

2014 Tentative Budget

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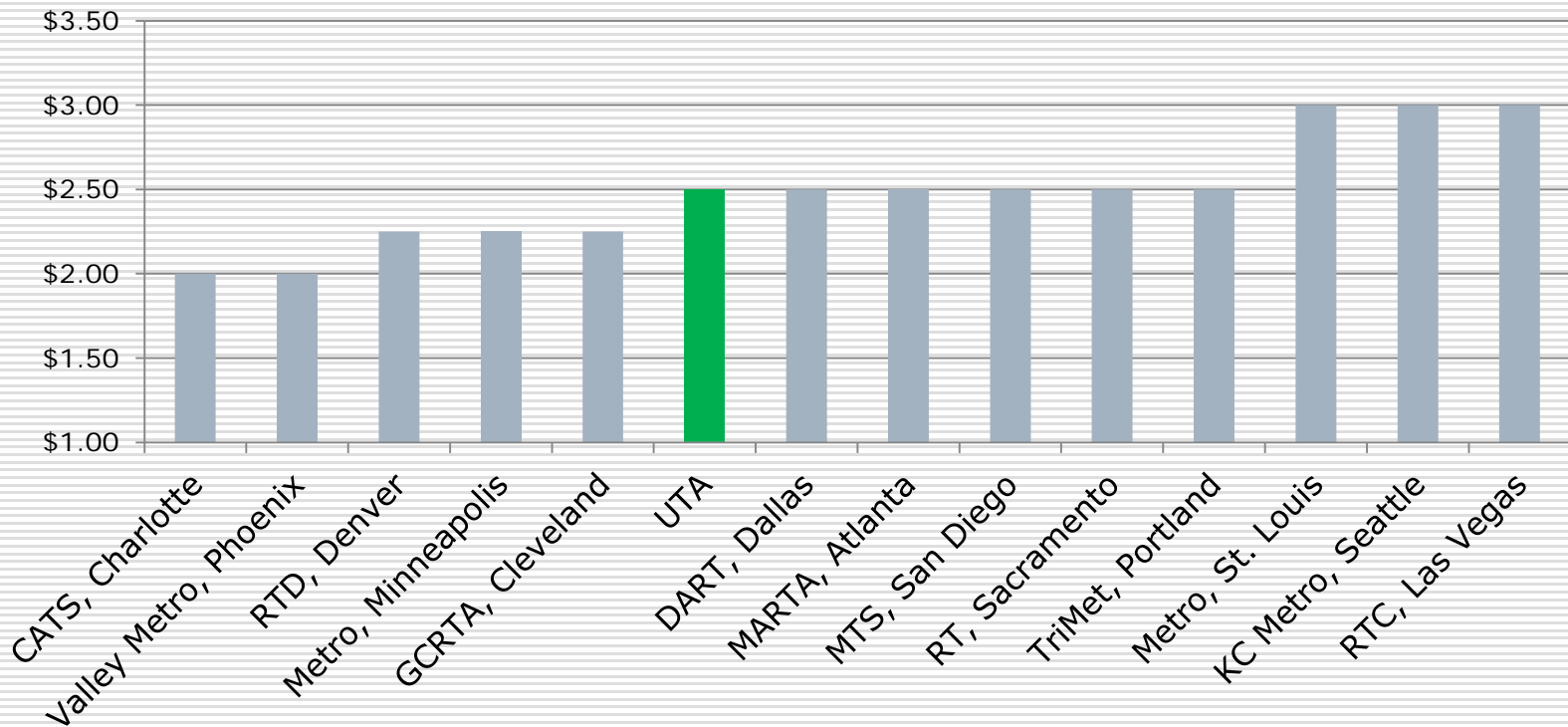
November 21, 2013

Key Features of 2014 Operating Budget

- ✓ Keep Fares Low
 - ✓ Maintain current fare structure
 - ✓ Increase fare pay use
 - ✓ Expand customer base

Fare Comparison

UTA & Peer Agency Fares, July 2013



Key Features of 2014 Operating Budget

- ✓ Add More Low-cost Service
 - ✓ Van pool
 - ✓ Car sharing
 - ✓ Bike
 - ✓ Last mile

Key Features of 2014 Operating Budget

- ✓ Streamline Administrative Operations
 - ✓ Minimize consultant costs
 - ✓ Create management efficiencies
- ✓ Establish New Business Opportunities
 - ✓ Marketing plan

Key Features of 2014 Operating Budget

- ✓ Management Challenge - Add to Bus Service
 - ✓ Salt Lake*
 - ✓ Provo*
 - ✓ Ogden*
 - ✓ Ogden ski bus

* Service to be provided when funding from new partners is established.

Key Features of 2014 Operating Budget

Financial Stewardship

- ✓ Increase pension funding
- ✓ Accelerate debt repayment
- ✓ Continue market compensation plan
- ✓ Generate additional revenues
- ✓ Enhance investment earnings
- ✓ Balance operating budget
- ✓ Maintain reserves

2014 Operating Budget

UTAH TRANSIT AUTHORITY 2014 TENTATIVE OPERATING BUDGET October 9, 2013

	ACTUAL 2012	PROJECTED 2013	BUDGET 2014
REVENUE			
PASSENGER REVENUE	44,531,941	47,164,000	51,693,000
ADVERTISING REVENUE	1,933,333	1,922,000	2,250,000
INVESTMENT INCOME	1,892,549	1,595,000	2,803,000
SALES TAX REVENUE	195,856,014	207,316,000	216,022,000
OTHER REVENUE	2,375,674	3,222,000	3,298,600
FEDERAL OPER./PREVENT. MAINT.*	47,843,615	48,546,000	49,437,000
TOTAL REVENUE	294,433,126	309,765,000	325,503,600
EXPENSE			
BUS SERVICE	78,822,800	81,388,607	83,169,738
RAIL SERVICE	46,049,338	61,873,590	71,999,679
PARATRANSIT SERVICE	17,516,117	18,726,804	19,048,502
RIDESHARE/VANPOOL SERVICE	64,633	191,248	360,560
OPERATIONS SUPPORT	26,117,469	28,733,784	31,648,359
GENERAL & ADMINISTRATIVE	23,601,036	27,760,001	29,512,674
NET OPERATING EXPENSE	192,171,394	218,674,034	235,739,512
MAJOR INVESTMENT STUDIES			
EXPENSE	1,869,402	7,443,350	5,213,200
OFFSETTING PROJECT FUND	(604,125)	(5,231,350)	(4,455,200)
NET INVESTMENT EXPENSE	1,265,278	2,212,000	758,000
AMORTIZED CHARGES	810,914	810,914	810,914
NET EXPENSE	194,247,585	221,696,948	237,308,426
AVAILABLE - REVENUE LESS OPERATING EXPENSE	100,185,541	88,068,052	88,195,174
BOND DEBT SERVICE	80,065,541	87,960,408	87,195,174
ADDITIONAL PRINCIPAL PAYMENT		310,982	1,000,000
OFFSETTING FUND	(35,094,833)	(3,112,330)	-
NET BOND EXPENSE	44,970,708	84,848,078	88,195,174
OTHER FINANCIAL ACTIVITIES			
UTAH COUNTY	6,741,000		-
UTAH COUNTY PREPAID ALLOCATION		(17,000,000)	-
SERVICE STABILIZATION FUND		(938,434)	-
DISPOSITION OF REAL ESTATE (revenue)		(5,000,000)	(5,000,000)
NET OTHER FINANCIAL ACTIVITIES EXPENSE	6,741,000	(22,938,434)	(5,000,000)
CONTRIBUTION TO CAPITAL RESERVES	48,473,833	26,158,408	5,000,000
DEBT RETIREMENT	(7,615,000)	7,450,000	7,805,000
NEW DEBT ISSUED	170,270,000	0	-
Amortized Premium/discounts (expense but not cash)			4,637,993

* The current balance of the Service Stabilization Fund is \$10,267,708

2014 Service Operating Budgets

	2013 Amended Budget (millions)	2014 Tentative Budget (millions)	Variance (millions)	% Change
Bus	\$81.4	\$83.2	\$1.8	2.2%
Commuter Rail	\$30.5	\$32.2	\$1.7	5.7%
Light Rail	\$31.4	\$39.8	\$8.4	26.7%
Paratransit	<u>\$18.7</u>	<u>\$19.0</u>	<u>\$0.3</u>	<u>1.7%</u>
Totals	<u>\$162.0</u>	<u>\$174.2</u>	<u>\$12.2</u>	<u>7.5%</u>

Note - Excludes Van Pool as all van pool costs are paid by users.

2014 Projected Service

	2013	2014*	Variance	% Change
Miles of Service				
Bus	16,890,602	17,422,910	532,308	3.2%
Rail	7,683,737	7,997,925	314,188	4.1%
Paratransit	3,086,430	3,343,918	257,488	8.3%
Hours of Service				
Bus	1,124,425	1,167,458	43,033	3.8%
Rail	365,218	424,739	59,521	16.3%
Paratransit	195,170	202,952	7,782	4.0%

* Includes service miles and hours for new partners.

2014 Operating Budgets

	2013 Amended Budget (millions)	2014 Tentative Budget (millions)	Variance (millions)	% Change
Operations (with vanpool)	\$162.2	\$174.6	\$12.4	7.6%
Operations Support	\$28.7	\$31.6	\$2.9	10.1%
Administration	<u>\$27.8</u>	<u>\$29.5</u>	<u>\$1.7</u>	<u>6.3%</u>
Total Operations	\$218.7	\$235.7	\$17.0	7.8%
Debt Service	\$84.8	\$88.2	\$3.4	3.9%
Other	<u>\$3.0</u>	<u>\$1.6</u>	<u>(\$1.4)</u>	<u>(48.1%)</u>
Total Expense	<u>\$306.5</u>	<u>\$325.5</u>	<u>\$19.0</u>	<u>6.2%</u>

2014 Operating Revenues

	2013 Amended Budget (millions)	2014 Tentative Budget (millions)	Variance (millions)	% Change
Sales Tax	\$207.3	\$216.0	\$8.7	4.2%
Federal Operating	\$48.5	\$49.4	\$0.9	1.8%
Passenger	\$47.2	\$51.7	\$4.5	9.6%
Other	<u>\$6.7</u>	<u>\$8.4</u>	<u>\$1.7</u>	<u>23.9%</u>
Totals	<u>\$309.7</u>	<u>\$325.5</u>	<u>\$15.8</u>	<u>5.1%</u>

Key Features of 2014 Capital Budget

- ✓ Complete Major IT Initiatives
 - ✓ Electronic Fare Collection
 - ✓ Distance Based Fares
 - ✓ Passenger Information System
 - ✓ Management System
 - ✓ Radio System Upgrade
- ✓ Central Garage Fueling
 - ✓ CNG Capability

Key Features of 2014 Capital Budget

- ✓ Maintain a State of Good Repair
 - ✓ Positive train control
 - ✓ TRAX car overhauls
 - ✓ TRAX tactile replacements and grade crossings
 - ✓ Revenue vehicle replacements
 - ✓ Rail maintenance
 - ✓ Facilities maintenance

Key Features of 2014 Capital Budget

- ✓ Fund the Future
 - ✓ BRT systems
 - ✓ Provo-Orem
 - ✓ Electric Bus
 - ✓ Transit-oriented Development
 - ✓ Sandy
 - ✓ 3900 South
 - ✓ Station Area Planning

Key Features of 2014 Capital Budget

- ✓ Fund the Future – Planning Studies
 - ✓ Ogden Streetcar
 - ✓ Sandy-South Jordan
 - ✓ Salt Lake Streetcar
 - ✓ SW SLCo (Riverton)
 - ✓ Last Mile
 - ✓ UCATS (Bike Ped)
 - ✓ Clearfield Circulator
 - ✓ Northern Utah County
 - ✓ 2020 Mobility
 - ✓ Wasatch Summit (Mountain Transportation)
 - ✓ Davis County

2014 Capital Budget

		UTAH TRANSIT AUTHORITY 2014 TENTATIVE CAPITAL BUDGET October 9, 2013		Capital Budget 2014	Projected Capital Expenditures * 2015
Revenue Service & Support Vehicles					
	20 Clean Diesel 40" Buses		\$	8,870,980	
	29 Paratransit & Flex Route Vans		\$	3,502,000	
	45 Rideshare Vans		\$	1,618,520	
	Replacement Support Vehicles		\$	230,450	
	Components (Engines, Transmissions, Batteries)		\$	1,788,710	
			\$	16,010,660	\$ 35,232,000
Information / Communication / ITS					
	EFC Distance Base Fares and Prepaid Cards		\$	2,000,000	
	New Radio Communication System		\$	1,091,250	
	Passenger Information System		\$	1,000,000	
	Technology Capital Pool		\$	2,757,126	
			\$	6,848,376	\$ 5,470,000
Facilities, Maintenance and Office Equipment					
	Facilities Repair and Replace Including:		\$	1,845,600	
	Office Capital Equipment		\$	695,319	
	* Safety and Security		\$	1,076,540	
			\$	3,617,459	\$ 4,264,000
Major Strategic Projects					
	* Depot District Service Center		\$	13,500,000	
	Sugarhouse Street Car		\$	1,031,467	
	Positive Train Control		\$	7,000,000	
	Wasatch Summit Program		\$	2,615,400	
	Airport Station Relocation Design		\$	1,182,000	
	Provo Driem BRT		\$	2,767,500	
	South Utah County Park and Ride		\$	1,500,600	
	Riverside Expansion		\$	1,200,000	
	* MSP and Transit Enhancement Projects		\$	2,464,709	
			\$	33,281,076	\$ 6,970,000
Transit Oriented Development					
	* Sandy TOD		\$	6,000,000	
	3900 So. UTA TOD		\$	1,137,200	
			\$	7,137,200	\$ -
State of Good Repair Projects					
	SD-1X0 Rail Cars Rebuild Program		\$	11,002,015	
	Srixy Current Mitigation		\$	2,000,000	
	Replace Tactile on N/S Line & U Line		\$	7,192,000	
	Upgrade grade crossings		\$	6,302,000	
	State of Good Repair Projects		\$	965,903	
			\$	27,461,918	\$ 10,902,000
Rail Maintenance Projects					
	Rail Vehicle Maintenance and Infrastructure Repair		\$	5,390,000	
			\$	5,390,000	\$ 5,689,000
			\$	99,746,689	\$ 68,527,000
	Source of Funds for Capital Items				
	Current & Future Grants		\$	12,533,027	
	Local & Other Contributions		\$	14,687,500	
	Sales of Assets		\$	5,000,000	
	UTA Funding		\$	67,526,162	
			\$	99,746,689	
	* Within these line items there are conditional projects based on receiving Grants and Contributed Capital before proceeding				

2014 Capital Budget

	2013 Amended Budget (millions)	2014 Tentative Budget (millions)	Variance (millions)	% Change
Revenue Service	\$19.3	\$16.0	(\$3.3)	(17.0)%
Information Services	\$15.8	\$6.8	(\$9.0)	(56.6)%
Facilities/Maintenance	\$3.6	\$3.6	\$0.0	0.0%
Major Strategic Proj.	\$122.6	\$33.3	(\$89.3)	(72.9)%
TOD	\$1.3	\$7.1	\$5.8	448.3%
State of Good Repair	\$20.8	\$27.5	\$6.7	32.0%
Rail Maintenance	<u>\$5.4</u>	<u>\$5.4</u>	<u>\$0.0</u>	<u>0.0%</u>
Totals	<u>\$188.8</u>	<u>\$99.7</u>	<u>(\$89.1)</u>	<u>(47.2)%</u>

2014 Capital Revenues

	2013 Amended Budget (millions)	2014 Tentative Budget (millions)	Variance (millions)	% Change
Current/Future Grants	\$35.1	\$12.5	(\$22.6)	(64.3)%
Local & Other Contributions	\$7.8	\$14.7	\$6.9	87.6%
Sale of Assets	\$5.0	\$5.0	\$0.0	0.0%
UTA Funding	<u>\$140.9</u>	<u>\$67.5</u>	<u>(\$73.4)</u>	<u>(52.1)%</u>
Totals	<u>\$188.8</u>	<u>\$99.7</u>	<u>(\$89.1)</u>	<u>(47.2)%</u>

Next Steps

- December 4 P&D
 - Review public hearing comments
 - Recommend 2014 budget to Board
- December 18 Board Meeting
 - Approve 2014 budget