,000	\$3,526,000	\$4,807,000	\$4,832,000

* Budget/Projected

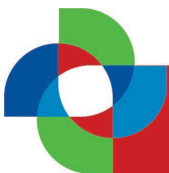
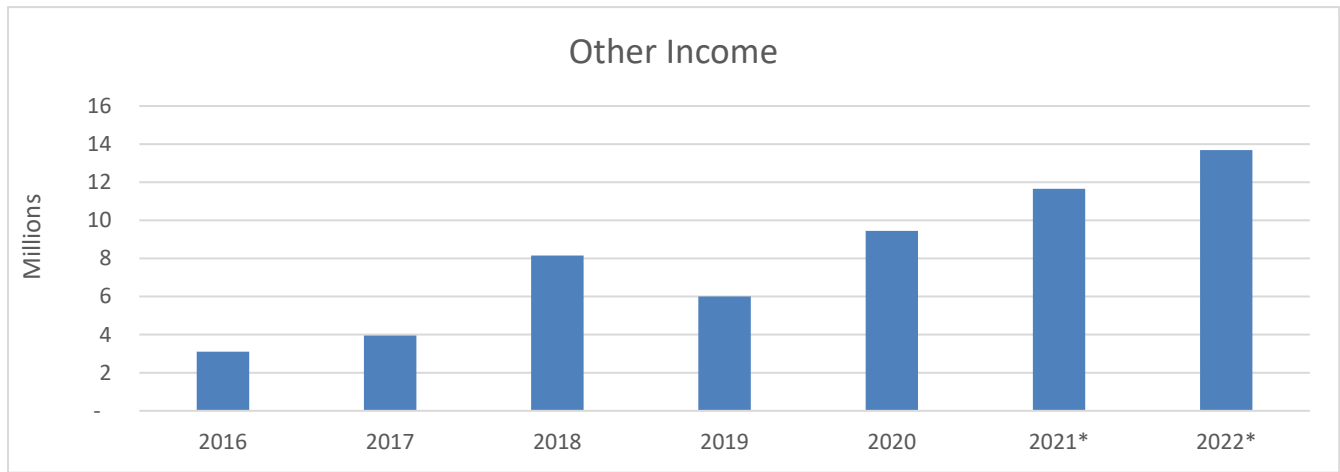


Other Income

Other income for 2022 consists of \$6.78 million from Salt Lake City for enhanced bus service, \$3.1 million for enhanced transit services, a \$2.0 million sales tax distribution from the Utah Department of Transportation, \$.62 million from MAG’s passenger fare replacement, and \$1.02 million from transit-oriented development revenues.

Year	2017	2018	2019	2020	2021*	2022*
Other Income	\$3,954,000	\$8,156,000	\$6,001,000	\$9,443,000	\$11,656,000	\$13,687,000

* Budget/Projected



Uses – 2022 Detail

Debt Service - \$153.2 million:

Includes the ongoing offset of \$8.9 million from the federal interest subsidy related to the Build America Bonds issued in 2012.

The estimated payment to Utah County under the 2018 interlocal agreement for principal and interest on bonds issued for the UVX BRT program is \$8.9 million.

Debt Service	FY20 Actual	FY21 Budget	FY22 Budget
Administration			
Principal	\$ 31,200,000	\$ 39,165,000	\$ 46,150,000
Interest	96,775,000	96,629,000	96,625,000
Build America Subsidies	(8,893,000)	(8,870,000)	(8,893,000)
Leasing	7,514,000	9,406,000	10,458,000
Other	6,108,000	8,195,000	8,872,000
Administration Total	\$ 132,704,000	\$ 144,525,000	\$ 153,212,000
Total Debt Service	\$ 132,704,000	\$ 144,525,000	\$ 153,212,000

Lease payments - \$14.3 million:

The budget assumes \$14.3 million in 2022 lease payments for UTA's revenue vehicles. UTA leases non-grant backed revenue vehicles, paratransit vehicles and vanpool vehicles.

Employee Compensation and Benefits - \$254.1 million:

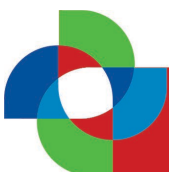
The 2022 budget reflects an 8.7 percent increase over the 2021 budget. The 2022 budget includes an average increase of 3.1 percent for salaries and wages and 7.5 percent for benefits.

Utilities - \$6.4 million:

Includes electricity (excluding propulsion power), heat, light and other utilities. Costs are expected to increase 7.3 percent in 2022, with a significant portion of the increase (\$132,000) driven by higher data circuit charges. Like fuel, UTA staff will monitor utility costs and adjust the Final Budget if necessary.

Parts - \$22.8 million:

2022 budget reflects a \$303,000 (1.3 percent) increase over 2021 budget. Before inflation expectations for parts of 5% and increased freight cost expectations of over \$100,000, total parts usage declines in the 2022 budget versus 2021.



Other O&M Costs - \$25.1 million

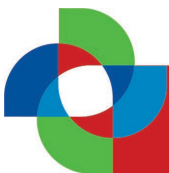
This 2022 budgeted amount represents a \$3.7 million (17 percent) increase over 2021 levels. The increase reflects the one-time costs associated with the Rail Apprenticeship Program (\$5.1 million) and offsets in Agency Contingencies and other offsetting adjustments.

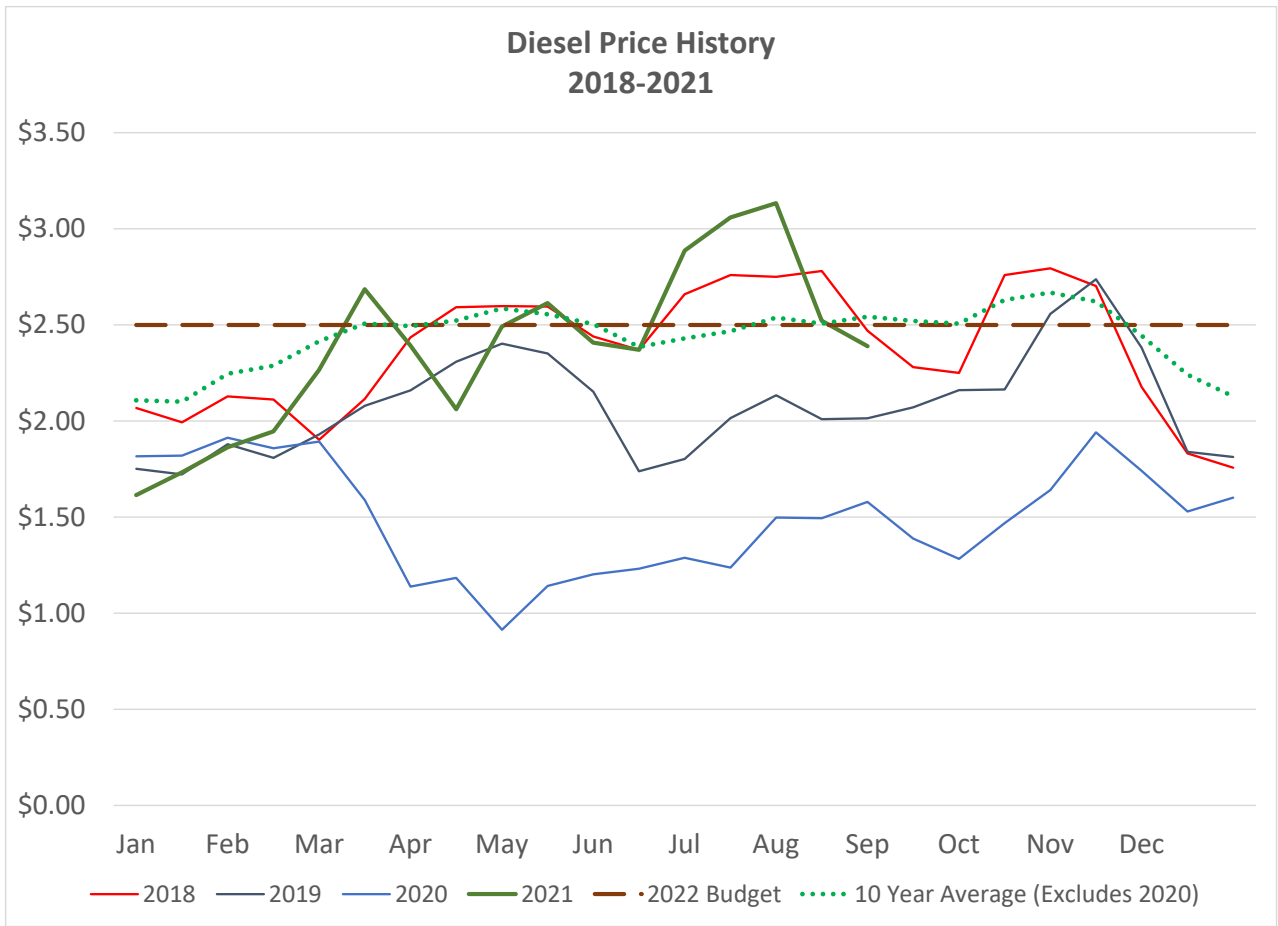
Fuel and Propulsion Power - \$25.2 million:

Fuel is budgeted 20.5 percent or \$3.1 million higher than 2021. Approximately \$1.3 million (43 percent) of this reduction is related to higher consumption and \$1.7 million is due to updated assumptions for 2022 fuel costs. The 2022 Tentative Budget assumes \$2.50/gallon for diesel (\$2.25 in 2021) and \$2.35/gallon for gasoline (\$2.15 in 2021). There is no change in the assumptions for CNG.

Fuel prices have continued to climb over the period that the Tentative Budget was being developed. Fuel prices will be re-evaluated prior to approval of the Final Budget and adjustments will be considered.

Propulsion power cost is expected to increase by about \$105,000 or 1.7%, driven by small changes in miles driven by light rail. No major changes are expected in propulsion power rates during 2022.





Sources and Uses

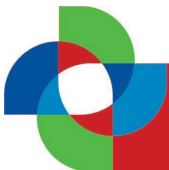
2022 Revenue Comparison

	2020 Actual	2021 Forecast	2022 Budget	Change 2022 - 2021
Sales Tax	\$ 361.6	\$ 401.5	\$ 419.1	\$ 17.6
Preventive Maintenance ¹	64.6	29.8	59.5	29.7
Stimulus Funds	95.6	192.8	100.1	(92.7)
Passenger Revenue	32.8	32.0	36.0	4.0
Salt Lake City Revenue ²	4.1	5.1	6.8	1.7
Investment Income	3.5	4.8	4.8	(0.0)
Advertising Revenue	2.0	1.4	1.4	0.0
Other Revenues	5.3	6.5	7.0	0.5
Total Revenue Sources	\$ 569.7	\$ 673.8	\$ 634.6	\$ (39.2)

Footnotes

¹ Final allocations between Federal/Stimulus funds and Operating/Capital will be reconciled in Final Budget

² Revenue backed service in Salt Lake City



5-Year Sources and Uses

		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Sources	2021	2022	2023	2024	2025	2026
A	Beginning Balance	\$ 333.1	\$ 516.6	\$ 520.6	\$ 431.8	\$ 363.1	\$ 308.1
	Sales Tax	\$ 401.5	\$ 419.1	\$ 437.2	\$ 455.4	\$ 473.6	\$ 491.8
	PM Funds (FTA)	29.8	59.5	73.9	74.6	75.4	76.1
	Stimulus Funds	192.8	100.1	-	-	-	-
	Passenger Revenue	32.0	36.0	40.7	46.2	52.6	55.3
	Capital Sources	151.4	106.7	263.2	191.0	176.3	98.6
	Other Sources	17.8	20.0	19.9	19.3	18.0	21.0
B	Total Sources	\$ 825.2	\$ 741.4	\$ 834.9	\$ 786.6	\$ 795.9	\$ 742.9
	Uses						
	Operating Expense	\$ 322.3	\$ 356.1	\$ 400.1	\$ 418.1	\$ 436.7	\$ 455.9
	Capital Expense	174.9	228.1	360.2	270.3	238.7	147.8
	Debt Service	144.5	153.2	163.4	167.0	175.5	181.7
C	Total Uses	\$ 641.8	\$ 737.4	\$ 923.7	\$ 855.4	\$ 850.9	\$ 785.3
D	Net Change	\$ 183.4	\$ 4.1	\$ (88.8)	\$ (68.8)	\$ (54.9)	\$ (42.5)
E	Ending Balance	\$ 516.6	\$ 520.6	\$ 431.8	\$ 363.1	\$ 308.1	\$ 265.7
F	Reserves	142.0	158.4	162.1	166.0	170.1	168.6
G	Unrestricted Fund Balance	\$ 374.5	\$ 371.5	\$ 273.5	\$ 200.9	\$ 142.1	\$ 95.6

E = A + B - C

G = E - F



2022 Tentative Operating Budget by Mode:

	FY 2021 Budget	FY 2022 Budget	Change
Bus	\$107,925,000	\$116,830,000	\$8,905,000
Light Rail	55,486,000	56,900,000	1,414,000
Commuter Rail	28,948,000	31,721,000	2,773,000
Paratransit	24,025,000	25,888,000	1,863,000
Rideshare/Vanpool	3,645,000	3,705,000	60,000
Operations Support	50,472,000	61,525,000	11,053,000
Administration	44,784,000	49,140,000	4,356,000
Planning/Capital Support ¹	9,228,000	9,377,000	149,000
Non-Departmental ²	2,000,000	1,000,000	(1,000,000)
Total Division	\$326,513,000	\$356,086,000	\$29,573,000

The operations portion of the 2022 Tentative Budget totals \$356.1 million. The table above shows the allocation of the Operations Budget by line item. Almost 72 percent of the operations budget is dedicated to labor and fringe costs. Together with fuel & power (7.1 percent), parts, net of warranty recovery (6.4 percent), and services (9.1 percent), those four items comprise 94 percent of the total operations budget.

1. Planning/Capital Support is comprised of Planning, Capital Development & Real Estate
2. Non-Departmental contains funds for emerging needs as the region continues to react to and recover from the pandemic



2022 Operating Budget Request Detail

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 326,512	\$ (6,748)	\$ 1,247	\$ 3,911	\$ 9,369	\$ 3,471	\$337,763	\$ 18,323	\$356,086

2022 Additions

Restore Service

Service Changes	\$ 6,915
Support Costs	656
Rail Apprenticeship Program	5,100
Recruitment and Retention	1,624
Information Technology	1,308
Other Management and Support	1,220
Operating Contingency	<u>1,500</u>
Total	\$18,323

Restore Service

Building on UTA's service guidelines that provide a gap analysis, consider service contracts and agreements, operational improvements, working conditions, customer, operator and community feedback and the service plan increments outlined in the adopted 5-year service plan, a menu of service options was developed.

These options were weighed and scrutinized for operational feasibility ultimately resulting in a recommended package of service changes across modes and the system.

- \$4.2 million in targeted expansion of service in selected areas, based on expected ridership and partner funding
- Enhanced Frontrunner service of approximately \$1.0 million to help meet requirements associated with new Vineyard station
- Introduction of new Microtransit services of \$1.4 million in the South Davis County and Tooele County areas to provide enhanced service and transit coverage.
- Additional Paratransit service to support service additions
- Additional support for the Transit Communications Center
- Funding for additional transit stop maintenance
- Revenue vehicle overhauls



Rail Apprentices Program

One of the cornerstones of UTA's approach to recruitment and retention is a new Rail Maintenance Apprenticeship program. Leveraging one-time funds UTA is proposing to make a significant investment in this program that will help develop the highly skilled workforce of the future that we will need.

The program will build on the highly successful Bus Apprenticeship program. In 2022, staff will develop curriculum and training materials and purchase training aids for a new training center. This will allow apprentices to develop their skills as they move to journey level. UTA will seek Department of Labor Certification for this program in 2022.

Recruitment and Retention

Like transit agencies all over the country and Utah businesses, UTA is having trouble recruiting and retaining employees. This budget request contains a comprehensive approach including:

- Operator retention strategies that create flexibility and certainty in operator schedules
- Additional bus operator training
- Leadership development and succession planning
- Inclusion and belonging program support
- Employer of Choice branding and onboarding support
- Workforce planning

Information Technology

Technology is playing a larger role in the delivery of transit services. This request recognizes the need for ongoing support of existing technology and systems and contains investments in new and emerging technology.

- Increase in utility costs necessary to support Century Link lumen services including creating redundancy in links to remote offices
- Continued rollout of Office 365 begun in 2021
- Upgrades and modifications to the enterprise financial system – JDE
- Azure Cloud Services – providing the necessary hardware/connections and application development support as more of UTA's applications move to the cloud
- Contract support for application and software development to support the agency's business needs

Other Management and Support

Operating program support across multiple departments, including:

- Airport station customer service staffing
- Public relations outreach
- Payroll processing
- Risk management



2022 Budget Request - Staffing

Department	2021 Amended Budget	2022 Proposed Budget	Change FTE FY21 - FY22	Change FTE % FY21 - FY22
Board	13.5	13.4	(0.1)	-0.9%
Executive Director	37.5	41.5	4.0	10.7%
Operations	2,211.7	2,285.2	73.5	3.3%
Finance	105.1	113.5	8.4	8.0%
Service Development	45.0	56.0	11.0	24.4%
Enterprise Strategy	105.0	115.0	10.0	9.5%
Planning & Engagement	71.5	73.2	1.7	2.4%
People Office	59.5	84.0	24.5	41.2%
Totals	2,648.8	2,781.8	133.0	5.0%

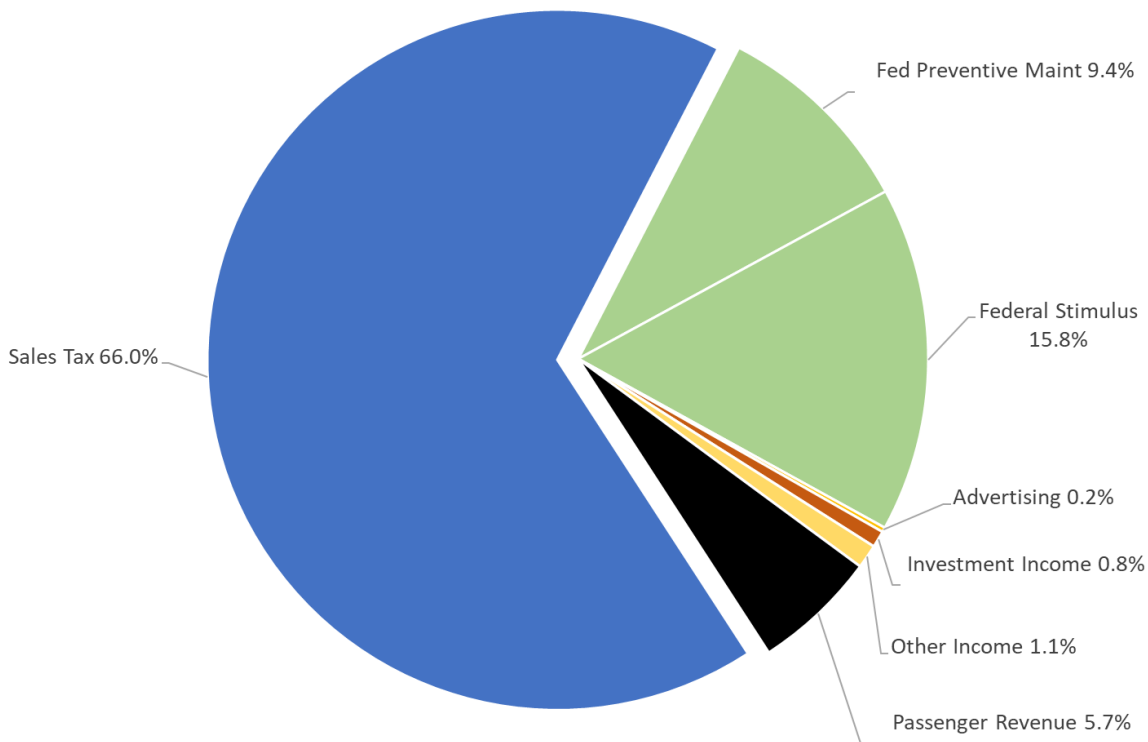


2022 Operating Revenue Summary

UTA reports as a single enterprise fund and all revenues are deposited in the UTA Operating Fund. Within this enterprise fund, UTA maintains two budgets –operations and capital. Transfers from the enterprise fund to the Capital program are made as necessary to support investment in the system.

Sales tax revenue at \$419 million, or 70 percent of total revenues, represents the largest funding source for the 2022 budget. Federal stimulus funding totals \$100 million, Federal preventive maintenance totals \$60 million, and passenger revenues total \$36 million. Other revenues include, in order of magnitude, investment income, local support, advertising, and other fees.

2022 Operating Revenues (\$634.5 million)



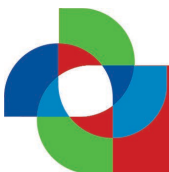
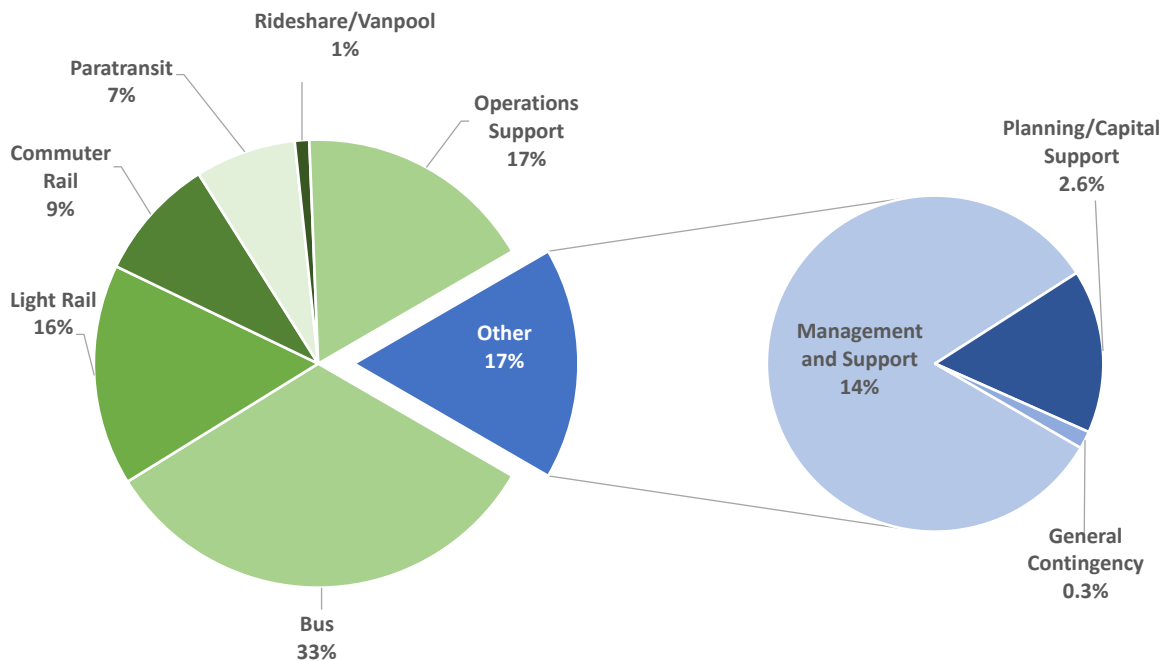
2022 Tentative Operating Budget Summary

The 2022 Tentative Operating Budget includes over \$297 million for operations and maintenance of the system, or 83 percent of the 2022 budget request. These functions are represented in the green shaded segments in the graph below.

The “Other” functions (blue segments comprising 17 percent) include Management and Support, Planning/Capital Support and \$1.0 million set aside to fund emerging/emergency needs as UTA and the region continue to react and recover from the pandemic.

Management and Support includes executive leadership and support, human capital management, communications, payroll, accounting, purchasing, warehouse, fares, service development, information technology, strategic planning, continuous improvement, data management, and other functions that support the capital and operating programs at UTA.

2022 Tentative Operating Budget (\$356.1 million)



2022 Tentative Operating Budget

Summary by Mode

	FY 2021 Budget	FY 2022 Budget	Change
Bus	\$107,925,104	\$116,829,982	\$8,904,878
Light Rail	55,486,453	56,899,729	1,413,276
Commuter Rail	28,948,048	31,721,199	2,773,151
Paratransit	24,024,713	25,888,110	1,863,397
Rideshare/Vanpool	3,644,685	3,704,913	60,228
Operations Support	50,472,071	61,524,988	11,052,917
Administration	44,783,860	49,140,060	4,356,200
Planning/Capital Support	9,227,523	9,376,709	149,186
Non-Departmental	2,000,000	1,000,000	(1,000,000)
Total Division	\$326,512,457	\$356,085,690	\$29,573,233

Summary by Office

	FY 2021 Budget	FY 2022 Budget	Change
Board	\$2,720,074	\$2,677,442	\$(42,632)
Executive Director	7,890,971	8,445,684	554,713
Operations	254,205,987	270,501,615	16,295,628
Finance	13,863,537	14,589,315	725,778
Service Development	7,274,239	7,781,813	507,574
Planning & Engagement	10,649,039	13,086,278	2,437,239
Enterprise Strategy	19,880,699	22,524,933	2,644,234
People	8,027,911	15,478,610	7,450,699
Non-Departmental	2,000,000	1,000,000	(1,000,000)
Total Division	\$326,512,457	\$356,085,690	\$29,573,233

The 2022 Operating Budget was designed with the following goals:

- Set a strong financial foundation for the future
- Deliver on Capital project commitments
- Ridership recovery and service restoration
- Recruitment and Retention
- Pursue Federal, State, and Partner Funding
- Maintain/grow local partnerships

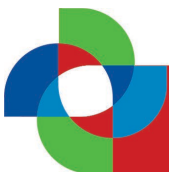


Summary by Budget Expenses by Category

	FY2021 Budget	FY 2022 Budget	Change
Wages	\$158,368,493	\$170,747,523	7.8%
Fringe	75,243,781	83,340,042	10.8%
Services	30,393,901	33,167,680	9.1%
Fuel	21,938,262	25,210,783	14.9%
Parts	22,518,325	22,821,044	1.3%
Utilities	5,962,312	6,396,797	7.3%
Other O&M	21,419,009	25,064,222	17.0%
Capitalized Costs	(9,331,626)	(10,662,401)	14.3%
Total Budget	\$326,512,457	\$356,085,690	\$29,573,233

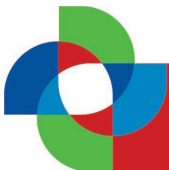
Summary of budget changes

- Increase in fuel due to higher price per gallon and increased service levels vs 2021 levels
- Increase in wages and fringe benefits
- Increase in Contract Services for additional investment in UTA information systems and Microtransit services
- Increase in Utilities expenses to reflect increases in costs for Facilities and Maintenance of Way
- Increase in Other O&M primarily reflects \$5 million increase in investment in new apprenticeship programs to enhance employee recruitment and retention
- Increase in Capitalized Costs reflects increased investment in resources to support 2022-2026 capital program delivery

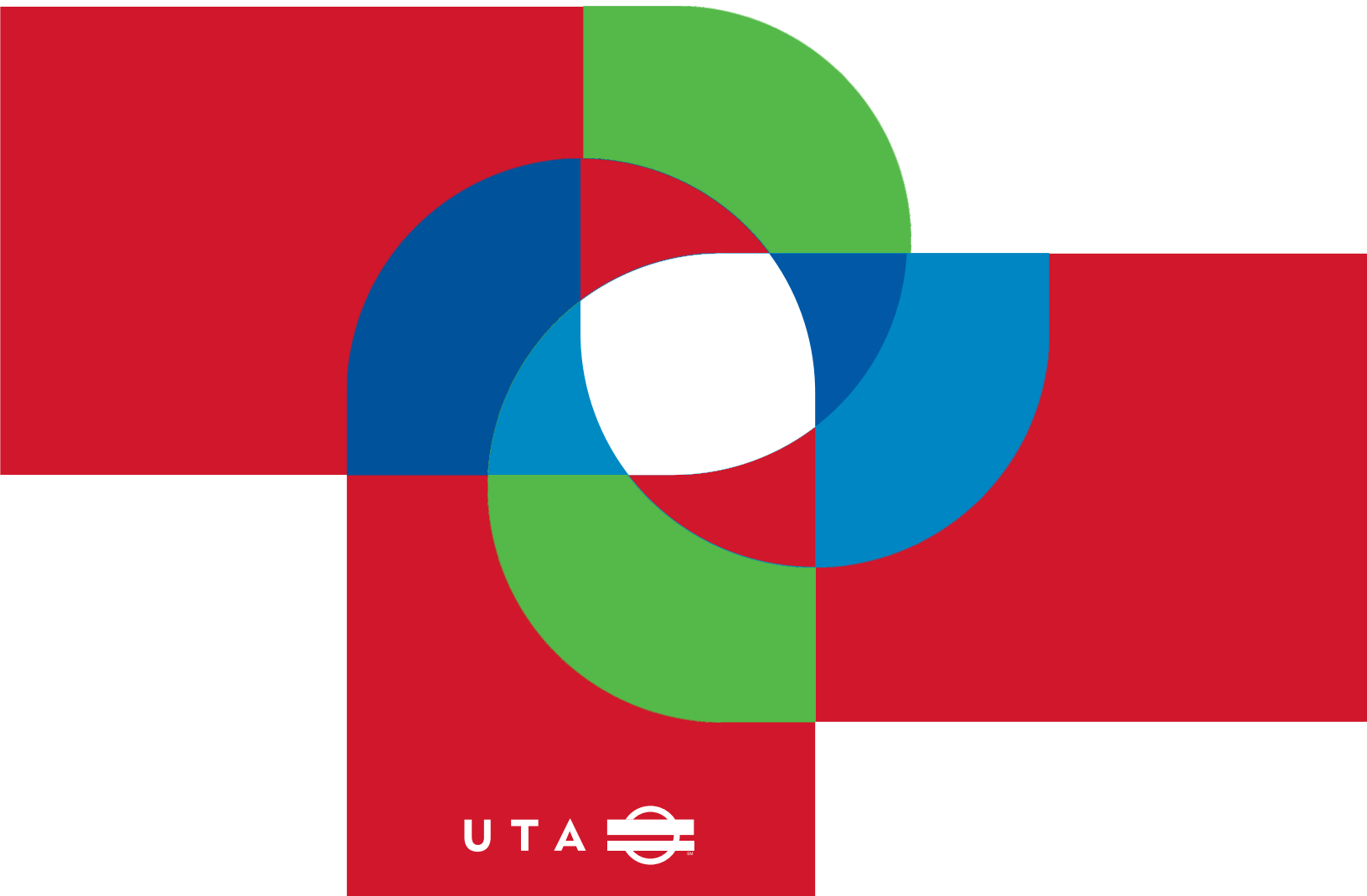


FTE Summary

	2021 Budget	2022 Proposed	Change
Board	13.50	13.38	(0.12)
Executive Director	37.50	41.50	4.00
Operations	2,211.73	2,285.23	73.50
Finance	105.05	113.45	8.40
Service Development	45.00	56.00	11.00
Planning & Engagement	71.50	73.22	1.72
Enterprise Strategy	105.00	115.00	10.00
People	59.48	84.00	24.52
Totals	2,648.76	2,781.78	133.02

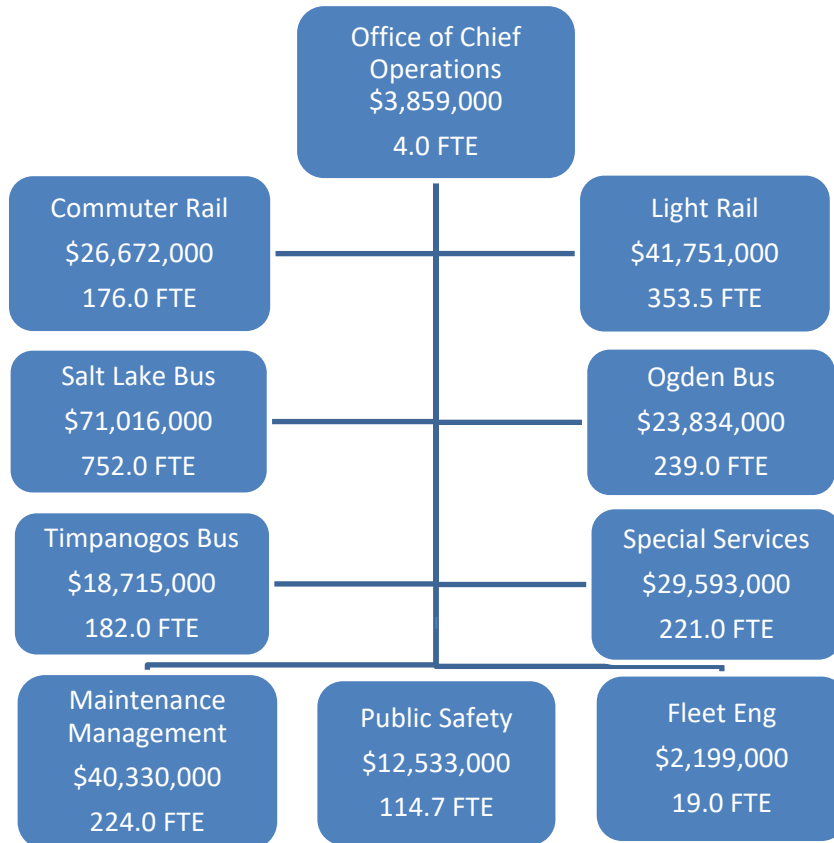


Departmental Information



2022 Operating Budget by Office, Cost Center, Category & FTE

Operations



The Operations Office is comprised of six service units covering UTA’s service area and Public Safety, Fleet Engineering and Asset Management (Engineering & Support Maintenance) Departments. UTA Operations provides the following functions:

- **Service Operations.** Operate buses, light rail, commuter rail, vanpool, and paratransit services across the UTA service area in a safe and efficient manner.
- **Maintenance Services.** Maintain the buses, rail cars and rail right of way to allow the safe and comfortable operation of services to UTA’s customers.
- **Operations Planning.** The Operations Planning Department partners with Service Planning to design and operationalize the adopted 5-year Service Plan.
- **Public Safety.** UTA has an internal police department focused on keeping our community, our riders, and our employees safe. Our police also engage in community service and support our local authorities.
- **Fleet Engineering.** Assists in fleet acquisition and maintenance across all modes.



2022 Proposed Operations Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
COO Office*	\$17,495,162	\$18,591,219	\$1,096,057
Maintenance Mgt	39,087,022	40,329,686	1,242,664
Salt Lake Bus	65,624,238	71,015,605	5,391,367
Mt. Ogden Bus	21,838,431	23,834,271	1,995,840
Timpanogos Bus	17,671,215	18,714,968	1,043,753
Special Services	27,669,398	29,593,023	1,923,625
Light Rail	40,775,968	41,751,166	975,198
Commuter Rail	24,044,553	26,671,678	2,627,125
Totals	\$254,205,987	\$270,501,615	\$16,295,628

**Includes Public Safety and Fleet Engineering*



2022 Operations Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 254,206	\$ (5,062)	\$ (478)	\$ 2,433	\$ 7,683	\$ 3,339	\$ 262,120	\$ 8,381	\$ 270,502

Summary of budget changes

- Added 99,000 hours of annualized service
- Added 73.5 Headcount
- Increased cost over 2022 baseline \$8,381,000
 - Direct Operating \$5,576,000
 - Includes SLC service mobilization
- Contingency \$2,805,000
 - Service \$1,805,000 (UVX, SLC, Paratransit)
 - Emergency/Emerging \$1,000,000
 - COVID Supplies

Operations 2022 Key Initiatives

- Implement expanded service as identified in adopted Five-Year Service Plan
- Continue COVID recovery efforts
- Provide efficient and effective service - ridership, cost, reliability, and minimizing service interruptions (KPI's)
- Ensure safe and secure system with emphasis - avoidable accidents and police presence (KPI's)
- Continue development of the business plan for FrontRunner to create a system-wide service vision and define short- and long-term investments and funding strategies
- Finalize fixed bus fleet replacement plan aligned with Revenue Fleet Replacement Plan
- Support implementation of Rail Apprenticeship Program



2022 Proposed Operations Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$126,653,465	\$134,721,496	6.4%
Fringe	61,909,435	67,547,450	9.1%
Services	12,204,691	12,478,657	2.2%
Fuel	21,875,022	25,021,411	14.4%
Parts	22,265,858	22,456,879	0.9%
Utilities	5,095,134	5,345,648	4.9%
Non-Departmental	0	0	0%
Other O&M	12,179,984	10,837,475	-11.0%
Capitalized Costs	(7,977,602)	(7,907,401)	-0.9%
Totals	\$254,205,987	\$270,501,615	6.4%

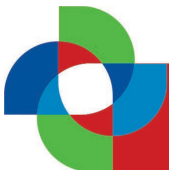
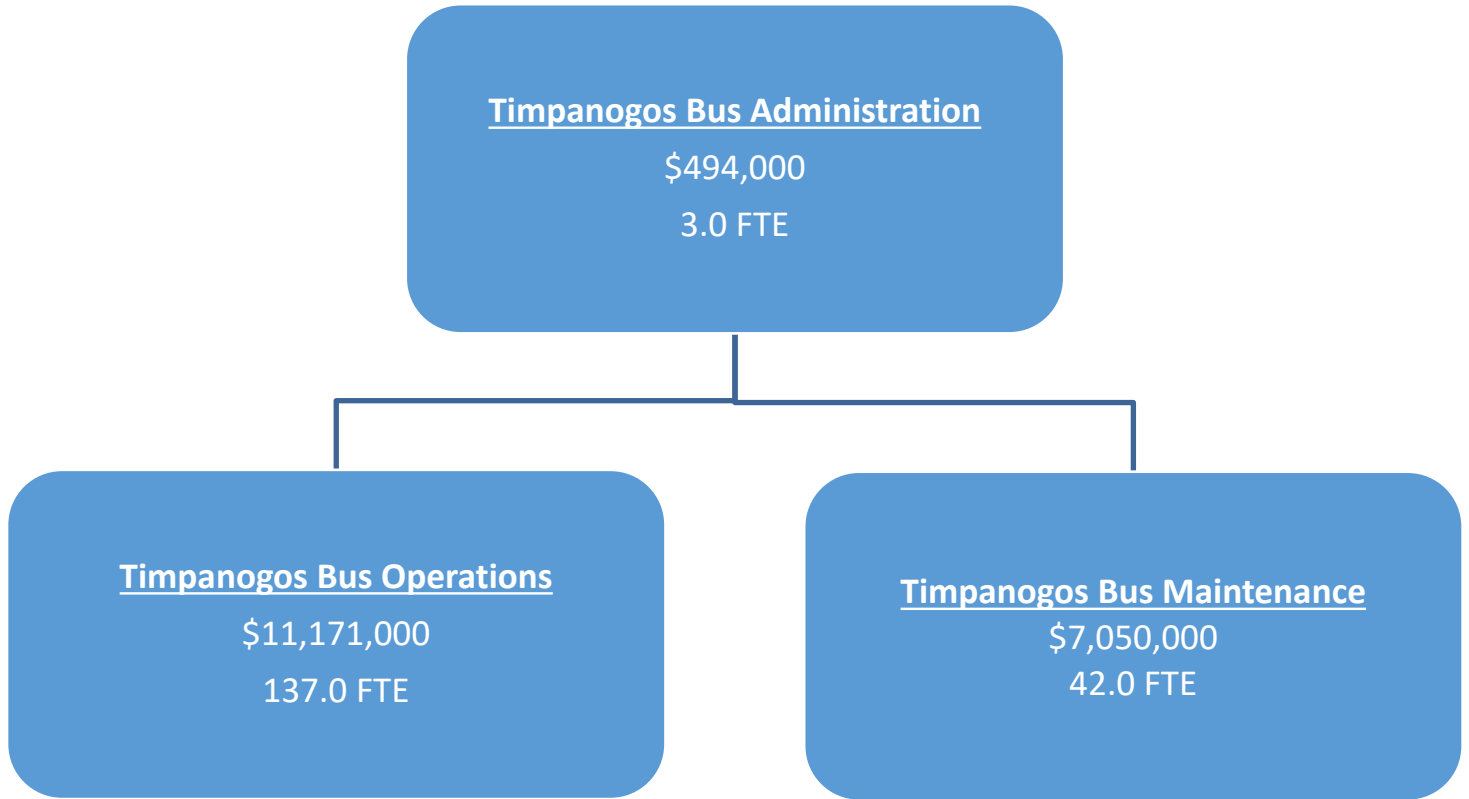


Operations FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
COO Office	2.00	4.00	2.00
Public Safety	110.73	114.73	4.00
Fleet Engineering	5.00	19.00	14.00
Maintenance Mgt	224.00	224.00	-
Salt Lake Bus	720.00	752.00	32.00
Mt. Ogden Bus	230.00	239.00	9.00
Timpanogos Bus	179.00	182.00	3.00
Special Services	214.00	221.00	7.00
Light Rail	359.00	353.50	(5.50)
Commuter Rail	168.00	176.00	8.00
Totals	2,211.73	2,285.23	73.50



Timpanogos Service Unit



2022 Proposed Timpanogos Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Timp Administration	\$447,693	\$493,966	\$46,273
Timp Operations	10,573,829	11,170,508	596,679
Timp Maintenance	6,649,693	7,050,494	400,801
Totals	\$17,671,215	\$18,714,968	\$1,043,753

2022 Proposed Timpanogos Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$9,799,692	\$10,184,833	3.9%
Fringe	4,817,377	5,289,058	9.8%
Services	118,995	121,809	2.4%
Fuel	1,738,621	1,927,445	10.9%
Parts	939,047	925,922	-1.4%
Utilities	12,000	15,900	32.5%
Other O&M	245,483	250,001	1.8%
Totals	\$17,671,215	\$18,714,968	5.9%



Timpanogos FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Timp Administration	3.00	3.00	-
Timp Operations	134.00	137.00	3.00
Timp Maintenance	42.00	42.00	-
Totals	179.00	182.00	3.00

Summary of budget changes:

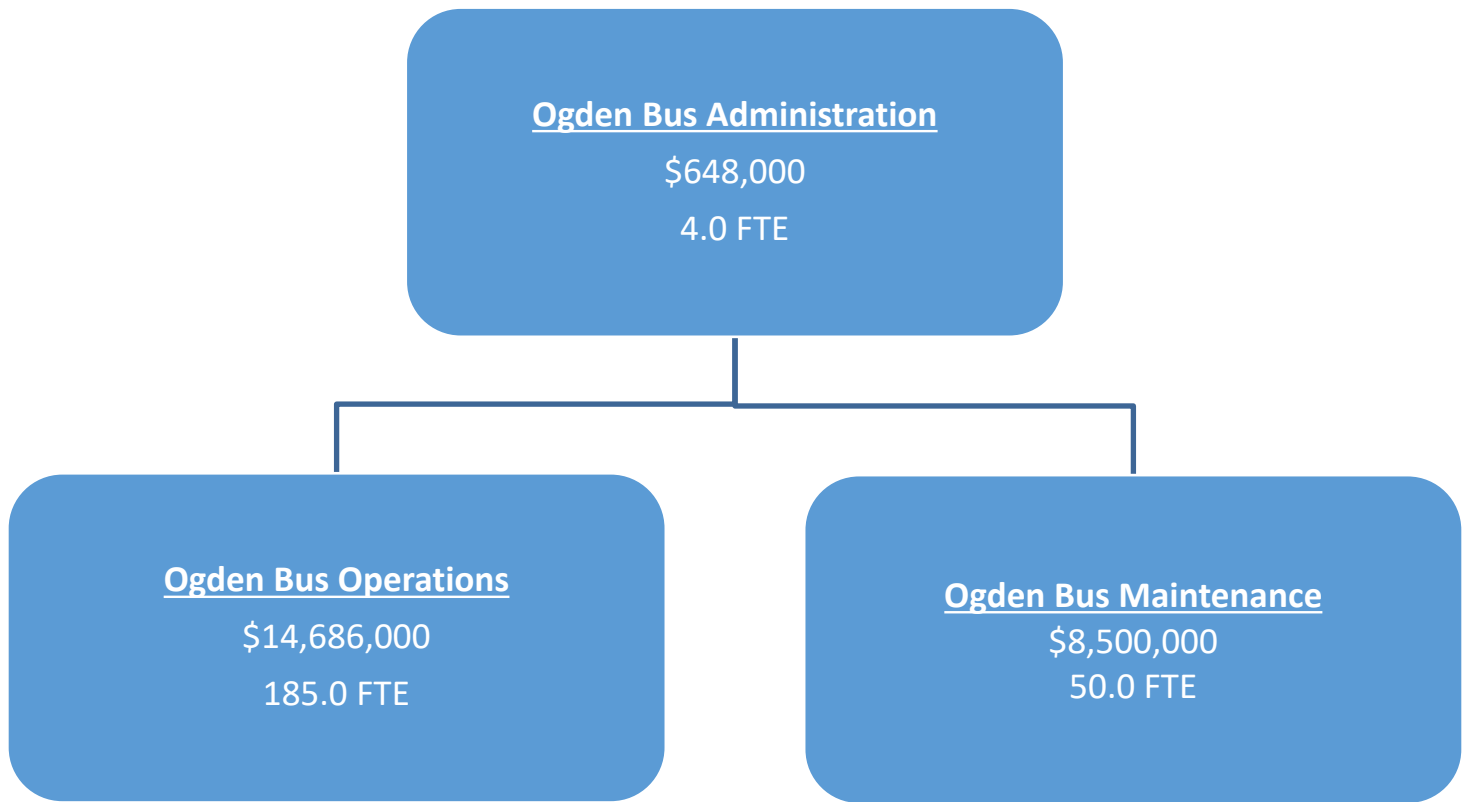
- Extend route 834 from Orem to Vineyard Station (April 2022)
- Adjust 871 service in Lehi Tech Corridor 30 to 60 minutes (August 2022)
- Three additional Operators
- Increased service cost \$326,000

Key Initiatives:

- Continue COVID recovery efforts
- Meet all COO KPI's providing efficient, safe, and reliable service
- Restore six-minute UVX service during peaks
- Partner with CSDO on Central Corridor implementation study and planning process
- Participate and support the Environmental Impact Study process for the South Valley Transit Study in partnership with CSDO
- Implement Traffic Signal Priority Pilot Project with UDOT for the route 850 (Lehi to Provo on State Street)
- Focus on employee engagement opportunities



Ogden Service Unit

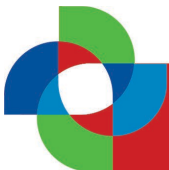


2022 Proposed Mt. Ogden Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Ogden Administration	\$590,920	\$648,015	\$57,095
Ogden Operations	13,355,563	14,686,489	1,330,926
Ogden Maintenance	7,891,948	8,499,767	607,819
Totals	\$21,838,431	\$23,834,271	\$1,995,840

2022 Proposed Mt. Ogden Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$12,201,833	\$13,266,820	8.7%
Fringe	6,115,681	6,658,484	8.9%
Services	173,250	191,000	10.2%
Fuel	2,029,256	2,235,368	10.2%
Parts	1,031,426	1,133,454	9.9%
Utilities	12,700	15,000	18.1%
Other O&M	274,285	334,145	21.8%
Totals	\$21,838,431	\$23,834,271	9.1%



Mt. Ogden FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Ogden Administration	4.00	4.00	-
Ogden Operations	177.00	185.00	8.00
Ogden Maintenance	49.00	50.00	1.00
Totals	230.00	239.00	9.00

Summary of budget changes:

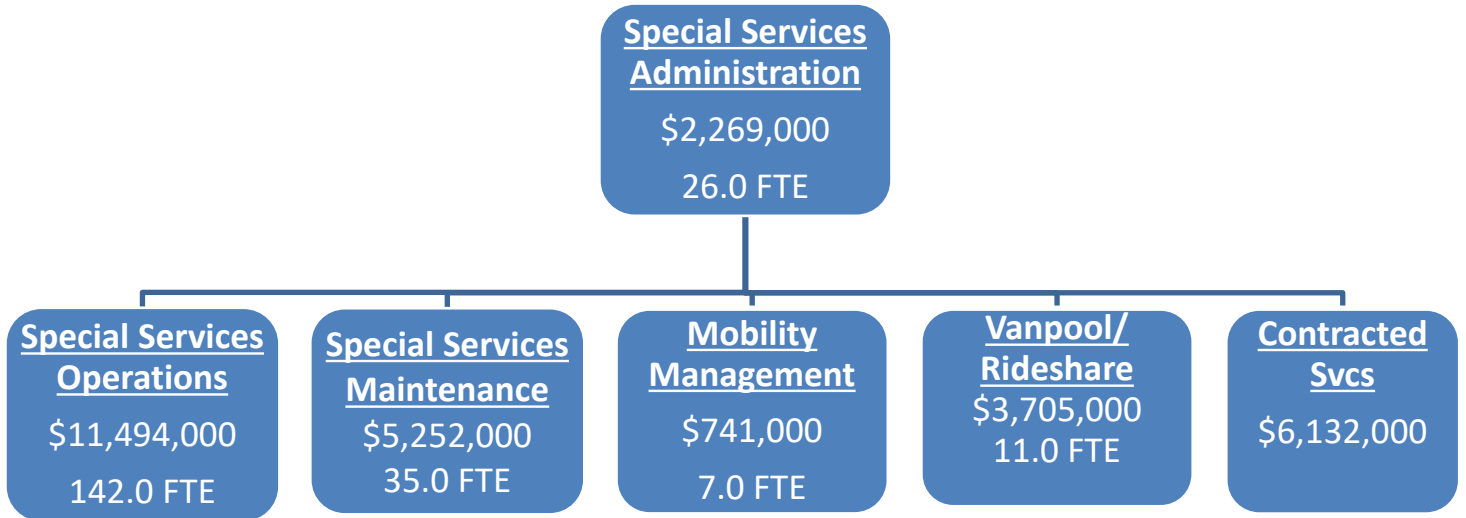
- Begin Weber State Shuttle portion of OGX (Fall 2022)
 - Five additional operators
 - Increased service cost \$260,000
- OGX mobilization
 - BRT Route and Electric Bus training for operations and maintenance
 - One additional Operations Supervisor
 - One additional Mechanic
 - Increased cost \$428,000

Key Initiatives:

- Continue COVID Recovery
- Successfully implement OGX/Weber State Shuttle
- Integrate eleven Battery Electric Buses and charging infrastructure
- Prepare for OGX opening
- Provide service for Warriors Over the Wasatch Air Show
- Meet all COO KPI's providing efficient, safe, and reliable service
- Focus on customer service and employee engagement
- Rollout new employee suggestion program
- Complete Mt. Ogden administration building expansion design



Special Services Service Unit



2022 Proposed Special Services Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Special Svcs Administration	\$2,000,181	\$2,269,109	\$268,928
Special Svcs Operations	10,250,052	11,494,224	1,244,172
Special Svcs Maintenance	4,832,223	5,252,225	420,002
Vanpool/Rideshare	3,644,685	3,704,913	60,228
Mobility Management	1,020,616	740,649	(279,967)
Contracted Services	5,921,641	6,131,903	210,262
Totals	\$27,669,398	\$29,593,023	\$1,923,625

2022 Proposed Special Services Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$11,231,772	\$12,242,253	9.0%
Fringe	5,687,767	6,376,476	12.1%
Services	6,479,037	6,653,604	2.7%
Fuel	2,228,769	2,593,028	16.3%
Parts	518,944	457,621	-11.8%
Other O&M	1,523,109	1,420,041	-6.8%
Capitalized Cost	-	(150,000)	
Totals	\$27,669,398	\$29,593,023	7.0%



Special Services FTE Summary 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Special Services Administration	25.00	26.00	1.00
Special Services Operations	137.00	142.00	5.00
Special Services Maintenance	35.00	35.00	-
Vanpool/Rideshare	10.0	11.0	1.0
Mobility Management	7.0	7.0	0.0
Totals	214.00	221.00	7.00

Summary of budget changes:

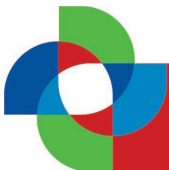
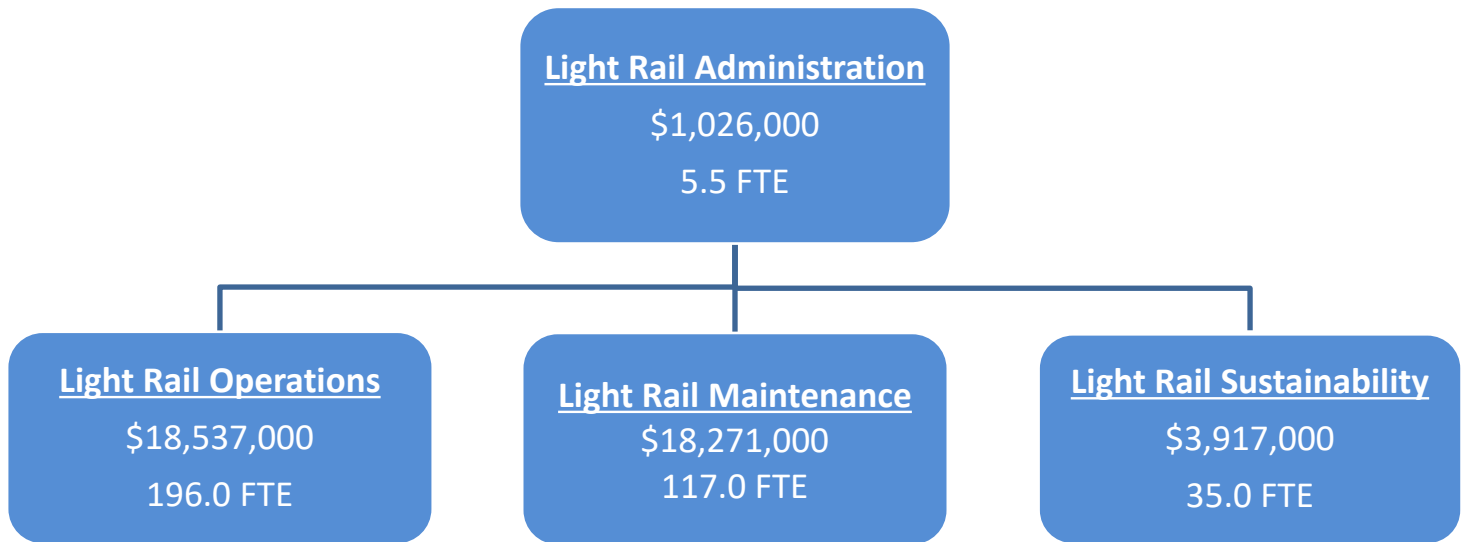
- Increased F-Route service (August 2021)
- Added F514, F11, F202, F525, F232
- Reduced F-Route service in the UTA On-Demand Zone (August 2021)
- Increased service cost \$719,000

Key Initiatives:

- Continue COVID recovery efforts
- Meet all COO KPI's providing efficient, safe, and reliable service
- Monitor Paratransit ridership and adjust as necessary
- Evaluate scheduling software for future implementation
- Explore TNC (Uber/Lyft/Taxi) pilot as optional Paratransit service
- Convert Tooele service to UTA On-Demand
- Launch eVoucher Program
- Implement Vanpool on-board technology



Light Rail Service Unit



2022 Proposed Light Rail Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Light Rail Administration	\$2,384,438	\$1,026,009	\$(1,358,429)
Light Rail Operations	17,090,669	18,536,751	1,446,082
Light Rail Maintenance	17,666,812	18,271,303	604,491
Light Rail Sustainability	3,634,049	3,917,103	283,054
Totals	\$40,775,968	\$41,751,166	\$975,198

2022 Proposed Light Rail Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$22,740,839	\$23,033,401	1.3%
Fringe	10,856,491	11,286,767	4.0%
Services	1,280,372	1,245,432	-2.7%
Fuel	66,910	66,825	-0.1%
Parts	11,215,830	11,468,830	2.3%
Other O&M	1,388,976	1,468,212	5.7%
Capitalized Costs	(6,773,450)	(6,818,301)	0.7%
Totals	\$40,775,968	\$41,751,166	2.4%



Light Rail FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Light Rail Administrative	18.00	5.50	(12.50)
Light Rail Operations	189.00	196.00	7.00
Light Rail Maintenance	117.0	117.0	0.0
Rail Sustainability	35.0	35.0	0.0
Totals	359.00	353.50	(5.50)

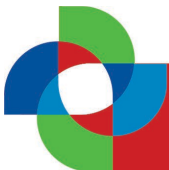
Summary of budget changes:

- Expanded Service
 - Added 15-minute service (August 2021)
 - Added extended Sunday service to support airport opening (November 2021)
 - Increase service cost \$1,420,000
- Reduced head count
 - Moved 11 employees to Fleet Engineering
 - Moved 2 employees to Training Department
 - Added 7 employees to Operations
 - Cost decrease (\$1,684,000)

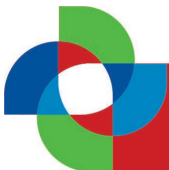
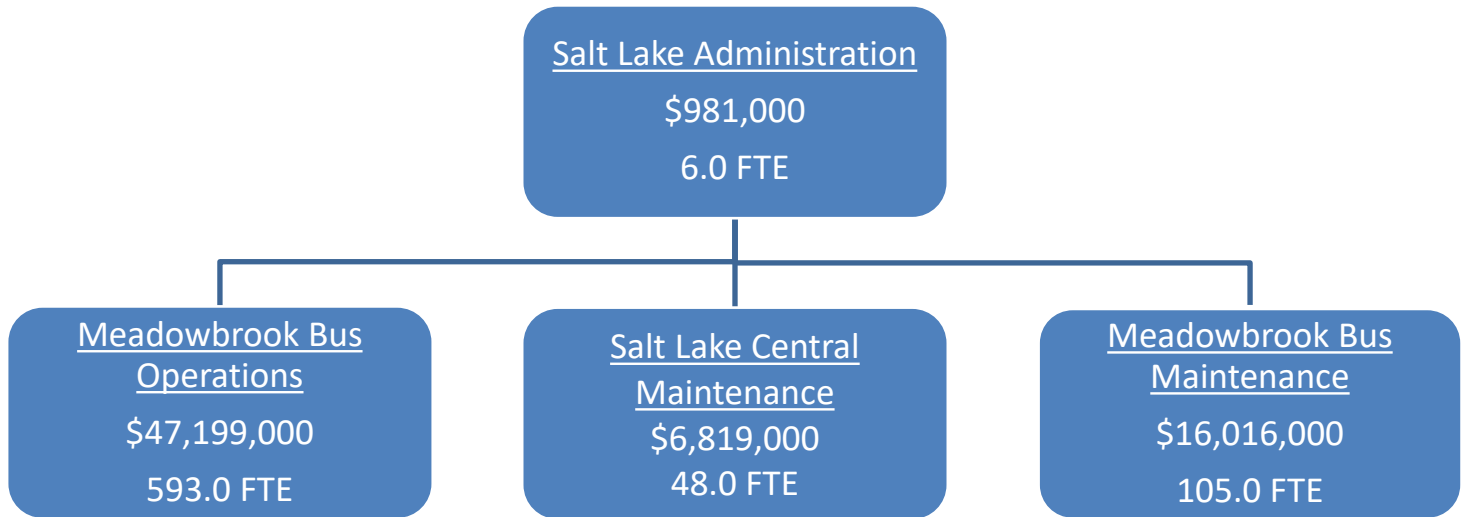


Key Initiatives:

- Continue COVID recovery efforts
- Meet all COO KPI's providing efficient, safe, and reliable service
- Implement expanded event planning committee
- Complete Light Rail seat replacement project
- Finalize engineering and design of upgraded train communication system
- Open 650 South Station
- Work closely with Service Development on S-Line project
- Coordinate with MOW on SGR efforts to minimize service disruptions
- Support Rail Maintenance Apprenticeship Program



Salt Lake Service Unit



2022 Proposed Salt Lake Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Salt Lake Administration	\$950,796	\$980,759	\$29,963
Salt Lake Operations	43,060,256	47,199,472	4,139,216
Salt Lake Maintenance	21,613,186	22,835,374	1,222,188
Totals	\$65,624,238	\$71,015,605	\$5,391,367

2022 Proposed Salt Lake Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$37,454,487	\$40,272,577	7.5%
Fringe	19,157,588	20,925,727	9.2%
Services	408,288	398,400	-2.4%
Fuel	4,762,408	5,246,689	10.2%
Parts	2,914,843	2,862,052	-1.8%
Other O&M	926,624	1,310,160	41.4%
Totals	\$65,624,238	\$71,015,605	8.2%



Salt Lake FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Salt Lake Administration	6.00	6.00	-
Salt Lake Operations	563.00	593.00	30.00
Salt Lake Maintenance	151	153	2.00
Totals	720.00	752.00	32.00

Summary of budget changes:

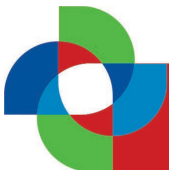
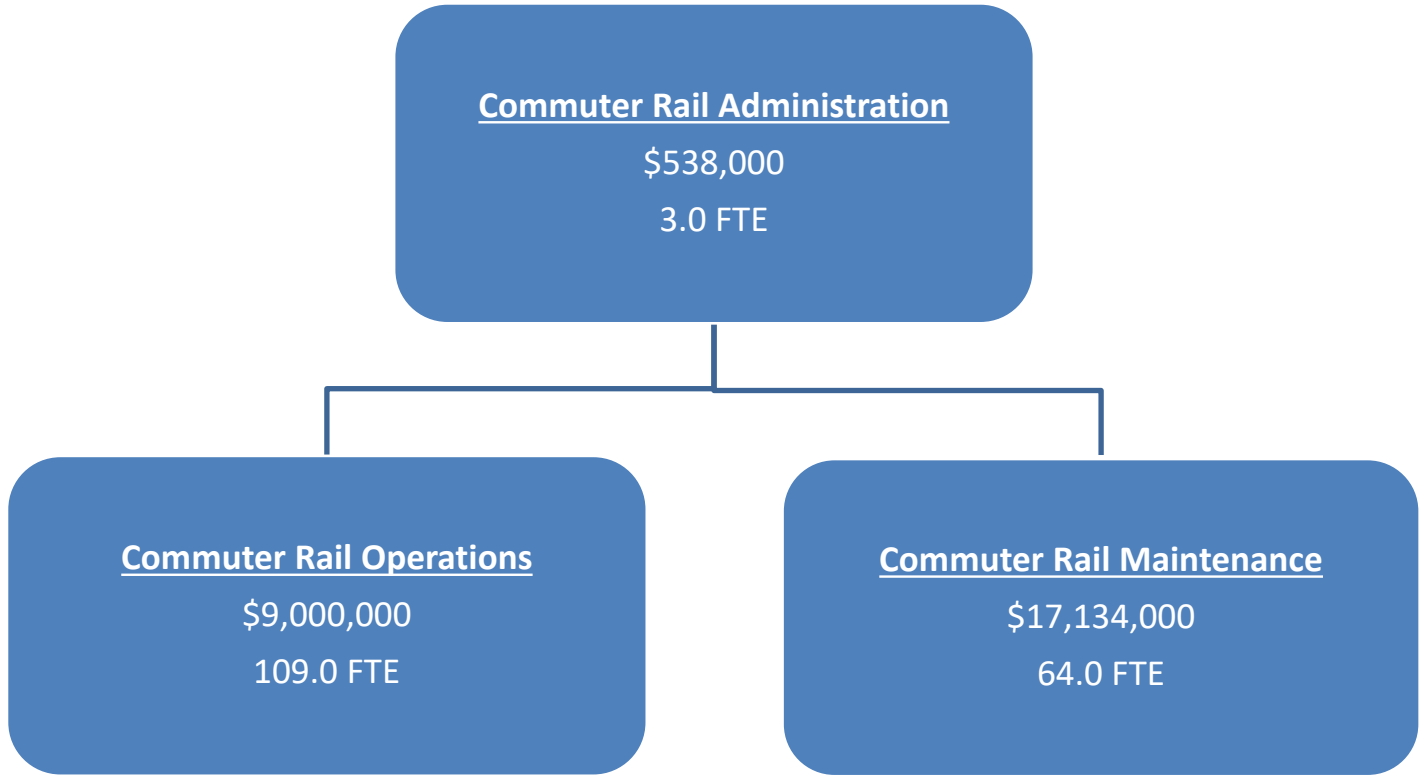
- Mobilization and new service to begin August 2022
 - SLC and SL County Service Improvements
- Transfer Service to Flex Route and On Demand (August 2021)
- Net increased service cost \$2,581,000

Key Initiatives:

- Continue COVID recovery efforts
- Meet all COO KPI's providing efficient, safe, and reliable service
- Implement increased service in Salt Lake County service
- Prepare for SLC agreement service (August 2022)
- Finalize Meadowbrook Maintenance expansion
- Complete final phases of Depot District construction
- Complete supervisor training
- Implement staffing strategies in current employment market



Commuter Rail Service Unit



2022 Proposed Commuter Rail Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Com. Rail Administration	\$592,870	\$537,588	\$(55,282)
Com. Rail Operations	8,092,897	8,999,967	907,070
Com. Rail Maintenance	15,358,786	17,134,123	1,775,337
Totals	\$24,044,553	\$26,671,678	\$2,627,125

2022 Proposed Commuter Rail Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$10,164,208	\$10,706,410	5.3%
Fringe	4,632,927	4,873,003	5.2%
Services	717,029	809,461	12.9%
Fuel	4,533,989	6,259,684	38.1%
Parts	3,644,311	3,701,000	1.6%
Other O&M	796,241	722,120	-9.3%
Capitalized Costs	(444,152)	(400,000)	-9.9%
Totals	\$24,044,553	\$26,671,678	10.9%



Commuter Rail FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Com. Rail Operations	98.00	109.00	11.00
Com. Rail Maintenance	66.00	64.00	(2.00)
Com. Administrative	4.00	3.00	(1.00)
Totals	168.00	176.00	8.00

Summary of budget changes:

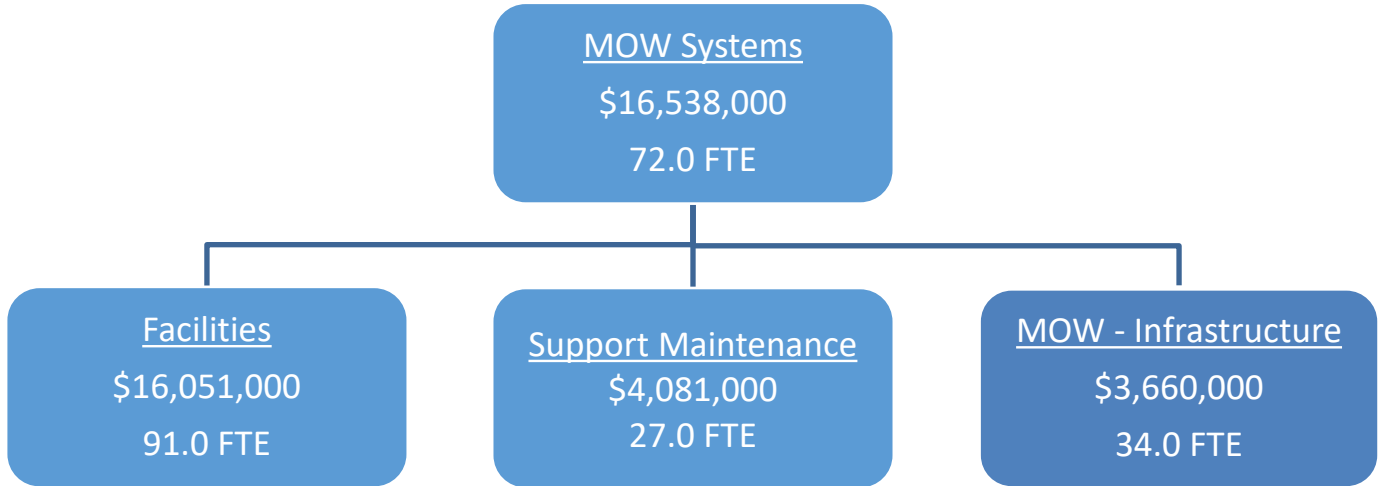
- Added late night service and extended two peak half trips (August 2021)
- Added six additional weekday trips and addition of Vineyard Station (April 2022)
- Moved three FTE to Training
- Increased service cost \$1,026,077

Key Initiatives:

- Continue COVID recovery efforts
- Meet all COO KPI's providing efficient, safe, and reliable service
- Support Rail Maintenance Apprenticeship Program
- Continue locomotive overhaul
 - Four locomotives annually
- Support opening of Vineyard station and integrate into schedule
- Work with Service Development on FrontRunner Forward Business Plan and project objectives



Maintenance Management Service Unit



2022 Proposed Maintenance Management Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Support Maintenance	\$4,031,616	\$4,080,771	\$49,155
Facilities	15,441,426	16,050,830	609,404
MOW - Systems	16,088,580	16,537,747	449,167
MOW - Infrastructure	3,525,400	3,660,338	134,938
Totals	\$39,087,022	\$40,329,686	\$1,242,664



2022 Proposed Maintenance Management Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$15,043,550	\$15,361,543	2.1%
Fringe	6,826,504	7,169,020	5.0%
Services	2,910,800	2,954,796	1.5%
Fuel	6,323,069	6,480,423	2.5%
Parts	2,000,165	1,908,000	-4.6%
Utilities	4,729,250	4,960,504	4.9%
Other O&M	1,713,684	1,700,400	-0.8%
Capitalized Costs	(460,000)	(205,000)	-55.4%
Totals	\$39,087,022	\$40,329,686	3.2%

Maintenance Management FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Support Maintenance	28.00	27.00	(1.00)
Facilities	90.00	91.00	1.00
MOW Systems	72.00	72.00	-
MOW Infrastructure	34.00	34.00	-
Totals	224.00	224.00	-





Summary of budget changes:

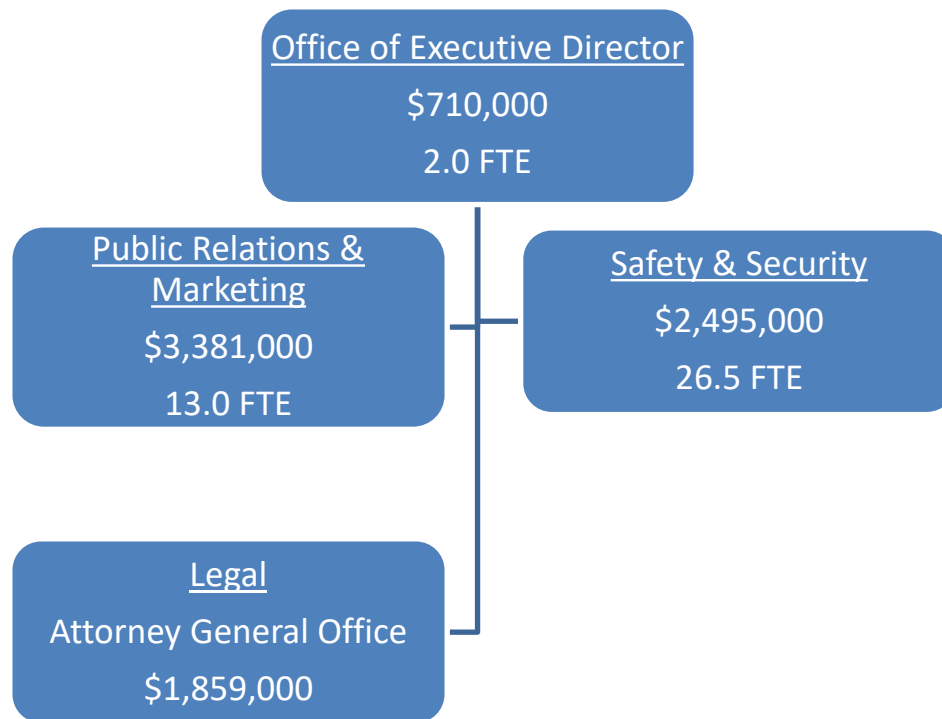
- Enhanced Bus stop maintenance
- Increased contract services for OGX snow removal
- Increased contract services for additional EOL restrooms

Key Initiatives:

- Develop a bus repair prioritization plan
- Contract third-party utility auditing company to monitor utility billing and rates
- Support MOW apprenticeship training program
- Continue MOW management restructure to meet changing infrastructure needs



Executive Director



The Executive Director's Office focuses internally on running the day-to-day organization. The Executive Director sets the annual strategies, initiatives and goals for the Agency and partners with each Executive Office to fulfill UTA's mission.

UTA Executive Office provides the following to make the UTA System work:

- Executive Director. Provides leadership and daily management to UTA's workforce.
- In addition to the six chief offices, the Executive Director also oversees the following departments:
 - *Safety & Security*. Focused on UTA wide safety and security practices and ensuring regulations are met.
 - *Legal*. Works directly with our inhouse representation from the Attorney General's Office.
 - *Public Relations and Marketing*. Coordinates, directs, and implements public relations and marketing of our products and services as well as internal communications.



2022 Executive Director Operating Budget Expenses by Division

Category	2021 Budget	2022 Proposed Budget	Change
Executive Director	\$680,432	\$710,000	\$29,568
Legal	2,031,752	1,859,162	(172,590)
Public Relations & Mktg	2,978,779	3,381,597	402,818
Safety & Security	2,200,008	2,494,925	294,917
Total Division	\$7,890,971	\$8,445,684	\$554,713

2022 Executive Director Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$2,599,152	\$2,889,336	11.2%
Fringe	994,857	1,211,286	21.8%
Services	3,346,700	3,461,500	3.4%
Media	605,000	625,000	3.3%
Other O&M	345,262	420,562	21.8%
Capitalized Cost		(162,000)	(54.0)%
Total Group	\$7,890,971	\$8,445,684	7.0%

Also, under the purview of the Executive Director is the non-departmental cost center which has \$1 million proposed in this budget to fund emerging/emergency needs.

	FY 2021 Budget	FY 2022 Budget	Change
Non-Departmental	\$2,000,000	\$1,000,000	-50%



Executive Director FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Executive Director	2.0	2.0	0.0
Legal	0.0	0.0	0.0
Public Relations & Mktg	11.00	13.00	2.00
Safety & Security	24.50	26.50	2.00
Totals	37.50	41.50	4.00

2022 Executive Director Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 9,891	\$ -	\$ 141	\$ -	\$ 133	\$ (41)	\$ 10,124	\$ (678)	\$ 9,446

Summary of budget changes:

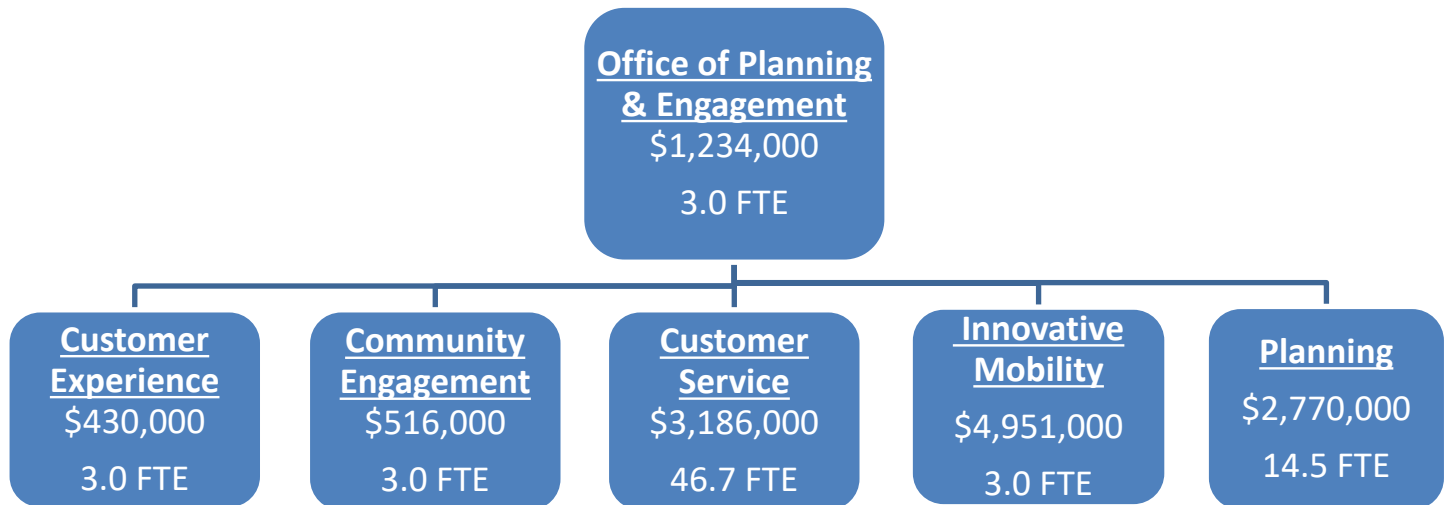
- Added additional legal support position for expanding capital program. The cost for this position will be offset by the capital projects being supported
- Reduced the amount needed for outside legal counsel now that a major litigation effort has concluded
- Reduced the agency contingency from \$2 million to \$1 million. There has been limited use of this contingency in 2021 and the reduced amount is expected to be sufficient

Executive Director Key Initiatives 2022:

- Set a strong financial foundation for the future
- Deliver on Capital project commitments
- Ridership recovery and service restoration
- Recruitment and Retention
- Pursue Federal, State, and Partner Funding
- Maintain/grow local partnerships



Planning & Engagement



This Office supports UTA’s planning and community engagement efforts focused on customer service, customer experience and providing innovative mobility solutions.

UTA Planning & Engagement provides the following to make the UTA System work:

- *Planning.* The Planning Department’s role is to ensure that UTA is prepared to meet the needs of the future. This includes working with local governments, regional and state agencies to anticipate future growth and development and find the right transit solutions to meet those needs.
- *Customer Service.* The Customer Service teams provide information about UTA services, receive and process customer feedback, provide rider information through the Gov Delivery system and social media outlets, sell UTA fare media and handle the lost and found items found on public transit. They are responsible to ensure that customers can maneuver throughout the service areas with confidence in UTA’s service districts and service types.
- *Community Engagement.* This team serves as a trusted resource and a catalyst for effective partnerships with UTA’s riders, key stakeholders, and community. Acts as a facilitator/access point for public hearings and community events/activities.
- *Customer Experience.* Evaluates UTA’s system focused on the impact ease of the customer journey. Partners with service units to ensure consistency across the service area, optimizing customer experience.
- *Innovative Mobility.* Dedicated to help shape the evolving transportation landscape for the riders and communities we serve by identifying opportunities and testing new ideas that can improve our transit service.



2022 Proposed Planning & Engagement Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Chief Planning & Engagement	\$735,064	\$1,234,236	\$499,172
Service Planning	1,058,247	1,174,694	116,447
Planning	1,953,284	1,594,896	(358,388)
Community Engagement	430,317	515,774	85,457
Customer Experience	330,253	429,812	99,559
Customer Service	3,043,022	3,185,611	142,589
Innovative Mobility	3,098,852	4,951,255	1,852,403
Totals	\$10,649,039	\$13,086,278	\$2,437,239

2022 Proposed Planning & Engagement Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$4,007,500	\$4,217,808	5.2%
Fringe	1,778,561	1,972,816	10.9%
Services	4,274,448	5,756,086	34.7%
Fuel	8,740	118,527	1256.1%
Other O&M	579,790	1,021,041	76.1%
Totals	\$10,649,039	\$13,086,278	22.9%



Planning & Engagement FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Planning & Engagement	3.0	3.0	0.0
Service Planning	8.5	8.5	0.0
Planning	6.0	6.0	0.0
Community Engagement	3.0	3.0	0.0
Customer Experience	3.0	3.0	0.0
Customer Service	46.0	46.7	0.7
Innovative Mobility	2.0	3.0	1.0
Totals	71.5	73.2	1.7

2022 Planning & Engagement Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 10,649	\$ (468)	\$ 28	\$ 910	\$ 226	\$ 149	\$ 11,494	\$ 1,592	\$ 13,086

Summary of budget changes:

- Innovative Mobility service additions and contingency
- Additional Customer Service support for the airport station
- Budget changes due to the reorganization of staff and resource within the department

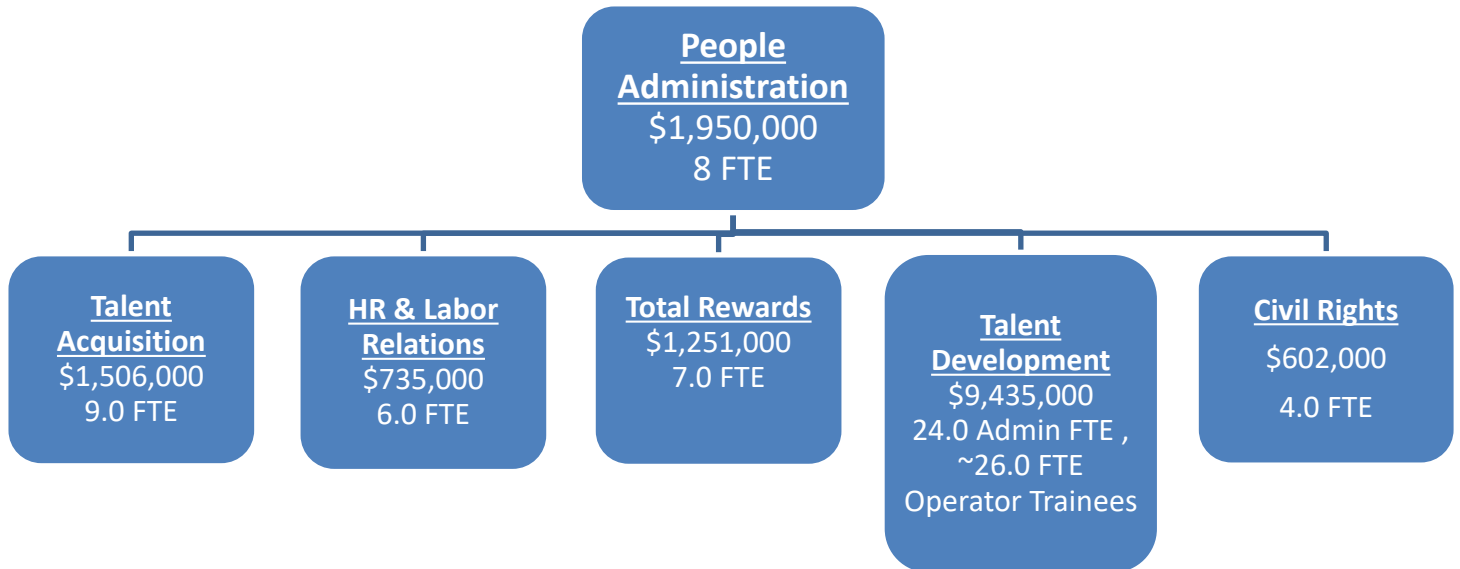


Planning & Engagement 2022 Key Initiatives

- Major Planning and Engagement Office Initiatives
 - UTA On Demand
 - 5-year Service Plan
 - Long Range Transit Plan
 - CRM technology enhancements
 - Art in Transit
- Other Key Initiatives:
 - Complete agency community engagement assessment
 - Planning document suite alignment
 - Elevate Membership and Sponsorship program through staff participation and DE& I goals



People



The People Office is focused on providing service to our employees through the entire employee life cycle from recruitment to retirement and ensures UTA's employees and leaders have what they need to succeed at accomplishing the Agencies objectives and goals.

UTA People office provides the following to make the UTA System work:

- *HR & Labor Relations*: From daily HR transactions to long-term talent goals, HR & Labor Relations collaborates with employees and leaders to fulfil the people portion of UTA's business strategies, using deliberate talent management and deployment.
- *Total Rewards*: Manages and administers employee programs such as health & wellness, retirement, and leave administration.
- *Talent Acquisition*: In partnership with hiring officials, the team analyzes current & future staffing needs and identifies effective strategies for sourcing, recruiting, and onboarding.
- *Talent Development*: An internal resource to UTA providing technical, professional, regulatory/compliance training and leadership development that support the UTA Way.
- *Compensation/Analytics*: Embedded within the People Office are also a Compensation Analyst and Strategic Analyst who focus on use data, best practices, and benchmarking to ensure UTA has competitive and fair pay practices and use data to continuously improve compensation practices and impact across the Agency.



- *Civil Rights:* Ensure UTA remains in compliance with all relevant civil rights laws, regulations, standards, and Executive Orders which prohibit discrimination or harassment of employees, applicants, or customers. This office also oversees UTA's ADA & DBE teams.

2022 Proposed People Office Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Chief People Officer	\$2,167,668	\$1,949,540	\$(218,128)
Talent Acquisition	1,034,769	1,505,991	471,222
Culture & Talent Development	2,532,554	9,434,868	6,902,314
HR Services & Labor Relations	701,305	735,059	33,754
Civil Rights	583,776	602,024	18,248
Total Rewards	1,007,839	1,251,128	243,289
Totals	\$8,027,911	\$15,478,610	\$7,450,699

2022 Proposed People Office Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$4,217,293	\$5,285,856	25.3%
Fringe	1,808,959	2,324,055	28.5%
Services	667,733	1,597,611	139.3%
Other O&M	1,333,926	6,271,088	370.1%
Totals	\$8,027,911	\$15,478,610	92.8%



People FTE Summary: 2021 Budget and 2022 Proposed Budget

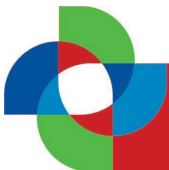
	2021 Budget	2022 Proposed	Change
Chief People Officer	12.00	8.00	(4.00)
Talent Acquisition	9.00	9.00	-
Culture & Talent Development	23.75	50.00	26.25
HR & LR	6.00	6.00	-
Civil Rights	4.00	4.00	-
Total Rewards	4.73	7.00	2.27
Totals	59.48	84.00	24.52

2022 People Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 8,028	\$ (400)	\$ 458	\$ -	\$ 225	\$ 176	\$ 8,488	\$ 6,990	\$ 15,479

Summary of budget changes:

- Transferred Records Management staff and coordinating budget to Enterprise Strategy
- Create Rail Maintenance Apprenticeship program
- Support ongoing staffing and service expansion
- Support key recruitment and critical program support

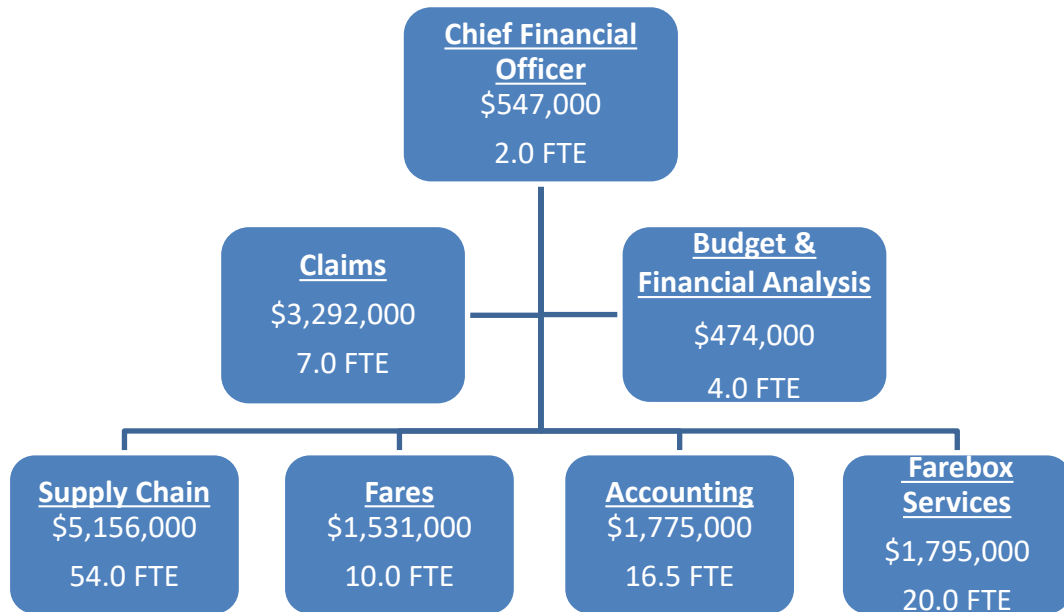


People 2022 Key Initiatives:

- Design significant portions of three Rail Maintenance Apprenticeship Programs and begin training
- Finalize Inclusion and Belonging Strategic Plan and begin implementation
- Develop workforce planning model to inform medium and long-term needs
- Implement succession planning development activities focused on mid- and senior management
- Continue to adjust recruitment strategies to keep UTA competitive in the labor market and ensure staffing of critical positions
- Implement updated compensation structure and accompanying policies
- Review comprehensive total rewards package



Finance



Finance ensures UTA practices efficient, sound financial and resource management practices and oversees financial controls necessary to support the enterprise. Finance plans, allocates, and manages UTA's financial resources, leads financial risk management/mitigation, audit management, revenue collection, corporate investments, financial contract relationships, and pension fund and debt management.

UTA Finance office provides the following to make the UTA System work:

- *Budget and Financial Analysis.* Responsible for financial analysis, forecasting and planning, budget development, management, and monitoring/reporting on budget execution.
- *Accounting.* Manages payroll operations, accounts payable, accounts receivable, and financial reporting. Accounting is also the owner of the Enterprise Resource Planning system (ERP) – the financial system of record for the agency.
- *Fares.* Responsible for fare policy development, fare reporting and analysis, program administration of contract fares and all activities related to public fares including fare revenue collections and operations.
- *Supply Chain.* Supply Chain manages procurement, contracting, inventory, warranty claims, shipping & receiving, central warehouse operations and production control processes in support of TRAX, FrontRunner and all administrative functions.
- *Claims and Insurance.* Manages risk and exposure for the agency. The Department manages all UTA claims and insurance programs including property damage, workers compensation, Personal Injury Protection and oversees capital development project insurance programs.
- *Farebox Services.* Responsible for processes related to cash collection and processing including cash pick up, handling, reconciliation, and the reporting and tracking of cash. Farebox Services is also



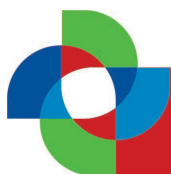
responsible for repairing, maintaining, and keeping all fare collection machines in proper working order and a state of good repair.

2022 Proposed Finance Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
CFO	\$529,895	\$546,818	\$16,923
Supply Chain	4,713,937	5,155,686	441,749
Claims & Insurance	3,127,160	3,291,804	164,644
Fares	1,452,111	1,531,322	79,211
Accounting	1,678,615	1,794,507	115,892
Farebox Services	2,025,330	1,795,228	(230,102)
Budget	336,489	473,950	137,461
Totals	\$13,863,537	\$14,589,315	\$725,778

2022 Proposed Finance Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$6,669,010	\$7,391,088	10.8%
Fringe	2,961,559	3,381,654	14.2%
Services	1,195,438	732,486	-38.7%
Insurance	2,382,060	2,481,500	4.2%
Other O&M	725,470	963,587	32.8%
Capitalized Expense	(70,000)	(361,000)	415.7%
Totals	\$13,863,537	\$14,589,315	5.2%



Finance FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
CFO	2.00	2.00	-
Claims & Insurance	6.60	7.00	0.40
Budget & Financial Analysis	2.00	4.00	2.00
Accounting	16.50	16.50	-
Supply Chain	51.0	54.0	3.0
Fares	10.0	10.0	0.0
Farebox Services	17.0	20.0	3.0
Totals	105.05	113.45	8.40

2022 Finance Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 13,864	\$ (560)	\$ 129	\$ -	\$ 372	\$ 312	\$ 14,118	\$ 471	\$ 14,589

Summary of budget changes:

- Introduce efficiencies in Fare Collection organization
- Support improved Asset Management and Capital Accounting/Grant Reporting
- Improve invoice processing and reduce time to pay
- Improve payroll processing
- Support Program Delivery and improve efficiency
- Support vehicle overhaul and maintenance program
- Connect near and short-term financial planning and improve use of financial data across the Enterprise

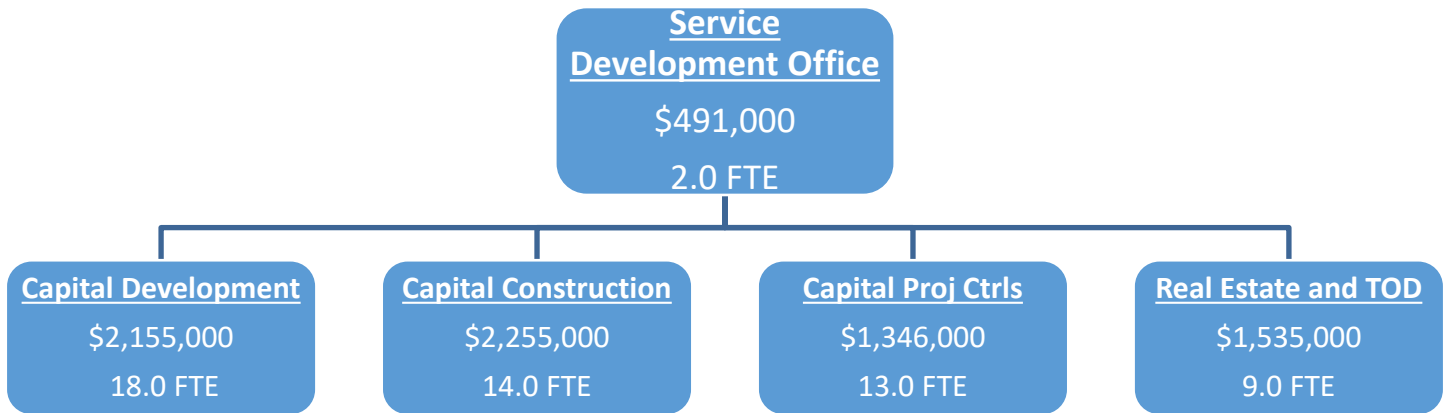


Finance 2022 Key Initiatives

- Look for opportunities to enhance long term financial viability of UTA
- Bond refunding opportunities
- Support partnership opportunities
- Create models and BI tools to support financial decision making
- Enhance trust and credibility in UTA Finance Office
- Improve processing time and customer service on finance functions
- Provide accurate, timely and complete financial information
- Manage financial audits and reduce recommendations/findings
- Address outstanding audit items
- Continue to strengthen fare collection function



Service Development



This office oversees UTA's capital work focused on safety, state of good repair, regulatory and service expansion needs.

UTA Service Development provides the following to make the UTA System work

- *Service Development.* Work to transition projects from the visioning and local planning provided by the Planning Department to the project implementation phase.
- *Project engineering.* Responsible for project design, design review, and project construction management.
- *Environmental, Grants, and Project Controls.* Provide support for all departments on grants development, project controls/reporting, asset management, and environmental issues.
- *Real Estate and Transit Oriented Development.* Facilitates the acquisition, lease, management, disposition, and development of all UTA real property. Responsible to protect UTA's real property while generating revenue and upholding UTA's principal objectives.



2022 Proposed Service Development Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
CSDO Office	\$518,467	\$491,058	\$(27,409)
Capital Development	2,131,572	2,155,494	23,922
Capital Construction	2,632,580	2,254,524	(378,056)
Capital & Project Controls	507,564	1,346,048	838,484
Real Estate	1,484,056	1,534,689	50,633
Totals	\$7,274,239	\$7,781,813	\$507,574

2022 Proposed Service Development Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$4,088,457	\$5,178,240	26.7%
Fringe	1,755,916	2,294,221	30.7%
Services	2,279,995	1,741,600	-23.6%
Leases	162,000	162,000	0.0%
Capitalized Cost	(1,257,024)	(2,205,000)	75.4%
Other O&M	244,895	610,752	149.4%
Totals	\$7,274,239	\$7,781,813	7.0%



Service Development FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
CSDO Office	2.00	2.00	-
Capital Development	16.00	18.00	2.00
Capital Construction	12.00	14.00	2.00
Capital/Proj Ctrl's	6.00	13.00	7.00
Real Estate	9.00	9.00	-
Totals	45.00	56.00	11.00

2022 Service Development Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 7,274	\$ (184)	\$ 468	\$ -	\$ 213	\$ 3	\$ 7,774	\$ 7	\$ 7,782

Summary of budget changes:

- The majority of the 2022 budget changes will be capitalized
- Enhance capital program delivery and support functions

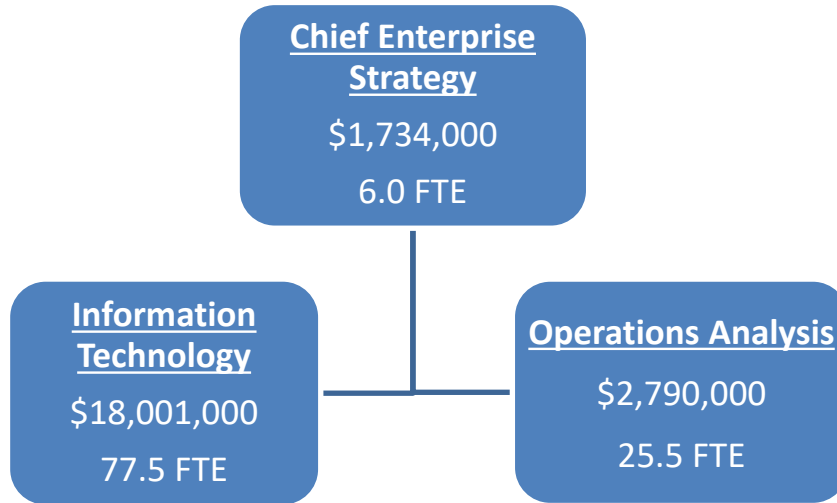


Service Development 2022 Key Initiatives

- Enhance service delivery through successful capital development, project controls, and construction project management.
- Meet stakeholder expectations and commitments through enhanced service delivery
- Create partnership funding initiative to fund transit improvements with local partners and stake holders
- Create pipeline projects for routine enhancements to keep the system in a state of good repair
- Finalize business plan for FrontRunner to create a system-wide service vision and define short- and long-term investments
- Create TOD managed reserve to capture cost benefit of program
- Work with People Office to develop Capital project funding training aids in support of apprenticeship program



Enterprise Strategy



This Office brings together an Enterprise-wide view of UTA’s critical systems that drive Agency performance. UTA Enterprise Strategy office provides the following to make the UTA System work:

- *Culture & Continuous Improvement*: Oversees the design, development, and deployment of UTA’s cultural initiatives, organizational development and implement continuous improvement tools and concepts which support and align with UTA’s culture model- the UTA Way.
- *Information Technology*: Provides ongoing support for and improvements to applications, data network needs, telephone communication, on-board technologies, radio communication, passenger information, and administrative systems.
- *Operations Analysis & Solutions (OAS)*: Focuses on two critical areas: Promoting a data-driven culture and improving client experience in using technology tools to meet day to day business needs.
- *Risk & Policy*: In 2022 an Enterprise Risk Program will be deployed to help UTA focus on managing and mitigating risk Agency wide. This office will also oversee our UTA Policies and Agency standard operating procedures and ensure support our long-term Agency strategies and goals.
- *Records Management*: Oversees UTA’s records and ensures the Agency is following proper retention policies and responding to all GRAMA requests.



2022 Proposed Enterprise Strategy Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Chief Enterprise Strategy	\$978,905	\$1,734,108	\$755,203
Information Technology	16,373,414	18,001,077	1,627,663
Operations Analysis	2,528,380	2,789,748	261,368
Totals	\$19,880,699	\$22,524,933	\$2,644,234

2022 Proposed Enterprise Strategy Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$8,763,168	\$9,663,023	10.3%
Fringe	3,533,660	4,045,609	14.5%
Services	5,854,896	6,886,045	17.6%
Utilities	686,495	827,736	20.6%
Other O&M	1,042,480	877,831	-15.8%
Totals	\$19,880,699	\$22,524,933	13.3%



Enterprise Strategy FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Chief Enterprise Strategy	6.00	12.00	6.00
Information Systems	74.50	77.50	3.00
Operations Analysis	24.50	25.50	1.00
Totals	105.00	115.00	10.00

2022 Enterprise Strategy Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 19,881	\$ -	\$ 501	\$ -	\$ 452	\$ 132	\$ 20,966	\$ 1,558	\$ 22,525

Summary of budget changes:

- Increased use of cloud-based and ERP services
- Increase in utilities to support second data circuit, redundant links, and cellular data to support transit management system program on all revenue vehicles
- Complete conversion to Microsoft Office 365
- Provide additional help desk support
- Increase network support
- Provide support to new technology initiatives such as signal prioritization and state of good repair

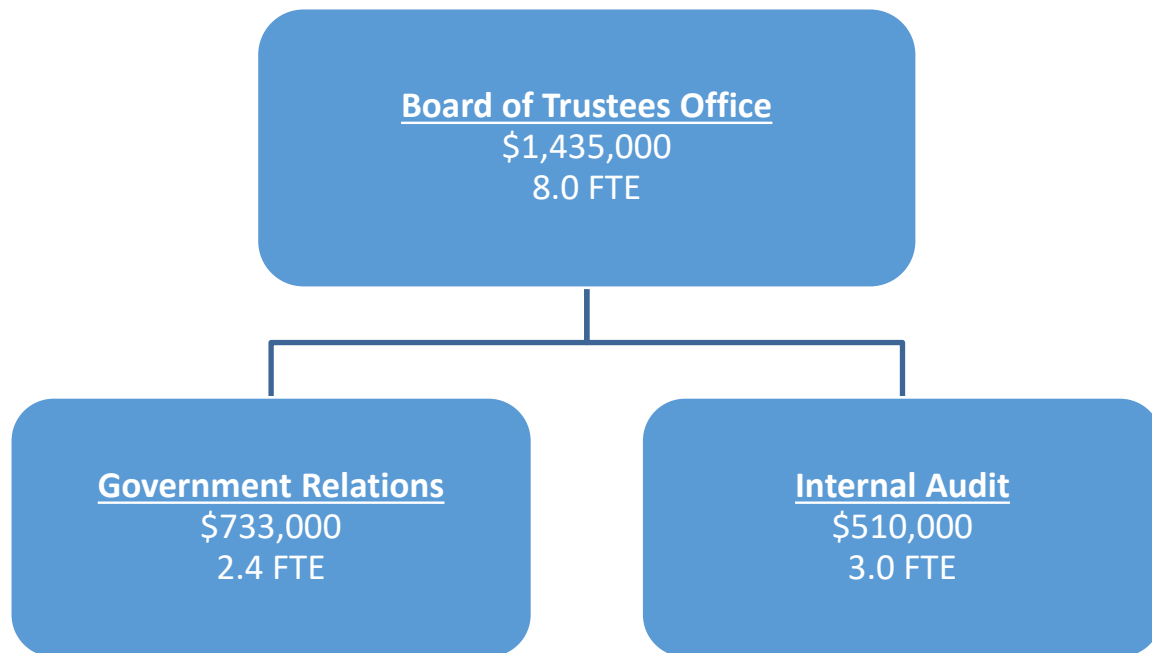


Enterprise Strategy 2022 Key Initiatives

- Annual Employee Engagement Survey
- Complete Year 2 of UTA Way Training & Establish Sustainability Plan
- Stand up Enterprise Risk Management Program
- Complete Real Estate/TOD Legacy Records Project
- Move into the Records Assessment Center
- Deploy UTA Strategic Framework across UTA
- Launch Policy SharePoint site
- Complete installation of new Tablets in the bus fleet to finish the CAD/AVL/MDD project
- Begin the Fares Technology System replacement program
- Complete the Office 365 implementation, email migration and user training
- Replace the primary data Storage Area Network (SAN) appliance for State of Good Repair
- Implement the Security Operations Center as a Service (SOCaaS) and Cyber Incident Response



UTA Board of Trustees



The UTA Board of Trustees are appointed by the Governor to represent their respective counties. The Trustees work closely with legislators, local governments, stakeholders, and community members. They partner with the Executive Director in setting the vision and long-term priorities for the Agency.

The Board of Trustees Office provides the following to make the UTA System work:

- Board of Trustees. Provide leadership, fiscal oversight and support the Executive Director in the daily management of UTA's services.
- In addition to their external focus the Board of Trustees also oversees the following departments:
 - *Internal Audit*. The audit team plays a critical role in evaluating and improving UTA's system of governance, risk management, and controls. This is done primarily through execution of the annual internal audit plan, which is defined and approved by the Audit Committee.
 - *Government Relations*. Engages externally with elected officials at a federal, state, and local level to inform, advocate and influence public policy that impacts UTA. They also collaborate and coordinate with partners and advocates on all three of these levels to promote the best interests of the organization.



2022 Proposed Board of Trustees Operating Budget Expenses by Department

Category	2021 Budget	2022 Proposed Budget	Change
Internal Audit	\$490,888	\$510,064	\$19,176
Government Relations	776,436	732,683	(43,753)
Board of Trustees	1,452,750	1,434,695	(18,055)
Totals	\$2,720,074	\$2,677,442	\$(42,632)

2022 Proposed Board of Trustees Operating Budget Expenses by Category

Category	2021 Budget	2022 Proposed Budget	Change
Wages	\$1,370,448	\$1,400,676	2.2%
Fringe	500,834	562,951	12.4%
Services	570,000	513,695	-9.9%
Other O&M	278,792	200,120	-28.2%
Totals	\$2,720,074	\$2,677,442	-1.6%



Board of Trustees FTE Summary: 2021 Budget and 2022 Proposed Budget

	2021 Budget	2022 Proposed	Change
Board of Trustees	8.00	8.00	-
Government Relations	2.50	2.38	(0.12)
Internal Audit	3.00	3.00	-
Totals	13.50	13.38	(0.12)

2022 Board Budget Changes

Amended 2021 Budget	2021 One -Time Expenses	2021 Additions		2022 Adjustments		2022 Budget		
		Staffing	Service	Wage and Fringe	Other	2022 Base	2022 Additions	2022 Budget Request
\$ 2,720	\$ -	\$ -	\$ -	\$ 66	\$ 17	\$ 2,802	\$ (125)	\$ 2,677

Summary of budget changes:

- Budget target reflects a \$125K reduction from 2022 budget base:
 - Reduction savings = \$75K
 - Transfer of expense to CPEO = \$50K



Board of Trustees 2022 Key Initiatives

Key Initiatives:

- Update UTA's Strategic Plan
- Continue pursuit of funding partnerships for transit capital and service initiatives
- Ongoing development and accountability of key operational, service, capital and long-range plans within UTA and with our stakeholders
- Maintain and grow stakeholder and industry partner collaboration and shared solutions
- Ongoing development of accountable policies and procedures
- Maintain transparent, accountable and accessible governance of UTA
- Develop and manage 2022 Internal Audit Plan
- Pursue opportunities through Internal Audit to provide continuous and real-time assurance through data analytical procedures



2022 Capital Budget and 5-Year Plan

2022 CAPITAL BUDGET PROJECT SUMMARY

Programs/Projects	2022 Budget	2022 Grants	2022 State & Local Partners	2022 UTA Funds
5310 Project	\$ 1,762,653	\$ 1,433,047	\$ 299,606	\$ 30,000
Asset Management- Facilities	4,600,000	-	-	4,600,000
Asset Management- Rail Infrastructure	9,300,000	-	-	9,300,000
Asset Management- Rail Systems	18,590,000	-	365,000	18,225,000
Asset Management- Vehicle New Purchase	23,625,911	4,983,108	-	18,642,803
Asset Management- Vehicle Rehabilitation	15,221,775	763,779	-	14,457,996
Information Technology	13,614,900	-	-	13,614,900
Major Capital Project	98,872,107	27,098,435	37,368,217	34,405,455
Other Capital Projects	37,112,341	10,012,556	6,016,149	21,083,636
Property/TOD/Real Estate	3,290,000	-	-	3,290,000
Safety & Security/Police	2,068,061	-	-	2,068,061
Grand Total	\$ 228,057,748	\$ 44,290,925	\$ 44,048,972	\$ 139,717,851

2022 STATE OF GOOD REPAIR SUMMARY

Highlighted Projects	2022 Proposed Budget	Grants	State/Local Partners	UTA Funds
Asset Management- Facilities	\$ 4,600,000	\$ -	\$ -	\$ 4,600,000
Asset Management- Rail Infrastructure	9,300,000	-	-	9,300,000
Asset Management- Rail Systems	18,590,000	-	365,000	18,225,000
Asset Management- Vehicle New Purchase	23,625,911	4,983,108	-	18,642,803
Asset Management- Vehicle Rehabilitation	15,221,775	763,779	-	14,457,996
Total	\$ 71,337,686	\$ 5,746,887	\$ 365,000	\$ 65,225,799



2022 MAJOR PROJECT SUMMARY

Highlighted Projects	2022 Proposed		State/Local		UTA Funds
	Budget	Grants	Partners		
MSP102- Depot District	\$ 32,562,000	\$ 3,377,587	\$ 3,797,243	\$ 25,387,170	
MSP185- Ogden/WSU BRT	25,465,107	18,436,103	2,229,004	4,800,000	
MSP205- TIGER Program of Projects	8,206,000	2,798,700	3,126,000	2,281,300	
MSP215- Sharp-Tintic Rail Connection	1,439,000	886,045	515,970	36,985	
MSP216- Point of Mountain AA/EIS	3,000,000	-	3,000,000	-	
MSP252- FrontRunner Forward	15,000,000	-	13,500,000	1,500,000	
MSP253- Mid-Valley Connector	10,000,000	-	10,000,000	-	
MSP259- S-Line Extension	1,200,000	-	1,200,000	-	
Express	2,000,000	1,600,000	-	400,000	
Total	\$ 98,872,107	\$ 27,098,435	\$ 37,368,217	\$ 34,405,455	

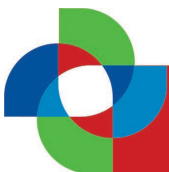
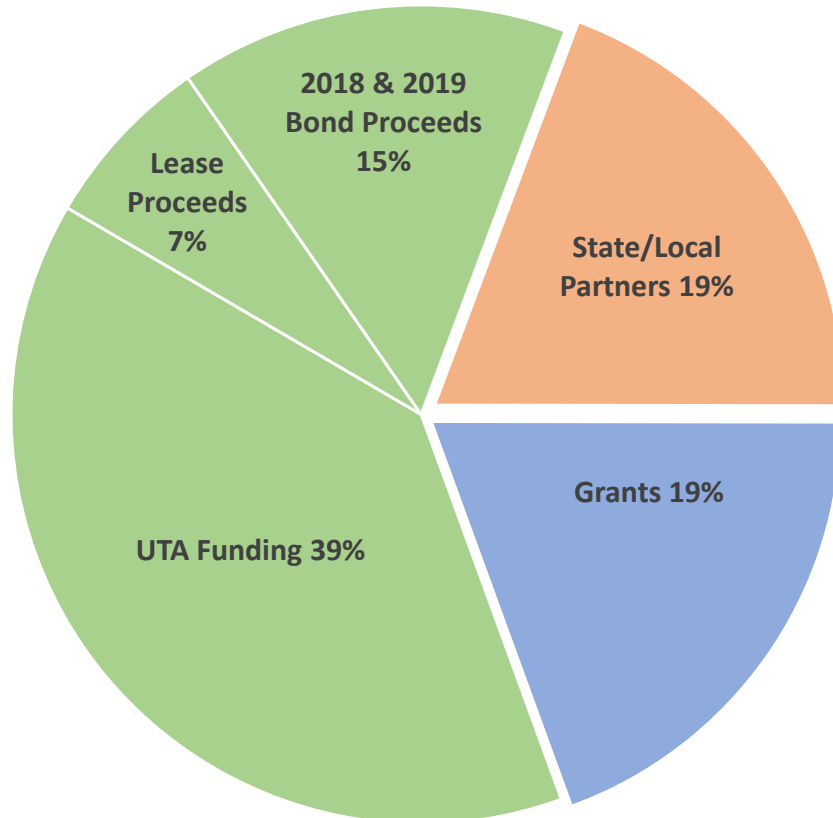
2022-2026 5-YEAR PLAN

Year	Proposed Budget	Grants	Pending Grants	State/Local Partners	UTA Funds*
2022	\$ 228,057,748	\$ 44,290,925	\$ -	\$ 44,048,972	\$ 139,717,851
2023	360,248,101	71,548,140	51,380,000	95,842,185	141,477,776
2024	270,290,970	14,847,312	32,199,690	86,199,933	137,044,035
2025	238,654,444	7,340,018	7,500,000	122,298,754	101,515,672
2026	147,769,176	750,000	7,500,000	69,500,000	70,019,176
Total	\$ 1,245,020,439	\$138,776,395	\$ 98,579,690	\$417,889,844	\$589,774,510



Capital Revenues

**2022 Capital Revenues
(\$228 million)**



Financial Structure, Policy, and Process



Financial Structure

Accounting Method

UTA reports as a single enterprise fund and uses the accrual method of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Department /Fund Relationship

Within the enterprise fund, UTA maintains two budgets – one for operations and one for capital. Within the operations budget, expenses are tracked by type of service mode (bus, light rail, commuter rail, paratransit, or rideshare/vanpool) as well as operations support, administrative, non-operating, and debt service. Departments within operations and operations support by type of service are:

Bus	Light Rail	Commuter Rail	Paratransit	Rideshare Vanpool
Mt. Ogden Operations	Light Rail Operations	Commuter Rail Operations	Paratransit Operations	Van Pools
Mt. Ogden Maintenance	Light Rail Maintenance	Commuter Rail Maintenance	Paratransit Maintenance	Rideshare Administration
Mt. Ogden Administration	Light Rail Jordan River Maintenance	Commuter Rail Administration	Special Service Administration	
Timpanogos Operations	Light Rail Administration	Maintenance of Way Systems	Mobility Management	
Timpanogos Maintenance	Rail Fleet Sustainability	Maintenance of Way Infrastructure		
Timpanogos Administration	Maintenance of Way Systems			
Meadowbrook Operations	Maintenance of Way Infrastructure			
Meadowbrook Maintenance				
Meadowbrook Administration				
Central Maintenance				
Integrated Service Planning				
Transit Communications Center				

Departments within the Operations Support, Administrative, and Non-operating classifications are provided on the following page.



Operations Support	Administrative	Non-operating
Support Maintenance	Product Development & Sales	Capital Projects & Development
Fleet Engineering	Fares	Planning
Asset Management - State of Good Repair	Risk Management	Real Estate
Vehicle Disposal	Technology Security	Service Development
Facilities	Communications & Deployment	
Ticket Vending Machine Maintenance	Applications Support	
Radio & Rail Communications	Application Development	
Supply Chain - Purchasing	Network Support	
Supply Chain - Warehousing	Quality Assurance	
Farebox Service	Accounting	
Fare Strategy & Operations	Finance	
Customer Service	Intermodal Center - SLC	
Public Safety	Intermodal Center - Ogden	
Operations Analysis & Solutions	Budget & Financial Analysis	
Data Quality & Ridership	Innovative Mobility Services	
Safety & Security	Government Relations	
Bus Communications	Public Relations & Marketing	
Talent Development	Planning & Engagement	
	Board of Trustees	
	Total Rewards	
	People Office	
	Human Resources and Labor Relations	
	Workforce Planning	
	Operations Office	
	Internal Audit	
	Executive Director	
	Legal	
	Civil Rights	
	Corporate Support	
	Customer Experience	
	Enterprise Strategy	

Within the capital budget, expenses are tracked by discrete projects, Safety & Security, State of Good Repair (capital maintenance to the transit infrastructure), and Information Technology. More detail about capital investments is provided in the Capital and Debt section.

Basis of Budgeting

Budgeting is based upon the accrual basis with these exceptions:

- UTA budgets capital expense rather than depreciation expense
- UTA does not budget for change in actuarial estimates for the pension
- In addition to bond interest expense, UTA budgets annual bond principal payments
- The annual budget excludes amortization of bond issuance premiums and discount



Financial Information and Policies

Basis of Accounting

The Authority reports as a single enterprise fund and uses the accrual method of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Standards for Reporting Purposes

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by GASB.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

Federal Planning Assistance and Preventive Maintenance Grants

Federal planning assistance grants received from the Federal Transit Administration (FTA) and preventive maintenance grants are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met. The current reauthorizations act, Fix America's Surface Transportation (FAST), allows for the replacement and repair of aging infrastructure. Congress is engaged in negotiations on the next Transportation Act at the time this document was printed.

Federal Grants for Capital Expenses

The U.S. Department of Transportation, through contracts between the Authority and the FTA, provides federal funds of 35% to 93% of the cost of property and equipment acquired by the Authority through federal grants. Grant funds for capital expenses are earned and recorded as capital contribution revenue when the capital expenses are made and eligibility requirements are met.

Contributions from Other Governments (Sales Tax)

As approved by the voters or county governing bodies, sales tax for transit is collected to provide the Authority with funds for mass transit purposes. Funds are utilized for operations and for the local share of capital expenses. Sales tax revenues are accrued as a revenue and receivable for the month in which the sales take place. The Authority does not have taxing authority in any jurisdiction; therefore, this revenue is considered a contribution from another government.



Approved Local Option Sales Tax:

Salt Lake County	0.7875%
Davis County	0.6500%
Weber County	0.6500%
Box Elder County	0.5500%
Utah County	0.6260%
Tooele County	0.4000%

Budgetary and Accounting Controls

The Authority’s annual budgets are approved by the Board of Trustees, as provided for by law. Operating and non- operating revenues and expenses are budgeted on the accrual basis except for depreciation, pension actuarial expenses, bond principal payments, and amortization of bond issuance premiums and discounts. Capital expenses and grant reimbursements are budgeted on a project basis. Multi-year projects are approved in whole but are budgeted based on estimated annual expenses and revenues.

The Authority adopts its annual budget in December of the preceding year.



UTA Board of Trustees Bylaws (Budget Related)

ARTICLE VII – CONDUCTING BUSINESS

Section 1 **Resolutions, Orders and Ordinance – Vote Recorded**

Each and every formal action by the Board and Advisory Council shall be taken by the passage of a resolution, order or ordinance by the Board or Advisory Council. Resolutions and ordinances shall be by roll call vote with each affirmative and negative vote recorded. Proposed resolutions and ordinances shall be forwarded to each Trustee and Member by electronic means at least twenty-four hours before the ordinance is presented for adoption. All resolutions and ordinances passed by the Board and Advisory Council shall be authenticated as soon as practicable after their passage by the signature of the applicable Chair and attested to by the Board Secretary or Advisory Council, Second Vice-Chair, and kept in the official records of the Authority. A record of meetings of the Board and Advisory Council shall be made and retained as provided by law.

Section 2 **Adoption and Amendment of Bylaws**

These Bylaws may be adopted and amended by an affirmative vote by a majority of the Board after consultation with the Advisory Council.

Section 3 **Fiscal Year**

The fiscal year of the Authority shall commence on January 1 and end December 31 of each calendar year.

Section 4 **Principal Place of Business**

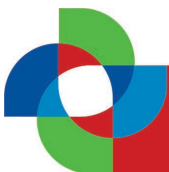
The principal place of business for the Authority, and the location of all offices and departments, shall be determined from time to time by the Board. The Board Secretary shall publish the location of the principal place of business in the Government Entity Database maintained by the Division of Corporations of the State of Utah.

Section 5 **Budget**

The Authority shall prepare an annual budget for the consideration of the Board each year in compliance with applicable law. After analyzing the proposed budget and making any corrections or revisions that it may find necessary and consulting with the Advisory Council, the Board shall adopt a final annual budget prior to the end of each fiscal year.

Section 6 **Audit Reports**

- A. Annual Audit - The Board shall cause an annual audit of the Authority's financial statements to be conducted in accordance with general accepted auditing standards following the end of each fiscal year and in compliance with the Act. The audit shall be performed by an independent certified public accounting firm selected by the Board. The auditor shall provide a signed auditor's opinion as to the



fair presentation of the financial position of the Authority and the results of Authority operations and changes in its financial position for the fiscal year ended. The audit shall be made available in compliance with the Act.

- B. Other Audits – In consultation with the Advisory Council, the Board may cause audits other than the annual audit to be made, which shall be made available in compliance with the Act.



Utah's Provisions Applicable to All Local Districts

17B-1-702 Local District to Submit Budgets

Except as provided in paragraph (a), within 30 days after it is approved by the board, and at least 30 days before the board adopts a final budget, the board of each local district with an annual budget of \$50,000 or more shall send a copy of its tentative budget and notice of the time and place for its budget hearing to 1) each of its constituent entities that has in writing requests a copy; and (2) to each of its customer agencies that has in writing requested a copy.

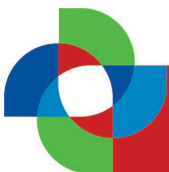
(a) Within 30 days after it is approved by the board, and at least 30 days before the board adopts a final budget, the board of trustees of a large public transit district as defined in Section 17B-2a-802 shall send a copy of its tentative budget and notice of the time and place for its budget hearing to 1) each of its constituent entities; 2) each of its customer agencies that has in writing requested a copy; 3) the governor; and 4) the Legislature.

The local district shall include with the tentative budget a signature sheet that includes 1) language that the constituent entity or customer agency received the tentative budget and has no objection to it; and 2) a place for the chairperson or other designee of the constituent entity or customer agency to sign.

Each constituent entity and each customer agency that receives the tentative budget shall review the tentative budget submitted by the district and either 1) sign the signature sheet and return it to the district; or 2) attend the budget hearing or other meeting scheduled by the district to discuss the objections to the proposed budget.

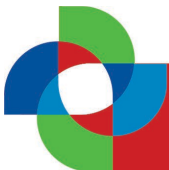
If any constituent entity or customer agency that received the tentative budget has not returned the signature sheet to the local district within 15 calendar days after the tentative budget was mailed, the local district shall send a written notice of the budget hearing to each constituent entity or customer agency that did not return a signature sheet and invite them to attend that hearing. If requested to do so by any constituent entity or customer agency, the local district shall schedule a meeting to discuss the budget with the constituent entities and customer agencies. At the budget hearing, the local district board shall 1) explain its budget and answer any questions about it; 2) specifically address any questions or objections raised by the constituent entity, customer agency, or those attending the meeting; and 3) seek to resolve the objections.

Nothing in this part prevents a local district board from approving or implementing a budget over any or all constituent entity's or customer agency's protest, objections, or failure to respond.



Utah's Provisions Applicable to All Local District 17-B-1-1102 Limitation on Bonds

A public transit district may not issue general obligations bonds if the issuance of the bonds will cause the outstanding principal amount of all of the district's general obligation bonds to exceed the amount that results from multiplying the fair market value of the taxable property within the district, as determined under Section 11-14-301(3)(b) by 3%. Bonds or other obligations of a public transit district that are not general obligation bonds are not included in this limit.



Board of Trustees Policy No. 2.1

Financial Management – Key Budget Provisions (July 31, 2019)

A. Reserves

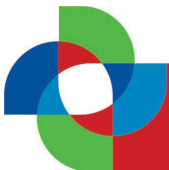
1. The Authority will maintain the following reserves:
 - a. General operating reserves, including the risk reserve, funded at a level equal to at least twelve percent (12%) of the Authority's budgeted operating expense, excluding non-operating expense, to be used as a working capital account throughout the year. The Treasurer will manage the use of the funds in the general operating reserve.
 - b. Service stabilization reserve funded at a level equal to three percent (3%) of the Authority's budgeted operating expense, excluding nonoperating expense, to be used to avoid service reductions at such times as the Authority faces a revenue shortfall or cost overrun due to extraordinary circumstances. The Board of Trustees must give its prior approval before funds in the service stabilization reserve are used.
 - c. Bond reserves funded at a level required by bond covenants to be used for the payment of debt service in the event that the Authority fails to make scheduled bond principal and interest payments. The Board of Trustees must give its prior approval before funds in the bond reserve are used.
 - d. Capital replacement reserve to reach a level equal to one percent (1%) of the property, facilities, and equipment cost as reported in the comprehensive annual financial report to be used for capital repair or replacement costs due to extraordinary circumstances. The Board of Trustees must give its prior approval before funds in the capital replacement reserve are used.
2. The Board of Trustees may establish other reserves and make additional contributions to existing reserves.
3. Reserve balances will be reported on the Authority's monthly financial statements.
4. Upon the use of any service stabilization, bond or capital replacement reserves, the Board of Trustees will, by resolution, establish a timeline for the full reimbursement of the reserves within 60 months after their first use and begin to restore reserves used no later than 24 months after their first use.

B. Grants

1. The allocation of anticipated formula fund grants will be determined during the annual budget process.

C. Long-term Financial Planning

1. The Executive Director will develop a long-term (20 years or longer) financial plan incorporating the Board of Trustees' strategic plan, identifying the Authority's long-term financial challenges and



proposed solutions based upon reasonable projections of revenue and expense including operations and maintenance, reasonably anticipated new funding programs, capital expansion, maintenance of a state of good repair of existing assets, asset replacement, and debt issuance. The Executive Director will update the long-term financial plan three times a year.

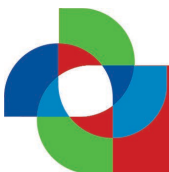
2. The Board of Trustees will review the long-term financial plan annually and report it to the State Bonding Commission.

D. Budgeting

1. As provided for in the Authority's Bylaws, the Authority will prepare an annual budget and the Board of Trustees, after consultation with the Advisory Council, will approve the budget.
2. The Board of Trustees may amend or supplement the budget at any time after its adoption.
3. The Executive Director may make administrative adjustments to an adopted budget without Board of Trustee approval as long as those changes will not have a significant policy impact or affect budgeted year-end fund balances.

E. Capital

1. The Executive Director will develop a five-year capital plan and update it every year for inclusion in the annual budget process discussions and approvals. The five-year capital plan will be fiscally constrained and will maintain all assets at a state of good repair to protect the Authority's capital investment and minimize future maintenance and replacement costs.



Budget Process

This section describes the process for preparing, reviewing, and adopting the budget for the coming fiscal year. It also includes procedures for amending the budget after adoption and the process used in developing the capital budget. A budget calendar for the budgeted year 2022 is included at the end of this section.

Budget Process: The Executive Director and Chief Financial Officer, with the advice and counsel of the Board of Trustees and the Local Advisory Council, prepare a preliminary budget for the ensuing year including operation, maintenance, administration expenses, debt service, and capital expenditures.

Preparation of the annual budget is intertwined and coordinated with input from various updates from of the Agency's financial plan. There are four stages in the annual budget process:

1. Budget Planning
2. Establishing the Base Budget
3. Identification, prioritization, and selection of Budget Initiatives from Budget Planning phase or other processes for inclusion in the Tentative Budget
4. Preparation, and approval of Tentative and Final Budgets

The yearly process starts in the Spring with the Authority's Executive Team and staff assessing estimates for revenues, operating expenses, and capital projects. Budget priorities are discussed, and a preliminary five-year capital plan is developed.

Budget Planning starts the Budget Development process. Budget Plans provide key information for UTA's decision-making process around resource allocation. They clearly articulate Office/Department objectives, business, or operating environment, change drivers, change initiatives, prioritization criteria and connection to the UTA Way and Strategic Framework. Budget Plans are an input to the budget outlook process and form the foundation for potential Budget Initiatives.

After a preliminary budget outlook is reviewed with the Board of Trustees, the Executive Director develops and distributes budget preparation instructions for Authority staff.

Changes in assumptions are incorporated into the 5-Year financial plan and a Base Operating Budget (Base Budget) for the upcoming year is calculated. One-time costs are eliminated, current year technical budget adjustments, mid-year service changes, and know labor cost changes, fuel and power cost change projections, and inflationary factors are applied to the current adopted budget to arrive at a Base Budget at the account code level for each Office. The Base Budget is then projected over the 5-year planning horizon and the agency determines if the Base Budget is sustainable.



The next phase of the Budget Development process is the development of new Budget Initiatives. Budget Initiatives are informed by the Budget Planning process and emerging factors. This is the process to identify priority investments in the Operating program or, if the Base Budget is not sustainable, initiatives are identified to bring the financial plan back into balance. Budget Initiatives are reviewed and prioritized by the Executive Team for inclusion in the budget request.

A draft five-year capital plan is completed and reviewed with the Board of Trustees and the Local Advisory Council in September. The first year of the capital plan, which includes specific capital projects and the funding available through outside funding such as grants, local partners, state funding, and financing are included in the next year's capital budget.

In August each Chief Officer submits an operating budget which includes the Base Budget level and any approved Budget Initiatives. The Executive Team reviews the operating budgets and makes any adjustments it deems necessary. Preliminary budgets are reviewed with the Board of Trustees in September. Any modifications to the budget are completed by early October.

In late October or early November, the Executive Director presents the Tentative Budget to the Board of Trustees for their review and approval. Once the Tentative Budget is approved by the Board of Trustees, it is sent to the Governor's Office, State Legislature and Local Governments and a 30-day comment period, which includes a public hearing, is established. Input from the Local Advisory Council on the Tentative Budget is sought following Board approval.

In early December, the Executive prepares and presents the Final Budget to the Board of Trustees for its review and approval.

Adoption of Annual Budget: Before the first day of each fiscal year, the Board shall adopt the annual budget by a vote of a quorum of the total Board. If, for any reason, the Board has not adopted the annual budget on or before the first day of January of any fiscal year, the preliminary budget (Tentative Budget) for such year shall be in effect for such fiscal year until the annual budget is adopted.

Please refer to the 2022 UTA Budget Preparation Schedule at the end of this section.



Annual Budget Schedule:

<u>Task</u>	<u>Completion Date</u>
Executive Director prepares and distributes budget preparation memo based upon Board of Trustee's budget priorities and available funding per the long-term financial model	June 24, 2021
Draft Budgets due from Executive Team. (Executive Team will notify their direct reports of earlier submission dates before this time to allow for executive review).	August 13, 2021
Executive team evaluates 2022 operating and capital budget submittals	August 24, 2021
Preliminary 2022 operating and capital budgets reviewed with the Board of Trustees	Sept 13 to 17, 2021
Final adjustments to 2022 budget	Oct. 8, 2021
2022 Tentative Budget provided to Board of Trustees	Oct. 13, 2021
Board of Trustees reviews and approves 2022 Tentative Budget	Oct. 27, 2021
Budget Review and Comment Period	Nov. 3 to Dec. 3, 2021
Board of Trustees holds public hearing on 2022 Budget	Nov. 3, 2021
Local Advisory Council reviews Tentative 2022 Budget	Nov. 17, 2021
Local Advisory Council Approves Final 5-Year Capital Plan	Nov. 17, 2021
Board of Trustees reviews final 2022 Budget Documents and 5-Year Capital Plan	Dec. 8, 2021
Board of Trustees considers approval of the 2022 Final Budget and 5-Year Capital Plan	Dec. 15, 2021
Staff submits Final Budget to State Auditor	Dec. 31, 2021
Staff prepares, prints, and distributes 2022 Budget Document to the Board of Trustees, Operating Departments and interested parties	Dec. 31, 2021

