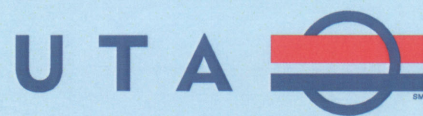
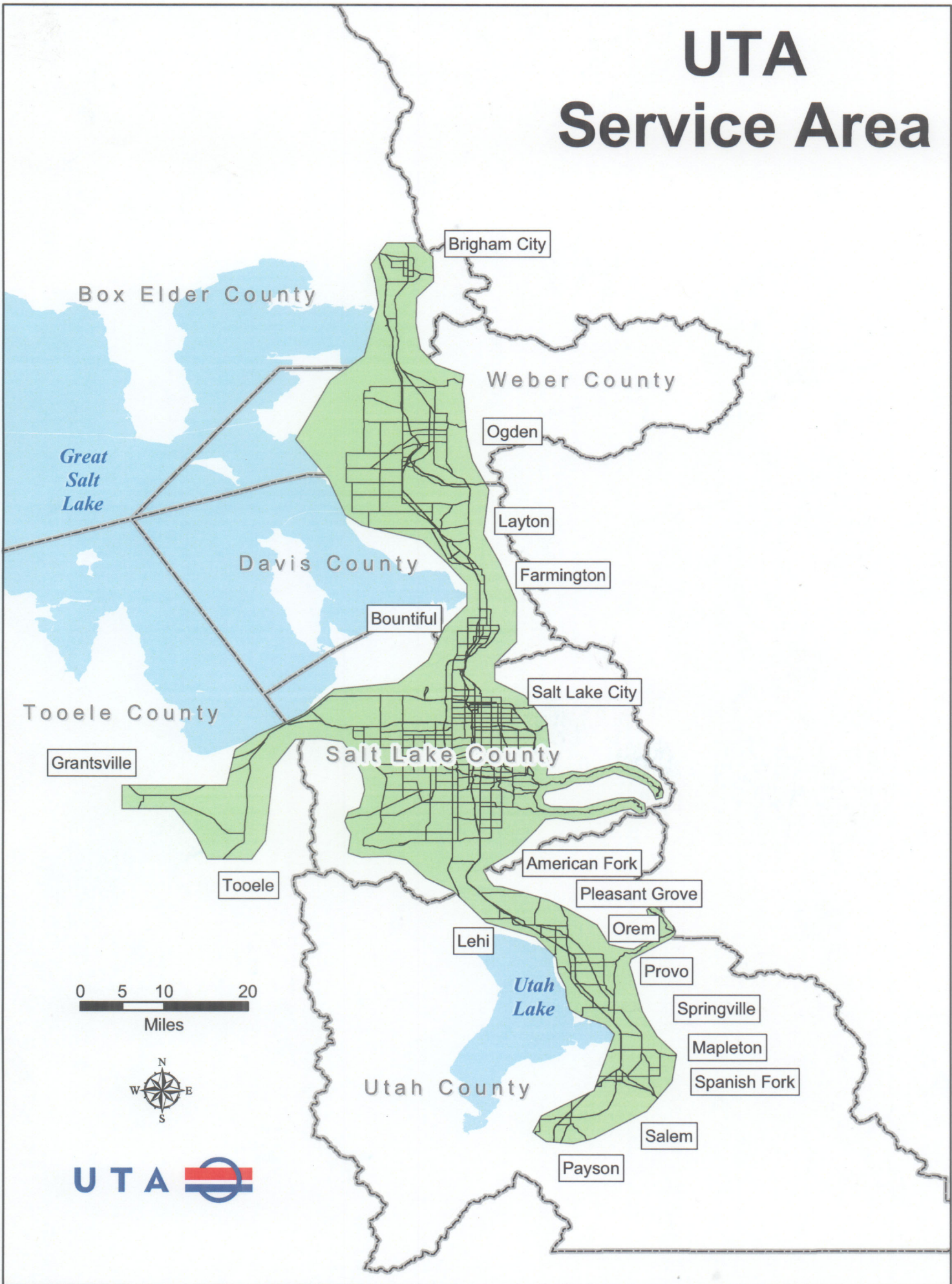


# 2009 Budget and Strategic Plan Document



# UTA Service Area



# UTAH TRANSIT AUTHORITY BUDGET DOCUMENT

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## FOREWORD

The adopted budget document contains a variety of information regarding Utah Transit Authority. To assist the reader in locating subjects of interest, the organization of this document is described below; also a Quick Reference Guide can be found following this page. The reader may also refer to the Table of Contents and Glossary for additional information.

## DOCUMENT ORGANIZATION

The 2009 Utah Transit Authority Budget has four major areas: Introduction, Functional Financial Plan, Department Guide, the Appendix and Glossary Section.

The **Introduction** (Section 1) contains the Budget Message, a description of priorities and issues for the budgeted New Year. The message describes significant changes in priorities (if any) from the previous year and highlights issues facing UTA in developing the current budget. An organization chart and a table showing the change in the number of employees by departments is included. This section also includes UTA's Strategic Plan and Performance Goals, the Budget Process and the UTA policies that apply to the budget process.

The **Functional Financial Plan** (Section 2) begins with a summary of overall Authority revenues and expenditures, followed by a description of revenue sources. Expenditure summaries for the operating of functional areas within UTA is presented next with a comparison between 2007 actual, 2008 budget, 2008 year end projected, and 2009 budget totals. This section also includes projected fund balances, projected reserves, 2009 capital expenditures and projects, and current debt obligations.

The **Department Guide** (Section 3) is organized by individual Director's area of responsibility / business unit, starting with the General Counsels office. Each Director's business unit contains the following:

- The Business Unit name and Director.
- Department function
- Department organization chart including the number of 2008 budgeted positions.

An **Appendix and Glossary** (Section 4) contains Utah Transit Authority and Community Profile, a map of our service area and a budget glossary.

## **DISTINGUISHED BUDGET PRESENTATION AWARD**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Utah Transit Authority for its annual budget for the fiscal year beginning January 1, 2008. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Utah Transit Authority**

For the Fiscal Year Beginning

**January 1, 2008**

*Charles S. Cox*

President

*Jeffrey R. Egan*

Executive Director

## QUICK REFERENCE GUIDE

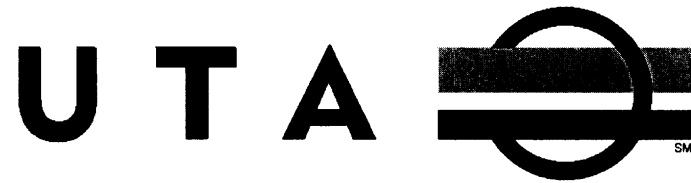
The following should assist the reader in locating key information contained in the 2009 Utah Transit Authority budget.

<b>To find:</b>	<b>Refer to:</b>	<b>Section</b>	<b>Page</b>
- Strategic Plan and Performance Goals	Introduction	1.3	1-10
- The overall policies which guide the 2009 budget	Introduction	1.5	1-50
- Organization chart	Introduction	1.2	1-5
- UTA major expenditures and revenue sources	Summary of Major Revenues, Expenditures and fund balances	2.1	2-2
- Analysis of Revenue Sources	Summary of Major Revenue Sources	2.2	2-4
- Comparison of 2007 actual, 2008 year-end and 2009 budget expenditures	Summaries of Expenditures	2.3	2-9
- Budget expenditures by major category	Summary of Expenditures	2.3	2-9
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- Capital projects planned for 2009	Budgeted Capital Expenditures	2.5	2-21
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- Primary responsibilities of the department	Department Guide	3	By Dept. See Table of Contents





**SECTION 1  
INTRODUCTION**



## **1.1 BUDGET MESSAGE**

## **UTAH TRANSIT AUTHORITY 2009 BUDGET MESSAGE**

The Utah Transit Authority's budget for fiscal year ending Dec. 31, 2009 has been prepared following policies established by the UTA Board of Trustees. This budget will allow UTA to continue to provide safe, reliable, and user-friendly transportation. Major issues that affect this budget are the national and local economy, sales tax, ridership and fare box revenues, cost of fuel and utilities, employee wages and benefits, and the availability of federal funding.

Last year brought a number of challenges for UTA including: record high gas prices, increasing fuel costs by more than \$5 million; an economic recession which decreased sales tax revenues by \$18.5 million; the necessity to make \$110 million in payments for new TRAX vehicles to support the lines currently under construction; a \$700 million bond for the FrontLines 2015 project; and increased operations costs with the opening of FrontRunner commuter rail.

During this same time period UTA also saw a large number of accomplishments including: the reduction of a projected \$17 million revenue shortfall to \$4.5 million; the reduction of overall operating expenses by \$6.2 million; the successful opening of FrontRunner, UTA's first commuter rail line; the opening of the TRAX Intermodal Hub Extension; the opening of MAX, UTA's first bus rapid transit line; the start of construction on four of the five lines as part of UTA's FrontLines 2015 project, including: Mid-Jordan TRAX, West Valley TRAX, Airport TRAX and FrontRunner South commuter rail; securing \$428 million in federal funding for Mid-Jordan TRAX Line construction; meeting 100% of goals set by the Board of Trustees; and obtaining a \$700 million bond for FrontLines 2015 projects.

With fuel prices at record highs during 2008 UTA implemented a fuel surcharge program that was implemented when fuel prices reached different levels. The intention of the surcharge program was not to raise overall fares but to assist UTA in meeting its fuel needs. Once the price of fuel dropped the surcharges were removed. As the price of fuel rose so did UTA's ridership, the increase in ridership in addition to the surcharge brought in an additional \$3 million to help with UTA's rising fuel costs.

2009 will bring a new list of challenges and accomplishments for the authority. Sales tax revenue is currently down \$18.5 million and is projected to decrease an additional 1.6% for the 2009 budget. It is very possible that revenues may drop even further. With the volatility of the worldwide financial markets UTA's bonding ability may also be affected.

UTA's ridership may be affected with lower fuel prices and higher unemployment rates. In addition there are no planned openings or increases in service planned this year. However, UTA is committed to maintain and build upon the 12.5% ridership growth that was achieved in 2008.

UTA's primary budgetary goals in 2009 are to best serve its riders, its employees and the general public by avoiding layoffs, major service cuts or delaying the FrontLines 2015 project. To meet these goals UTA is actively working to further reduce budgets.

UTA has made reductions in its operating budget of approximately \$6 million by: taking advantage of lower fuel prices; delaying employee wage increases; removing unnecessary expenses and removing budget dollars each quarter for open/unfilled positions.

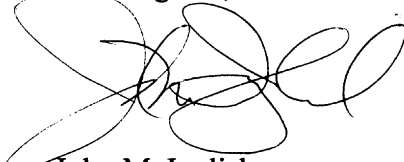
The capitol budget has also been reduced by \$11.8 million by: reducing budget for revenue and support vehicles by 50%; reducing budget for information technology by \$6 million; reducing budget for facilities/maintenance by \$3.5 million; reducing budget for major strategic projects by \$2 million; implementing the ADA 3/4-mile rule for paratransit and increase fares; and by pursuing new advertising revenue opportunities.

Additional tactics may be necessary, depending on sales tax and farebox revenues in the coming months, such as: freezing employee wage increases; increasing the employee contribution for benefits; and pursuing additional revenue from customer amenities.

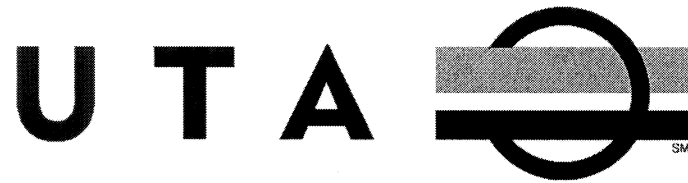
Regardless of what changes are made internally to improve the budget situation there are still a number of financial unknowns. Sales tax revenue continues to be unpredictable and the economy may get worse before it gets better. Federal stimulus funds may be able to assist the Authority's efforts but it is unknown how much if any will be received and what the requirements will be for spending it. Fuel costs also continue to fluctuate and be unpredictable. Given that fuel dropped from \$4 to \$1.50 in two months it is hard to determine if this will ultimately benefit or hurt UTA. If fuel prices rise above \$3 per gallon UTA will again institute the first level fuel surcharge to help offset those costs.

Moving forward it is important that UTA manages all of its expenses and scrutinizes all expenditures. UTA's employees will also be called upon to improve their performance and look for opportunities to increase efficiencies and improve processes. It was by getting ahead of these efforts that UTA was able to keep its current budget situation from growing worse and with a continuous effort to improve UTA will be able to keep offering a good transportation value to its employees, riders and the taxpaying public.

Best Regards,

A handwritten signature in black ink, appearing to read "John M. English", written over a series of overlapping loops.

John M. English  
General Manager/CEO

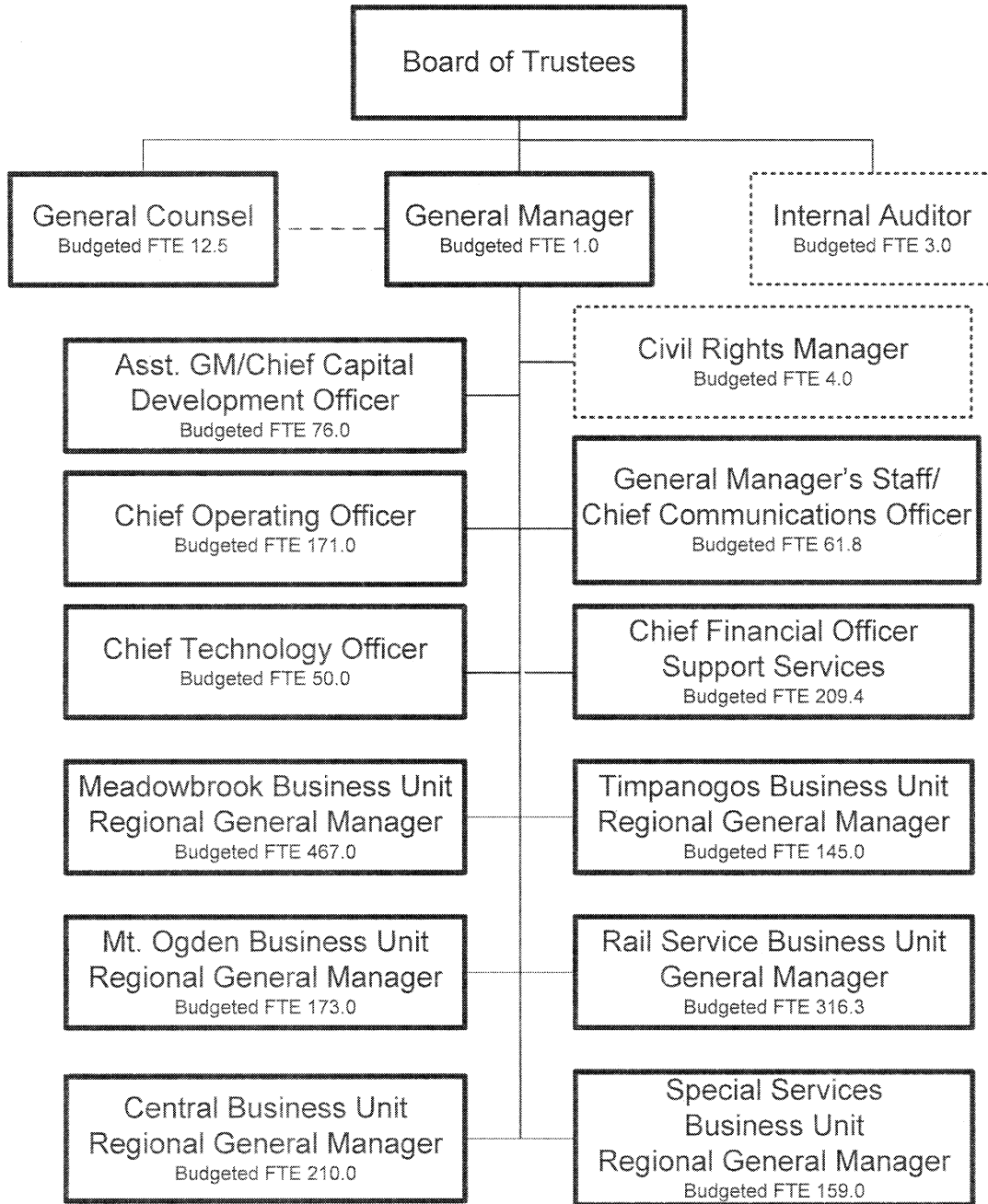


## 1.2 ORGANIZATION CHART



# Utah Transit Authority

January 2009



**UTAH TRANSIT AUTHORITY  
APPROVED FULL-TIME EQUIVALENT (FTE) BY ORGANIZATIONAL RELATIONSHIP  
OPERATIONS, OPERATIONS SUPPORT AND GENERAL AND ADMINISTRATION**

	<u>ACTUAL 2007</u>	<u>ACTUAL 2008</u>	<u>BUDGET 2009</u>
<b>OPERATIONS:</b>			
<b>Bus</b>			
Meadowbrook			
Administration	8.0	8.0	8.0
Operations	330.0	344.0	347.0
Maintenance	96.0	102.0	112.0
	<u>434.0</u>	<u>454.0</u>	<u>467.0</u>
Central			
Administration	5.0	5.0	5.0
Operations	169.0	158.0	155.0
Maintenance	54.0	56.0	50.0
	<u>228.0</u>	<u>219.0</u>	<u>210.0</u>
Ogden			
Administration	7.0	7.0	7.0
Operations	122.0	122.0	122.0
Maintenance	41.0	43.0	43.0
Marketing	1.0	1.0	1.0
	<u>171.0</u>	<u>173.0</u>	<u>173.0</u>
Timpanogos			
Administration	7.0	7.0	7.0
Operations	99.0	105.0	105.0
Maintenance	30.0	31.0	32.0
Marketing	1.0	1.0	1.0
	<u>137.0</u>	<u>144.0</u>	<u>145.0</u>
<b>Rail</b>			
Rail Administration	6.0	10.0	11.0
Light Rail Operations	84.0	86.0	86.0
Light Rail Maintenance	62.0	71.0	78.0
Commuter Rail Operations	-	41.0	61.3
Commuter Rail Maintenance	-	17.0	17.0
Maintenance of Way	33.0	60.0	63.0
	<u>185.0</u>	<u>285.0</u>	<u>316.3</u>
<b>Special Services</b>			
Special Services Administration	1.0	2.0	2.0
Paratransit Operations	112.0	118.0	119.0
Paratransit Maintenance	29.0	30.0	30.0
Vanpool Administration	6.0	7.0	7.0
Rideshare Administration	2.0	1.0	1.0
	<u>150.0</u>	<u>158.0</u>	<u>159.0</u>
Operations Subtotal	<u>1,305.0</u>	<u>1,433.0</u>	<u>1,470.3</u>

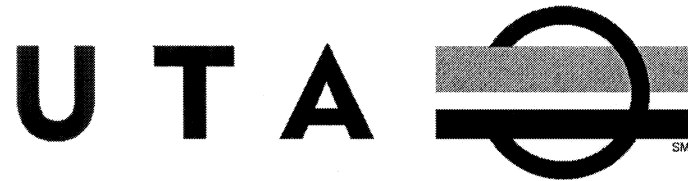
**UTAH TRANSIT AUTHORITY  
APPROVED FULL-TIME EQUIVALENT (FTE) BY ORGANIZATIONAL RELATIONSHIP  
OPERATIONS, OPERATIONS SUPPORT AND GENERAL AND ADMINISTRATION**

	ACTUAL 2007	ACTUAL 2008	BUDGET 2009
<b>OPERATIONS SUPPORT AND GENERAL AND ADMINISTRATION:</b>			
<b>General Manager</b>			
Chief Executive Officer	1.0	1.0	1.0
Organization Development	1.0	1.0	1.0
Strategic Think Tank	3.0	2.0	1.0
Civil Rights	4.0	4.0	4.0
	<u>9.0</u>	<u>8.0</u>	<u>7.0</u>
<b>Operation Performance</b>			
Chief Operation Officer	2.0	2.0	2.0
Labor Relations	5.0	5.0	5.0
Bus Radio Room	6.0	8.0	8.0
Support Maintenance	32.0	32.0	32.0
Fleet Engineering	7.0	7.0	7.0
Facilities	43.0	51.0	58.0
Operational Research and Development	6.0	6.0	6.0
Performance Information	12.0	13.0	40.0
Electronic Fare Collection	-	-	5.0
Safety and Environmental	6.0	7.0	8.0
	<u>119.0</u>	<u>131.0</u>	<u>171.0</u>
<b>Financial and Support Services</b>			
Chief Financial Officer and Contract Administration	2.0	6.0	6.0
Accounting	18.0	17.0	18.0
Purchasing	27.0	30.0	30.0
Financial Services	13.6	15.6	15.6
Human Resources	14.4	17.5	18.5
Security	44.8	60.5	66.3
Training	53.0	54.0	55.0
Print Shop	3.5	-	-
	<u>176.3</u>	<u>200.6</u>	<u>209.4</u>
<b>Capital Development</b>			
Chief Capital Development Officer	2.0	3.0	3.0
Major Program Development	18.3	55.0	49.0
Planning	8.0	11.0	17.0
Real Estate	8.0	7.0	7.0
	<u>36.3</u>	<u>76.0</u>	<u>76.0</u>



**UTAH TRANSIT AUTHORITY**  
**APPROVED FULL-TIME EQUIVALENT (FTE) BY ORGANIZATIONAL RELATIONSHIP**  
**OPERATIONS, OPERATIONS SUPPORT AND GENERAL AND ADMINISTRATION**

	ACTUAL 2007	ACTUAL 2008	BUDGET 2009
Technology Office			
Chief Technology Officer	1.0	1.0	1.0
Techonology Development	1.0	3.0	3.0
Technology Deployment	1.0	1.0	1.0
Technology Support	3.0	6.0	3.0
Application Development	9.0	9.8	14.0
Network Support	9.0	10.0	14.0
Telecommunications	10.0	10.0	14.0
	<u>34.0</u>	<u>40.8</u>	<u>50.0</u>
Communications			
Chief Communications Officer	2.0	2.0	2.0
Public Relations and Marketing	12.0	15.0	16.0
Board Coordination	2.0	2.0	2.0
Customer Service	38.8	38.8	38.8
	<u>54.8</u>	<u>57.8</u>	<u>58.8</u>
Board of Trustees			
Internal Audit	2.0	3.0	3.0
General Counsel	6.8	6.8	7.0
Risk Management	5.0	4.5	5.5
	<u>13.8</u>	<u>14.3</u>	<u>15.5</u>
Operations Support and General and Administration Subtotal	<u>443.1</u>	<u>528.4</u>	<u>587.7</u>
UTAH TRANSIT AUTHORITY	<u>1,748.1</u>	<u>1,961.4</u>	<u>2,058.0</u>



**1.3 STRATEGIC PLAN AND PERFORMANCE  
GOALS MEASURES AND CORPORATE  
OBJECTIVES**

# Part I

## UTA Vision for 2015

### UTA Mission

"Utah Transit Authority strengthens and connects communities enabling individuals to pursue a fuller life with greater ease and convenience by leading through partnering, planning, and wise investment of physical, economic, and human resources."

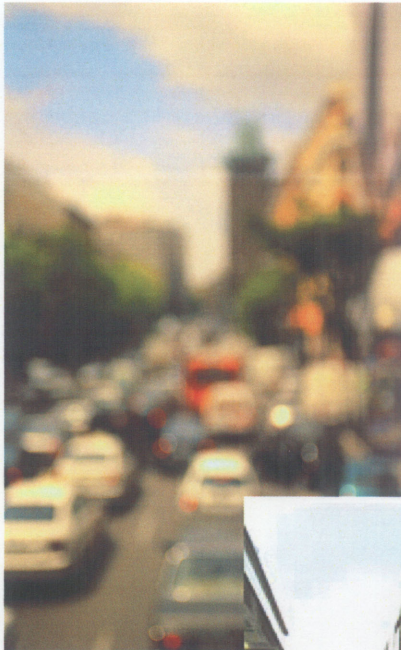


### UTA Vision

Provide an integrated system of innovative, accessible and efficient public transportation services that contribute to increased access to opportunities and a healthy environment for all people of the Wasatch region.

## UTA History

- **Public Transit District: 6 counties**
- **Population: Approximately 2 million**
- **Linear Geographic Area: 130 miles by 20 miles**
- **Currently Employs: More than 2000**
- **Operates more than 700 Buses, 400 vans, 100 LRV and 60 commuter rail vehicles**
- **Carries 38,000,000 Passengers Per Year**
- **TRAX is a great success**
  - **Three lines built in five years**
  - **Completed ahead of schedule and under budget**
- **Ridership is more than double projections**
  - **Projected ridership of 21,000 trips a day**
  - **Carried more than 55,000 trips a day in July 2008**

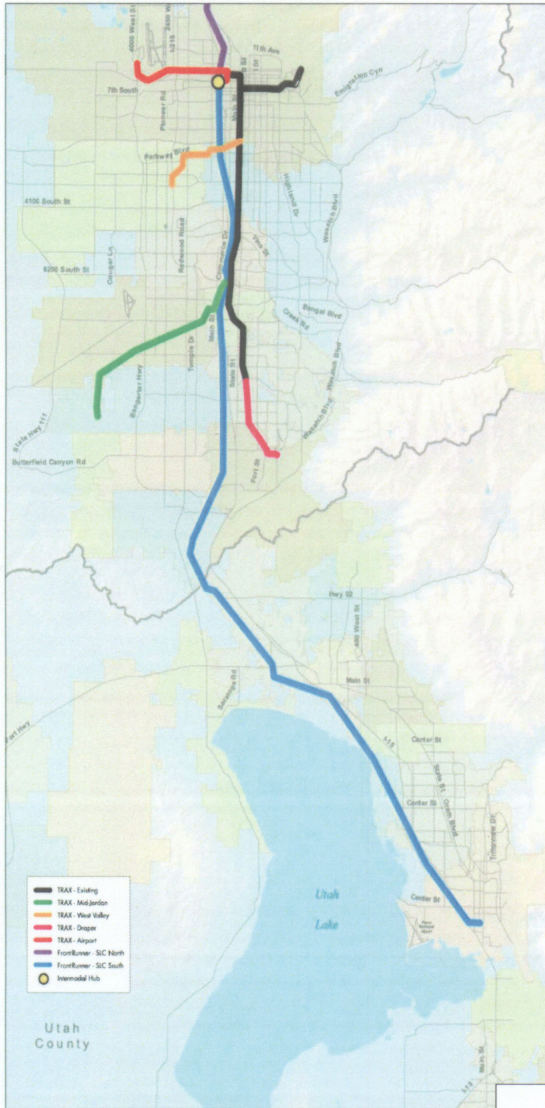


## Transportation Need

- **Utah is known as “The Crossroads of the West”.**
- **Transportation is the backbone of our economy**
- **Movement of goods in Utah is a \$100 billion a year industry**
- **Congestion impacts our economic growth:**
  - **Increases cost of business**
  - **Reduces business productivity**
  - **Makes us a less desirable place for business to locate**
  - **Makes us less competitive with other regions**



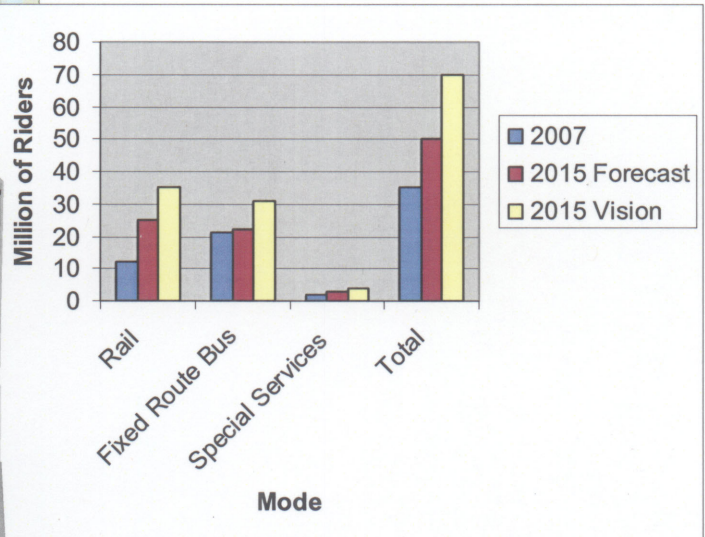
# Making the Vision a Reality



Every resident along the Wasatch Front connected to their destinations through an integrated family of services. The goal is to have a major transit stop within one mile of every resident of the Wasatch Front by 2030.

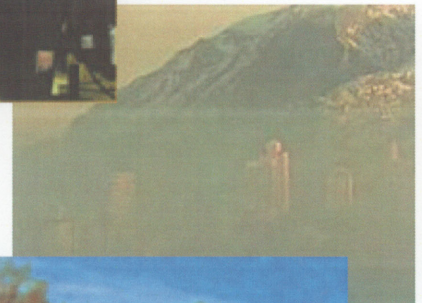


## 70 Million Riders in 7 Years!



## **Eight Strategies that Will Make it Happen**

- 1. Implement the 2015 rail projects**
- 2. Continue to reinvent transit services to meet today's market – quantum leaps in service**
- 3. Link to powerful movements: air quality, energy, climate change, transportation**
- 4. Use service standards to dramatically improve quality of service**
- 5. Deploy technologies and amenities that add value to the customer experience**
- 6. Maintain infrastructure and rolling stock to sustain peak performance**
- 7. Increase efficiency of operations through improved infrastructure, service design and continuous improvement of processes**
- 8. Attract more investment into transit to enable UTA to add service to meet the current and future demand**



## Part II 2009 Board Goals

Category	2009 Measure	Weight
2015 Projects	Complete forty percent (40%) of Transit 2015 Program tasks required to meet the service implementation schedule by December 31, 2009.	0-30%
Strategic Projects	Develop a vision and plan for sustainable transit service beyond 2015. <ul style="list-style-type: none"> <li>a. Organize a stakeholder group to provide guidance to the visioning process by May 31, 2009</li> <li>b. Conduct the first round of community visioning sessions by November 20, 2009</li> <li>c. Identify the requirements for sustaining the transit service vision by December 31, 2009.</li> </ul>	0-10%
	Adopt corporate policy and guidelines regarding amenities which enhance the customer's experience and value as well as generating additional revenue by December 31, 2009.	0-10%
Revenue Development	\$101,000,000	0-20%
Investment per Rider (IPR)	\$4.06	0-20%
Ridership	2% more than actual 2008 Ridership: 40,368,000	0-10%

## Part III

# 2009 Corporate Objectives

Version 3 – February 19, 2009

Objective Description	2009 Outcome	Responsible Executive*
Replace Central Garage	Complete design and develop funding plan.	Martelly Allegra
Implement bus stop amenities plan	Complete Bus Stop Amenities Plan for each bus business unit according to the corporate service standard.	RGMs Allegra
Maintain State of Good Repair	Create and implement a landscaping and cleaning standard for existing bus and train facilities including train stations, bus stops, intermodal centers, and operations facilities. Meet preventive maintenance schedules for facilities and equipment. Create a plan and schedule to improve TRAX vehicle appearance.	Benson O'Brien
Improve rail and bus service	<ul style="list-style-type: none"> <li>• Implement bicycle sharing in Salt Lake City.</li> <li>• Implement car sharing in Salt Lake City.</li> <li>• Expand vanpools by 25.</li> <li>• Increase bus system reliability to 84%.</li> <li>• Expand vanpools by 25.</li> <li>• Increase miles between road calls by 10%.</li> </ul>	RGMs Allegra
Implement electronic payment system	Complete implementation of EFC to meet operating requirements, including hardware/software performance, reporting, financial transactions, maintenance and repair, and enforcement.	Fiet
Improve static way finder and schedule information	Develop and begin implementation of improvements to the static way finder and schedule information.	Packer



Implement real-time service status information at rail stations	Design and implement technology which informs customers as to the arrival time of the next train and status of any delays.	O'Brien
Prepare Expansion Staffing Plan	Prepare staffing plan which produces the number of qualified personnel required to support the 2015 rail operating plan while minimizing the negative impact on current bus and rail operations. Advance skill training programs, namely: apprenticeship, scholarship, and rail. Advance leadership development.	Montague
Define funding strategy for 2015 vision plan	Develop strategy for acquiring additional funding required to implement and sustain the plan to generate 70 million boardings in 2015.	Inglish

\*NOTE: Responsible executive refers to the Policy Forum member responsible for ensuring the task is completed with the participation of all impacted UTA departments.

# **Part IV**

## **Business Unit and Departmental Priority Objectives for 2009**

### **OPERATIONAL BUSINESS UNITS**

#### **Meadowbrook:**

- Increase reliability by 5%
- Implement ridership Initiatives, namely: direct mail marketing to new routes; new services including 5600 West circulator, Saturday Service on 218, Saturday service on 201, BRT (pending completion of construction); eliminate least efficient service; and implement service improvements to reduce budget and increase ridership for a net improvement in IPR
- Achieve a 10% improvement in Service Interruptions through road call campaign, development of operations and maintenance road call team, restructuring of maintenance shifts/structure to align with new service scheduling, and improved reporting and accountability measures.

#### **Mt. Ogden:**

- Maintain or increase or maintain ridership through marketing and service improvements such as: direct marketing programs on selected routes; ridership initiatives for continuous improvement goals; service standards alignment in the service area; continuation of corporate service standards analysis and attendant changes each change day 2009 to improve efficiencies.
- Implement team structures and follow-up mechanisms for BU Strategic Plan by: Developing and implementing a team structure to support 2015 (family of Services) initiative; improving analysis and methods to implement service changes and Business Unit that support 2015 service plan and Business Unit structures; completing the team charter defining the scope and direction for decision making of the team not later than March 2009; and identifying key measures and strategies for improvement by June 2009.
- Demonstrate continuous improvement measures that support corporate reliability and service interruption goals by measuring and monitoring miles between road calls scheduled versus actual times.

#### **Mt. Timpanogos**

- Develop plan for integrating UTA Family of Services into seamless system for the Timpanogos service district. Focus on bus-rail integration plan and aligning with our 5-year strategic plan.
- Increase revenues through adjustments to EdPass contract philosophy – value of contracts need to reflect value of service provided.
- Increase ridership through service adjustments and improved marketing initiatives, i.e., increased number of EcoPass contracts, marketing of off-peak services and similar initiatives

**Rail Services:**

- Meet all pullouts as scheduled.
- Maintain reliability at 98% or better.
- Complete all preventive maintenance on time.

**Special Services**

- Obtain funding for route deviation(s) from other business units, JARC or New Freedoms monies.
- Implement the 3/4-mile comparable service standard systemwide.
- Install the vital RidePro program software by the end of the year.

**SUPPORT BUSINESS UNITS****Operations Performance Office**

- Complete specifications, conduct procurement, award contract for 26 hybrid (diesel/electric) transit buses, by July 31, 2009.
- Submit the UTA green house gas (GHG) inventory, including mode shift offset, according to protocols of the Climate Registry. Complete independent audit of GHG inventory by December 31, 2009.
- Prepare for and begin labor contract negotiations by September 30, 2009.
- Develop an online dashboard reporting key performance indicators related to UTA goals, service standards, and efficiency by December 31, 2009.

**Technology Office**

- Continue the development of and support defined operational requirements for the Electronic Fare Collection System (EFCS).
- Complete the definition of requirements, conduct the procurement, and begin the implementation of a rail customer information train monitoring system. This will be at least a two-year implementation beginning in 2009.
- Begin the implementation of a bus customer information and control center system. Complete the definition of requirements, conduct the procurement, and select the vendors who will collaborate with Technology Office personnel to develop a system which incorporates UTA on-board capabilities.

**Office of General Counsel**

- Support, advise, and assist Authority Staff in completing the service implementation plan for the 2015 Program;
- Counsel, support and assist Authority Staff in coordinating efforts with stakeholders, communities and others in development, implementation and sustainability of a transit visioning process to generate sustainable goals for future transit growth;
- Draft, advise, and educate Authority staff regarding corporate policies and guidelines, including but not limited to, amenities, customer service, revenue and ridership generation.

### **Support Services**

- Prepare a Comprehensive Annual Financial Report in compliance with Government Finance Officers Association standards containing the annual audited financial statements. Distribute the report to the Board of Trustees, community elected officials and make it available to the general public by posting it on the UTA internet web site.
- Prepare a staffing plan which produces the number of qualified personnel required to support the 2015 rail operating plan while minimizing the negative impact on current bus and rail operations. Advance skill training programs, namely: apprenticeship, scholarship, and rail. Advance leadership development.
- Provide new employee orientation to all new employees, train all new bus operators and conduct retraining as requested, perform return-to-work check rides, and conduct CDL examinations.
- Continue to work cooperatively with local TSA officials to improve homeland security issues e.g. joint operations on high use platforms such as, Salt Lake Central Plaza and Gallivan Center Plaza and continuation of the TSA plain-clothes behavioral teams, etc.
- Continue to plan for and make available financing for the ongoing construction needs of the 2015 building program through the issuance of bonds.

## Part V

# Corporate Service Standards 2009

### Utah Transit Authority Corporate Policy No. 1.1.19 (Corporate Service Standards)

Purpose: This policy establishes the values that guide the Utah Transit Authority staff actions related to attaining the Board of Trustee performance goals and continually improving the customers' experience.

Definitions: As used in this Policy:

Service standards are grouped into three categories: *Policy service standards*, the standards based on community expectations or regulatory requirements; *Quality service standards*, the standards reflecting consumers' expectations; and *Effectiveness service standards*, which reflect desired returns for the public investment. The Utah Transit Authority is referred to hereafter as UTA.

Policy:

#### A. *Policy Service Standards.*

1. Equity: UTA annually compares the operating, capital, and administrative expenditures associated with transit service within each county with the revenue generated within that county according to an approved procedure. The objective is for the projected revenues and expenditures to balance in the UTA long range financial plan. The long range perspective is required because implementation of major capital projects can result in significant year to year variations. Program adjustments are implemented as needed.

2. Regional Transportation Plan: UTA continually participates in the development and execution of the Wasatch Front Regional Council and Mountainland Association of Governments long range regional transportation plans. Projects defined in the long range regional transportation plan and executed by UTA are managed as annual corporate performance measures.

3. Federal Regulations: UTA complies with transit service non-discriminatory regulations associated with Title VI of the Civil Rights Act of 1964 and the service provisions delineated in the Americans with Disabilities Act of 1990.

#### B. *Quality Service Standards.*

1. On-time Service: Customers want punctual service.

For fixed-route bus service, the Business Unit Forum shall establish an annual on-time reliability standard which results in continual progress towards a long-term goal of at least 95% of time point crossings being 0 seconds early and no more than 4 minutes and 59 seconds late.

Light rail service shall depart stations 0 seconds early and no more than 4 minutes 59 seconds later than scheduled, 98% of the time.

Commuter rail service shall depart stations 0 seconds early and no more than 4 minutes 59 seconds later than scheduled, 95% of the time.

Paratransit service shall pick up at least 90% of customers within 10 minutes before to 20 minutes after the stated pick-up time and drop off at least 90% of customers within 30 minutes of any stated appointment time. Patterns of repetitive occurrences of a customer being picked up or dropped off late require immediate corrective action.

2. Seat Availability: When traveling for an extended period of time on UTA services, customers wish to use their time productively which requires the availability of a seat.

For non-ski fixed-route bus service with an average customer trip length less than 20 miles, corrective action shall be taken, as resources permit, when the number of customers onboard exceeds 150% of the available seats for at least 3 consecutive miles on more than 33% of the times a trip operates over three consecutive months.

For fixed route bus service with an average customer trip length more than 20 miles, corrective action shall be taken, as resources permit, when the maximum number of customers onboard exceeds 100% of the available seats on more than 25% of the times a trip operates over two consecutive months.

For light rail service, corrective action shall be taken, as resources permit, when the maximum number of customers onboard a train trip repeatedly exceeds 175% of the available seats on more than 33% of the times a regularly scheduled trip operates over 90 consecutive days. At least 90% of all light rail train trips operated each month shall consist of the number of rail cars recorded on the yard and tail tracks moves document.

For commuter rail service, corrective action shall be taken, as resources permit, when the maximum number of customers travel north of the Woods Cross Station exceeds 90% of the available seats on more than 25% of the times a train trip operates over two consecutive months.

Paratransit service shall provide a seat or wheelchair location, as appropriate, for 100% of all registered riders.

3. Frequency of Service: Customers want frequent opportunities to travel when using UTA services.

The system-wide average number of minutes between buses on scheduled weekday fixed-route bus service shall not exceed 28 minutes (actual for August 2007) for the service plans implemented prior to August 2015 and 25 minutes for the August 2015 service plan.

The system-wide average number of minutes between light rail trains on weekdays shall not exceed 20 minutes.

The average number of minutes between regional commuter rail trains shall not exceed 30 minutes in the period commencing at the start of revenue service through 7:00 PM on weekdays.

Paratransit service shall have no trip denials based on capacity.

4. Vehicle Type: The type of vehicle used in operating a service can significantly impact the customers' experience.

Each month, over-the-road coaches shall operate on a minimum of 70% of express trips (excluding FastBus) between Utah County, north Davis County, Weber County, Tooele County and the downtown Salt Lake City/University of Utah corridor.

5. Vehicle Age: Vehicle age impacts service on-time reliability and operating cost.

Replacement of fixed-route buses and vans shall occur based on the following vehicle age and mileage schedule:

- Twelve-year transit buses shall be replaced before completing the 13<sup>th</sup> year. (Note: mileage is only relevant when replacing a vehicle prior to attaining the FTA minimum years of service standard).
- Ten-year transit buses shall be replaced before completing the 11<sup>th</sup> year.
- Seven-year transit bus shall be replaced before completing the 8<sup>th</sup> year.
- Five-year, 150,000 mile transit and Paratransit vans, shall be kept in service until they log between 180,000 and 210,000 miles. Vans shall be replaced before the odometer turns 210,001 miles.
- Four-year, 100,000-mile, 15-passenger vans shall be replaced following completion of the fourth year of revenue service or having logged 125,001 miles, whichever occurs first. Vehicles exceeding the above standard may be retained until such time as the cost of maintaining the vehicle exceeds the value of the vehicle.

Light rail vehicles shall be replaced no later than the 30<sup>th</sup> year. Regional commuter rail locomotives shall be replaced no later than the 20<sup>th</sup> year. Regional commuter rail

cab cars shall be replaced no later than the 30<sup>th</sup> year. Regional commuter rail coaches shall be replaced no later than the 50<sup>th</sup> year.

6. Customer Amenities: Customer amenities contribute to a positive experience while traveling on UTA services.

In even-numbered calendar years, each bus business unit shall evaluate the need for customer amenities (e.g. hard surface pad, bench, shelter, lighting, and information) at bus stops meeting at least one of the following criteria:

- The bus stop is one of the top 5% of weekday boarding locations within the business unit jurisdiction.
- The bus stop serves senior citizen activity center, disabled citizen activity center, a medical activity center, or a key ridership location.
- The bus stop is frequently used to transfer between services.
- The bus stop is identified as requiring accessibility enhancements.

Business units shall define the appropriate customer amenity at each location and develop a deployment strategy. The customer amenity deployment strategy shall consider capital cost, operating and maintenance cost, and opportunities to have a non-UTA party assume responsibility for the customer amenities.

The business units shall encourage local governments and private sector to provide customer amenities at bus stops serving their jurisdiction or facility. Actions taken by these parties reflect on the public image of UTA; therefore if a non-UTA party assumes responsibility for any bus stop customer amenity, the business unit is responsible for ensuring the outside entity understands the business unit deployment strategy, UTA operating and maintenance expectations, and any design or location regulations. Additionally, the business unit shall maintain a contingency plan if the non-UTA party fails to attain the stated UTA expectations.

The customer amenity deployment strategy shall be incorporated into the annual update of the business unit strategic plan. An annual corporate customer amenity plan, including resource allocation, shall be developed from the business unit strategic plans.

7. Transfer Coordination: Customers are able to reach more locations by transferring between transit services, and want to minimize the time spent transferring.

UTA shall coordinate transfers at strategic locations as determined and documented by the business units each service change period. A transfer is considered coordinated when the customer's out-of-vehicle time is more than 2 minutes plus the walk time and less than 7 minutes (standard for on-time reliability and walk time contingency) plus the walk time.



C. *Effectiveness Service Standards*

1. Ridership: The UTA Board of Trustees establishes an annual minimum goal for the number of boardings on UTA services. Business units shall develop service and operating plans that have a high probability of attaining the goal and are based on the approved budget, identified market expectations and opportunities, and rectifying inefficiencies in the current service and operating plans.

2. Continual Improvement of the Investment per Rider (IPR) / Investment per Passenger Mile (IPPM):

The UTA Board of Trustees establishes an annual goal for IPR which is distributed to each operating business unit. IPR measures the average subsidy for each time a customer boards a transit service, whereas the IPPM measures the average subsidy incurred for each mile a customer travels. The annual IPR and IPPM shall be calculated for each UTA fixed-route bus service. Performance improvement plans shall be developed and implemented for bus routes where both the IPR and IPPM are more than 1 standard deviation greater than the average by service type and business unit. A performance improvement plan is waived with concurrence from the General Manager when overriding community concerns justify the continuation of the current service. The waiver shall remain in force for no more than 3 years.

Light rail and commuter rail services are evaluated on ridership relative to seating capacity. If a multi-car train is operating a trip and the maximum number of customers on board during the trip is less than 10% of the seating capacity for more than 30 consecutive days, consideration shall be given to reducing the number of rail cars comprising that train. If a single car train is operating a trip and the number of customers boarding the train during the trip is less than 10% of the seating capacity for more than 30 consecutive days, consideration shall be given to eliminating the trip. If operational, customer or community concerns justify not making changes according to this standard, the situation shall be documented and no further consideration is required for 18 months. Trips that originate or terminate at the yard are exempted from this requirement.

3. Land Use and Urban Design: The most significant factor influencing the amount of transit ridership is the number of trips beginning and ending within walking distance of transit service.

Prior to the implementation of new bus service or alignment changes requiring a public hearing, the business unit shall evaluate the degree to which the land use and urban design support the proposed service change. The land use/urban design factors evaluated shall include the number of trips originating or ending adjacent to the proposed route alignment, the type of land use, the density of pathways intersecting the route, and the availability of sidewalks and park and ride facilities. Land use/urban design is one of many factors considered while planning a bus route

change. Other factors considered include but are not limited to market segmentation, demographics, and community concerns. The land use/urban design evaluation results shall be documented on the UTA change day tool.

Corridors where local jurisdictions have implemented policies (i.e. land use plan, zoning, pedestrian circulation requirements, etc.) that support and encourage pro-transit land use/urban design shall receive preferential treatment over corridors with similar existing land use/urban design but no supporting policies.

The regional transportation planning and Federal major investment planning processes incorporate land use and urban design in the evaluation of major capital projects (i.e. light rail, commuter rail, etc).

Each operating business unit is required to include in their annual performance plan at least one strategic objective focused on educating the public, developers, local jurisdiction, or others regarding the important link between land use/urban development and the success of their transit investment.

*D. Administering and Revising Service Standards*

UTA service standards are administered through the UTA Quality and Performance Management System. Annually the Policy Forum shall review actual performance relative to service standards. Corrective or preventive action shall be defined and implemented if current performance is found to be deficient or forecasted to become deficient in the next 12 months. The Policy Forum shall determine whether any service standard requires modification on an annual basis.

- III      Cross-References: Board of Trustees Ends Policy 1.3.4.  
Board of Trustees Executive Limitations Policy 2.4.1  
Board of Trustees Executive Limitations Policy 2.4.4  
Board of Trustees Executive Relationship UTA Corporate Policy 2.1.5

## Part VI

# 2008 Corporate Goals Performance Report

2/17/09

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Ridership	36,467,295	39,576,531	★
Investment Per Rider	\$4.05	\$3.47	★
Revenue Generation	\$110,000,000	\$112,263,610	★
Operating Budget	\$211,062,817	\$195,641,016	★
Operating Budget less MIS & Bond Debt	\$177,144,817	\$170,769,890	★

### 2008 Actual Performance Compared to Goals

#### Central

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Ridership	3,684,265	3,703,154	★
Investment Per Rider	\$4.54	\$4.71	☹
Investment Per Passenger Mile	N/A	\$1.18	N/A
Operating Budget	\$15,023,707	\$15,298,078	☹

#### Meadowbrook

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Ridership	11,081,968	11,349,452	★
Investment Per Rider	\$4.05	\$3.79	★
Investment Per Passenger Mile	N/A	\$1.05	N/A
Operating Budget	\$40,310,015	\$39,743,975	★

#### Mount Ogden

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Ridership	3,178,985	3,453,455	★
Investment Per Rider	\$5.46	\$4.85	★
Investment Per Passenger Mile	N/A	\$0.79	N/A
Operating Budget	\$14,676,717	\$14,415,533	★

### Mount Timpanogos

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Ridership	3,084,218	3,576,602	★
Investment Per Rider	\$4.63	\$3.77	★
Investment Per Passenger Mile	N/A	\$0.26	N/A
Operating Budget	\$11,825,883	\$11,925,031	☹

### Rail Services

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Ridership (TRAX)	12,386,966	13,948,710	★
Ridership (Frontrunner)	910,000	1,385,818	★
Investment Per Rider (TRAX)	\$1.47	\$1.32	★
Investment Per Passenger Mile (TRAX)	N/A	\$0.30	N/A
Investment Per Rider (Frontrunner)	\$20.1	\$8.93	★
Investment Per Passenger Mile (Frontrunner)	N/A	\$0.36	N/A
Operating Budget	\$30,488,434	\$29,938,257	★

### Special Services

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
<b>Paratransit</b>			
Ridership*	484,422	501,522	★
Investment Per Rider	\$38.13	\$33.38	★
<b>Vanpool</b>			
Ridership	1,656,471	1,657,818	★
Investment Per Rider	-\$0.35	-\$0.51	★
Special Services Operating Budget	\$15,886,766	\$14,708,013	★

\*Actual ridership number includes route deviation

### Capital Development Office

Category	2008 Year-end Goal	2008 Year-end Actual	On Target?
Revenue Development	\$110,000,000	\$112,263,610	★
Operating Budget	\$2,712,581	\$2,871,216	☹
Operating less MIS	\$2,617,581	\$2,670,985	☹

### 2008 Year-end Operating Budget Performance of Support Services Business Unit and Corporate Offices

Version 3 - Feb 2009

Business Unit / Corporate Office	2008 Year-end Goal	2008 Year-end Actual	On Target?
GM Office	\$4,512,686	\$1,160,704	★
Civil Rights	\$362,240	\$360,062	★
General Counsel	\$4,412,839	\$4,034,545	★
Finance/ Support Services	\$45,848,963	\$36,667,263	★
Finance/Support Services less Bond Debt	\$12,025,963	\$11,996,368	★
Operations Performance Office	\$15,386,741	\$14,972,542	★
Communications Office	\$5,028,611	\$5,043,593	☹

Internal Audit	\$152,223	\$139,836	★
Technology Office	\$4,434,411	\$4,362,367	★

## Part VII 2008 Goal Measures

UTA Goal Measures Summary Report (2008 End of the Year)			
December 31, 2008			
	Measure	Responsible Executive	Status
2015 Projects	Implement FrontRunner revenue service between Salt Lake and Ogden by April Change Day	M. Allegra	Completed on time.
	Implement bus rapid transit (BRT) service along 3500 South by August 20th, 2008	M. Allegra	Completed. 3500 South BRT was implemented on July 14th, 2008.
Strategic Projects	Install the electronic payment system (EPS) infrastructure and launch the Eco-and Ed-Pass products not later than December	C. Fiet	Completed on time.
	Have a qualified consultant evaluate current ridership counting procedures, develop standard operating procedures that correct all current ridership count deficiencies, and develop a strategy for implementing automated ridership counter for all UTA transit	J.Benson	Completed on time.

## Part VIII

## 2008 Supporting Goals Performance Report

QPMS Supporting Corporate Objectives Status Summary Report (2008 End of the Year)			
December 31, 2008			
#	Objective	Responsible Executive	Status
1	Achieve an overall reliability goal of 80% for fixed-route buses by December 31st	L.Simpson, G.Martelly, H.Johnson, A. Bowen	Completed on time. All Business Units and fixed route system achieved at least 80% overall reliability for 2008. Timpanogos: 81%, Ogden: 84%, Central: 81%, Meadowbrook: 80%, System: 81%.
2	Evaluate potential for hybrid demand-based route deviation services for ADA and area customers in Draper, Herriman/South Jordan/West Jordan and Tooele	C.Beveridge	Completed on time.
3	Grow and maintain stability of the Vanpool program with the addition of at least 30 new contracts	C.Beveridge	Completed on time.
4	Install Wi-Fi on 100% of new FrontRunner coaches and 80% of the used FronRunner coaches	C. Fiet	Completed on time.
5	Install complete automated ADA/stop announcement systems on all fixed-route buses	C. Fiet	Completed on time.
6	Increase training opportunities that reinforce employee commitment, motivation, and productivity, and reduce turnover with the establishment of UTA academy. Graduate at least 500 employees by December 31st	J.Benson	Objective is postponed to 2009.
7	Define our environmental footprint through participation in the climate registry and compilation of a greenhouse gas emission inventory by December 31st	J.Benson	Not completed on time. The process to achieve the objective is much more involved than originally thought at the time of objective creation. However UTA has registered to the Climate Registry in May 2008 and began gathering the data necessary to define UTA's environmental footprint.
8	Institute energy conservation measures at all business units to include additional building power monitors, installation of TRAX platform moisture sensors, replacement of shop lighting, installation of FrontRunner platform heating zonal circuits on at least four platforms, and complete an upgrade of bus block heating system on at least one bus canopy by December 31st	J.Benson	Completed on time.
9	Establish baseline net promoter score (NPS) for all business units and modes by June 30th. Set NPS improvement targets and strategies to be implemented by Decemeber 31st.	J.Benson	Completed on time.
10	Increase the miles driven between service interruptions by 10% between December 2007 and December 2008	L.Simpson, G.Martelly, H.Johnson, A. Bowen, C. Beveridge	Central and Special Services Business Units met the target miles. Meadowbrook, Ogden, and Timpanogos Business Units did not meet the target miles. See timeline for detail.
11	Develop and implement a transfer reliability improvement program by December 31st. Identify high priority transfer locations, determine transfer reliability scheduling best practices, measure current transfer reliability, and develop a plan to improve transfer reliability	J. Benson	Completed on time.

# Part IX

## SERVICE STANDARDS DASHBOARD FOR 2008



Satisfactory



Unsatisfactory



Under development

### POLICY STANDARDS



## Equity

The equity analysis for 2009 is currently being developed.

See Dave Beecher for details

## Regional Transportation Plan



Implement FrontRunner Revenue service between Salt Lake and Ogden by April change day



Implement bus rapid transit (BRT) service along 3500 South by August change day, 2008



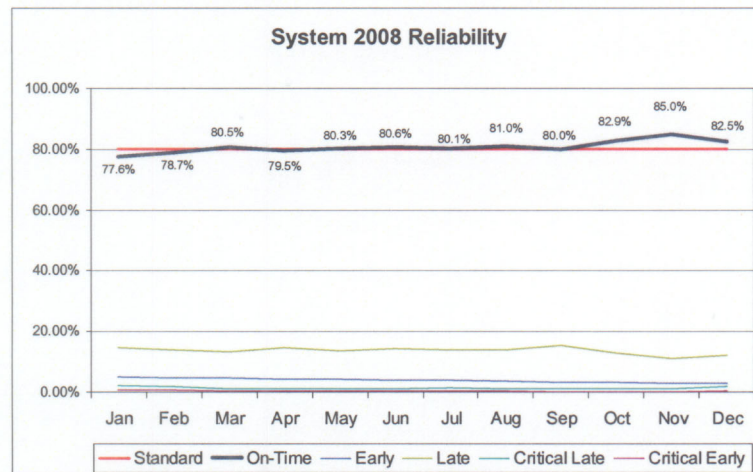
 **Federal Regulations**  
Triennial Review

The FTA Triennial Review was completed on 15 June 2007.

**QUALITY STANDARDS**

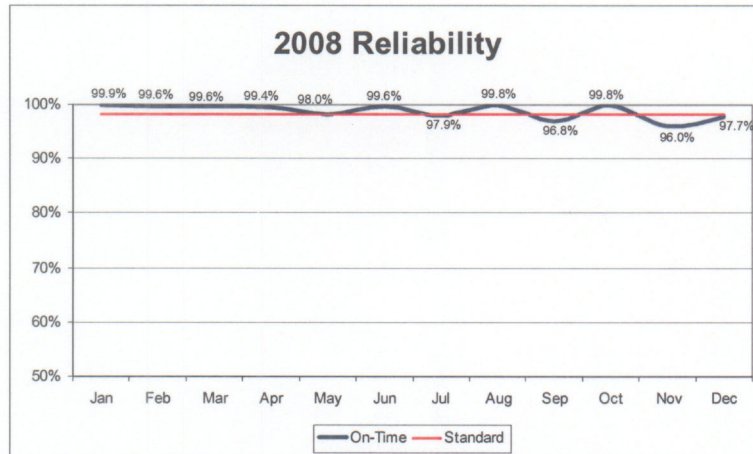
On-time

 **Fixed Route Bus**



On-time

## Light Rail



On-time

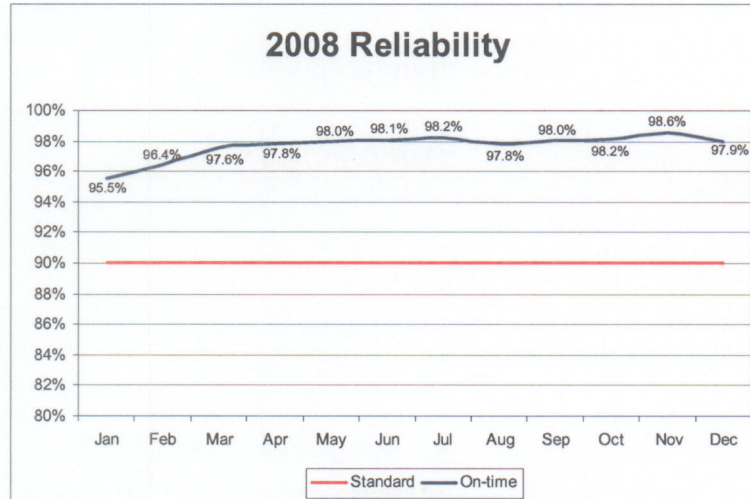
## FrontRunner

Steps are being taken in order to determine FrontRunner reliability.

The process is under development.

On-time

## Paratransit



Seat Availability

## Fixed Route Bus


- Seat availability determination depends on accurate passenger counts by stop.
- Accurate APC data collection is being developed.

Seat Availability

 Paratransit

Paratransit has provided a seat to  
100% of all registered riders.

Seat Availability

 TRAX  
Yard & Tail Track

Steps are being taken in order to determine if 90%  
of all trips consist of the number of rail cars  
recorded on the yard and tail tracks moves  
document.

The process is under development.

Seat Availability



TRAX  
Capacity

No regularly scheduled trips operated with more customers onboard than 175% of the available seats, more than 33% of the time over 90 consecutive days.

Frequency

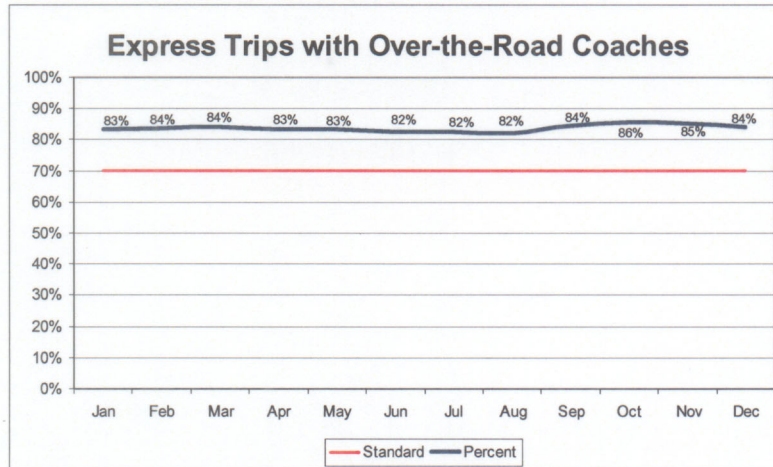
Service                      Standard    Performance

Fixed Route Bus	28 min.*	27.6 min.	
TRAX	20 min.	15.2 min.	
FrontRunner	30 min.	28.98 min.*	
Paratransit	No trip denials based on capacity.		

\*Conditioned on approval of revised standards.

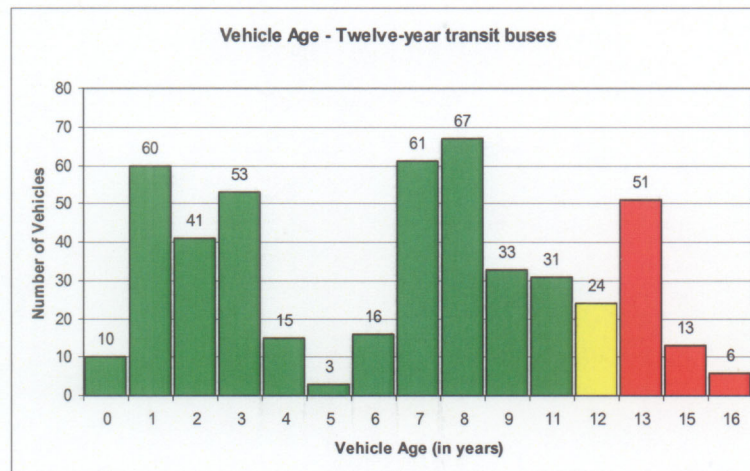
Vehicle Type

 Vehicle Type



Vehicle Age – Rubber Tire Revenue Service Vehicles

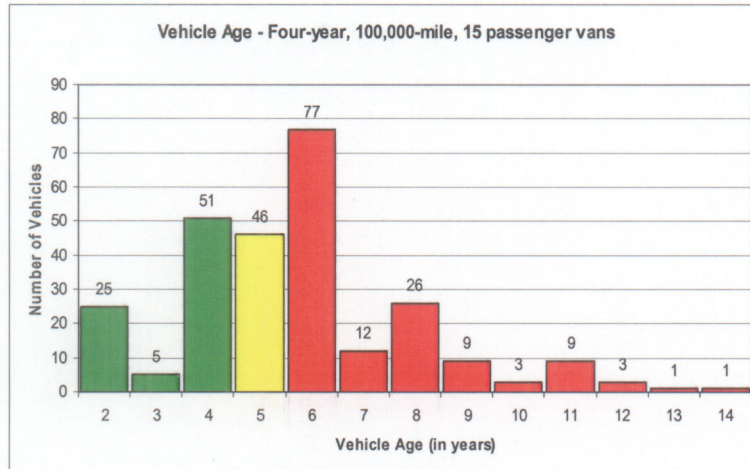
 Twelve Year Transit Buses



Vehicle Age – Rubber Tire Revenue Service Vehicles

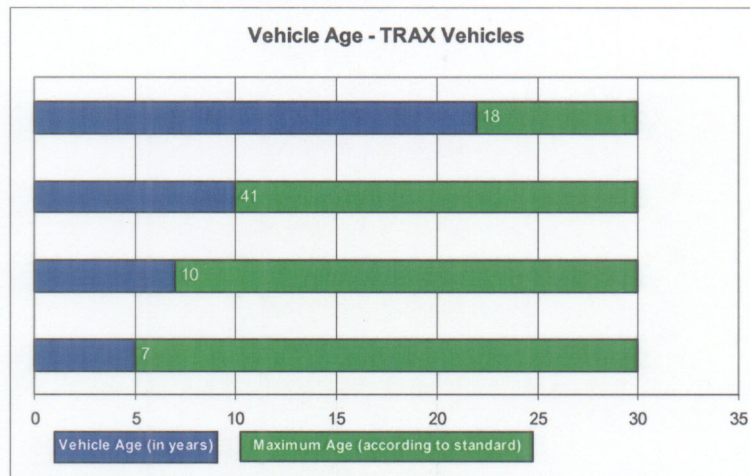


Four-Year, 100,000 Mile, 15 Passenger Vans

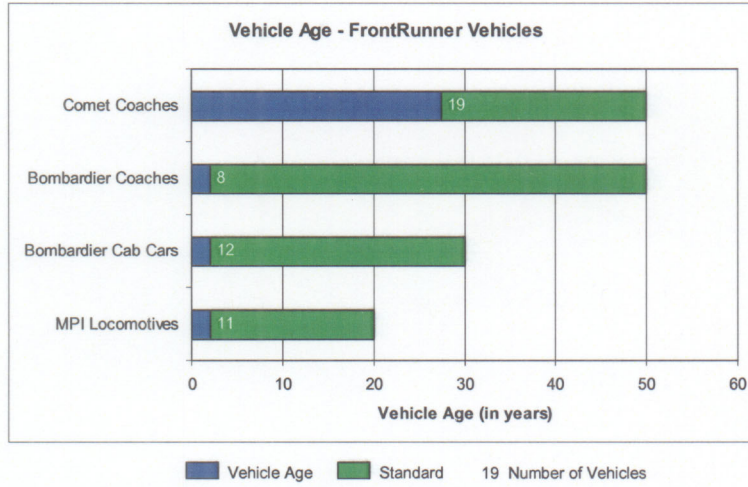


\*Conditioned on approval of revised standards.

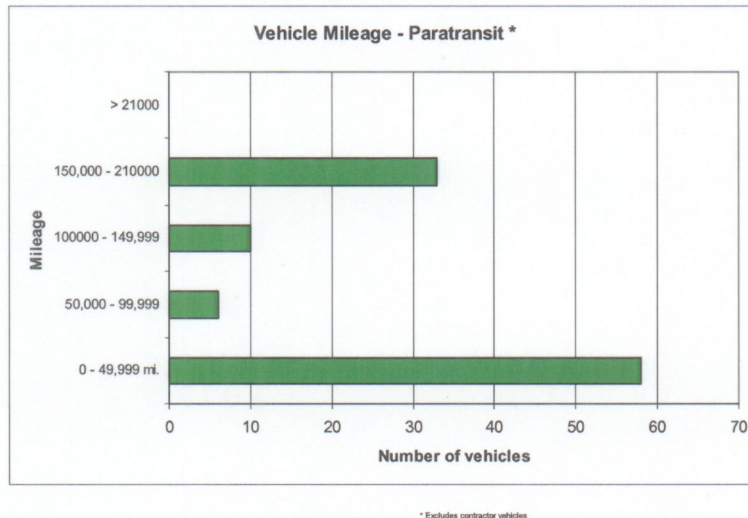
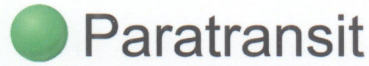
Vehicle Age – Light Rail Vehicles



Vehicle Age



Vehicle Age

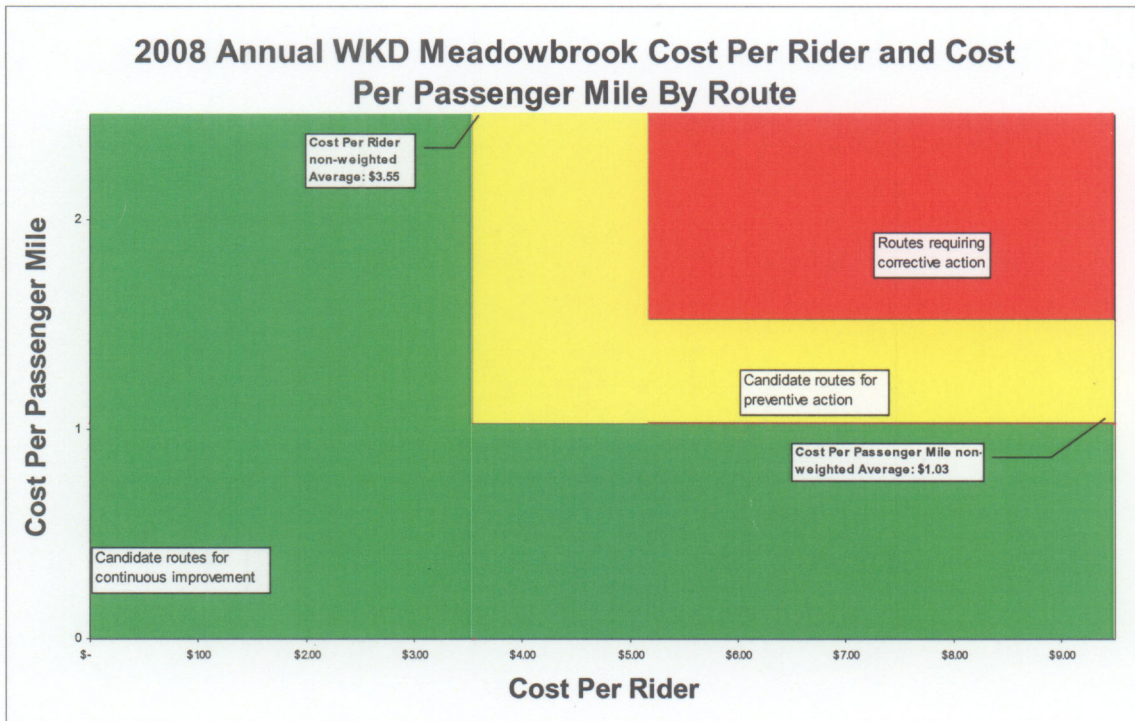
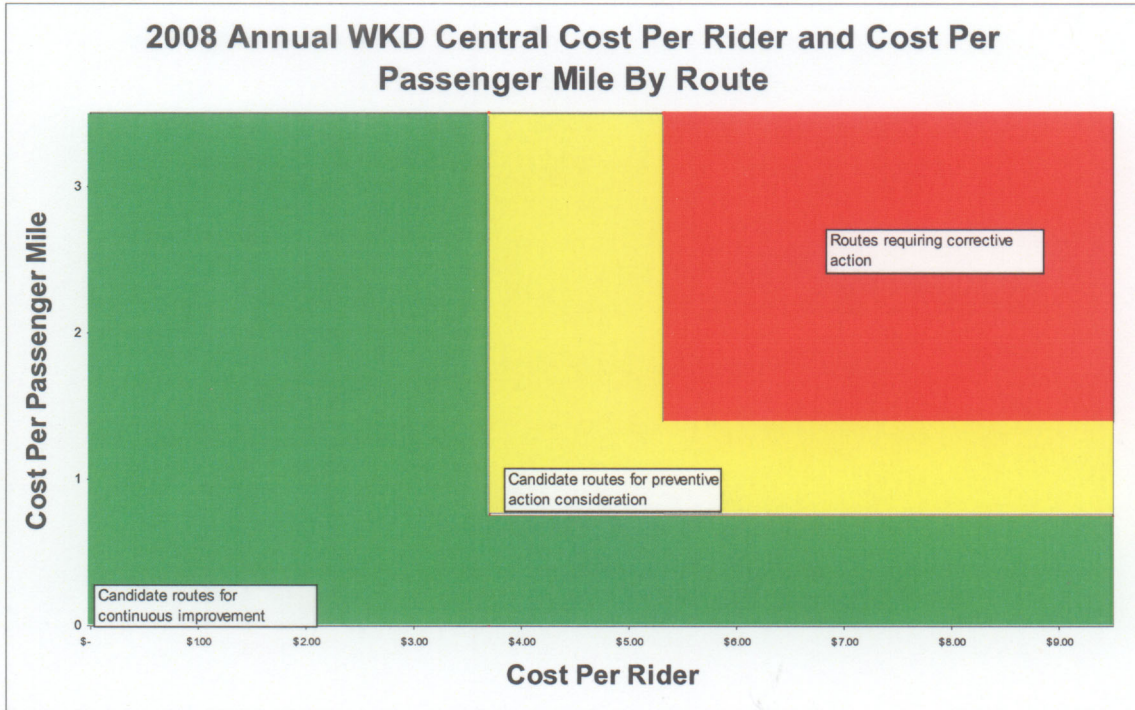




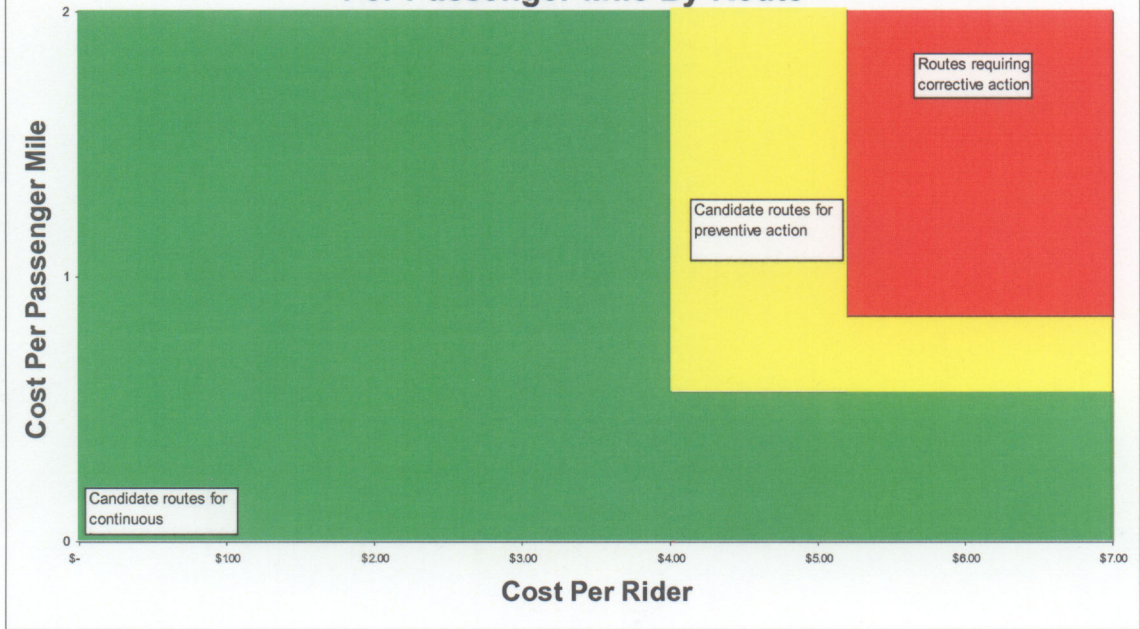
## ● Customer Amenities

An S.O.P for assessing the criteria in evaluating the need for customer amenities is currently under development.

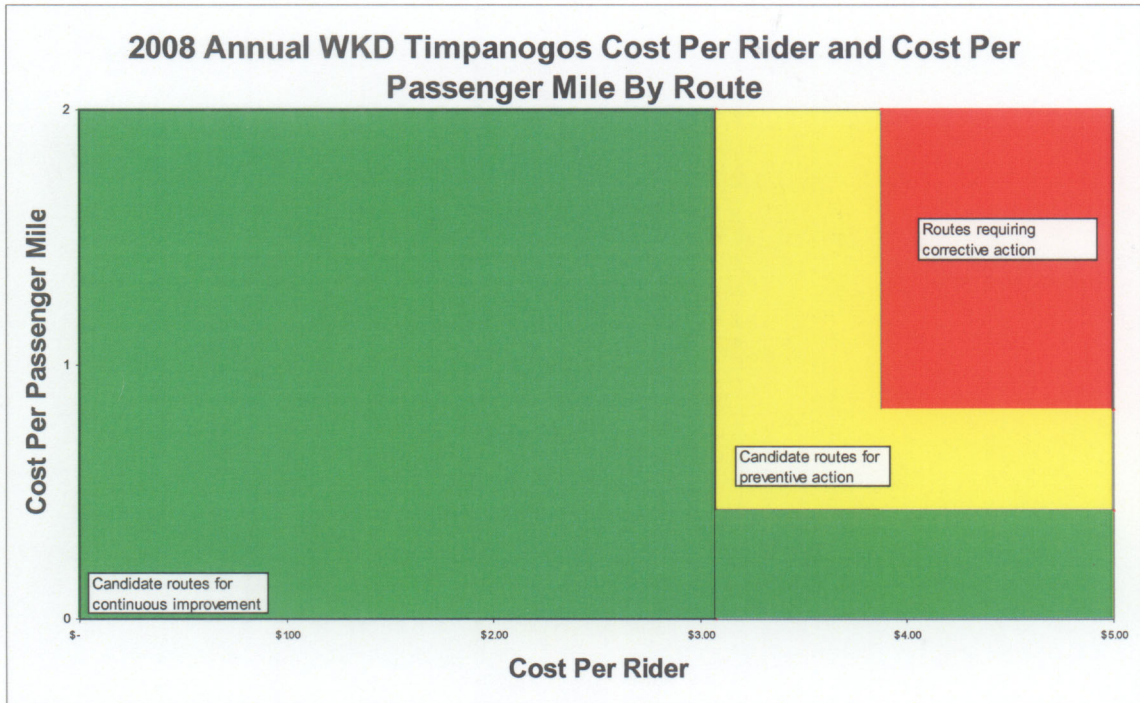
**EFFECTIVENESS SERVICE STANDARDS  
FIXED ROUTE BUS**



### 2008 Annual WKD Mt. Ogden Cost Per Rider and Cost Per Passenger Mile By Route



### 2008 Annual WKD Timpanogos Cost Per Rider and Cost Per Passenger Mile By Route



IPR / IPPM



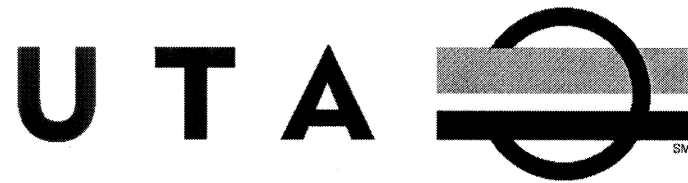
All trips not originating or terminating at the yard meet the standard.

\*Conditioned on approval of revised standards.

## Land Use and Urban Design

A tool for evaluating land use and urban design factors has been developed

The tool is currently being evaluated.



## 1.4 BUDGET PROCESS

## THE 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 2009 is included at the end of this section.

Budget Process: A standing committee appointed and designated by the Board shall be responsible for development of the annual budget of the Authority. Currently the assignment for the development of the budget has been assigned to the Board Planning and Development Committee. The General Manager and Treasurer, with the advice and counsel of the appointed committee, shall prepare annually a preliminary budget for the ensuing year including operation, maintenance, administration expenses, debt service and capital expenditures.

The yearly process starts in May with an initial development of short-term strategies for the upcoming year by the Board Planning and Development Committee and Staff Directors. By August the Planning Committee is presented with a draft 2009 Goals Categories. During this time the General Manager's staff is assessing federal funding, economics, taxes, labor and political trends and developing a revenue projection based on this information.

During September the General Manager's staff develops the budget preparation instructions. UTA staff review current projects, capital equipment needs and pending orders.

The General Managers staff meets with each Business Unit Manager / Department officers and Managers to present the Capital Budget Preparation Instructions and reviews guidelines for preparing the Departments Operational Guide and Capital Equipment Request.

In September the General Managers staff develops preliminary budgets based on the Board's draft Goals. The General Managers Staff then presents the Operating Budget Preparation Instructions and preliminary budget to the Staff Directors and their managers for reviews and modifications. Each department prepares an operating budget and capital needs request, consistent with and linking to the Board Goals. The Policy Forum then reviews the items. Capital items that are requested will be added to the capital budget based on need (as determined by the Policy Forum) and funding available through the Capital Reserve Fund and any grant funding that may be available.

During November the Policy Forum and the Board's Planning and Development Committee review the preliminary budget. Preparation of the Budget Document and presentation of the tentative budget to the Board is made. Once the tentative budget is approved by the Board, it is sent to the Governor's Office, State Legislature and Local Governments for a 30 day comment period. The General Manager's staff makes recommended changes based on comments, as directed by Board of Trustees and prepares the Final Proposed Budget Document. This is then forwarded the Board Planning Committee for review. In December the Final Proposed Budget Document and any changes to the Budget are made for final approval at UTA's Board Meeting.

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 for such year shall be in effect for such fiscal year until the annual budget is adopted.

Please refer to the 2009 UTA Budget Preparation Schedule at the end of this section.

Amendment of Annual Budget: The Board may, by a vote of a quorum of the total Board at any duly-held regular, special or emergency meeting, adopt an amended annual budget when reasonable and necessary, subject to contractual conditions or requirements existing at the time the need for such amendment arise.

Accounting and Budget Basis: Every preliminary budget shall set forth a statement of the sources of funds and estimated revenues available to defray expenditures. The basis of the budget shall be the same for all funds as the basis of accounting, which currently is the accrual method.

Note:

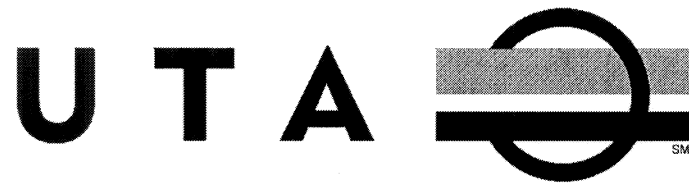
1. The Authority report as a single enterprise fund and uses the accrual method of accounting and the capital maintenance measurements focus. Under this method revenues are recognized when they are earned and expenses are recognized when they are incurred.
2. The Authority does not budget depreciation.
3. Board Goals are finalized in January based on actual results of the prior year.

**2009 UTAH TRANSIT AUTHORITY BUDGET PREPARATION SCHEDULE**

<b><u>TASK</u></b>	<b><u>COMPLETION DATE</u></b>
Present Updated Preliminary TDP Model; discuss Economic Factors, assess federal funding, local economics, taxes, labor and political trends.	15 July 2008
Create General Strategy / Strategic Plan, Discuss assumptions for revenue and ridership projections for 2009 and on. Discuss capital needs and priorities. Finalize Budget Process Schedule.	
Policy Forum Brain Storming Scenario for 2009 Budget	21 July 2008
Policy Forum Sub Committees Strategy Meetings, submit to Gerry Pachucki	21 July – 3 Aug
Strategies are Identified and Prioritized by Policy Forum via email and submitted to Jerry Benson	4 August 2008
GM Panel Reviews and finalizes Strategies	5 -7 August 2008
Policy Forum develop Revenue & Expense Targets and Balances TDP	11 August 2008
Present Preliminary TDP Model, Economic Factors, Financial Plan to Planning & Development Committee. Planning & Development Committee accepts TDPM as starting point of the Budget Process. Review prior year and establish current year goals. All Board of Trustee Members invited.	13 August 2008
GM Staff presents <u>Capital and Operating Budget Preparation Instructions</u> to Business Unit Directors and meets with each Group to review guidelines for Capital budget and Operating budget development including targets and department <u>Goals and Objective Statements</u> .	14 –20 August 2008
Capital budget request by category with analysis of the appropriate criteria, statement of project outcomes, identification of project manager. Operating budget by department by account by month, description of Department Function and red lined organization chart are returned to GM Staff for evaluation & justification analysis	29 August 2008
OPO conducts Goal discussion at Board Planning & Development Mtg.	8 September 2008



Budget Request reviewed by GM & Panel, Budget Request Reconfigured for outcome and prior to Policy Forum meeting.	18 September 2008
Policy Forum evaluates capital programs and projects, refines allocation across capital categories (if necessary) and assigns allocation and project responsibility to Business Unit. Review of Operating budget request and makes any required revisions. (meet Sept. 22 if needed)	19 September 2008
Draft Budget accepted by Policy Forum (To be emailed)	25 September 2008
GM Staff prepares pre-approved tentative budget document and mails to Board Planning Committee.	1 October 2008
Review of 2008 Tentative Budget and Goals by Board Planning Committee. All Board of Trustee members invited.	8 October 2008
Incorporate any changes per Planning Committee and emails to Board of Trustees.	15 October 2008
Presentation of 2009 Tentative Budget and Goals to Board and copy of 2009 Tentative Budget sent to Local Governments, State Legislature and Governor's office of Planning and Budget. Post budget on UTA Web site and mail Post Cards to Community Councils inviting public comments Confirmation of Goals and TDP at Board meeting.	22 October 2008
Budget Review and Comment Period.	22 October thru 24 November 2008
Review Comments at Board Meeting.	24 November 2008
GM Staff makes recommend changes based on comments, as directed by Board of Trustees, prepares final Budget Document.	25 November 2008
Mail Final Budget Document to Board Planning Committee.	25 November 2008
Review of Final Budget Document by Board Planning Committee.	3 December 2008
Incorporate any changes per Planning Committee and mail to Board of Trustee.	10 December 2008
Presentation of the Proposed Final Budget Document and Goals to Board.	17 December 2008
Prepare, print and distribute Budget Document to Policy Forum, Board and Operating departments.	January 2009



## 1.5 FINANCIAL POLICIES

## **Financial Information and Policies**

### Internal Control

#### *Organization*

The Authority is governed by a 19 member Board of Trustees which is the legislative body of the Authority and determines Authority policy. The members of the Board of Trustees are appointed by each county municipality or combination of municipalities annexed to the Authority. In addition one Trustee each is appointed by the State of Utah Governor, President of the Senate, Speaker of the House and the State Transportation Commission.

#### *Reporting Entity*

The Authority has adopted the provisions of Statement No. 14 of the Governmental Accounting Standards Board ("GASB"), *The Financial Reporting Entity* and Statement No. 39 of the GASB, *determining whether certain organizations are component units* – an amendment of GASB Statement No. 14. Accordingly, the financial statements include only the accounts and transactions of the Authority. Under the criteria specified in Statement No. 14 and 39, the Authority has no component units nor is it considered a component unit of any municipality or government. The Authority is, however, considered to be a related organization by virtue of the fact that the Board of Trustees is appointed by the municipalities.

The Authority does not raise or hold economic resources for the direct benefit of a governmental unit and third party governmental units do not have the ability to access economic resources held by the Authority. This is evidenced by the fact that the Authority is a legally and fiscally separate and distinct organization under the provisions of the Utah Code.

### Summary of Significant Accounting Policies

#### *Basis of Accounting*

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

#### *Classification of Revenue*

##### *Operating revenues*

Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use

Proprietary Fund Accounting,” and GASB Statement No. 34. Examples of non-operating revenues would be sales tax revenues, federal grants and investment income.

#### *Sales Tax Revenues*

As approved by the voters, serviced communities’ sales taxes for transit are collected in these communities to provide the Authority with funds for mass transit purposes. Funds are utilized for operations and for the local share of capital expenditures. Sales tax revenues are accrued as a revenue and receivable for the month in which the sales take place.

#### *Cash and Cash Equivalents*

Cash equivalents include amounts invested in a repurchase agreement, Certificates of Deposit and the Utah Public Treasures’ Investment fund, including restricted and designated cash equivalents.

#### *Receivables*

Receivables consist primarily of amounts due to the Authority from sales tax collections, federal grants, pass sales, and investment income. Management does not believe any credit risk exists related to these receivables.

#### *Parts and Supplies Inventories*

Parts and supplies inventories are stated at the lower of cost or market. Inventories generally consist of fuel, lube oil, antifreeze, and repair parts held for consumption. Inventories are expensed as used.

#### *Property, Facilities, and Equipment*

Property, facilities and equipment are stated at historical cost. Maintenance and repair expenditures which substantially improve or extend the useful life of property are capitalized. Routine maintenance and repair are expensed as incurred. Property, facilities and equipment are capitalized if they have individual costs of at least \$5,000 and useful life of one year.

#### *Compensated Absences*

Vacation pay is accrued and charged to expense as earned. Sick pay benefits are accrued as vested by Authority employees.

#### *Risk Management*

The Authority is exposed to various risks of loss related to torts; theft of, damage, and destruction of assets; environmental matters; worker’s compensation; damage to property and injuries to passengers and other individuals resulting from accidents and errors and omissions.

The Authority is self-insured for public liability and property damage claims. The Authority also operates a self-insurance program for workers’ compensation claims. The Authority maintains a staff of qualified and licensed claims adjusters to carry out its

program. Claims are paid with general operating revenues of the Authority and are reported as an administrative expense. The Authority has established a Risk Contingency Fund that is Funded at \$6.1 million as of December 31, 2005.

#### *Budgetary and Accounting Controls*

The Authority's annual budget is approved by the Board of Trustees as provided for by law. Operating and non-operating revenues and expenditures are budgeted on the accrual basis except depreciation. Capital expenditures and grant reimbursements are budgeted on a project basis. For multi-year projects, each year the expected expenditures for that year as well as related grant reimbursements are re-budgeted.

The Authority's Board of Trustees adopts its annual budget in December of the preceding fiscal year based on recommendations of staff and the Board Planning and Development Committee.

Individual department budgets are monitored for authorized expenditures on a department-total rather than department line-item basis.

The Board must approve all increases or decreases to the net operating expense line, total capital budget line and total operating revenue line of the Authority's operating and capital budgets. The General Manager will inform the Finance and Operations Committee of any changes to any line items within the operating expense categories and any changes to any line items within the capital expenditures categories of the approved operating and capital budget that exceed 1% of the line item to be changed, even if there is no net increase to the overall and operating capital budgets. The General Manager may approve all revisions to department budgets or between departmental budgets without reporting such changes to the Board provided that the revisions do not result in any changes to the net operating expense line or total operating revenue line of the Authority's operating and capital budgets.

The Authority's budgetary process follows Section 17A-1, Part 5, of the Utah Code Annotated, as amended. The annual budget is submitted to the State Auditor's Office within 30 days of adoptions.

#### Investments

The Authority is governed in its investment and depository transactions by its own investment policy, the Utah Money Management Act and the rules of the State Money Management Council. The Authority's investment policy sets limitations on the maximum amount of deposits allowed at any single qualified financial institution. The statutes stipulate that investments transactions may only be conducted through qualified depositories or primary reporting dealers. The statutes authorize the Authority to invest in

negotiable certificates of deposit issued by approved banks and savings and loans; repurchase agreements; commercial paper rate P-1 by Moody's Investment Services, Inc. or A-1 by Standard and Poor's Corporation; bankers' acceptances; Obligations of the U.S. Treasury and certain agencies; bonds, notes and other indebtedness of political subdivisions of the State of Utah; shares or certificates in any open-end management investment company registered with the Securities and Exchange Commission subject to certain portfolio restrictions; guaranteed loans to college students; certain secured debt of public housing authorities and the Utah Public Treasurers' Investment Fund. A major portion of the Authority's investment is currently in the Utah Public Treasurers' Investment Fund. The investment activity of this fund is governed by the Utah Money Management Act. Income from the fund is allocated to the Authority based on its *pro rata* share of the total earnings in the fund.

#### Employee Pension Plans

On January 1, 2003, UTA merged the Administrative Employee Retirement Plan into the Hourly Employee Retirement Plan. The combined Utah Transit Authority Employees Retirement Plan is a single employee defined benefit plan that covers all eligible employees and provides retirement benefits to plan members and their beneficiaries. The Plan also provides disability benefits to plan members. The plan's provisions were adopted by a resolution of the Authority's Board of Trustees which appoints those who serve as trustees of the plan. Amendments to the plan are adopted by a resolution of the Authority's Board of Trustees.

Specific UTA Board of Trustees by-laws on Budget and Financial Polices follows:

UTA Board of Trustees By-laws  
Budget and Financial Policies  
Article VI  
Section 2 Budget Process

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A standing committee appointed and designated by the Board shall be responsible for development of the annual budget of the Authority. The General Manager and Treasurer, with the advice and counsel of the appointed committee, shall prepare annually a tentative budget for the ensuing year including operation and maintenance expenses, debt service and any provisions for capital expenditures. In the preparation of each such tentative budget, the classifications and divisions into which such budget shall be divided shall comply with the requirements of any relevant contract, generally accepted accounting principles, or as otherwise provided by the Act or other laws. Any tentative budget may set forth such additional material as the Board may determine. Every tentative budget shall also set forth a statement of the source of funds and every tentative budget shall be based on a five (5) year financial plan.

Article VI  
Section 3 Adoption of Annual Budget

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Before the first day of each fiscal year, the Board shall adopt the annual budget by an affirmative vote of a majority of all members of the Board. Copies of the annual budget shall be filed in the office of the Authority and with the designated state officials in compliance with the Act and other laws. If for any reason the Board shall not have adopted the annual budget on or before the first day of January of any fiscal year, the preliminary budget for such year, if approved in conformance to any contract or formal action of the Board, shall be deemed to be in effect for such fiscal year until the annual budget for such fiscal year is adopted.

Article VI  
Section 4 Amendment of Annual Budget

---

The Board may, by an affirmative vote of a majority of all the members of the Board, adopt an amended annual budget when reasonable and necessary, subject to any contractual conditions or requirements existing at the time the need for such amendment arises.

UTA Board of Trustees By-laws  
Budget and Financial Policies  
Article VI  
Section 5 Appropriations

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- (A) The Board must approve all increases or decreases to the net operating expense line, total capital budget line and total operating revenue line of the Authority's operating and capital budget. The General Manager will inform the Finance and Operations Committee of any changes to any line items within the operating expense categories and any changes to any line items within the capital expenditures categories of the approved operating and capital budgets that exceed 1% of the line item to be changed, even if there is no net increase to the overall operating and capital budgets. The General Manager may approve all revisions to departmental budgets or between departmental budgets without reporting such changes to the Board, provided that the revisions do not result in any changes to the net operating expense line or total operating revenue line of the Authority's operating and capital budget.
- (B) The revenue the Authority, as estimated in the annual budget and as provided for in any tax provision or other revenue and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized.
- (C) The Board may make an appropriation to and for one or more contingency funds to be used only in cases of emergency or unforeseen contingencies.

Article VI  
Section 6 No Contract to Exceed Appropriation

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Except as otherwise provided in these Bylaws, neither the Board nor any officer or employee shall have authority to make any contract, or otherwise bind or obligate the Authority to any liability to pay any money for any of the purposes for which provisions is made in the approved budget in excess of the amounts of such budget for any such fiscal year. Any contract, verbal or written, contrary to the terms of this section shall be void ab initio, and no Authority funds shall be expended in payment of such contracts



UTA Board of Trustees By-laws  
Budget and Financial Policies  
Article VI  
Section 7 Contingencies

---

- (A) In the case of an emergency which could not reasonably have been foreseen at the time the budget was adopted, the Board may authorize the expenditure of funds in excess of budgeted expenses, by an affirmative vote of all the members of the Board. Such resolution shall set forth in full the facts concerning the emergency.
- (B) In any year in which the budget has been filed with designated officials in compliance with the Act or other laws, a certified copy of the budget shall be filed

Utah's Debt Enabling Statue for Independent Special Districts (UTA)  
17A-2-1035 Limitation on indebtedness of district

---

Districts may not incur any indebtedness, which exceeds in the aggregate 3% of the fair market value of all real and personal property in the district (see Budget Document Section 2.6). Within the meaning of this section, "indebtedness" includes all forms of debt which the district is authorized to incur by this part or by any other law. Bonds issued that are payable solely from revenues derived from the operation of all or part of the district facilities may not be included as indebtedness of the district for the purpose of the computation.

## Executive Limitations Policy No. 2.3.2 Financial Conditions and Activities

---

Financial conditions and activities shall not incur financial jeopardy for Utah Transit Authority (“Authority”), nor deviate from the Board’s Ends policies. Accordingly, the General Manager shall not:

1. Incur debt for the Authority in an amount greater than provided by the approved budget.
2. Use any long term reserves except for Board objectives.
3. Generate less than the annually-budgeted amount of Available Funds.
4. Acquire, encumber or dispose of real property in excess of \$100,000 without prior Board Approval.
5. Make contributions from Authority funds except for purposes that enhance the objectives of public transit.
6. Violate laws, regulations, generally accepted accounting principles (GAAP), rulings or policies regarding financial conditions and activities.

## Executive Limitations Policy No. 2.3.3 Budgeting

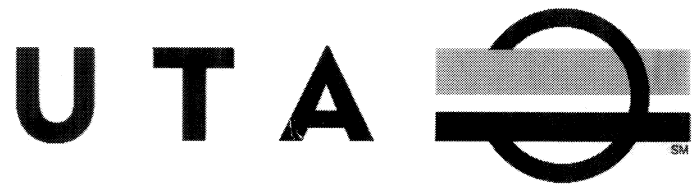
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Budgeting for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Board’s Ends priorities, risk fiscal jeopardy, or fail to be derived from the five year plan. The authorities’ balanced budget includes specific limiting conditions listed below which the General Manager shall not:

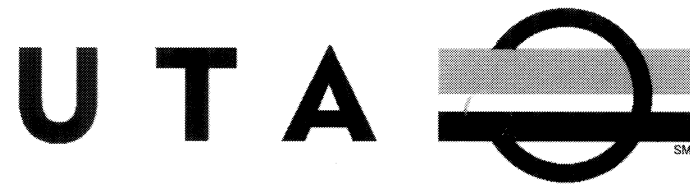
1. Fail to include credible projections of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
2. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be available in that period.
3. Budget for current liabilities to exceed current assets, subject to targeted working capital reserves of one twelfth of the annual budgeted operating expenses plus one percent of the an annual budgeted operating expenses, with minimum required working capital reserves of 4.5% of forecasted annual sales tax revenues.
4. Fail to establish adequate cash reserves for: debt service reserve funds, debt service funds, risk contingency funds for the Authority’s self-insurance program, reserve funds as may be required by law or by contract, or other specific purpose funds as directed by the Board.
5. Fail to budget to meet all bond covenants and debt obligations.

6. Fail to budget funds less than are necessary for the successful, efficient, and prudent operation of the Utah Transit Authority.

Utah Transit Authority budget for 2007 having met and not exceeded the above conditions is therefore considered to have a balanced budget.



**SECTION 2**  
**FUNCTIONAL FINANCIAL PLANS**



**2.1 SUMMARY OF MAJOR REVENUE  
AND EXPENDITURES**

**UTAH TRANSIT AUTHORITY  
FINAL 2009 BUDGET  
12/17/2008**

	<u>ACTUAL 2007</u>	<u>PROJECTED 2008</u>	<u>BUDGET 2009</u>
<b>REVENUE</b>			
PASSENGER REVENUE	24,308,177	33,439,373	35,599,000
ADVERTISING REVENUE	1,333,333	1,466,669	1,775,000
INVESTMENT INCOME	9,149,060	18,423,463	7,687,000
SALES TAX REVENUE	191,688,539	189,336,047	195,690,000
OTHER REVENUE	1,287,668	1,425,891	1,839,000
FEDERAL OPER./PREVENT. MAINT.*	26,772,123	32,908,557	37,474,000
<b>TOTAL REVENUE</b>	<u>254,538,900</u>	<u>277,000,000</u>	<u>280,064,000</u>
<b>EXPENSE</b>			
BUS SERVICE	74,231,272	82,010,630	85,709,160
RAIL SERVICE	18,502,185	29,938,257	36,415,281
PARATRANSIT SERVICE	13,134,705	14,879,263	16,838,355
PARATRANSIT SERVICE - 1/2 YEAR REDUCTIONS			(1,700,000)
RIDESHARE/VANPOOL SERVICE**	(4,512)	(171,250)	170,726
OPERATIONS SUPPORT	20,713,292	23,474,853	27,594,136
GENERAL & ADMINISTRATIVE	20,001,080	20,638,136	34,489,344
<b>NET OPERATING EXPENSE</b>	<u>146,578,022</u>	<u>170,769,890</u>	<u>199,517,000</u>
<b>MAJOR INVESTMENT STUDIES</b>			
EXPENSE	2,851,563	888,892	2,663,000
OFFSETTING PROJECT FUND	(789,747)	(688,660)	(2,250,000)
<b>NET INVESTMENT EXPENSE</b>	<u>2,061,815</u>	<u>200,232</u>	<u>413,000</u>
<b>NET EXPENSE</b>	148,639,837	170,970,121	199,930,000
<b>AVAILABLE - REVENUE LESS OPERATING EXPENSE</b>	<u>105,899,063</u>	<u>106,029,879</u>	<u>80,134,000</u>
<b>BOND DEBT SERVICE***</b>			
OFFSETTING FUND	(12,896,116)	(25,495,471)	(44,455,000)
<b>NET BOND EXPENSE</b>	<u>12,073,570</u>	<u>24,670,895</u>	<u>23,445,000</u>
<b>INTERLOCAL AGREEMENTS</b>			
SALT LAKE COUNTY UDOT	-	15,000,000	15,000,000
UTAH COUNTY UDOT	-	25,000,000	16,000,000
<b>NET INTERLOCAL AGREEMENTS EXPENSE</b>	<u>-</u>	<u>40,000,000</u>	<u>31,000,000</u>
<b>CONTRIBUTION TO CAPITAL RESERVES</b>	<u>93,825,493</u>	<u>41,358,984</u>	<u>25,689,000</u>
<b>DEBT RETIREMENT</b>	(132,374,108)	(6,395,000)	(5,650,000)
<b>NEW DEBT ISSUED</b>	261,124,108	700,000,000	306,000,000

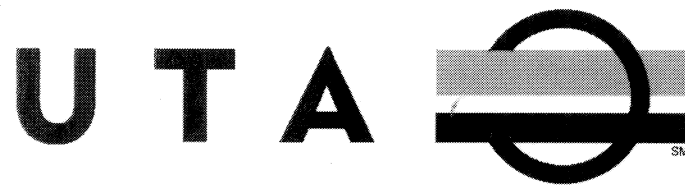
\* In 2009 Rail Modernization 5309 funds to be included

\*\* In 2009 Ogden and Timpanogos marketing departments moved to Bus Operations

\*\*\* Assumes a \$306m of Additional Bonding in 2009

\*\*\*\* In 2009 the Service Stabilization Fund is 5% of \$199,930,000 or \$9,996,500

\*\*\*\*\* Estimated December Sales Tax will come in \$3,341,724 lower than what was budgeted



## **2.2 SUMMARY OF MAJOR REVENUE SOURCES**

## Revenue Summary

### Analysis of Revenue Sources

#### Source: Sales and Use Tax

The largest operating source of revenue for the Authority is a local option sales tax, which is imposed by the service area of the Authority. In November 2006 the voters in Utah and Salt Lake Counties approved a ballot measure increasing the rate of Tax. Then in February the Legislature reduced sales tax on food, but so as not to affect the sales tax of Special District (of which UTA is) the Municipalities of the Wasatch Front increased sales tax on hard goods enough to make the Special Districts whole. The sales tax rate is .55% for Weber and Davis Counties. A rate of 6825% for Salt Lake County, .526% for Utah, and 0.3% Tooele and Box Elder Counties. This revenue is projected to generate \$195.7 million in 2009.

The growth rate for Sales and Use Tax from 1970 to 2006 is 6.21%. UTA experienced a 9.4% increase in collections thorough September 2007 over the same time period in 2006. For 2008, the State of Utah Revenue Assumption Committee estimates retail sales, which sales tax is based on, to have a 0.5% increase (last meeting in November 08) over 2007 receipts and a 1.6% decrease in 2009. The Authority estimated 2009 Sales Tax revenue is based on a 1.6% decrease over projected 2008 Sales Tax. In the past UTA collections along the Wasatch Front run at a historically higher rate than retail sales for the whole State of Utah, but with the economic downturn UTA will use the states estimate. Please note that the budgeted amount will be higher than 2008 even with a decrease in retail sales estimated due to the fact that new sales tax from the 2007 referendum will be received a full year in 2009 vs. a partial year in 2008.

Year	Sales Tax
2004	111,982,133
2005	121,832,629
2006	138,546,093
2007	191,688,539
2008*	192,500,000
2009*	195,690,000

\* Projected

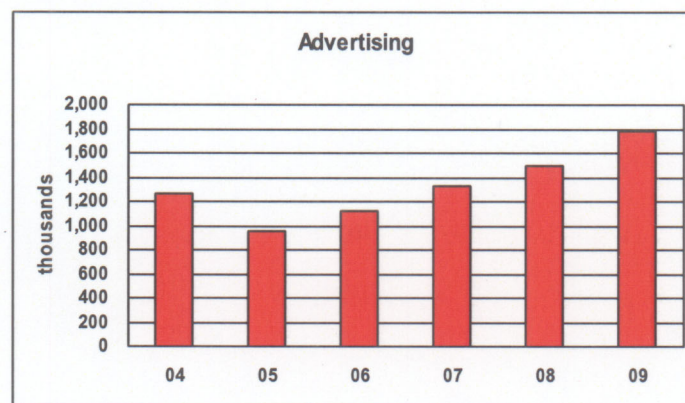


#### Source: Advertising

Advertising revenues for the Authority comes from the lease of exterior space on the sides and rear of the bus and light rail vehicles. The compound annual growth rate for advertising over the last 4 years has been somewhat flat. For 2009 advertising is projected to produce \$1.775 million based on contracted guarantees.

Year	Advertising
2004	1,266,806
2005	957,184
2006	1,120,687
2007	1,333,333
2008*	1,500,000
2009*	1,775,000

\* Projected





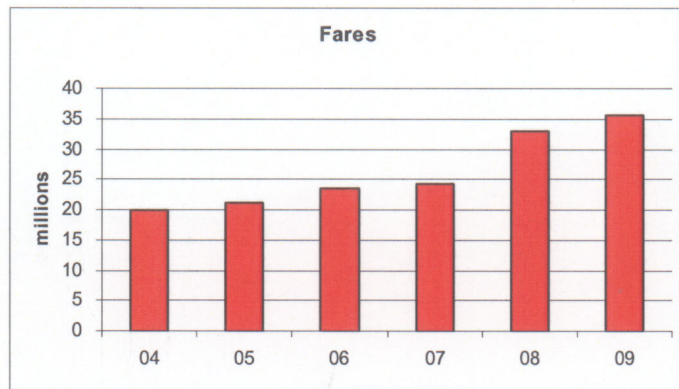
**Source: Passenger Revenue**

The Authority had a fare increase in 2007 raising the base fare from \$1.50 to \$1.60. Fares range from 80 cents for senior citizens or disabled persons to \$3.25 for premium express service. The opening of the University Medical extension in September of 2003 has helped maintain Farebox revenues in 2003 and 2004 over a downturn in the U.S. economy. A change in counting methodology accounts for the decrease ridership in 2007. In addition to ridership and fares, which are expected to increase at a nominal rate to keep pace with population and employment growth, UTA projects \$35.6m in Fare Box revenue in 2009.

The growth rate for fares over the last 5 years is 5.54% due to the expansion of TRAX, realignment of bus routes, increased fares and FrontRunner Commuter rail start up.

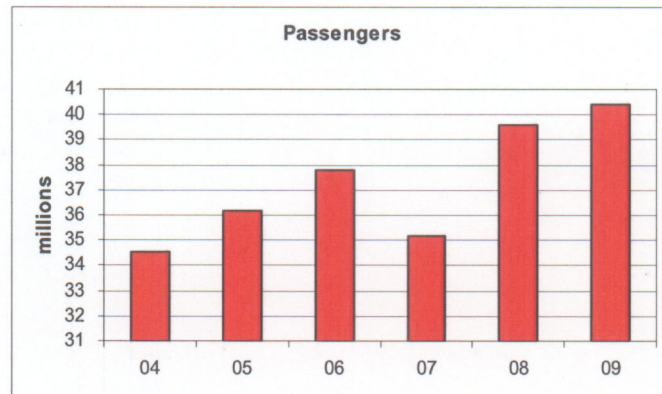
Year	Fares
2004	20,074,587
2005	21,282,499
2006	23,506,417
2007	24,308,177
2008*	33,000,000
2009*	35,599,000

\* Projected



Year	Passengers
2004	34,535,949
2005	36,163,146
2006	37,778,996
2007	35,166,148
2008	39,576,531
2009*	40,368,000

\* Projected



**Source: Federal Operating and Preventative Maintenance Revenue Grants**

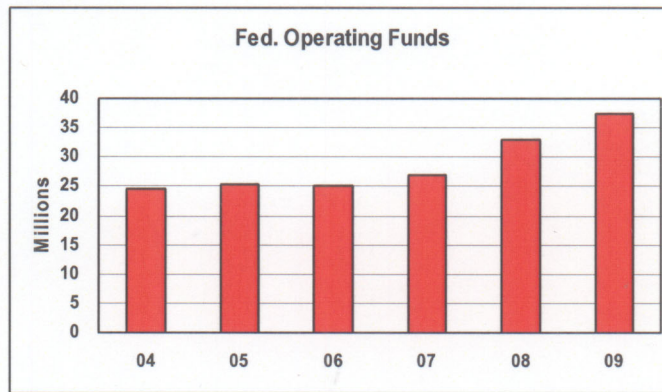
In 1998 the Transportation Efficiency Act for the 21<sup>st</sup> century, known as TEA 21, was approved by Congress. TEA 21 allows the Authority to use formula funds for preventive maintenance as defined by the National Transit Database. The use of these funds for preventive maintenance is a direct reduction of funds available for capital projects. These formula funds may be used to cover up to 80% of preventive maintenance costs with the balance being used for other capital projects.

Projections for 2009 are based on a slight increase of Preventative Maintenance expenses that will qualify for the 5307 formula funds allocated in 2009 for preventive maintenance costs and for newly qualifying TRAX maintenance cost.

Year Federal Operating/Preventative Maintenance Grants

2004	24,514,063
2005	25,349,419
2006	25,013,649
2007	26,772,123
2008*	32,900,000
2009*	37,474,000

\* Projected



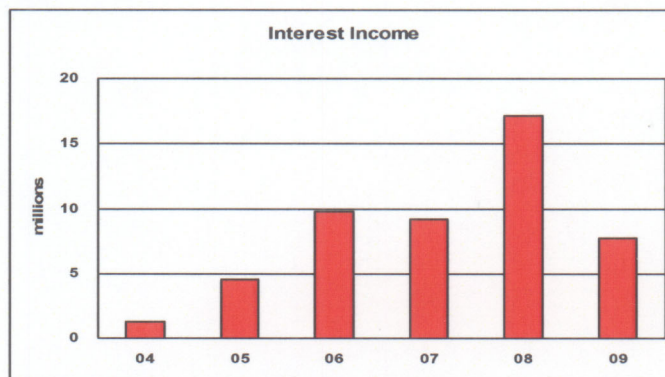
**Source: Investment Income**

Interest income consists of interest earned on invested operating funds not yet expended and funds held for future capital expenditures. Most of the Authority's funds are invested with the Public Treasurers Investment Fund managed by the State Treasurer's office.

A rate of 2.0% (estimated earnings from the investment fund) is applied to projected funds in the capital reserve accounts in 2009 in the Transit Development Plan model.

Year	Interest
2004	1,278,006
2005	4,533,914
2006	9,827,487
2007	9,149,060
2008*	17,200,000
2009*	7,687,000

\* Projected

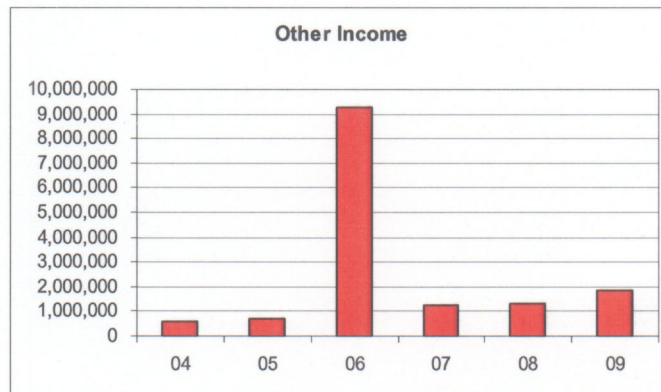


**Source: Other Income**

Other income consists of income from rents and leases on the right-of-way and discounts taken. Vanpool revenue is now accounted for with passenger revenue. The increase in 2006 is due to the sale of surplus real estate. Other income projected 2008 is based on year-to-date YTD data and annualized 2009 estimate is based on a 4% increase over 2008.

Year	Other
2004	621,587
2005	744,290
2006	9,268,901
2007	1,287,668
2008*	1,300,000
2009*	1,839,000

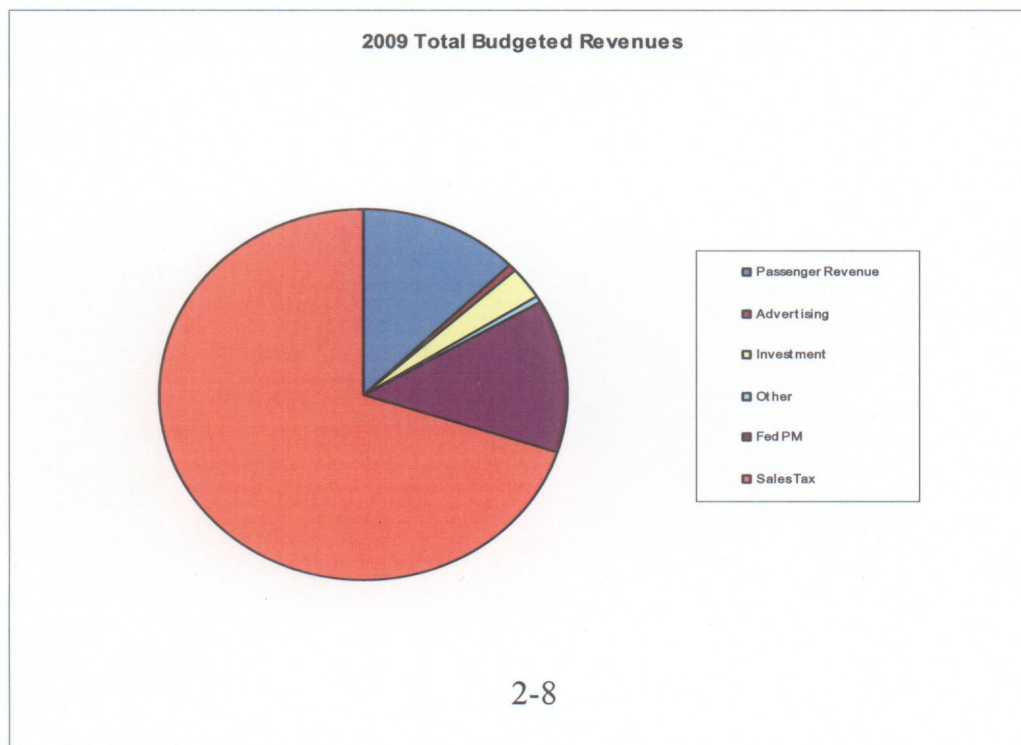
\* Projected

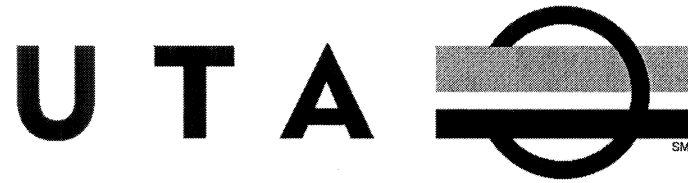


\*\*Note: A Gain on Sale of Property is not included in 2006 actual.

**Source: Federal Funds**

The Authority may elect to receive some Federal Transit Administration formula grants under Section 5307 for major planning activities. The Authority is projected to receive \$2,250,000 in 2008, compared to projected funds in 2008 of \$905,000. These funds are shown as offsetting project funds in the Operating Budget Summary.





## **2.3 SUMMARY OF EXPENDITURES**

**UTAH TRANSIT AUTHORITY  
FINAL 2009 BUDGET  
12/17/2008**

	<u>ACTUAL 2007</u>	<u>PROJECTED 2008</u>	<u>BUDGET 2009</u>
<b>REVENUE</b>			
PASSENGER REVENUE	24,308,177	33,439,373	35,599,000
ADVERTISING REVENUE	1,333,333	1,466,669	1,775,000
INVESTMENT INCOME	9,149,060	18,423,463	7,687,000
SALES TAX REVENUE	191,688,539	189,336,047	195,690,000
OTHER REVENUE	1,287,668	1,425,891	1,839,000
FEDERAL OPER./PREVENT. MAINT.*	26,772,123	32,908,557	37,474,000
<b>TOTAL REVENUE</b>	<u>254,538,900</u>	<u>277,000,000</u>	<u>280,064,000</u>
<b>EXPENSE</b>			
BUS SERVICE	74,231,272	82,010,630	85,709,160
RAIL SERVICE	18,502,185	29,938,257	36,415,281
PARATRANSIT SERVICE	13,134,705	14,879,263	16,838,355
PARATRANSIT SERVICE - 1/2 YEAR REDUCTIONS			(1,700,000)
RIDESHARE/VANPOOL SERVICE**	(4,512)	(171,250)	170,726
OPERATIONS SUPPORT	20,713,292	23,474,853	27,594,136
GENERAL & ADMINISTRATIVE	20,001,080	20,638,136	34,489,344
<b>NET OPERATING EXPENSE</b>	<u>146,578,022</u>	<u>170,769,890</u>	<u>199,517,000</u>
<b>MAJOR INVESTMENT STUDIES</b>			
EXPENSE	2,851,563	888,892	2,663,000
OFFSETTING PROJECT FUND	(789,747)	(688,660)	(2,250,000)
<b>NET INVESTMENT EXPENSE</b>	<u>2,061,815</u>	<u>200,232</u>	<u>413,000</u>
<b>NET EXPENSE</b>	148,639,837	170,970,121	199,930,000
<b>AVAILABLE - REVENUE LESS OPERATING EXPENSE</b>	<u>105,899,063</u>	<u>106,029,879</u>	<u>80,134,000</u>
<b>BOND DEBT SERVICE***</b>			
BOND DEBT SERVICE***	24,969,686	50,166,366	67,900,000
OFFSETTING FUND	(12,896,116)	(25,495,471)	(44,455,000)
<b>NET BOND EXPENSE</b>	<u>12,073,570</u>	<u>24,670,895</u>	<u>23,445,000</u>
<b>INTERLOCAL AGREEMENTS</b>			
SALT LAKE COUNTY UDOT	-	15,000,000	15,000,000
UTAH COUNTY UDOT	-	25,000,000	16,000,000
<b>NET INTERLOCAL AGREEMENTS EXPENSE</b>	<u>-</u>	<u>40,000,000</u>	<u>31,000,000</u>
<b>CONTRIBUTION TO CAPITAL RESERVES</b>	<u>93,825,493</u>	<u>41,358,984</u>	<u>25,689,000</u>
<b>DEBT RETIREMENT</b>	(132,374,108)	(6,395,000)	(5,650,000)
<b>NEW DEBT ISSUED</b>	261,124,108	700,000,000	306,000,000

\* In 2009 Rail Modernization 5309 funds to be included

\*\* In 2009 Ogden and Timpanogos marketing departments moved to Bus Operations

\*\*\* Assumes a \$306m of Additional Bonding in 2009

\*\*\*\* In 2009 the Service Stabilization Fund is 5% of \$199,930,000 or \$9,996,500

\*\*\*\*\* Estimated December Sales Tax will come in \$3,341,724 lower than what was budgeted

**UTAH TRANSIT AUTHORITY  
OPERATING BUDGET  
2009**

The following pages contain a detailed breakdown of the 2009 Expense Budget. At the bottom of the next 6 pages the heading “Net UTA Bus”, then “Net Rail Service”, “Net Paratransit”, “Net Rideshare Service”, “Net Operations Support Expense” and “Net Administration Expense” represents the total from that pages detail budget for the type of UTA mode of transportation or support type it represents. This amount is carried forward to the 2009 Budget page and can be found in the “Expense” portion of the page under the “Final 2009 Budget” column.

On the last page in this section the reader will find the Primary Transit Development Plan for 5 years of projected operating expense.

**UTAH TRANSIT AUTHORITY (UTA)  
OPERATING EXPENSE DETAIL  
2009 BUS SERVICE**

	<u>2007 Actuals</u>	<u>2008 Actuals</u>	<u>2009 Budget</u>
LABOR	39,404,464	41,752,531	45,616,354
FRINGE	17,507,197	19,320,942	23,253,228
SERVICES	1,227,759	716,560	365,866
FUEL/LUBRICANTS/TIRES/PARTS/TOOLS	15,561,197	19,808,529	15,529,180
BUILDING/MACHINE REPAIR	-	-	-
SUPPLIES	892,270	622,599	756,801
UTILITIES	52,771	63,136	69,539
DUES/PUBLICATIONS/TRAVEL	99,027	85,713	109,263
MEDIA/EVENTS	11,266	10,607	30,000
WARRANTY AND SCRAP RECOVERY	(372,227)	(254,397)	(60,408)
OTHER	91,148	11,115	110,100
EXPENSES CAPITALIZED	(41,129)	(598)	-
NON AND FEDERAL FUNDS	<u>(202,472)</u>	<u>(126,106)</u>	<u>(70,763)</u>
<b>NET UTA BUS</b>	<u><u>74,231,272</u></u>	<u><u>82,010,630</u></u>	<u><u>85,709,160</u></u>

**UTAH TRANSIT AUTHORITY (UTA)  
OPERATING EXPENSE DETAIL  
2009 RAIL SERVICE**

	<u>2007 Actuals</u>	<u>2008 Actuals</u>	<u>2009 Budget</u>
LABOR	10,216,288	12,087,589	16,415,045
FRINGE	3,927,973	5,316,053	6,665,499
SERVICES	809,759	2,822,378	2,256,975
FUEL/LUBRICANTS/TIRES/PARTS/TOOLS	2,691,024	6,777,270	6,916,219
SUPPLIES	422,126	738,611	732,694
UTILITIES	2,490,965	3,010,795	3,937,244
DUES/PUBLICATIONS/TRAVEL	59,336	130,618	120,000
WARRANTY AND SCRAP RECOVERY	(52,208)	(407,679)	(317,000)
OTHER	79,318	92,699	188,605
EXPENSES CAPITALIZED	<u>(2,142,397)</u>	<u>(2,633,540)</u>	<u>(500,000)</u>
<b>NET RAIL SERVICE</b>	<u><u>18,502,185</u></u>	<u><u>27,934,794</u></u>	<u><u>36,415,281</u></u>



**UTAH TRANSIT AUTHORITY (UTA)  
OPERATING EXPENSE DETAIL  
2009 PARATRANSIT**

	2007 Actuals	2008 Actuals	2009 Budget
LABOR	5,534,342	3,556,921	6,119,745
FRINGE	2,581,451	2,746,001	3,214,980
SERVICES	216,755	225,114	263,223
FUEL/LUBRICANTS/TIRES/PARTS/TOOLS	1,127,431	1,316,812	1,159,478
SUPPLIES	124,698	124,485	129,684
UTILITIES	21,615	19,926	20,416
DUES/PUBLICATIONS/TRAVEL	33,668	24,161	29,335
PURCHASE TRANSPORTATION	3,374,514	4,330,129	4,265,154
WARRANTY AND SCRAP RECOVERY	(6,278)	(17,771)	(67,549)
OTHER	126,510	88,657	3,889
<b>NET PARATRANSIT</b>	<b>13,134,705</b>	<b>12,414,434</b>	<b>15,138,355</b>

**UTAH TRANSIT AUTHORITY (UTA)  
OPERATING EXPENSE DETAIL  
RIDESHARE / VANPOOL SERVICE**

	2007 Actuals	2008 Actuals	2009 Budget
LABOR	307,956	318,714	398,838
FRINGE	127,573	144,646	201,593
SERVICES	10,229	34,337	20,018
FUEL/LUBRICANTS/TIRES/PARTS/TOOLS	1,351,098	1,694,054	2,010,280
INSURANCE	383,549	410,486	412,417
VAN POOL MAINTENANCE	561,943	494,980	510,091
SUPPLIES	15,294	27,405	28,395
UTILITIES	6,555	6,214	8,071
DUES/PUBLICATIONS/TRAVEL	15,468	9,130	24,048
MEDIA/EVENTS	(6,875)	20,507	15,000
OTHER	300	630	-
FEES	(2,350,401)	(2,839,861)	(2,899,788)
NON AND FEDERAL FUNDS	(427,203)	(492,491)	(558,237)
<b>NET RIDESHARE SERVICES</b>	<b>(4,512)</b>	<b>(171,250)</b>	<b>170,726</b>

**UTAH TRANSIT AUTHORITY (UTA)  
OPERATING EXPENSE DETAIL  
OPERATIONS SUPPORT**

	2007 Actuals	2008 Actuals	2009 Budget
LABOR	10,762,184	12,378,056	13,844,243
FRINGE	3,917,765	4,622,235	5,992,260
SERVICES	2,400,118	2,536,721	3,274,358
FUEL/LUBRICANTS/TIRES/PARTS/TOOLS	1,384,998	1,662,860	1,751,901
BUILDING/MACHINE REPAIR	424,181	308,484	215,000
SUPPLIES	690,860	746,281	617,563
UTILITIES	1,375,868	1,440,822	1,733,345
DUES/PUBLICATIONS/TRAVEL	160,905	177,149	128,800
MEDIA/EVENTS	-	-	10,000
WARRANTY AND SCRAP RECOVERY	(74,700)	(52,947)	(15,000)
OTHER	(115,711)	1,698	243,201
EXPENSES CAPITALIZED	(213,176)	(441,236)	(201,535)
NON AND FEDERAL FUNDS	-	(2,593)	-
<b>NET OPERATING SUPPORT</b>	<b><u>20,713,292</u></b>	<b><u>23,377,530</u></b>	<b><u>27,594,136</u></b>

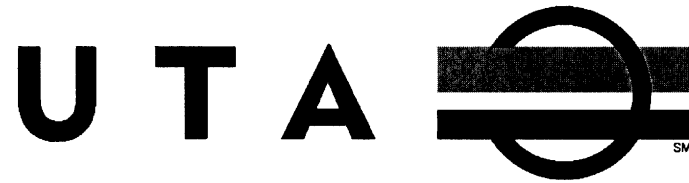
**UTAH TRANSIT AUTHORITY (UTA)  
OPERATING EXPENSE DETAIL  
GENERAL & ADMINISTRATION**

	2007 <u>Actuals</u>	2008 <u>Actuals</u>	2009 <u>Budget</u>
LABOR	10,599,779	12,742,252	15,052,504
FRINGE	3,308,453	4,006,539	5,078,713
SERVICES	4,751,272	4,087,924	7,282,428
FUEL/LUBRICANTS/TIRES/PARTS/TOOLS	30,060	42,890	34,334
COMMUNITY EVENTS	26,099	98,648	50,000
SUPPLIES	853,210	753,058	749,290
UTILITIES	192,571	418,038	447,218
DUES/PUBLICATIONS/TRAVEL	681,410	703,799	722,217
MEDIA/EVENTS	607,455	611,889	969,252
INSURANCE PROVISIONS	1,961,278	2,640,513	3,006,300
EMPLOYEE BANQUET AND AWARDS	448,596	386,984	400,000
BOARD EXPENSE	33,142	43,131	68,350
CONTINGENCY	180,000	-	9,201,055
ALLOCATION TO PENSION	(76,381)	(79,544)	(82,000)
OTHER	(12,584)	(20,464)	24,357
EXPENSES CAPITALIZED	(2,832,757)	(5,123,787)	(6,594,674)
NON AND FEDERAL FUNDS	<u>(750,523)</u>	<u>(673,734)</u>	<u>(1,920,000)</u>
<b>NET GENERAL &amp; ADMINISTRATION</b>	<u><u>20,001,080</u></u>	<u><u>20,638,136</u></u>	<u><u>34,489,344</u></u>

**UTAH TRANSIT AUTHORITY**  
**PRIMARY TRANSIT DEVELOPMENT PLAN - OPERATING BUDGET SUMMARY**  
**2009 - 2013**  
**(\$000)**

	<b>Budget 2009</b>	<b>TDP ESTIMATED 2010</b>	<b>TDP ESTIMATED 2011</b>	<b>TDP ESTIMATED 2012</b>	<b>TDP ESTIMATED 2013</b>
<b>REVENUE</b>					
PASSENGER REVENUE	35,599	39,793	47,724	56,539	69,111
ADVERTISING REVENUE	1,775	1,828	1,883	1,940	1,998
INVESTMENT REVENUE	7,685	7,010	4,342	4,350	3,626
SALES TAX REVENUE	195,690	201,842	217,041	229,046	241,691
OTHER REVENUE	1,428	1,471	1,515	1,561	1,607
JOINT DEVELOPMENT	411	429	447	466	486
FEDERAL OPER./PREVENT. MAINT.	37,475	43,903	54,172	56,339	58,592
<b>TOTAL REVENUES</b>	<b>280,064</b>	<b>296,276</b>	<b>327,123</b>	<b>350,239</b>	<b>377,111</b>
<b>EXPENSES</b>					
BUS SERVICE	85,800	92,906	96,929	101,070	102,365
RAIL SERVICE	36,430	39,427	46,584	56,794	81,876
PARATRANSIT SERVICE	15,169	14,724	15,324	15,946	16,164
RIDESHARE/VANPOOL SERVICES	18	17	17	17	0
OPERATIONS SUPPORT	27,600	31,513	32,739	34,014	34,472
GENERAL & ADMINISTRATIVE	34,500	28,296	29,401	30,551	31,085
<b>NET OPERATING EXPENSES</b>	<b>199,517</b>	<b>206,884</b>	<b>220,995</b>	<b>238,391</b>	<b>265,962</b>
<b>MAJOR INVESTMENT STUDIES</b>					
EXPENSES	2,663	Included in Capital Budget of TDP			
OFFSETTING FUNDS*	2,250				
<b>NET INVESTMENT EXPENSE</b>	<b>413</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET EXPENSE</b>	<b>199,105</b>	<b>206,884</b>	<b>220,995</b>	<b>238,391</b>	<b>265,962</b>
<b>AVAILABLE</b>	<b>80,135</b>	<b>89,392</b>	<b>106,129</b>	<b>111,848</b>	<b>111,149</b>
BOND DEBT SERVICE	67,901	83,521	91,540	97,129	221,308
OFFSETTING FUNDS*	(44,455)	Included in Capital Budget of TDP			
INTERLOCAL AGREEMENTS	31,000	17,255	9,810	0	0
<b>CONTRIBUTION TO CAPITAL</b>	<b>25,689</b>	<b>(11,384)</b>	<b>4,779</b>	<b>14,719</b>	<b>(110,158)</b>
<b>DEBT</b>					
NEW DEBT ISSUED	306,000	192,000	125,000	91,000	200,000
DEBT RETIREMENT	-	-	-	-	-

Note: Some Totals may not be exact due to rounding and transferring from other spreadsheets and accruals.  
\* Federal, State or Local grants or major capitalized expenses.



## **2.4 PROJECTED FUND BALANCES**

**FUND BALANCE REPORT  
2009 FORECASTED**

	General Fund	Rail Construction Fund	Bond Fund	Risk Contingency Fund	PROJECTED All Funds 2009
<b>BEGINNING FUND BALANCE - 1/01/09</b>	131,427,482	264,347,102	3,694,303	7,033,553	406,502,439
<b>Revenue:</b>					
<b>Passenger</b>	35,599,000				35,599,000
<b>Advertising</b>	1,775,000				1,775,000
<b>Investment Income</b>	2,485,000	5,000,000	70,000	132,000	7,687,000
<b>Sales Tax</b>	195,690,000				195,690,000
<b>Other Income</b>	1,839,000				1,839,000
<b>Federal Operating Funds/ Prevent. Maintenance</b>	37,474,000				37,474,000
<b>Offsetting Operating Funds</b>	46,705,000				46,705,000
<b>Capital Grants</b>	130,486,852				130,486,852
<b>Debt Issue</b>		306,000,000			306,000,000
<b>Contributed Capital</b>	11,005,775				11,005,775
<b>TOTAL RESOURCES</b>	463,059,627	311,000,000	70,000	132,000	774,261,627
<b>Transfers To (+) / From (-)</b>	-70,000,000		70,000,000		0
<b>TOTAL AVAILABLE RESOURCES</b>	524,487,109	575,347,102	73,764,303	7,165,553	1,180,764,066
<b>Expenditures</b>					
<b>Operating Expenses</b>	202,180,000				202,180,000
<b>Debt Service</b>			67,900,600		67,900,600
<b>Debt Retirement</b>			5,650,000		5,650,000
<b>Debt Reserve</b>					0
<b>Capital Projects *</b>	62,354,239				62,354,239
<b>Capital - Rail Construction *</b>		545,416,000			545,416,000
<b>Interlocal Agreements Expense</b>	31,000,000				31,000,000
<b>TOTAL EXPENDITURES</b>	295,534,239	545,416,000	73,550,600	0	914,500,839
<b>ENDING FUND BALANCE -12/31/09</b>	228,952,870	29,931,102	213,703	7,165,553	266,263,227

**Notes:**

\* Capital items can be found in Section 2.5 Capital Expenditure, Exhibit B, \$62,354,239 (Capital Projects) + \$576,416,000 (2015 Rail - Trax & FrontRunner and Rail Projects) = \$607,770,239 (Total Capital).

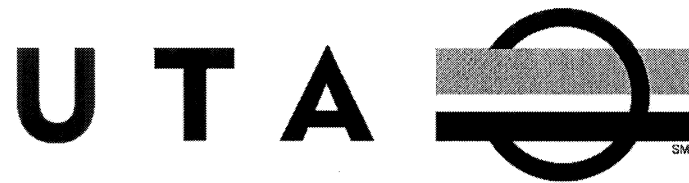
**Description of Fund Structure**

General Fund: This fund is the chief operating fund of UTA. It is used to account for all financial resources and expenses except those accounted for in the other funds. Payment for the cost of all capital projects are paid out of the general fund with the exception of rail construction (which includes LRT and commuter rail) which is paid for out of the Rail Construction Fund.

Rail Construction Fund: This fund is used for the construction of 2015 and other rail projects, including the procurement of rail vehicles.

Bond Fund: This fund was created to hold monies set aside for the payment of debt service on bonds. The funds are held by a Trustee and administered pursuant to Bond Indenture provisions. The amount in this fund is set by the indenture.

Risk Contingency Fund: The Risk Contingency Fund is used for UTA's self insurance program. Under the Utah Governmental Immunity Act, the maximum statutory liability in any one accident is \$2,000,000. The Authority is self-insured for amounts under this limit.



## **2.5 BUDGETED CAPITAL EXPENDITURES**



## **CAPITAL PROJECTS SUMMARY**

As part of UTA's budgeting process, each year managers submit to their department directors a list of capital items and projects requested for the upcoming budget year. These items are reviewed by the Directors against the following criteria:

- The Transit Development Plan
- Funding source and cost savings
- Health and safety
- Repair and maintenance of facilities and equipment
- Community obligations
- Opportunity costs
- Support of Strategic Goals
- Special needs and employee morale

After the capital items/project list is compiled and approved by the Policy Forum, it is submitted to the Board's Planning Committee for approval. Items approved by the Planning Committee will be submitted for final approval to UTA's Board of Trustees. These items must support UTA's Vision Statement and Strategic Goals in order to be approved.

Replacement buses, Paratransit vans, Rideshare vans with expansion Rideshare vans and Security Vehicles will arrive in 2009 to update current equipment inventories, expand increasing growth in the Rideshare areas and to increase safety to our customers. Information systems will provide better communication and information within UTA. Facilities, Bus and Rail maintenance is ongoing and will be provided by current UTA staff or contractors within the capital and operating budget. Rail Services projects will add increased capacity.

Funding for the Capital Projects in this Budget come from four major sources:

- 1) Current grants the Authority has received from the federal government which generally require a 3% to 50% local match.
- 2) Future grants anticipated from the Federal Government. These grants also require a local match. If future anticipated grants are not received, capital projects and contingent capital projects either may not be purchased or are purchased with local reserves.
- 3) Local Reserves are accumulated as a result of contributions to capital reserves from excess of operating revenues over Operating Expenses.
- 4) Contributed Capital received from outside sources are used to help offset funds required for a capital project.

Exhibit B shows the major categories of Capital Projects in total and the year these projects will require funding. The table also shows how much will come from current grants, what will be required in future grants and how much local match will come from UTA reserves by fiscal year. Projects in 2009 through 2010 have been included on the request for approval so planning and procurement requirements can begin. Board approval is given only for the 2009 projects. Each

year the new Budget cycle requires all projects that have not been completed during the calendar year to be resubmitted and approved for the next calendar year. Figure 2.5.1 graphically shows the breakdown of the capital budget by major areas and compares the 2009 capital budget with the budgeted amounts from 2008.

Figure 2.5.2 represents a 5 year projected planning summary of capital revenues and expenses. This 5 Year Capital Project Summary is based on the Primary Transit Development Plan (TDP) and projects the capital equipment and project needs of UTA for the next 5 years. Updating this plan in July 2009 will be the first step in the planning process for the 2010 budget. There is also an equivalent operating five year plan that can be found in section 2.3; Summary of Expenditures. Many of the factors relating to this plan are explained in the Budget Message in Section 1.1 under the heading Strategic and Financial Planning Priorities and Issues.

## **CAPITAL PROJECTS DESCRIPTION**

### **Revenue Service**

In 2009 the revenue vehicle purchases consist of 47 - 40ft. buses, 29 Paratransit vehicles and 86 Rideshare vans. These buses will help keep UTA's fleet updated. Funding requirements will be met with a local match, as well as current and future grants. These vehicles will be part of an expansion and replacement program for our fleet. Included in the cost are support and inspection services. Future costs in 2010 are estimated and given for replacement and expansion vehicles for planning purposes. This area also includes funding for replacement of Support Vehicles of \$334,500 ,which included 23 Transit Police Cars and Revenue Service Vehicle Repair Components (such as replacement engines and transmission) of \$688,825. These two areas are based on a budgeted 5 year plan and purchases our determined by priorities during the year but must stay within budget.

### ***Impact on Operating Budget***

The replacement Buses purchased in 2009 will save UTA an estimated 15% in fuel consumption or about \$150,000 which help maintain older buses until they are replaced. Paratransit vans will have little if any impact on the operating budget for 2009, because they are replacing older vehicles but are not increasing operating miles and hours, which are factors in the operating budget. In addition the Capital budget will not need to allocate as much funding for bus and van repair parts during the vehicles warranty period. Expansion vans operating cost in vanpool is offset by the lease payments received for those expansion vans.

## **Technology Office – Information/Communications and ITS**

### **Rail Customer Information**

Procurement is underway and vendor selection scheduled 2<sup>nd</sup> Quarter. This system will provide information about TRAX mainline operation to our customers, train operations, and Operations Performance Office (OPO). The system will be comprised of 1) data gathering and communications devices which will track train location and operational characteristics, 2) a system of passenger information displays on platforms and aboard rail cars, 3) customer information availability in various convenient formats on the Internet and personal communications / data devices, 4) train operational consoles for status display and operational control, 5) and a reporting system to provide various operational performance information to rail operations and OPO.

### ***Impact on Operating Budget***

As this is a project development and implementation year all staff costs associated with this project will be incorporated in the project costs. However, in future years there may be an associated increase in support requirements to keep system components operating properly. Additionally, although unspecified at this time, there may be costs for licensing and software support of the selected system.

### **Electronic Fare Collection**

Deployment of phase 1 of the Electronic Fare Collection system occurred 12/30/2008. During 2009 the system will undergo refinement to enhance reliability. Additional functionality will be developed throughout the year to provide more fare options to our customers.

### ***Impact on Operating Budget***

Much of the operational costs for 2009 and forward are to be handled within a newly created EFC Operations office reporting to OPO. Maintenance and support of the hardware will be handled within the Technology Office.

### **Technology Strategic Plan (TSP)**

Each year the Technology Office will update and submit a 5 year plan of technology projects. The purpose of a 5 year plan is to provide strategic direction for the implementation of technology. Funding for the accomplishment of the strategic plan are programmed into the overall UTA long range plan so that a long term commitment to the technology strategic plan can be assured. In short, the TSP outlines projects which provide us with information for decision support, provides our customers with information and amenities (including next bus arrival), and items to help keep our level of support for the computing and information needs of UTA at an acceptable level. The TSP is a collection of related projects which must build upon each other, NOT a menu of items from which we can select.

### ***Impact on Operating Budget***

The Operational budget will increase in 2009 as support for installed technology devices increases. Increased reliance on these technology systems also means an associated increases in operating expenses, some for communication requirements and some for ongoing maintenance and operation of the systems.

### **Upgrades and Replacement of Current Network System**

This represents an allocation of capital funds towards a list of technology capital projects submitted by all departments. The list will be prioritized by the Policy Forum and projects accomplished until the funds allocated are fully utilized. In 2009 there were \$8.866M in requests and \$1,000,000 allocated to accomplish as much as possible.

### **Facilities & Bus Maintenance and Office Equipment**

Three categories are included in this capital project area:

1. Facilities Expansion which can include both Grant and Non-Grant items. Included in the 2009 budget is funding for the Meadow Brook Tank Farm, Fuel Island Engineering, LRT Grade Cross Incident Report System and other Expansion projects.
2. Facilities Repair and Replace projects. This area works within a 5 year budget guideline. Repair projects such as overhead doors, concrete repair, and various facility maintenance projects are programmed to be accomplished over a 5 year period.
3. Office Capital Equipment, which include printing and copy machines also bar code systems and a pool for office equipment that may wear out through out the year.

### ***Impact on Operating Budget***

This area has little new measurable impact on the operating budget. It does serve to keep our facilities and equipment maintained and updated which adds to UTA employee's ability to achieve our mission.

### **Major Strategic Projects**

In 2009 the funding source will be from current grants, local match and contributed capital funds from communities benefiting from the projects.

### **Transit Enhancements and Security Equipment Projects**

Transit Enhancements provides UTA's passenger amenities with a \$4.2 million budgeted to be spent on Rail passenger and Yard amenities. UTA is dedicated to upgrading security for customers and employees.

### **Facility Projects**

Included is the West Valley Inter Modal Center, Provo Inter Modal Center land purchase and construction and construction on bridges at State Roads 77 and 92. Included in the budget is funding for Right of Way and property purchases. Also included are other smaller facilities remodeling and expansions projects that will to take place in 2009.

### ***Impact on Operating Budget***

Transit enhancements and security equipment add to our ability to serve our customer in an efficient, safer and a more user friendly environment, however, this will have little if any impact on the operating budget. New passenger amenities require less maintenance allowing maintenance personnel additional time for maintaining the increasing size and numbers of future facilities.

More intermodal centers and increased capacity of park-and-ride lots will cause a slight increase in expense to maintain but will be absorbed by the current operating budget and offset somewhat by the increase farebox revenue from additional riders.

The impact of operations for the FrontRunner commuter rail line is described below in the 2015 Rail – TRAX & FrontRunner Project. Expansion of facilities for FrontRunner, including the additional office space and remodeling are included in the Capital cost for the FrontRunner capital project. Operation expense is included in the \$16 million per year expense forecast with operations beginning in the 2<sup>nd</sup> Quarter of 2008. This additional cost is covered by both the passing of the 2000 tax increase referendum and by farebox receipts once the commuter rail line opens.

## **2015 Rail – TRAX & FrontRunner Projects**

### **TRAX and FrontRunner Commuter Rail Projects**

The majority of the capital budget over \$254 million will go towards the Commuter Rail South Project, which includes the planning, engineering, design and construction. This rail line will run from Salt Lake City to the Provo Area. Rail projects include track extensions to the Gateway Intermodal Hub and 2015 Projects with construction for Mid Jordan, West Valley, Draper, Airport TRAX lines which began in 2008.

### ***Impact on Operating Budget***

By 2015 UTA will increase operations cost to \$74million per year for operating the 2015 Projects mentioned above. This expense will be offset by farebox revenues and the 2006 Sales Tax Referendum that was approved for these projects.

## **Rail Projects**

### **Vehicle and Equipment Maintenance**

These funds will be used to maintain LRT vehicles, ticket vending machines, trackage repair, update rail operations infrastructure and purchase a rail maintenance vehicles.

### ***Impact on Operating Budget***

The projects will be absorbed as part of the routine maintenance budget. The Ticket Vending Machines (TVMs) replacements will help reduce maintenance that is currently required with the older TVMs.

**UTAH TRANSIT AUTHORITY  
2009 FINAL CAPITAL PROJECT BUDGET**

Exhibit B  
1/7/2008

	<b>12/17/08 FINAL CAPITAL BUDGET</b>	<b>Estimated</b>
	<u><b>2009</b></u>	<u><b>2010</b></u>
<b>REVENUE SERVICE &amp; SUPPORT VEHICLES</b>		
<b>Additional and Replacement Buses and Vans</b>		
47 Replacement 40ft. Buses	\$ 17,275,000	
29 Paratransit HF Vans Replacement	\$ 2,640,000	
57 Rideshare Replacements	\$ 3,088,917	
and 25 Rideshare Expansion Vans	\$ 840,000	
	<u>\$ 23,843,917</u>	
<b>Support Vehicles and Repair Components</b>		
23 Police Vehicles	\$ 688,825	
Support Vehicles	\$ 334,500	
Engines, Transmissions & Hybrid Batteries	\$ 1,048,997	
<b>Total</b>	<u><b>\$ 25,916,239</b></u>	<u><b>\$ 29,366,000</b></u>
<b>INFORMATION / COMMUNICATION / ITS</b>		
<b>Bus and Rail Communication Equipment, ITS and upgrades of UTA's Network System</b>		
Rail Passenger Information	\$ 2,000,000	
Electronic Fare Collection	\$ 2,000,000	
Technology Strategic Plan	\$ 2,203,000	
<b>Total</b>	<u><b>\$ 6,203,000</b></u>	<u><b>\$ 6,500,000</b></u>
<b>FACILITIES, MAINT. &amp; OFFICE EQUIP</b>		
Facilities Expansion	\$ 815,000	
Facilities Repair and Replace	\$ 1,588,573	
Office Capital Equipment	\$ 400,324	
Security	\$ 549,103	
<b>Total</b>	<u><b>\$ 3,353,000</b></u>	<u><b>\$ 4,281,000</b></u>
<b>MAJOR STRATEGIC PROJECTS</b>		
LRT New 9400 South Station	\$ 210,000	
West Valley IMC	\$ 2,500,000	
SR 77 & 92 Bridges	\$ 13,200,000	
Provo IMC Land Acq & Constr.	\$ 2,950,384	
ROW & Property Purchases	\$ 3,000,000	
Bus Rapid Transit	\$ 750,000	
Bus Rail Passenger Facilities & Yard Enhancements	\$ 4,271,616	
	<u><b>\$ 26,882,000</b></u>	<u><b>\$ 17,232,000</b></u>

**2015 RAIL - TRAX & FRONTRUNNER**

Commuter Rail North	\$	4,112,050	
VTA (UTDC) Veh Rehab	\$	3,500,000	
Siemens Maintenance Program	\$	1,010,950	
UTDC Braking Resistors Refurbishment	\$	884,000	
2015 Projects	\$	533,701,000	
LRT Hub 200 South Seg B	\$	300,000	
<b>Total</b>	<b>\$</b>	<b>543,508,000</b>	<b>\$ 529,181,000</b>

**RAIL PROJECTS**

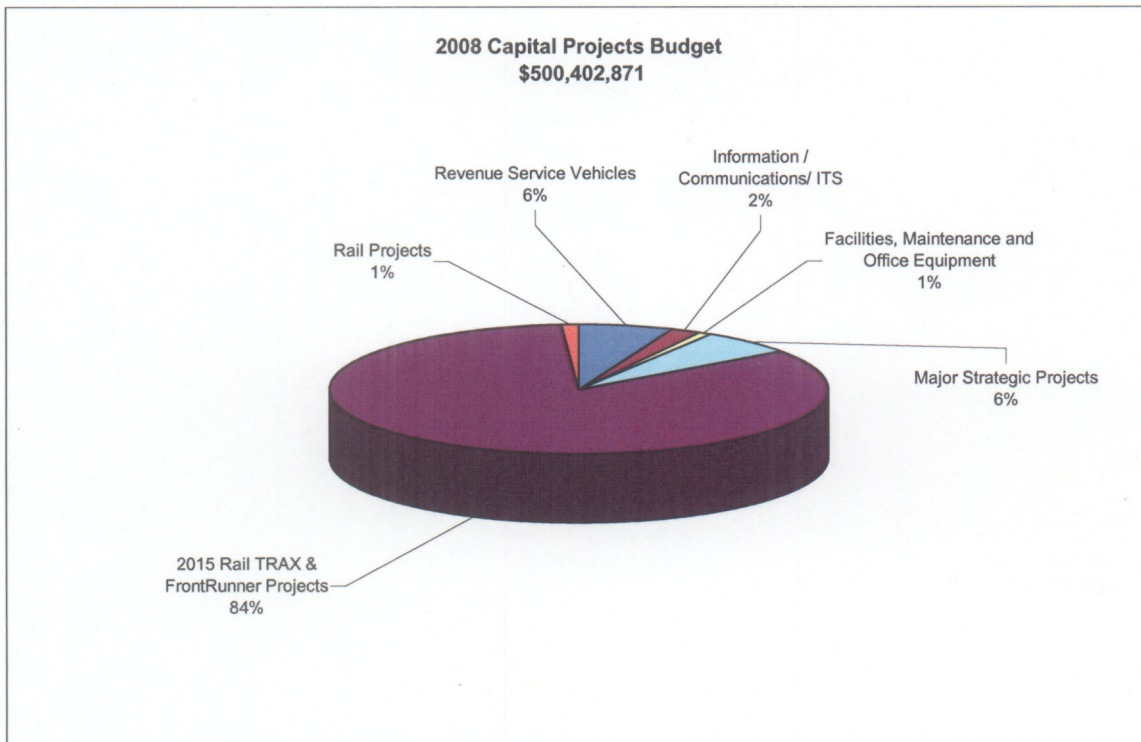
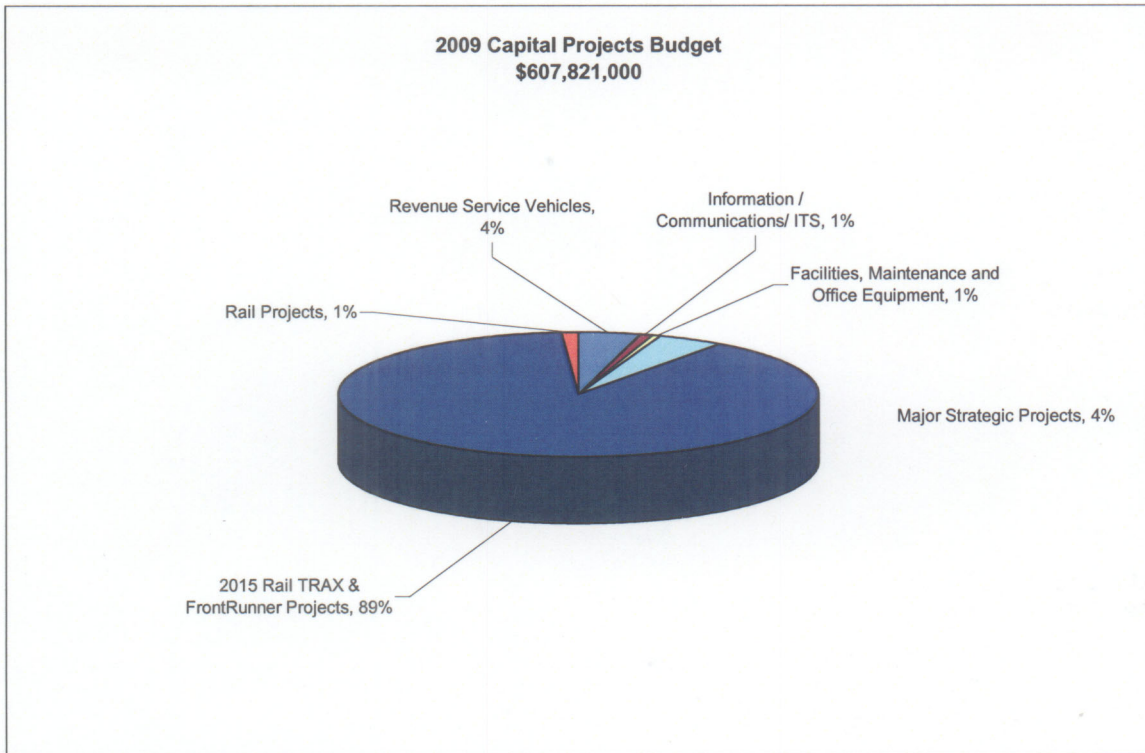
Replace TVMs	\$	620,000	
Rail Maintenance Equipment & Repair	\$	236,810	
Rail Maintenance Vehicles	\$	251,190	
Freight Trackage Repair	\$	200,000	
Update Rail Operations Infrastructure	\$	200,000	
Rail System Start Up	\$	400,000	
	<b>\$</b>	<b>1,908,000</b>	<b>\$ 2,000,000</b>

**\$ 607,770,239**      **\$ 588,560,000**

**Source of Funds for Capital Items**

Current & Future Grants	\$	130,486,852
Local & Other Contributions	\$	11,005,775
UTA Match	\$	466,277,612
	<b>\$</b>	<b>607,770,239</b>

Figure 2.5.1





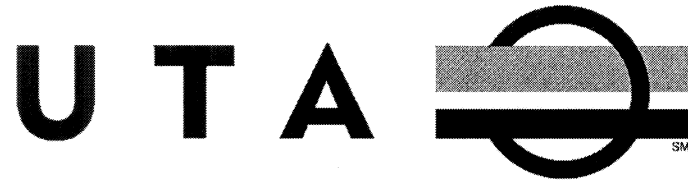
UTAH TRANSIT AUTHORITY

PRIMARY TRANSIT DEVELOPMENT PLAN - CAPITAL PROJECT SUMMARY

2009 - 2013  
(000)

Figure 2.5.2

	Budget 2009	Estimated 2010	Estimated 2011	Estimated 2012	Estimated 2013
<b>CAPITAL FUNDING</b>					
REVENUE SERVICE VEHICLES	\$ 15,176	\$ 6,150	\$ 11,332	\$ 11,868	\$ 12,431
INFORMATION / COMMUNICATION / ITS	\$ 977	\$ -	\$ -	\$ -	\$ -
FACILITIES, MAINTENANCE, AND OFFICE EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -
MAJOR STRATEGIC PROJECTS	\$ 17,695	\$ 13,468	\$ 1,327	\$ 1,367	\$ 1,408
2015 RAIL Trax & FrontRunner Projects	\$ 222,391	\$ 391,683	\$ 1,895	\$ 1,933	\$ 1,972
RAIL PROJECTS	\$ -	\$ -	\$ -	\$ -	\$ -
BONDING	\$ 306,000	\$ 215,000	\$ -	\$ 60,000	\$ -
BEGINNING CAPITAL RESERVE	\$ 407,571	\$ 233,406	\$ 113,049	\$ 101,253	\$ 155,643
NET REVENUES FOR DEBT SERVICE AND CAPITAL	\$ 70,301	\$ 75,300	\$ 132,202	\$ 154,470	\$ 172,525
<b>TOTAL SOURCES OF FUNDS FOR CAPITAL ITEMS</b>	<b>\$ 1,040,111</b>	<b>\$ 935,007</b>	<b>\$ 259,806</b>	<b>\$ 330,891</b>	<b>\$ 343,980</b>
<b>CAPITAL EXPENSES</b>					
REVENUE SERVICE VEHICLES	\$ 25,016	\$ 37,506	\$ 16,617	\$ 14,442	\$ 28,458
INFORMATION / COMMUNICATION / ITS	\$ 6,203	\$ 6,500	\$ 7,030	\$ 7,030	\$ 7,030
FACILITIES, MAINTENANCE AND OFFICE EQUIPMENT	\$ 3,353	\$ 4,281	\$ 5,201	\$ 5,409	\$ 5,626
MAJOR STRATEGIC PROJECTS	\$ 26,882	\$ 17,215	\$ 11,783	\$ 12,238	\$ 12,710
2015 RAIL Trax & FrontRunner Projects	\$ 543,984	\$ 533,034	\$ 5,921	\$ 5,958	\$ 5,674
RAIL PROJECTS	\$ 2,383	\$ 2,080	\$ 2,632	\$ 2,737	\$ 2,847
Inter Local Agreements	\$ 31,192	\$ 17,255	\$ -	\$ -	\$ -
Debt Service and Retirement	\$ 70,938	\$ 83,075	\$ 112,480	\$ 129,756	\$ 166,722
<b>Total Expense of Capital Items</b>	<b>\$ 709,951</b>	<b>\$ 700,946</b>	<b>\$ 161,665</b>	<b>\$ 177,571</b>	<b>\$ 229,066</b>
Additons to / (Use of Reserves)	\$ 330,160	\$ 234,061	\$ 98,141	\$ 153,321	\$ 114,913



## **2.6 CURRENT DEBT OBLIGATIONS**

## **BONDED DEBT OBLIGATIONS**

As of January 1, 2009, Utah Transit Authority had eight bonded debt obligations outstanding. These obligations provided financing for the acquisition of certain rail rights-of-way for corridor preservation purposes, a partial refunding of the 1997A Bonds (which were for construction of the North/South LRT project), initial financing for construction of the Commuter Rail-North project, additional Commuter Rail-North financing, a partial refunding of the 2002A Bonds, initial 2015 financing and partial refunding of the 2005B Bonds, and additional 2015 financing. Outstanding bonded debt obligations are detailed below.

### **Sales Tax Revenue Bonds, Series 2002A**

The \$180,200,000 Series 2002A Bonds were used in large part for the acquisition of rail rights-of-way in 2002, with remaining funds being used for certain other extensions and improvements to the Authority's transit system. These bonds are rated AAA by S&P and Aaa by Moody's. Principal and interest on the Series 2002A bonds are due in installments on June 15 and December 15 of each year and are payable through Zion's First National Bank, Corporate Trust Department as Paying Agent to registered owners. Interest is fixed at rates ranging from 3.25% to 5.0 % depending upon when the bonds are scheduled to mature. The scheduled payment of principal and interest on the Series 2002A bonds are guaranteed under an insurance policy by Financial Security Assurance, Inc. These bonds have been partially refunded by the 2006C Bonds.

### **Sales Tax Revenue Refunding Bonds, Series 2005A**

The \$20,630,000 Series 2005A Bonds were issued for the sole purpose of redeeming all of the 1997A Bonds maturing on and after December 15, 2008. The 2005A Bonds were issued such that the true interest cost of the bonds is significantly less than the true interest cost on the 1997A Bonds, resulting in significant interest savings to UTA. The proceeds of the 2005A Bonds were deposited with Zions First National Bank, Corporate Trust Department as escrow agent, for redemption of said bonds. The 2005A Bonds are rated AAA by S&P and Aaa by Moody's rating agencies. Principal and interest on the Series 2005A Bonds are due in installments on June 15 and December 15th of each year and are payable thru Zion's First National Bank, Corporate Trust Department as paying agent to registered owners. Interest is fixed at rates ranging from 3.25% to 5.25% depending upon when the bonds are scheduled to mature. The scheduled payment of principal and interest on the Series 2005A Bonds are guaranteed under an insurance policy by Financial Security Assurance, Inc.

### **Sales Tax Revenue Bonds, Series 2005B**

The \$175,000,000 Series 2005B Bonds are being used for construction of the Commuter Rail-North project. These bonds are rated AAA by S&P and Aaa by Moody's rating agencies. Principal and interest on the Series 2005B Bonds are due in installments on June 15 and December 15 of each year and are payable thru Zions First National Bank, Corporate Trust Department as paying agent to registered owners. Interest is fixed at rates ranging from 3.5% to 4.25 % depending upon when the bonds are scheduled to mature. The scheduled payment of

principal and interest on the Series 2005B Bonds are guaranteed under an insurance policy by Financial Security Assurance, Inc. These bonds have been partially refunded by the 2007A Bonds.

### **Subordinated Sales Tax Revenue Bonds, Series 2006A, and the Subordinated Sales Tax Revenue Bonds, Series 2006B**

The \$87,500,000 Series 2006A and the \$87,500,000 Series 2006B Bonds were issued for construction of the Authority's Commuter Rail North-Project and are rated AAA by S&P and Aaa by Moody's rating agencies. The Series 2006A and the Series 2006B bonds are subordinate to the Senior Bonds. They are special limited obligations of the Authority, payable from and secured solely by the pledged revenues, after payment of all senior bonds. The Series 2006A and the Series 2006B Bonds are payable from an irrevocable direct-pay letter of credit issued by Fortis Bank, S.A./N.V. through its New York branch in favor of the trustee, Zions First National Bank. Interest is payable monthly at a variable rate of interest, which currently is determined daily. The bonds will mature on June 1, 2036, but are subject to a prior redemption provision.

### **Sales Tax Revenue Refunding Bonds, Series 2006C**

The \$134,650,000 Series 2006C Bonds were issued for the sole purpose of redeeming all of the 2002A Bonds maturing on and after June 15, 2013. The 2006C Bonds were issued such that the true interest cost of the bonds were much less than the true interest cost on the 2002A Bonds, resulting in significant interest savings to UTA. Proceeds of the 2006C Bonds were deposited with Zions First National Bank, Corporate Trust Department as escrow agent. The Escrow Agent will redeem said bonds effective December 15, 2012. The 2002A Bonds maturing in 2009, 2010, 2011, and 2012 remain outstanding. The 2006C Bonds are rated AAA by S&P and Aaa by Moody's rating agencies. Principal and interest on the Series 2006C Bonds are due in installments on June 15th and December 15th of each year and are payable through Zions First National Bank, Corporate Trust Department as Paying Agent to registered owners. Interest is fixed at rates ranging from 5.00% to 5.25% depending upon when the bonds are scheduled to mature. The scheduled payment of principal and interest on the Series 2006C Bonds is guaranteed under an insurance policy by Financial Security Assurance, Inc.

### **Subordinated Sales Tax Revenue and Refunding Bonds, Series 2007A**

The \$261,124,108.55 Series 2007A Bonds were issued for the joint purpose of providing construction monies for the 2015 projects and other system improvements, and for the early redemption of a portion of the 2005B Bonds. The 2007A Bonds are rated AAA by S&P, Aaa by Moody's, and AAA by Fitch. Principal and interest on Series 2007A Bonds are due in installments on June 15 and December 15 of each year and are payable through Zion's First National Bank, Corporate Trust Department as Paying Agent to registered owners. Interest is fixed at rates ranging from 4.55% to 5.0 % depending upon when the bonds are scheduled to mature. The bonds are comprised of both current interest bonds and capital appreciation bonds. The scheduled payment of principal and interest on the Series 2005B Bonds is guaranteed under an insurance policy by MBIA Insurance Corporation. The portion of the 2007A Bonds that were issued for early redemption of a portion of the 2005B Bonds were issued such that the true

interest cost of the bonds was much less than the true interest cost on the 2005B Bonds, resulting in significant interest savings to UTA. Proceeds of the 2007A Bonds for redemption of the 2005B Bonds were deposited with Zions First National Bank, Corporate Trust Department as escrow agent. The Escrow Agent will redeem said bonds effective December 15, 2015. The 2005B Bonds that remain outstanding are identified in the accompanying schedule.

### **Sales Tax Revenue Bonds, Series 2008A**

The \$700,000,000 Series 2008A Bonds were issued for continued financing of the construction of the 2015 Projects; including Commuter Rail South, Mid-Jordan LRT, West Valley LRT, Draper, LRT, and Airport LRT. For this bond issue, only some of the maturities have bond insurance. The Insured 2008A Bonds are rated AAA by S&P, Aaa by Moody's, and AAA by Fitch. All other 2008A Bonds are rated AAA by S&P, Aa3 by Moody's, and AA by Fitch. Principal and interest are paid semi-annually on each June 15 and December 15, and are payable thru Zions First National Bank, Corporate Trust Department as paying agent to registered owners. Interest is fixed at rates ranging from 4.75% to 5.25 % depending upon when the bonds are scheduled to mature. The scheduled payment of principal and interest on the Insured 2008A Bonds are guaranteed under an insurance policy by Financial Security Assurance, Inc.

Current balances and scheduled principal payments for the bonds are found on the following schedule.

**SCHEDULE OF SALES TAX AND TRANSPORTATION REVENUE BONDS OUTSTANDING (as of 1/1/09)**

<u>Description</u>	<u>Date of Maturity</u>	<u>Coupon Interest Rates</u>	<u>Principal Amount Payable</u>
<b>Senior Debt:</b>			
<u>Series 2002 A, Sales Tax Revenue Bonds*</u>			
(Acquisition of Rail Rights-of -Way)			
	June 15, 2009	5.00%	\$ 3,650,000
	June 15, 2010	5.00%	\$ 3,850,000
	June 15, 2011	5.00%	\$ 4,025,000
	June 15, 2012	4.00%	\$ 4,225,000
			<u>\$ 15,750,000</u>

\*All 2002 A Bonds maturing on and after June 15, 2013 were legally defeased by the 2006 C Bond issue. Actual redemption will occur on December 15, 2012 with monies currently held in escrow.

Series 2005 A, Sales Tax Revenue Refunding Bonds  
(Advanced Refunding of a Portion of the 1997 A Bonds)

June 15, 2009	5.00%	\$ 1,015,000
June 15, 2010	5.00%	\$ 245,000
June 15, 2010	3.50%	\$ 815,000
June 15, 2011	5.00%	\$ 1,100,000
June 15, 2012	5.00%	\$ 1,165,000
June 15, 2013	3.75%	\$ 1,215,000
June 15, 2014	5.00%	\$ 1,270,000
June 15, 2015	5.00%	\$ 1,330,000
June 15, 2016	5.25%	\$ 1,400,000
June 15, 2017	5.25%	\$ 1,470,000
June 15, 2018	5.25%	\$ 1,550,000
June 15, 2019	5.25%	\$ 1,635,000
June 15, 2020	5.25%	\$ 1,720,000
June 15, 2021	5.25%	\$ 1,815,000
June 15, 2022	5.25%	\$ 1,915,000
		<u>\$ 19,660,000</u>

Series 2005 B, Sales Tax Revenue Bonds\*\*  
(Commuter Rail North Project)

June 15, 2009	3.50%	\$ 2,000,000
June 15, 2010	3.50%	\$ 2,050,000
June 15, 2011	3.50%	\$ 2,175,000
June 15, 2012	4.00%	\$ 2,225,000
June 15, 2013	4.00%	\$ 2,300,000
June 15, 2014	4.00%	\$ 2,400,000
June 15, 2015	4.00%	\$ 2,525,000
June 15, 2021	4.125%	\$ 3,300,000
June 15, 2022	4.125%	\$ 3,450,000
June 15, 2025	4.25%	\$ 6,175,000
		<u>\$ 28,600,000</u>

\*\*A portion of the 2005 B Bonds were legally defeased by the 2007 A Bond issue with monies currently held in escrow. Maturities shown above were not defeased and remain outstanding.

Series 2006 C, Sales Tax Revenue Refunding Bonds  
(Advanced Refunding of a Portion of the 2002 A Bonds)

June 15, 2013	5.00%	\$ 3,935,000
June 15, 2014	5.00%	\$ 4,135,000
June 15, 2015	5.25%	\$ 4,340,000
June 15, 2016	5.00%	\$ 4,570,000
June 15, 2017	5.25%	\$ 4,825,000
June 15, 2018	5.25%	\$ 5,085,000
June 15, 2019	5.25%	\$ 5,350,000
June 15, 2020	5.25%	\$ 5,635,000
June 15, 2021	5.25%	\$ 5,950,000
June 15, 2022	5.25%	\$ 6,265,000

June 15, 2023	5.25%	\$	6,605,000
June 15, 2025	5.25%	\$	14,305,000
June 15, 2027	5.25%	\$	15,865,000
June 15, 2029	5.25%	\$	17,630,000
June 15, 2032	5.25%	\$	30,155,000
		\$	134,650,000

**Series 2008 A, Sales Tax Revenue Bonds**  
(2015 Constuction Projects)

June 15, 2018	5.00%	\$	19,225,000
June 15, 2019	5.25%	\$	20,235,000
June 15, 2020	5.00%	\$	21,300,000
June 15, 2021	5.00%	\$	22,390,000
June 15, 2022	5.25%	\$	23,570,000
June 15, 2023	5.25%	\$	24,840,000
June 15, 2024	5.00%	\$	26,145,000
June 15, 2025	5.00%	\$	27,485,000
June 15, 2026	5.00%	\$	28,895,000
June 15, 2027	5.00%	\$	30,380,000
June 15, 2028	5.00%	\$	31,935,000
June 15, 2032	4.75%	\$	60,000,000
June 15, 2032	5.00%	\$	84,660,000
June 15, 2036	5.00%	\$	176,355,000
June 15, 2038	5.25%	\$	102,585,000
		\$	700,000,000

**Total Outstanding Senior Debt** \$ 898,660,000

**Subordinate Debt**

**Series 2006 A, Subordinated Sales Tax Revenue Bonds:**  
(Commuter Rail North Project)

June 15, 2036	Variable Rate	\$	87,500,000
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**Series 2006 B, Subordinated Sales Tax Revenue Bonds:**  
(Commuter Rail North Project)

June 15, 2036	Variable Rate	\$	87,500,000
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**Series 2007 A, Subordinated Sales Tax Revenue and Refunding Bonds**  
(Commuter Rail North and 2015 Projects and Advanced Refunding of  
a Portion of the 2005 B Bonds)

June 15, 2016	5.00%	\$	2,320,000
June 15, 2017	5.00%	\$	2,455,000
June 15, 2018	5.00%	\$	2,565,000
June 15, 2018 ***	4.55%	\$	10,329,334
June 15, 2019	5.00%	\$	2,710,000
June 15, 2019 ***	4.64%	\$	9,771,326
June 15, 2020	5.00%	\$	2,850,000
June 15, 2020 ***	4.70%	\$	9,259,694
June 15, 2021 ***	4.770%	\$	8,755,180
June 15, 2022 ***	4.830%	\$	8,278,939
June 15, 2023 ***	4.88%	\$	7,831,818
June 15, 2024	5.00%	\$	10,860,000
June 15, 2024 ***	4.90%	\$	7,438,365
June 15, 2025 ***	4.92%	\$	7,062,011
June 15, 2026 ***	4.950%	\$	6,689,720
June 15, 2027 ***	4.970%	\$	6,345,703
June 15, 2028	5.000%	\$	19,310,000
June 15, 2028 ***	4.990%	\$	6,016,922
June 15, 2029 ***	5.000%	\$	5,715,229
June 15, 2030 ***	5.01%	\$	5,427,758
June 15, 2031	5.00%	\$	22,455,000
June 15, 2031 ***	5.02%	\$	5,153,661
June 15, 2032 ***	5.03%	\$	7,225,945
June 15, 2033 ***	5.04%	\$	4,643,391
June 15, 2034 ***	5.05%	\$	4,407,672

June 15, 2035	5.000%	\$	63,270,000
June 15, 2035 ***	5.050%	\$	4,193,275
June 15, 2036 ***	5.050%	\$	3,988,031
June 15, 2037 ***	5.050%	\$	<u>3,795,134</u>
		\$	261,124,109

\*\*\*These are capital appreciation bonds.

**Total Outstanding Subordinate Debt** \$ 436,124,109

**Total Outstanding Sales Tax and Transportation Revenue Debt** \$ 1,334,784,109

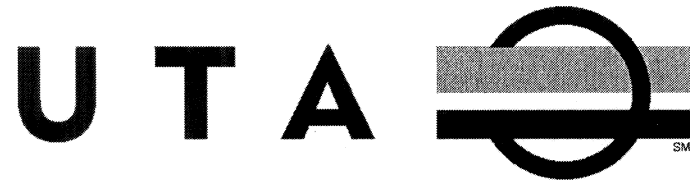


**LEGAL DEBT LIMIT (as of 1/1/09)**

Utah Transit Authority has a legal debt limitation not to exceed 3% aggregate of the fair market value of all real and personal property in the District. This means that the total amount of bonds, notes, warrants or any other type of obligations issued or outstanding will not be greater than 3% of property in the District. The fair market value below is based on 2008 assessed values in the areas the Authority serves.

**Total Legal Debt Limit**

Fair Market Value (based on 2008 TC-697 Report)		\$ 218,033,584,456
		@ 3%
Debt Limit: 3% of assessed value		6,541,007,534
Debt applicable to limitation		
Total applicable debt	\$ 1,334,784,109	
Less amount available in Debt Service Fund for repayment of debt	\$ -	
Total debt applicable to limitation		\$ 1,334,784,109
Unused Legal Debt Limit		\$ 5,206,223,425

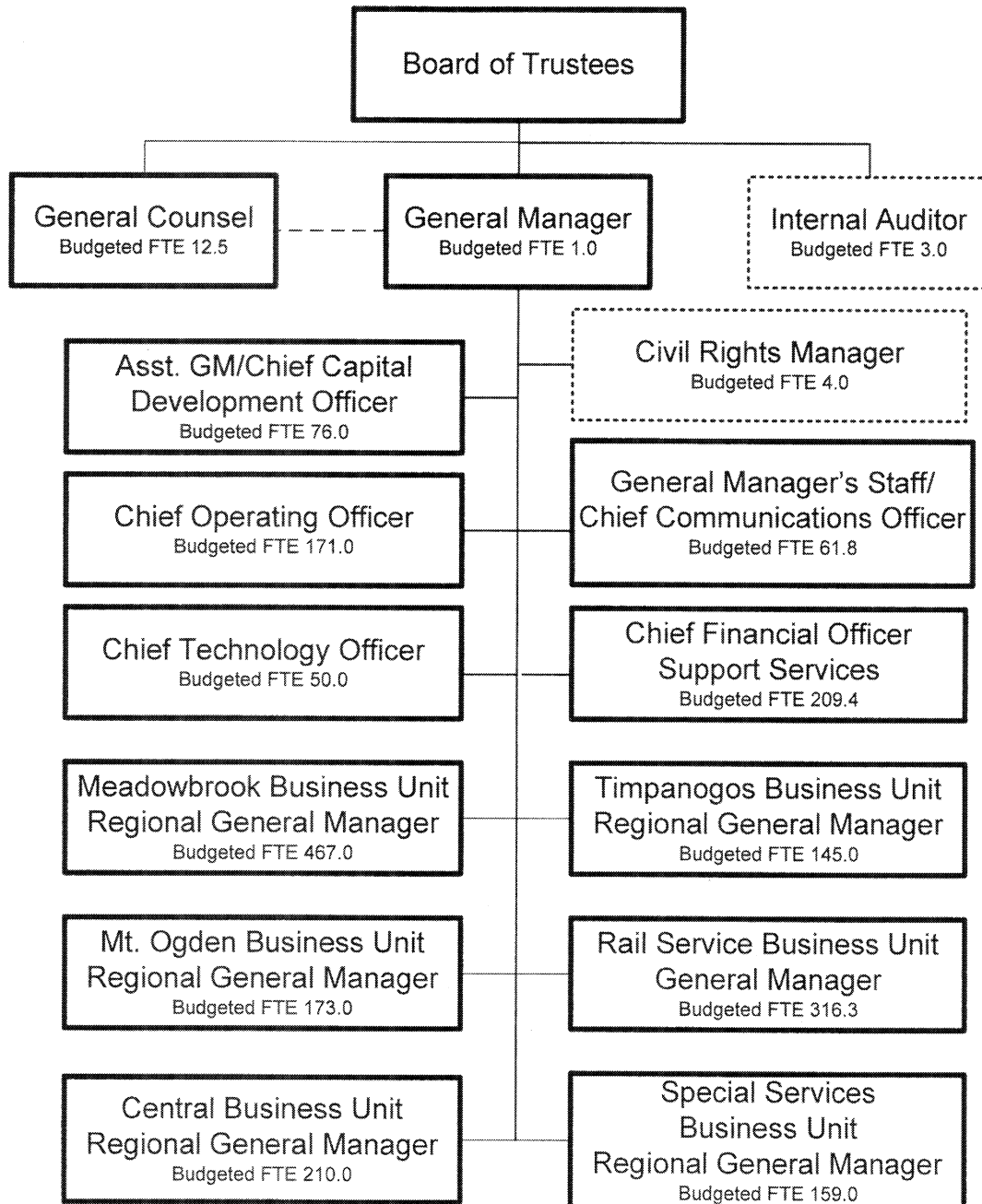


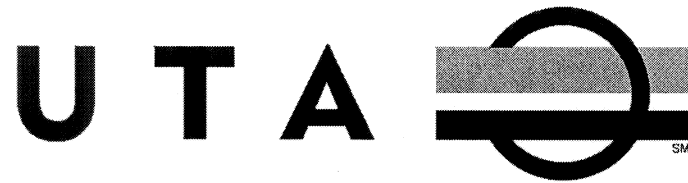
**SECTION 3  
DEPARTMENTAL GUIDE**



# Utah Transit Authority

January 2009





**OFFICE OF GENERAL COUNSEL  
AND LEGAL SERVICES**

**Department Name:**  
**Director:**

*Office of General Counsel*  
*Bruce T. Jones*

**Department Function:**

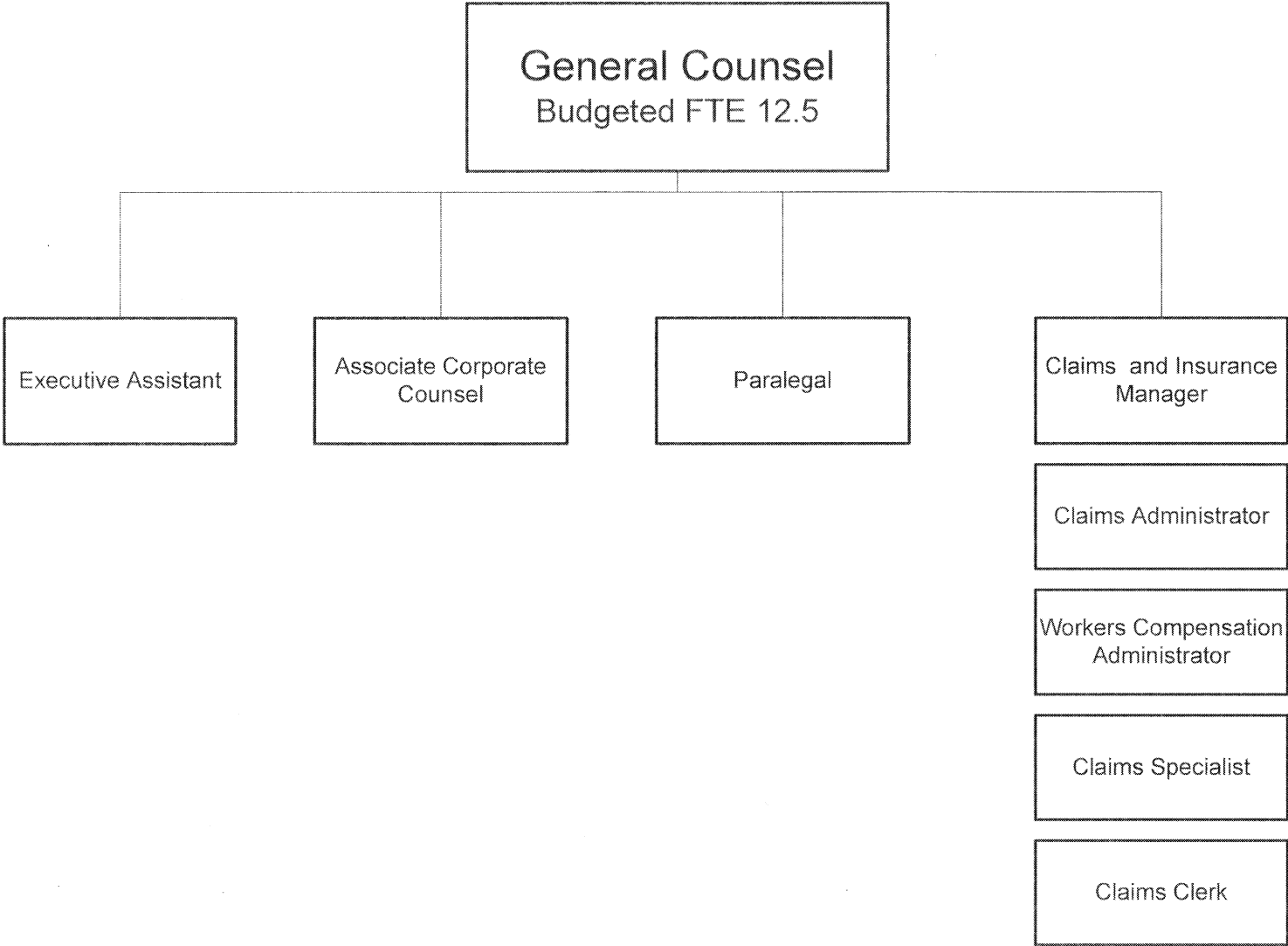
The Office of the General Counsel manages the legal affairs of the Utah Transit Authority (the "Authority"). This includes, among other duties, rendering independent legal advice to the Board of Trustees as requested. The Office also provides routine and general legal consultation to the Authority's management, executives and staff on issues that affect the day-to-day operation of the Authority. The Office coordinates requests for legal services from Authority departments that require outside expertise in particular areas of law and provides general coordination and oversight of outside counsel. The Office processes all claims for personal injury, property damage and workers' compensation and pursues recovery claims on behalf of the Authority. The Office is also responsible for overseeing the insurance portfolio of the Authority. The Office takes the lead on all state legislative issues affecting the Authority.

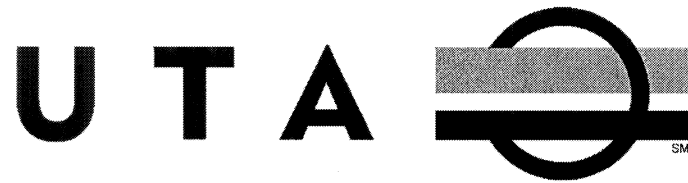


Office of the General Counsel  
January 2009



Utah Transit Authority





**INTERNAL AUDIT**

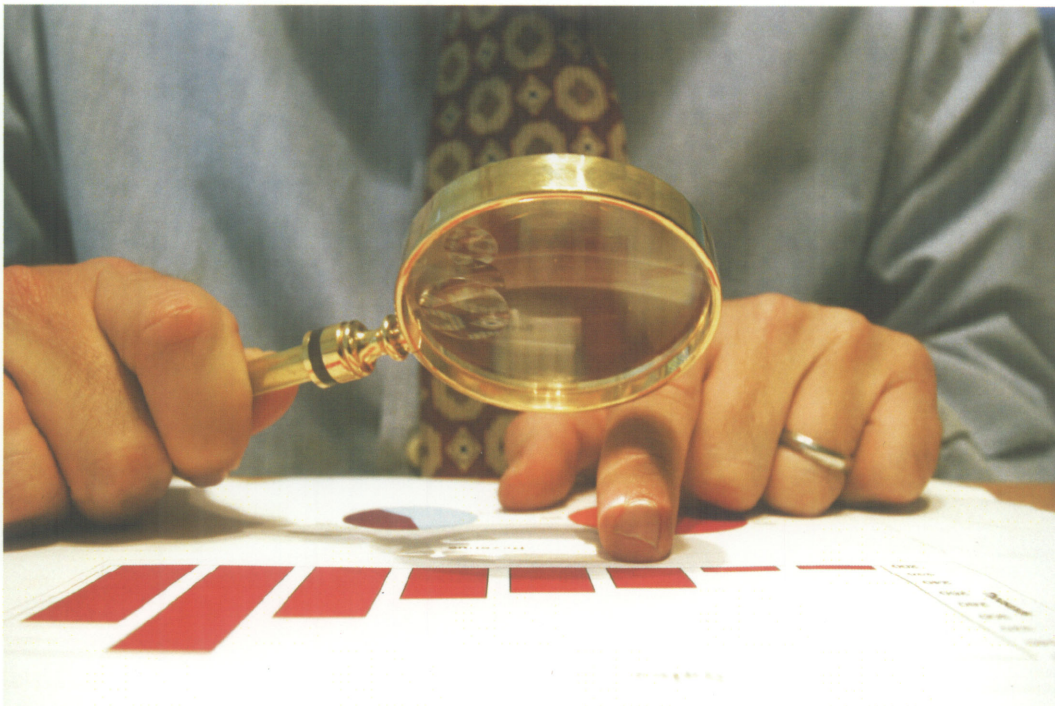
**Department Name:**  
**Director:**

*Internal Audit*  
*Alan Maughan*

**Department Function:**

The primary responsibility of the Internal Audit department is to assist the Board of Trustees, Pension Committee, standing committees, and management in effectively discharging their responsibilities by furnishing to them objective analyses of reviews of financial and operational policies and procedures, appraisals, and recommendations. The specific objectives of the internal audit program are as follows:

- Determine the adequacy of the system of internal control.
  1. The plan of organization and the procedures and records related to the decision process leading to management's authorization of transactions.
  2. The plan of organization and the procedures and records to ensure that:
    - a. Assets are safeguarded.
    - b. Transactions are recorded as authorized in conformance to Generally Accepted Accounting Principles, (GAAP) or applicable regulation.
    - c. Transactions are recorded in accordance with OMB A-133: Audits of States, Local Governments and Non-Profit Organizations, Government Auditing Standards, (Yellow Book), and Governmental GAAP.
    - d. Assets are periodically compared to records of accountability.
- Review all organizational units for policy compliance.
- Determine compliance with local, state and federal laws and regulations.
- Test the financial reports for accuracy.
- Check the reliability of the accounting reporting system.
- Analyze for improvements in controls, procedures and utilization of assets, personnel and resources.
- Coordinate the work of the outside auditors and act as liaison.
- Provide a psychological deterrent to fraud and staff a fraud hotline.
- Report findings and recommend corrective action to the Board of Trustees and management.

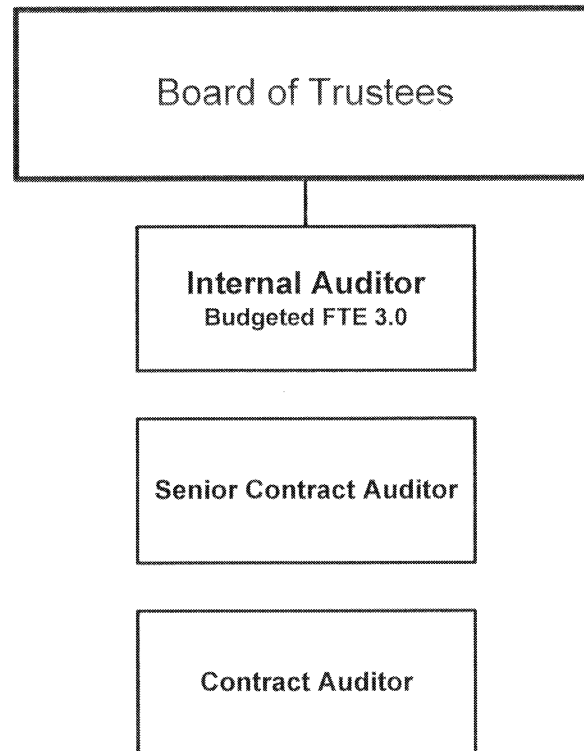


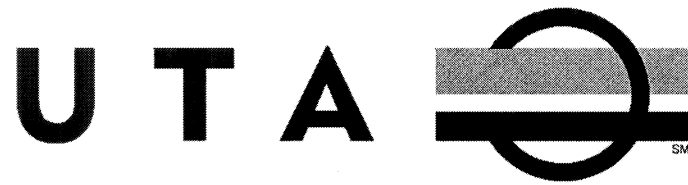




Utah Transit Authority

Internal Audit Department  
January 2009





**GENERAL MANAGER'S STAFF**

**Department Name:** *General Manager's Staff - Communications*  
**Director:** *Andrea Packer, Chief Communications Officer*

**Department Function:**

The General Manager's staff is comprised of five departments including Public Relations and Marketing, Board Coordination, Customer Service, and two self-directed groups (Strategic Think Tank and Organizational Development). The General Manager's staff is designed to lead and assist the Authority's overall corporate communications activities, facilitate community and government relations efforts, assist the Authority's customers in obtaining information on services, oversee media and publicity activities, support internal communications and coordinate the work of the Board of Trustees. In addition, the departments are responsible for overseeing the budget process, establishing fare policies, forecasting, generating financial analyses, and conducting public opinion and market expectation research.

In 2008, the Public Relations and Marketing Group will continue to be responsible for establishing and maintaining a consistent brand for UTA. The group will coordinate major marketing campaigns, facilitate public outreach and involvement programs for the Authority's major capital projects, coordinate various public relations efforts with elected officials and stakeholders, and communicate with agency employees. This group will also help launch the newest product offering, FrontRunner commuter rail, continue to coordinate UTA's media relations efforts, maintain key community relationships, and work proactively with the media and provide crisis communications expertise as necessary. The department will also continue to manage website development and content management, as well as graphics arts and video production services.

The Customer Service Department will continue to provide critical information to customers regarding route information and trip planning. The group will continue to receive, log and track customer comments, which will be used to provide regular reports to the executive team so that trends can be identified and acted upon.

During 2008, the Strategic Think Tank will maintain its involvement in UTA ridership research, fare policy issues, RFP analysis, public opinion, and market expectations. It will continue guiding the Authority's annual budget process.

The Board Coordination group will keep working to provide the Board of Trustees with appropriate information on staff activities, organizing board meetings and retreats, and implementing new Board member training programs. The group will continue to maintain critical board documents including the policy manual, contact lists, etc.

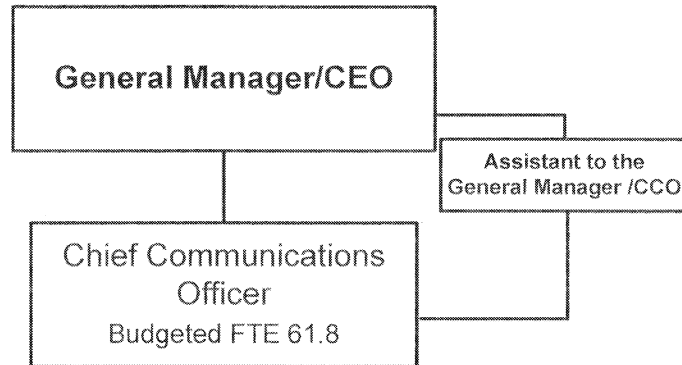
Organizational Development will continue to facilitate internal communication regarding agency and staffing issues and serve as a personnel and organizational development resource for UTA and all business units.



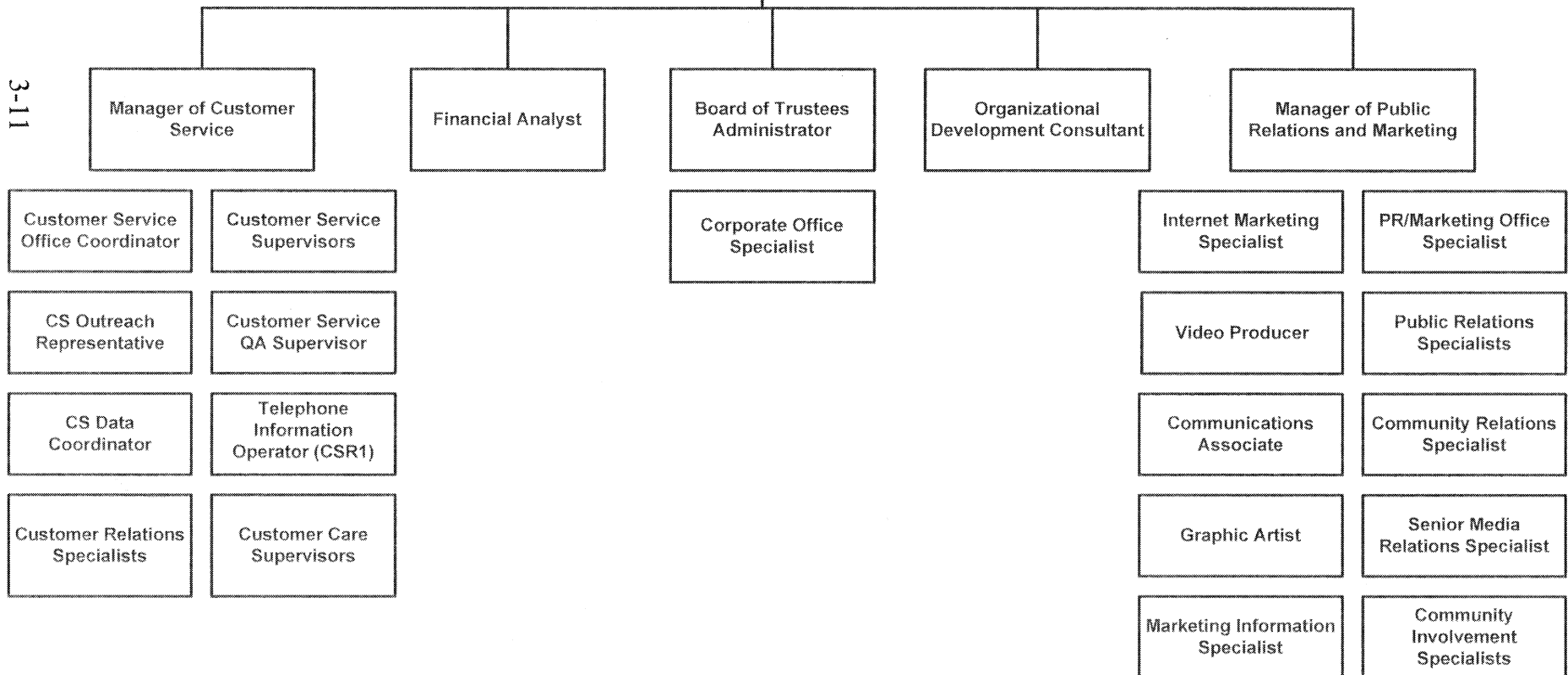


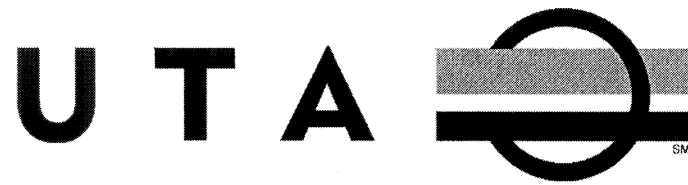
# General Manager's Staff/Communications

January 2009



3-11





**CIVIL RIGHTS**

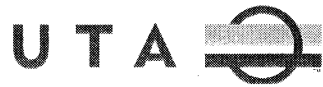
**Department Name:**  
**Manager:**

*Civil Rights*  
*Toby Aires*

**Department Function:**

The function of the Civil Right Department is to ensure that the Utah Transit Authority (UTA) remains in compliance with federal laws and regulations regarding Equal Employment Opportunity (EEO), Title VI Nondiscrimination in federally-assisted programs (transportation), Disadvantage Business Enterprise (DBE), and the Americans with Disabilities Act (ADA). By doing so, we assure UTA's continued Federal Transit Administration (FTA) funding and continued service for our internal and external customers in the areas of equal employment opportunity for all applicants and employees, transportation service equity, non-discriminatory, accessible and inclusive transportation services for riders with disabilities and contracting opportunities for firms certified as Disadvantaged Business Enterprises (DBE).

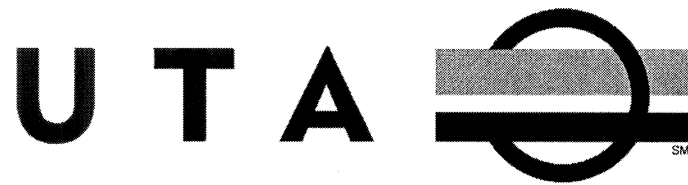




Utah Transit Authority

Civil Rights Department  
January 2009





**CAPITAL DEVELOPMENT**



**Department Name:** *Capital Development*  
**Chief Capital Development Officer:** *Michael Allegra*

**Department Function:**

The Capital Development Department is comprised of engineering and construction, geographic information systems, long-range and short-range planning and programming, real estate acquisition and management and Transit Oriented Development (TOD) activities. The Capital Development Department is responsible for short and long-range planning and programming, development of UTA transit and facilities projects, engineering and construction, environmental analysis/documentation, geographic information system, real estate acquisition and management, and transit oriented development. The department works innovatively to both generate revenue and utilize creative funding measures as well as resourceful cost saving techniques. The department is also responsible for the development, engineering, design, construction and oversight of bus rapid transit, light rail lines, commuter rail, park and ride lots and other major transportation facilities.

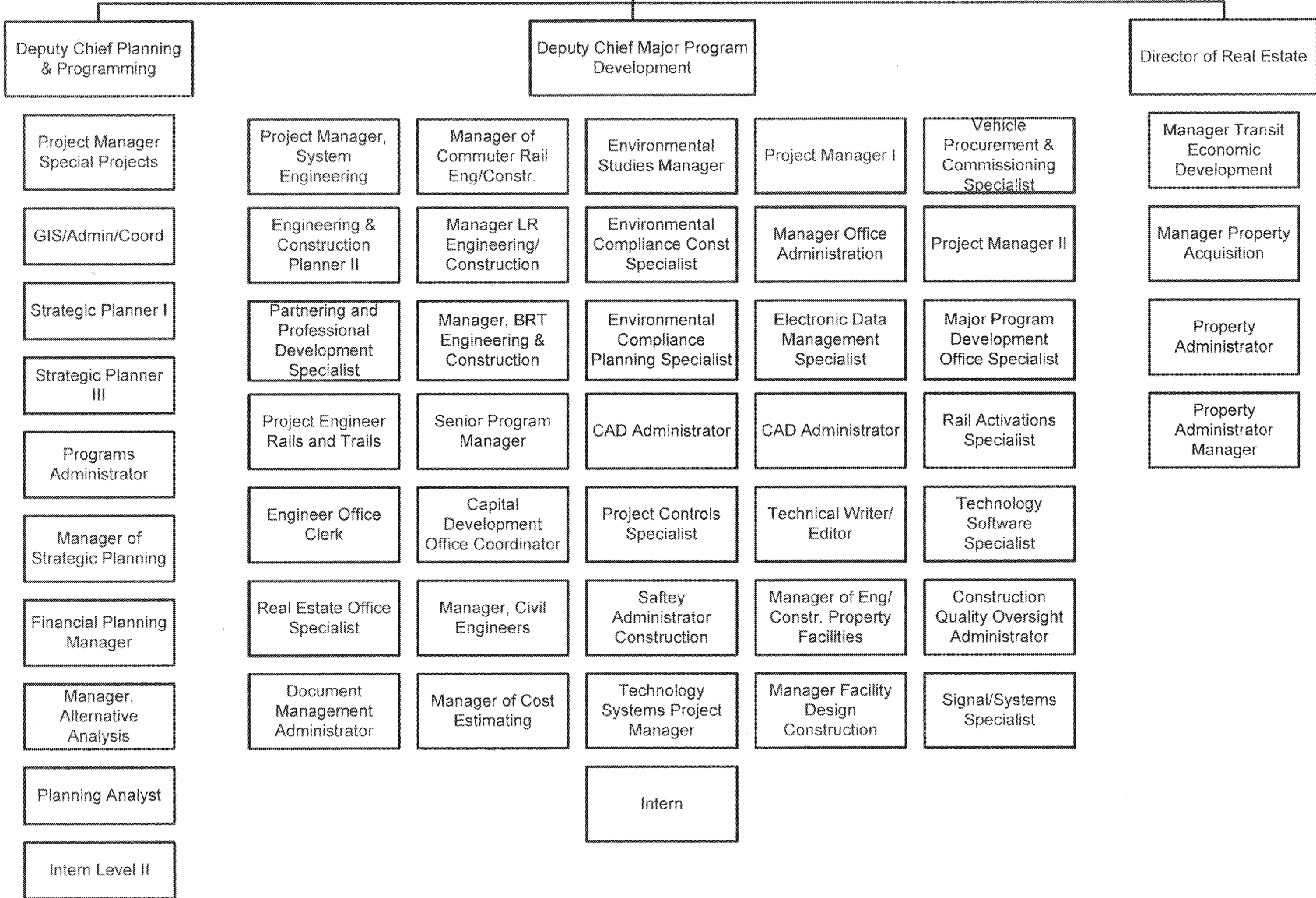
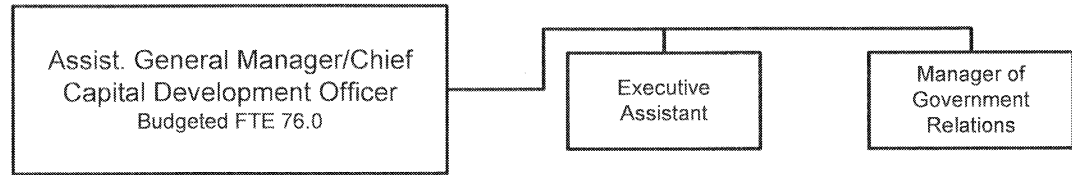




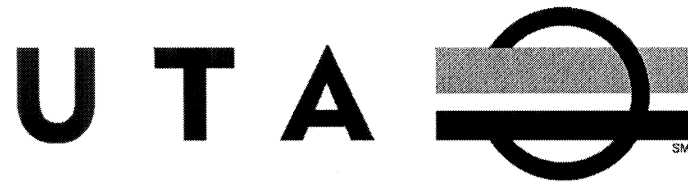
# Capital Development

January 2009

Utah Transit Authority



3-17



**TECHNOLOGY OFFICE**

**Department Name:**  
**Chief Technology Officer:**

*Technology Office*  
*Clair Fiet*

**Department Function:**

The primary focus of the Technology Office is to use appropriate technology deployment to improve UTA's services to its customers, increase operational efficiencies, improve operations and management performance and enhance our image in the eyes of the public as a means to develop ridership. Opportunities for technology application exist in providing customer information, enhancing the riding experience through information, entertainment, reliability and travel time reduction. Special emphasis will be placed in 2008 on the gathering and processing of data about UTA's operational performance. It will be processed and analyzed to assist with decision making and performance measurement. Technology deployments will serve clearly defined management, performance and customer needs to improve UTA's effectiveness in the community and continue to improve its position in the industry.

Information Systems, a department within the Technology Office, provides support for computer and data network needs, telephone communication and radio communication. Special attention is given to the security of data and computer network to protect against the ever-growing threat of intrusion. Information systems will provide programming and data management services to business units and departments in support of their goals.

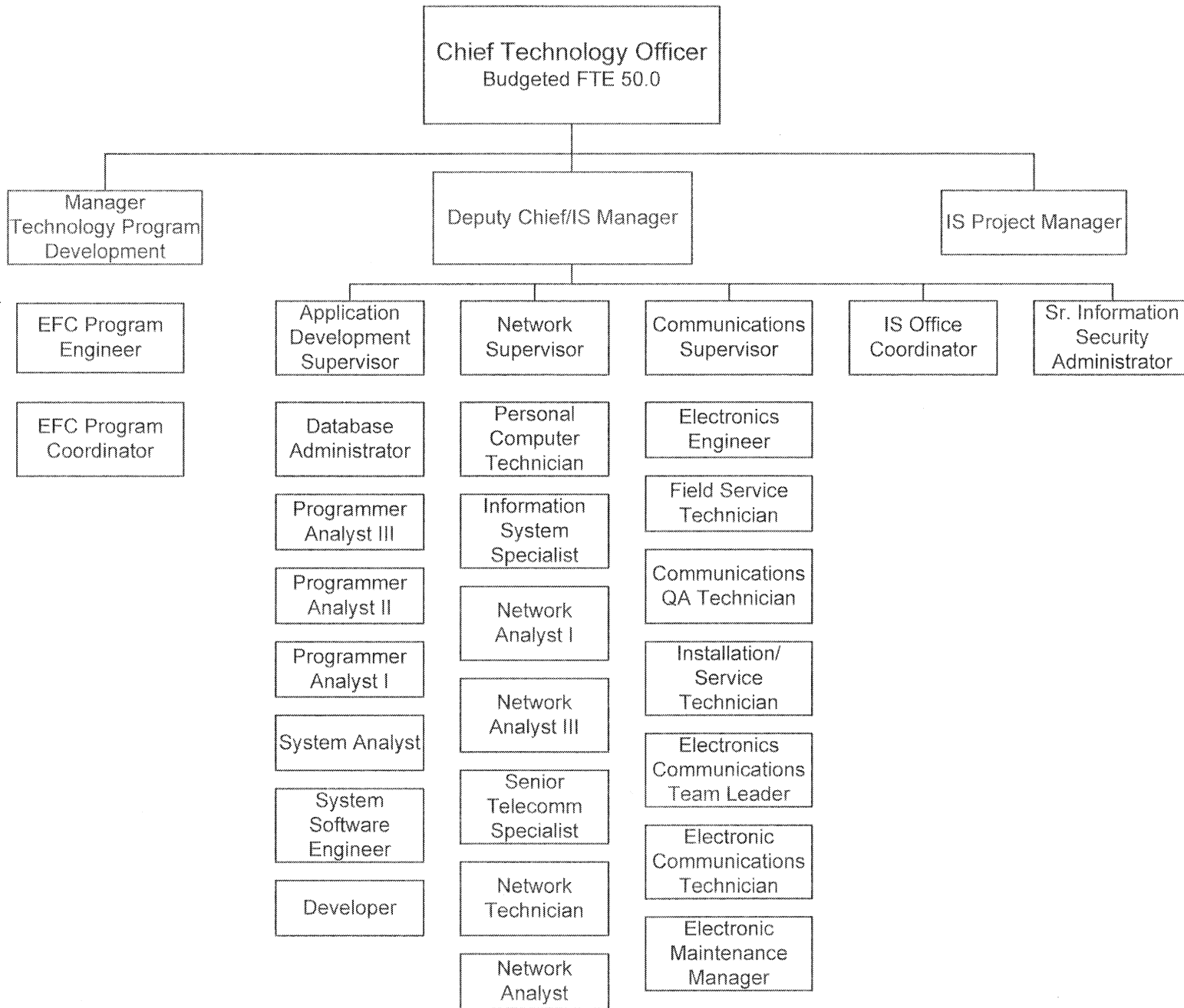


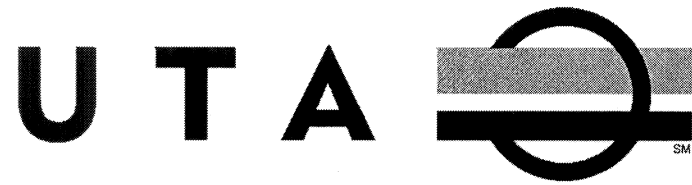


# Technology Office

January 2009

Utah Transit Authority





**OPERATIONS PERFORMANCE OFFICE**

**Department Name:**  
**Chief Operating Officer:**

*Operations Performance Office*  
*Jerry R. Benson*

**Department Function:**

The Operations Performance Office (OPO) works with Regional General Managers to establish performance standards and objectives for Business Units. The OPO develops systems of monitoring and evaluating Business Unit performance and assists with improving business units' performance. The OPO provides oversight and technical assistance to business units in safety and environmental compliance, service design, system integration, equipment maintenance, equipment engineering and labor relations. In addition, the OPO provides centralized support for business units in the areas of facilities maintenance, major component rebuilding, body shop and radio dispatching.

The OPO is comprised of eight groups: Operational Research and Development, Performance Information, Labor Relations and Performance Improvement, Radio Control, Facilities Maintenance, Support Maintenance, Fleet Engineering, and Safety and Environmental Protection. The OPO facilitates the Policy Forum, Business Unit Forum and a number of technical forums across business units. The OPO identifies and analyzes market and service opportunities for Business Units and ensures that UTA maintains an integrated transit system. The OPO negotiates and administers labor contracts and oversees labor contract administration.





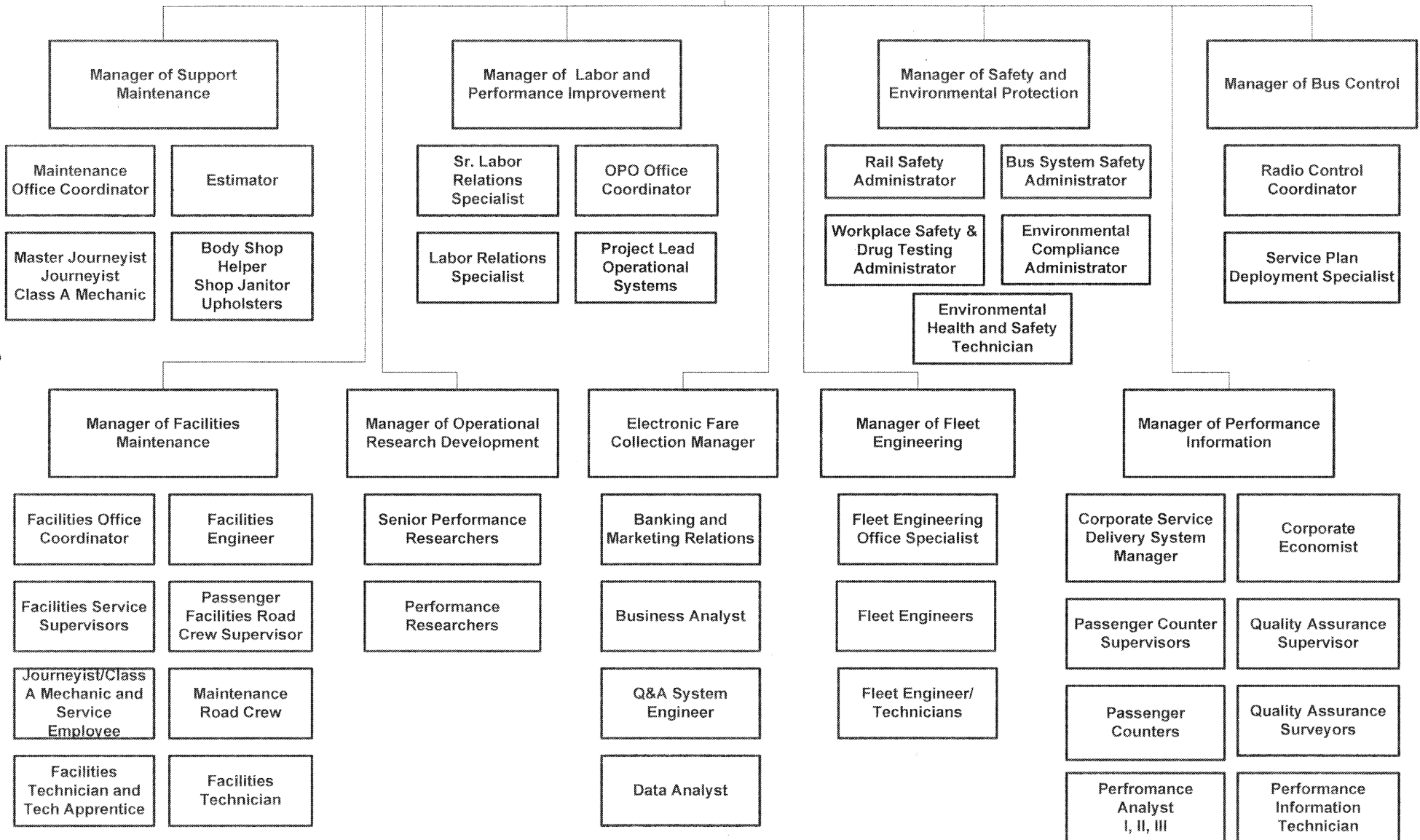
# Operations Performance Office

January 2009

## Utah Transit Authority

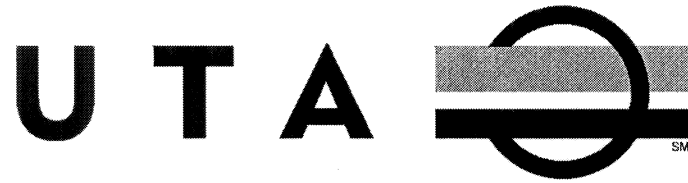
Chief Operating Officer  
Budgeted FTE 171.0

Executive Assistant



3-23





**BUS OPERATIONS  
MEADOWBROOK BUSINESS UNIT**

**Department Name:**  
**Regional General Manager:**

*Meadowbrook Business Unit*  
*Lorin Simpson*

**Department Function:**

The Meadowbrook Business Unit is one of three business units that serve the residents of the Salt Lake Valley. Meadowbrook is responsible for Utah Transit Authority's core fifteen, twenty, and thirty-minute fixed route bus service outside the Downtown Salt Lake City area, Ski Service and Bus Rapid Transit (BRT). Meadowbrook's primary emphasis is to provide effective and reliable connectivity to, and between, transportation services for our patrons.

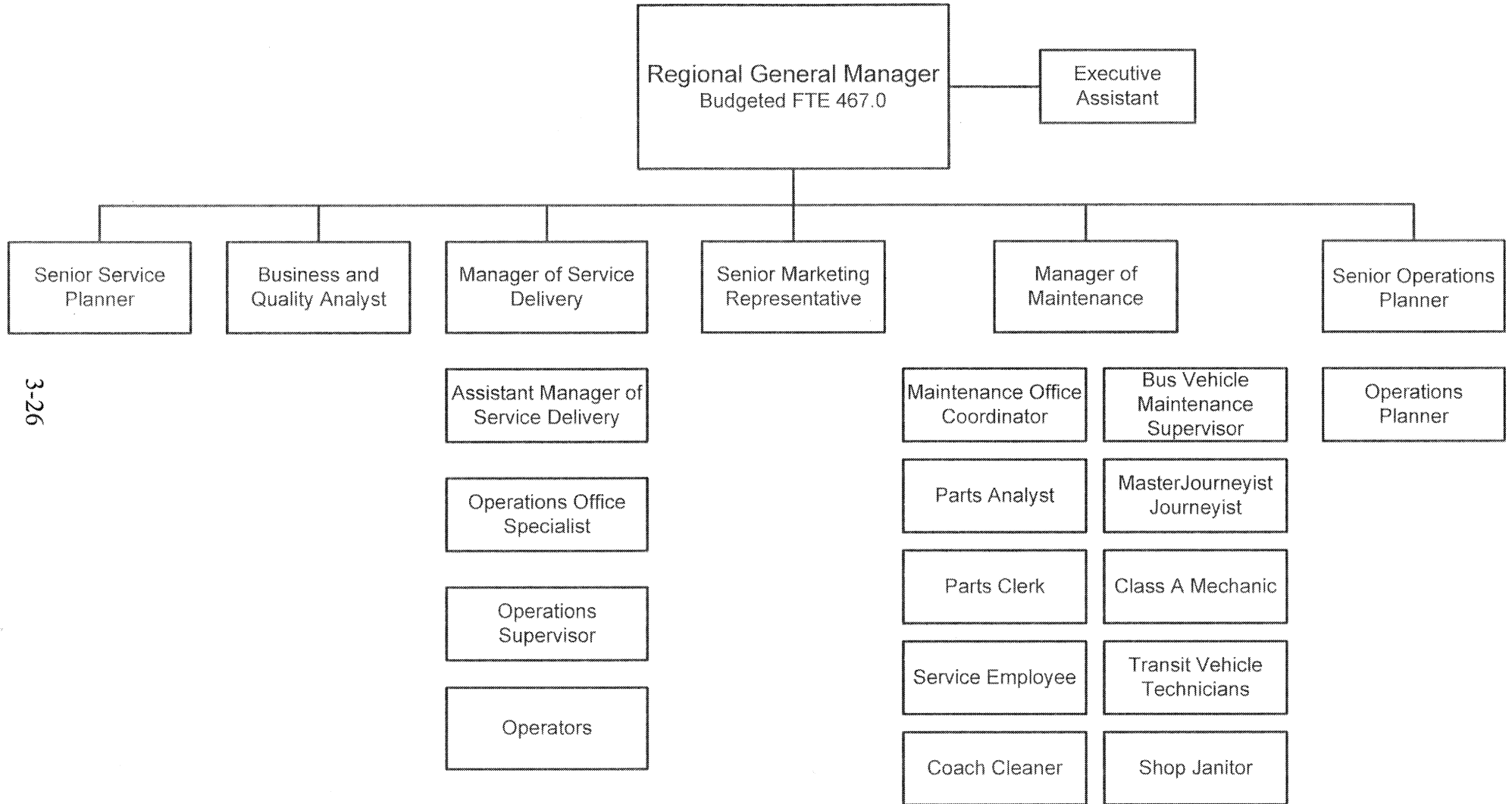




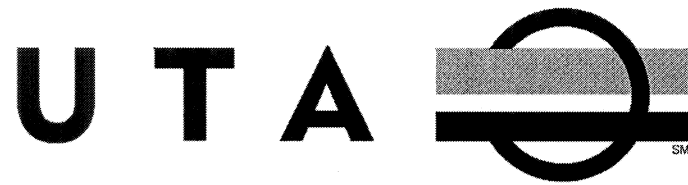
# Meadowbrook Business Unit

## January 2009

Utah Transit Authority



3-26



**BUS OPERATIONS  
CENTRAL BUSINESS UNIT**

**Department Name:**  
**Regional General Manager:**

*Central Business Unit  
Grantley Martelly*

**Department Function:**

During March 2007, the Salt Lake Business Unit was reorganized into the following three Business Units: Central, Meadowbrook and Special Services.

At the current time there are approximately one million people residing in Salt Lake County. After thirty years of bus service and prior to the Business Unit reorganization, the Utah Transit Authority commissioned the Salt Lake County Bus System Redesign. In the past, UTA had a bus system that provided some services to as many areas of Salt Lake County as possible; however, this service was inadequate in many areas with varying levels of frequency. Despite the population growth, the bus system had seen little change during the past several years. However, growth in the region recently spurred UTA to perform extensive market research. The outcome of this research is that UTA has developed a bus system that meets the growing needs of the changing Salt Lake Valley.

The Central Business Unit (CBU) will focus on fixed-route bus service that facilitates the mobility of people into and through Downtown Salt Lake City. The CBU is also responsible for Fast Bus routes into Salt Lake City as well as neighborhood bus service in proximity to the downtown area. To accomplish this mission, 252 employees work at the Central Business Unit facility, located at 616 West 200 South in Salt Lake City. These employees operate, maintain, schedule, administer and manage a fleet of 114 buses.

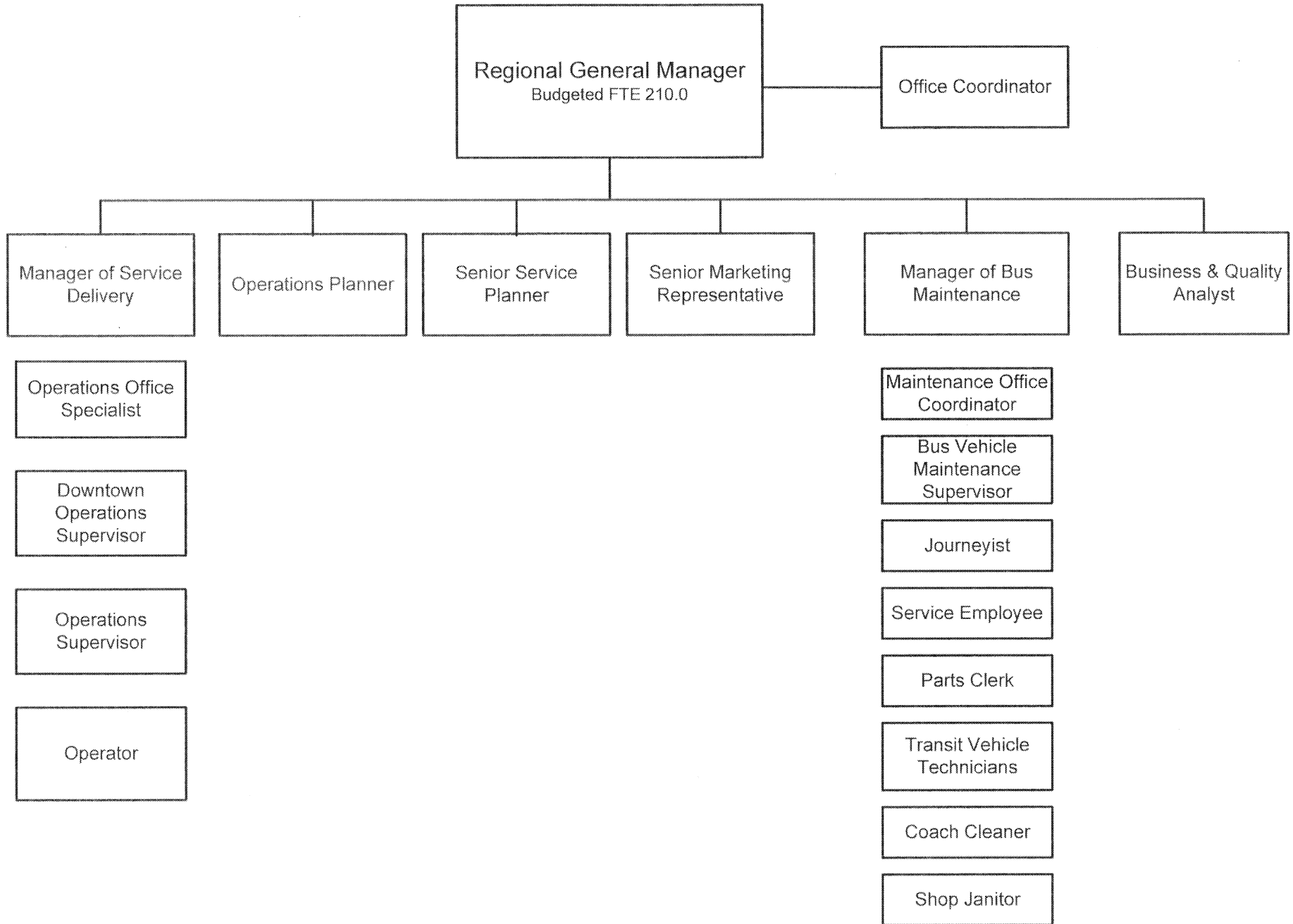




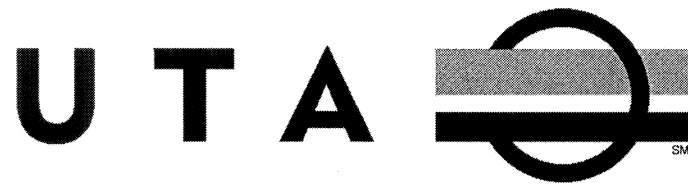
# Central Business Unit

January 2009

Utah Transit Authority



3-28



**BUS OPERATIONS  
SPECIAL SERVICES BUSINESS UNIT**

**Department Name:** *Special Services Business Unit*  
**Regional General Manager:** *Cherryl Beveridge*

**Department Function:**

The Special Service Business Unit is responsible for Utah Transit Authority's Paratransit, Flex Route (Route Deviation), Van=pool and promoting alternative modes of transportation through Rideshare programs including bicycle commuting, carpool matching, community vans and alternative work schedules.

Included in the responsibilities under the Special Service Business Unit's Paratransit service are Rideshare, Vanpool, Paratransit eligibility, service scheduling, Flextrans radio control center, Paratransit customer concerns, Paratransit maintenance, and Paratransit operations, route deviation, and contracted transportation oversight.

Our mission is the reduction of single occupancy vehicle trips by connecting the community through alternative modes of transportation provided by the Special Services Business Unit.

The Special Services Business Unit is responsible for determining Paratransit eligibility for people applying for paratransit service, scheduling transportation appropriate with a rider's conditions of eligibility. Insuring that the equipment necessary to provide transportation represents a positive image of UTA through committed employees who maintain the fleet according to the Preventative Maintenance (PM) schedule, schedule the transportation efficiently, and delivers transportation as scheduled in accordance with federal mandates.

The Special Services Business Unit is responsible for scheduling all transportation for paratransit riders in Salt Lake, Weber, Davis, Box Elder and Utah Counties. Paratransit staff also schedules "The Lift" route deviation requests for all riders in Brigham City.

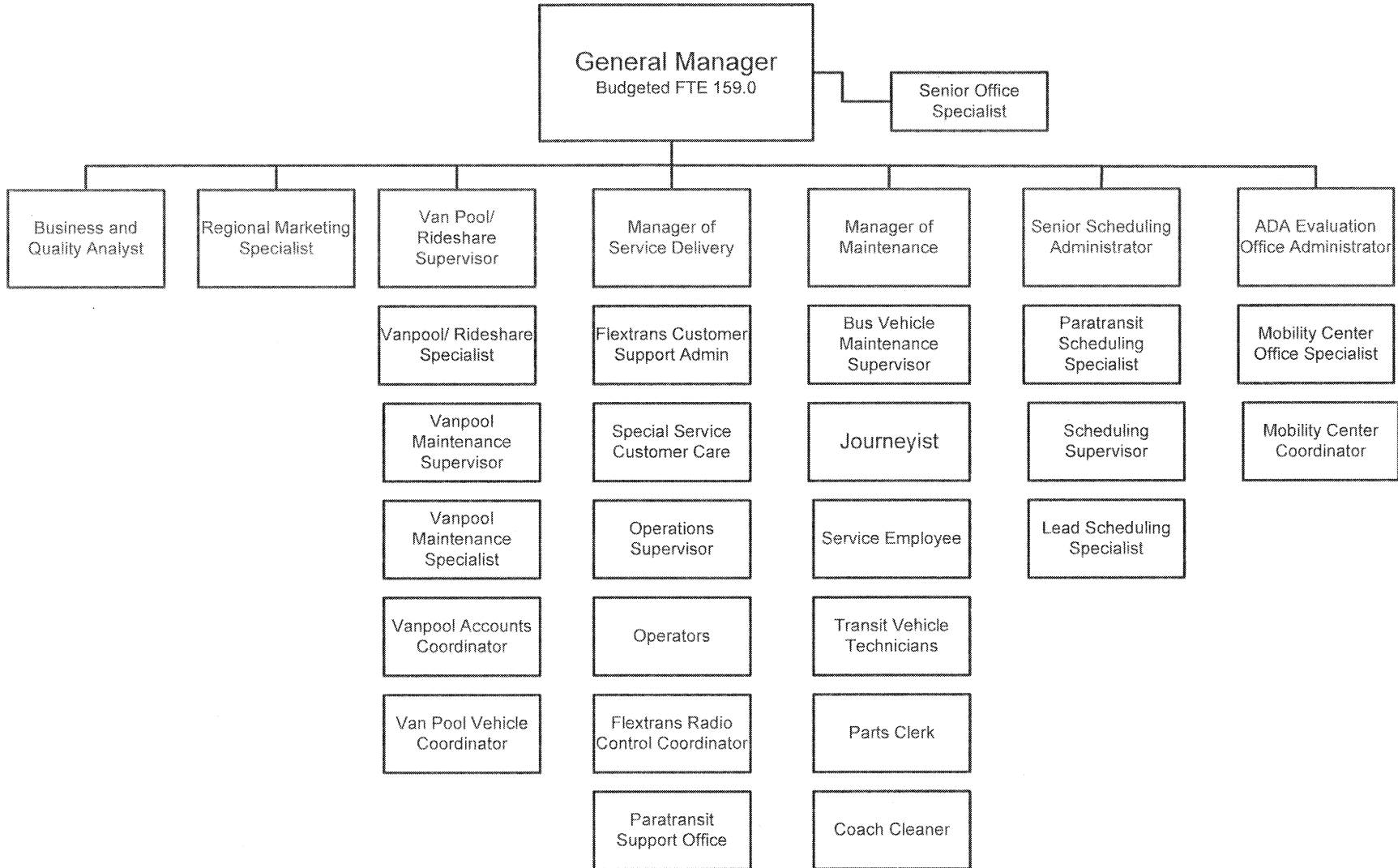
Special Services Business Unit Maintenance is responsible for maintaining the fleet and monitoring preventative maintenance inspections of the fleets operated by MV Transit and Utah Valley Paratransit. It is also responsible for the single largest fleet in the organization with the combined services of Paratransit and vanpool totals almost 700 vehicles (150 Paratransit and 550 Van-pool).

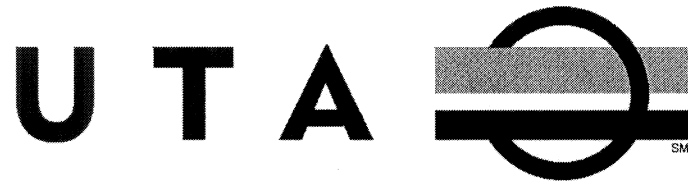
The new pricing on our van-pool services has been designed for the reaffirmed goal of sustainability. The pricing structure has been designed include 100% of the costs (fuel, maintenance, insurance, administrative costs). Sustainability in product, having the appropriate fleet to meet the demand, sustainability in reliability by insuring preventative maintenance is completed as scheduled, and sustainability in cost of service; requiring all rides who make this choice for transportation pay for the services they receive through individual agreements through the pre-established pricing structure.





Special Services Business Unit  
January 2009





**BUS OPERATIONS  
TIMPANOGOS BUSINESS UNIT**

**Department Name:** *Timpanogos Business Unit*  
**Regional General Manager:** *Hugh Johnson*

**Department Function:**

The Timpanogos Business Unit is responsible for reducing the need for single occupant vehicle trips in Utah County. Local bus service, express bus service to Salt Lake County, direct connections to UTA's light rail system (TRAX), special services, paratransit service, as well as commuter services such as van pools and carpooling are provided.

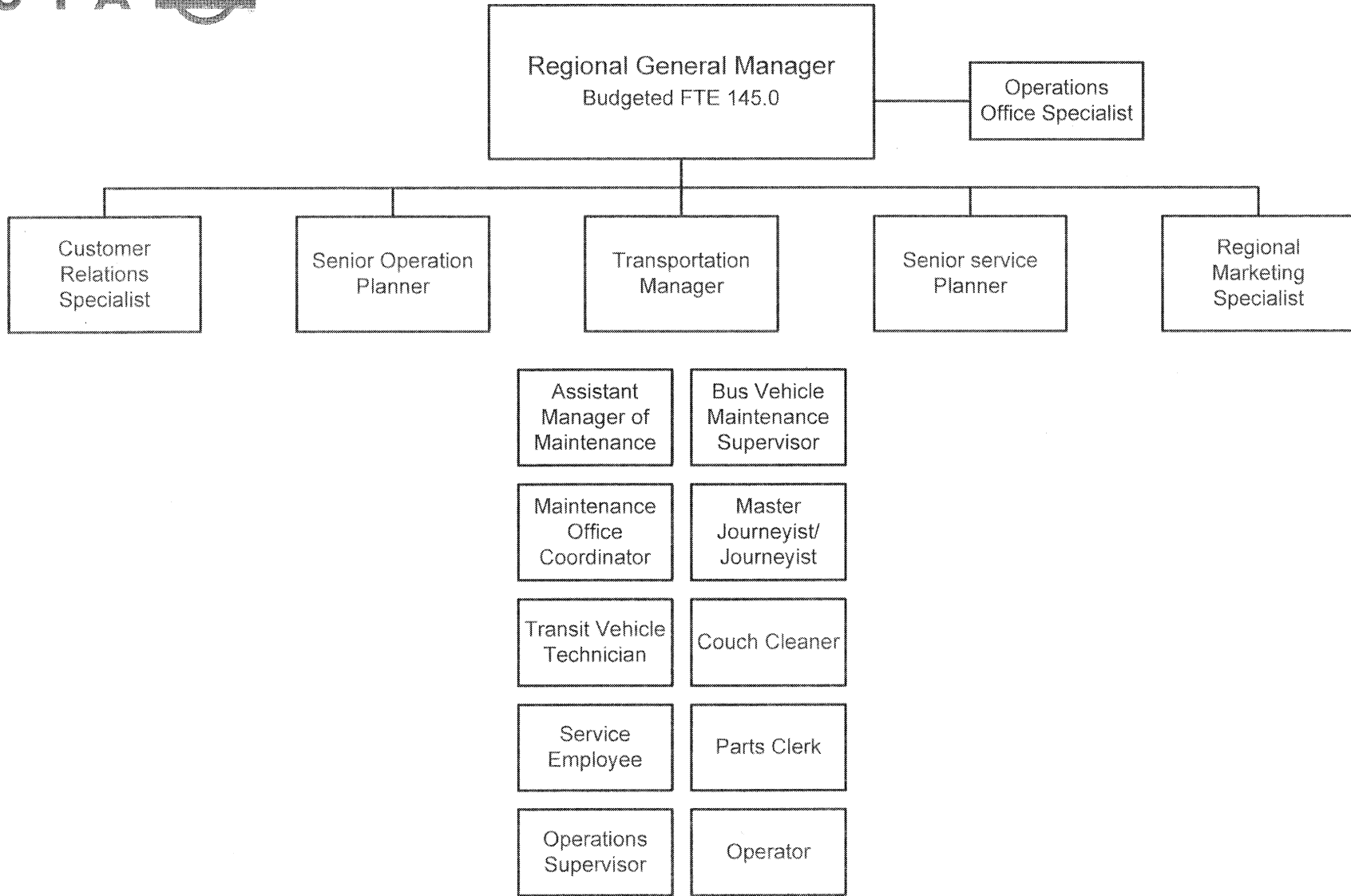
Moving steadily towards our vision of a county-wide system that provides a reasonable way for our customers go wherever they desire, the Timpanogos Business Unit staff is regularly involved in local planning activities. Participation with the Utah County Regional Planning Committee, the Utah County Council of Governments, Mountainlands Association of Government's technical planning committee, transportation open houses, and other local planning committees and activities has helped UTA become better recognized as a partner in helping solve the unique transportation problems of Utah County.

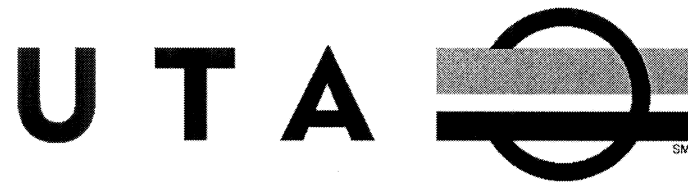




# Timpanogos Business Unit January 2009

Utah Transit Authority





**BUS OPERATIONS  
MT. OGDEN BUSINESS UNIT**

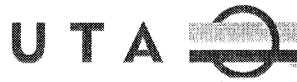
**Department Name:** *Mt. Ogden Business Unit*  
**Regional General Manager:** *Art Bowen*

**Department Function:**

The primary responsibility of the Regional General Manager (RGM) in the Mt. Ogden Business Unit is to direct, manage and provide leadership to the 178 business unit employees who are engaged in providing a safe and efficient fixed route and paratransit bus service to the citizens of Brigham, Willard and Perry Cities and Weber and Davis Counties. The RGM and staff provide leadership for 120 operators who drive a fleet of 78 vehicles throughout the described service area. Forty mechanics and maintenance staff are responsible for safe and clean vehicles for all service delivery. An eighteen-member management team supports operational and maintenance activities for optimal service delivery.

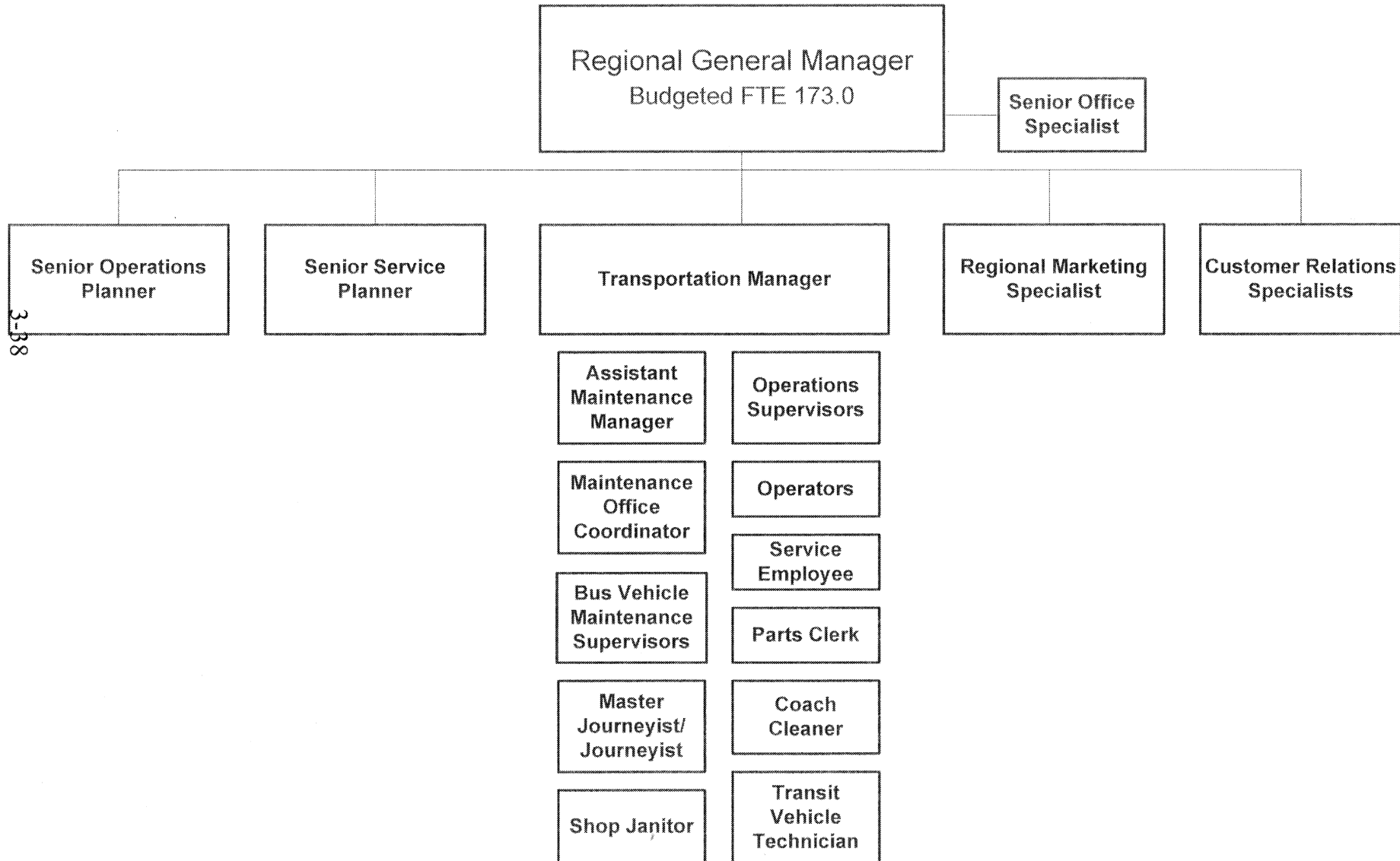
Mt. Ogden's objective is to provide reliable connectivity to customers in our service area through a family of transportation choices. Connections to Commuter Rail and local major markets help provide the action required for reducing single occupancy vehicle trips. Reporting directly to the Utah Transit Authority General Manager, the RGM and staff are accountable for goals and directives as guided by the Chief Performance Office and staff. Our mission is to support the vision and goals of the Utah Transit Authority as developed by the Board of Trustees.



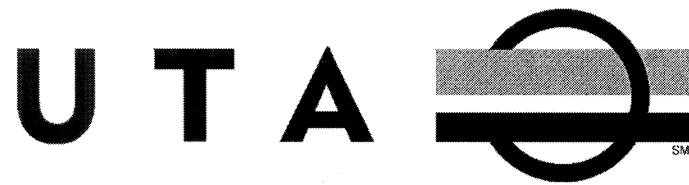


# Mt. Ogden Business Unit

January 2009



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**RAIL SERVICES**



**Department Name:**  
**Rail Service General Manager:**

*Rail Service*  
*Paul O'Brien*

**Department Function:**

Rail Service is responsible for the operation and maintenance of the Utah Transit Authority's rail services, including FrontRunner, TRAX, and UTA managed railroad service, for providing expertise and technical support to the Capital Development group, and for providing support to other UTA departments and outside agencies on issues relating to rail service. The Rail Operations area (FrontRunner, TRAX) provides scheduled service, operates extra service, controls right-of-way access, and manages railroad activity. The Rail Vehicle Maintenance area (FrontRunner, TRAX) maintains the rail vehicles, provides technical support, both internal and external, manages the introduction of new cars into the fleet, manages the locomotive contractor (FrontRunner), and ensures a smooth flow of parts and supplies. The Rail Infrastructure area maintains all the support components necessary to provide service including track, traction power equipment, signals, grade crossing equipment, fare vending machines, and rail service buildings and related equipment. The buildings include the Midvale Rail Service Center building and equipment, the Warm Springs Rail Service Center building and equipment, the Maintenance of Way Building and equipment, the Midvale Paint and Body Shop, and soon the new Jordan River Rail Service Center. The Rail Infrastructure area also performs vital miscellaneous duties such as dealing with outside agencies, consultants, contractors and supporting the work of the Capital Development group.

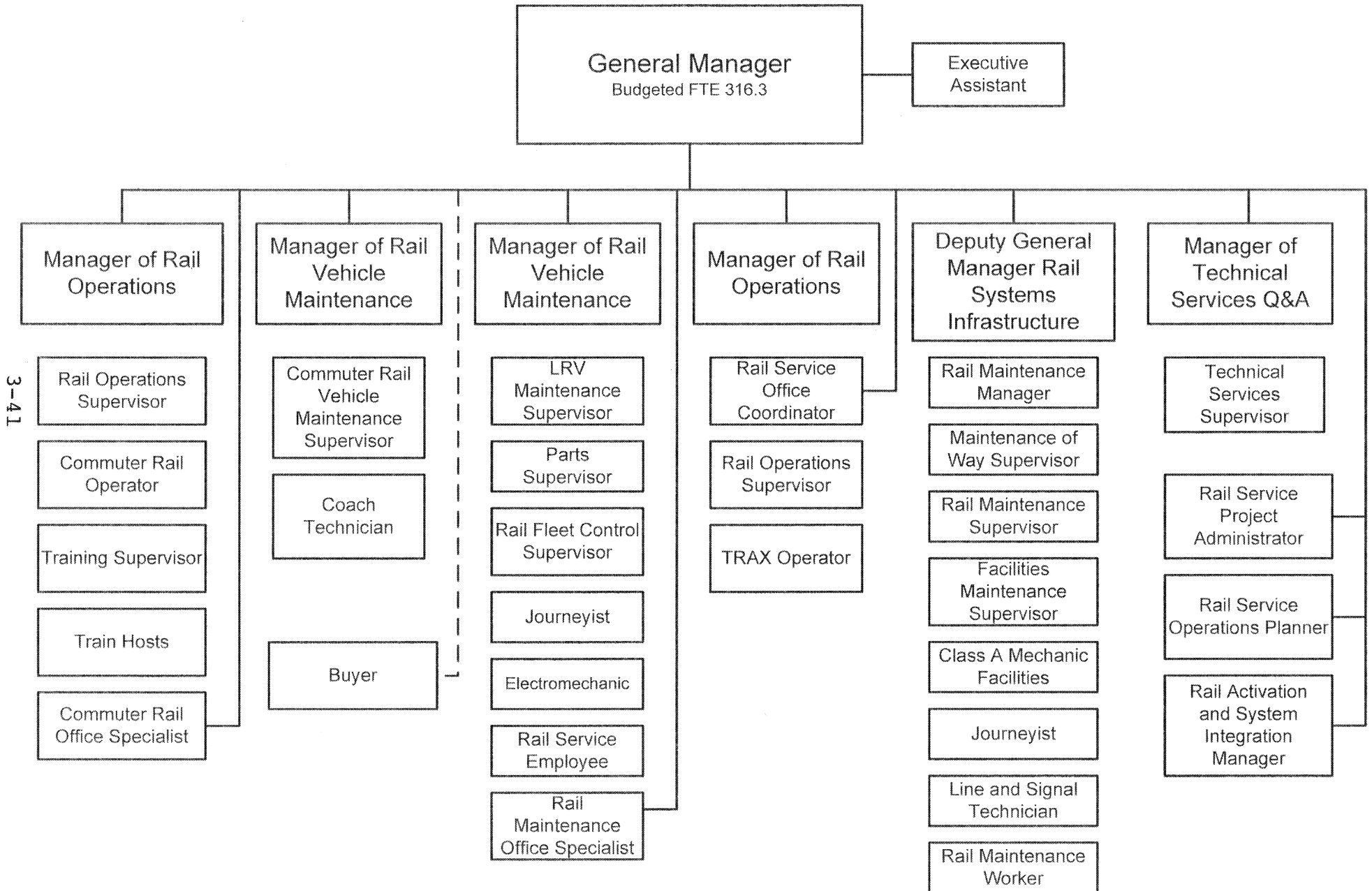
All areas work closely with other UTA departments to provide the most effective and efficient rail service possible. Rail Operations closely coordinates with Bus Operations to ensure a high level of response to system abnormalities, major special events or construction projects. Rail Vehicle Maintenance is in constant contact with the Support Services Business Unit and the Regional Bus Business Units to ensure that effective coordination is maintained in hiring and training and levels of parts and supplies are regulated in an efficient manner. Rail Infrastructure assists and supports the Facilities Maintenance and Capital Development areas by providing equipment, backup support and technical support. All areas strive to project a positive, professional image both in providing regularly scheduled and special event services and by working closely with Community Relations to foster support for UTA.

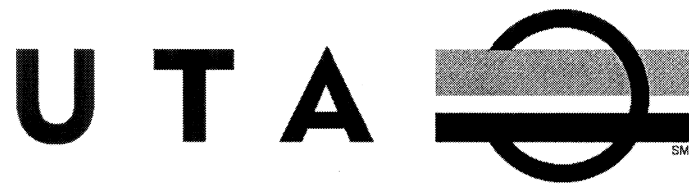




**Rail Service Center**  
January 2009

**Utah Transit Authority**





**SUPPORT SERVICES**

**Department Name:**  
**Chief Financial Officer**

*Support Services*  
*Kenneth D. Montague*

**Department Function:**

The Support Services Department provides support to the organization in managing its financial, human, and material resources and safeguarding its customers, employees, and property. Support Services is responsible for reporting on the Authority's fiscal activities through monthly and annual financial reports as well as debt administration, cash flow planning, fare collection and investment activities. Human resources are managed by hiring the best employees, providing competitive salary and benefits and carrying out the Authority's Positive People Management program. Employee skills are developed and maintained through numerous training programs, both in-house and through outside sources. Goods and services are acquired through competitive processes to get the best value for the Authority. A safe commuting and working environment is provided for customers and employees through various methods of policing to insure order and the protection of customers, employees and property from crime.

The following departments are included in Support Services: Accounting, Financial Services and Fare Collection, Human Resources, Purchasing and Materials Management, Security and Training.

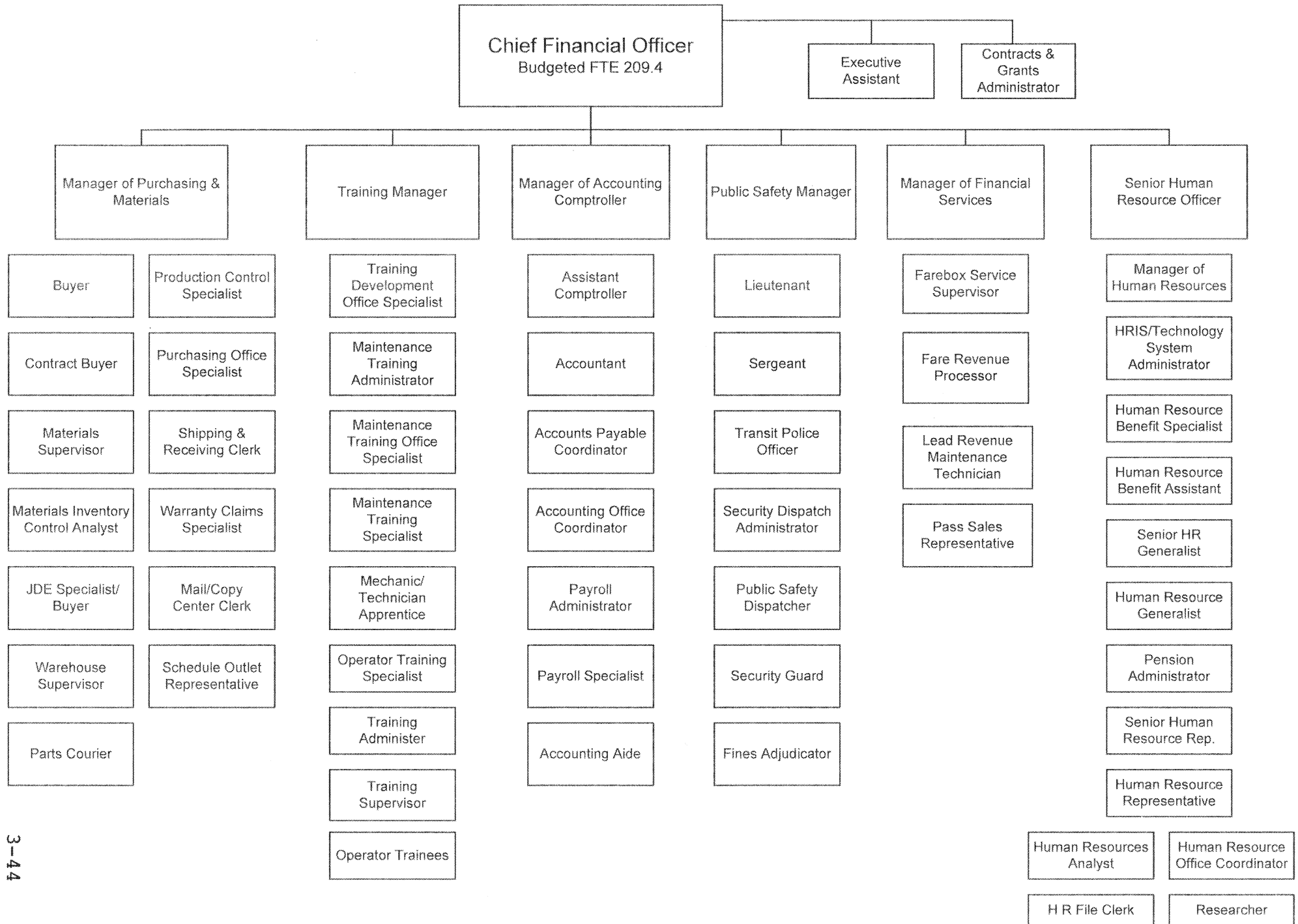


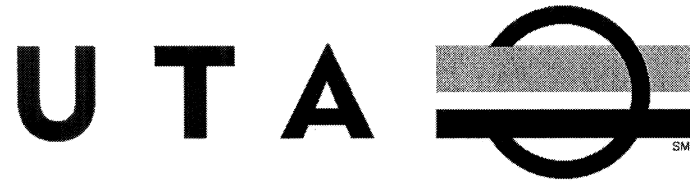


# Support Services

January 2009

Utah Transit Authority





**SECTION 4  
APPENDIX AND GLOSSARY**

# UTA Service Area



0 5 10 20  
Miles



## APPENDIX

# Utah Transit Authority and Community Profile

## UTAH TRANSIT AUTHORITY PROFILE

**History:** The Utah Transit Authority was incorporated on March 2, 1970 under authority of the Utah Public Transit District Act of 1969 to provide a public mass transportation system for Utah communities. The UTA system began operation August 10, 1970 in Salt Lake County with 67 buses.

Today, UTA operates 663 vehicles, 69 light rail vehicles, 11 commuter rail locomotives and 35 commuter rail passenger cars in a 1400 square mile service area that stretches over six counties from Payson to Brigham City. The Authority serves the largest segment of population in the State of Utah, approximately 1.8 million and operates in one of the largest geographical service areas of any transit agency in the U.S.

**Oversight  
and Governance:**

UTA is not a state agency; it is a political subdivision of the State of Utah. Oversight of UTA is exercised by a 15-member Board of Trustees appointed by each municipality or combination of municipalities (or county) that have annexed to UTA and that pay a local sales tax to support its operation. Through UTA's enabling legislation, the Utah State Legislature determines how many and also how board members are appointed. In 1997, the Legislature increased the board size from 14 to 15 members. Board members are appointed to serve two-year terms, with a limit of three consecutive terms.

UTA Board representation: There are seven members who represent Salt Lake County; one who represents unincorporated Salt Lake County; one member from Salt Lake City; two members from Utah County; two each from Davis and Weber counties; one member representing the governor; one representing the Utah House of Representatives; and one representing the Utah State Senate.

**Administration:** UTA is managed by a General Manager, in accordance with the direction, goals and policies of the Board of Trustees. The General



Manager supervises an executive staff of nine Chiefs and Regional General Managers. The General Counsel and Internal Auditor for the Authority report to the Board of Trustees.

**Metropolitan  
Planning  
Organizations:**

The Metropolitan Planning Organizations (MPO) for the Wasatch Front region or urbanized area, Wasatch Front Regional Council and Mountainland Association of Governments are responsible for developing long range transportation plans for their areas. These plans deal with highway networks, transit service, airports, bicycling and pedestrian facilities, and are based on projected population and employment trends. All of UTA and UDOT's long-range transportation plans are developed in cooperation with and approved by WFRC and MAG.

**Funding:**

The State of Utah does not provide any operational funding or capital funding to UTA. UTA's operational funding comes from the local municipalities and/or counties that have voted to annex to the transit district and pay up to ½ of 1% local option sales tax.

UTA receives approximately 14% of the operating cost from passengers as fares paid for service.

On May 22, 1998, the U.S. Congress passed the Transportation Equity Act for the 21<sup>st</sup> Century (TEA 21). TEA 21 authorizes federal capital expenditures for transit projects. SAFETEA-LU the reauthorization bill has been approved, but because the FY 2006 Transportation Appropriations bill was developed prior to approval it does not fund new transit programs (such as UTA's Commuter Rail) authorized by SAFETEA-LU, until the next fiscal year.

UTA receives Federal Operating/Preventative Maintenance Grants as defined by the National Transit Database.

In addition, TEA 21 authorizes Congress to appropriate 50-80% of the capital costs for constructing light rail extensions and commuter rail provided that there is a 20-50% local match and provided that there are ongoing operational funds committed to the projects.

Appropriations are made by the Congress on an annual basis.

**Service/Fleet Info:**

- Service area covers 1,400 square miles - Payson to Brigham City

- 6-county area (Salt Lake, Davis, Weber, parts of Box Elder, Tooele and Utah)
- 119 routes – 7,001 bus stops
- 445 active buses, 48 active commuter coaches, 102 active Flextrans buses / vans, and 69 TRAX vehicles, 55 commuter passenger rail vehicles and 11 commuter locomotives at the beginning of 2008
- Bike racks are installed on all UTA buses
- UTA ski service runs from November through Easter seven days a week to four resorts in Big and Little Cottonwood Canyons as well as ski resorts in Provo Canyon

**Ridership:**

- 139,433 average weekday (2008)
- 39,576,531 total annual passengers (2008)

**UTA Services  
and Rider Programs:**

- Fixed route bus service
- TRAX (light rail)
- FrontRunner (commuter rail)
- Flextrans (disabled customer service)
- Rideshare (carpooling and vanpooling)
- Eco-Pass (group discount program)
- Ed Pass (school discount program)
- Ski bus service
- Bike racks
- Monthly passes
- Free fare zone
- UTA web site

**Projects:**

- TRAX 15-mile North/South light rail line completed December 1999.
- University Stadium Extension (Downtown Salt Lake City to University of Utah) light rail line completed December 2001
- Medical Center Extension (University Stadium to the University Hospital) completed September 2003
- Intermodal Hub Extension (Arena Station to Salt Lake Central) completed April 2008
- Other Pending Light Rail Extensions (Airport, West Valley City,

Draper, Mid-Jordan)

- Commuter Rail (Provo to Brigham) Salt Lake North to Ogden completed April 2008
- Bus Rapid Transit: 3500 South (9 miles) completed July 2008, Provo/Orem (10miles) scheduled for 2012.

## **COMMUNITY PROFILE**

The Authority's Service Area is the region referred to as the Wasatch Front. The population of the Utah Transit Authority's Service Area is approximately 1,869,200.

**Box Elder County.** The Authority services only a portion of Box Elder County, comprised of the cities of Brigham, Perry and Willard and some unincorporated areas. Box Elder County (the fourth largest county in the State) accounts for approximately 2% of the population and approximately 2% of the nonagricultural employment of the service area of the Authority. The principal city is Brigham City. The county's population increased approximately 17.2% from 1990 to 2000. The largest employment sectors are manufacturing, wholesale and retail trade, and government. Major employers include Alliant Tech – Thiokol Propulsion Group, AutoLiv ASP, La-Z-Boy, Utah and WalMart Distribution Center.

**Davis County.** Davis County accounts for approximately 14% of the population and approximately 10% of the nonagricultural employment of the service area of the Authority. The principal cities include Bountiful, Centerville, Farmington, Kaysville, Layton and Clearfield. The county's population increased approximately 27.2% from 1990 to 2000. The largest employment sectors are wholesale and retail trade; government, and service. Major employers include Hill Air Force Base, the Freeport Center, Davis County School District, Smith's Foods and Albertson's Foods.

**Salt Lake County.** Salt Lake County accounts for approximately 50% of the population and approximately 61% of the nonagricultural employment of the Service Area of the Authority. Salt Lake City is the capital and largest city in the state. The principal cities include Salt Lake City, West Valley City and Sandy City. Due to continuous economic and population growth, most of the cities in Salt Lake County have grown into a single large metropolitan area, with Salt Lake City being the commercial center of this metropolis. The county's population increased approximately 23.8% from 1990 to 2000. The largest employment sectors are service; wholesale and retail trade; and government. Major employers include the University of Utah (including the hospital), State of Utah, Granite and Jordan School Districts, Salt Lake County, Intermountain Health Care, Inc. and The Church of Jesus Christ of Latter-day Saints.

**Northern Tooele County.** The Authority services only the northern portion of Tooele County, which comprises the cities of Tooele and Grantsville and some unincorporated areas. Tooele County accounts for approximately 2% of the population and approximately 1% of the nonagricultural employment of the service area of the Authority. The principal cities include Tooele and Grantsville. The county's population increased approximately 53.1% from 1990 to

2000. The largest employment sectors are government; wholesale and retail trade; and transportation, communications and public utilities. Major employers include the Tooele Army Depot, Tooele County School District, Dugway Proving Grounds and US Magnesium Corporation of Salt Lake City.

**Utah County.** Utah County accounts for approximately 21% of the population and approximately 16% of the nonagricultural employment of the service area of the Authority. The principal cities include Provo and Orem. The county's population increased approximately 39.8% from 1990 to 2000. The largest employment sectors are service; wholesale and retail trade; and manufacturing. Major employers include Brigham Young University, Alpine, Provo and Nebo School Districts, Utah Valley State College, Intermountain Health Care, Inc. and Novell, Inc.

**Weber County.** Weber County accounts for approximately 11% of the population and approximately 10% of the nonagricultural employment of the Service Area of the Authority. The principal city is Ogden. The county's population increased approximately 24.1% from 1990 to 2000. The largest employment sectors are; service; wholesale and retail trade; and government. Major employers include the Internal Revenue Service, Weber State University, AutoLiv ASP, McKay Dee Medical Center, and Weber and Ogden City School Districts.

## 2009 BUDGET GLOSSARY

**Accounting System** - Utah Transit Authority is a single enterprise that uses the accrual method of accounting. Under this method of accounting, revenues are recorded when earned and expenses are recorded as soon as they result in liabilities for benefits received.

**Accrual Accounting** - A basis of accounting in which revenues and expenditures are allocated to the year in which they are incurred, as opposed to when cash is actually received or spent.

**ADA - Americans with Disabilities Act** - Passed by the federal legislature in 1990, this Act provides comprehensive guidelines designed to protect disabled individuals against discrimination.

**AGC** - Associated General Contractors

**Articulated Bus** - A bus usually 55 feet or more in length with two connected passenger compartments that bends at the connecting point when the bus turns a corner.

**ATU** - Amalgamated Transit Union

**Bond** - Long or Short- term debt issued by an Authority to help finance new acquisitions of property, facilities and equipment.

**BRT** – Bus Rapid Transit - a bus system similar to a fixed guide-way system that includes all or some of the following features: Limited Stops, Traffic Signal priority, Separate Lanes, Dedicated Right of Way, Station Services, Docking Systems and other enhancements.

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**Balanced Budget** - A financial plan that matches all planned revenues and expenditures with proposed service levels.

**Budget Message** - The opening section of the budget document, which provides the UTA Board and the public with a general summary of the most important aspects of the budget, changes from current and previous fiscal years.

**Budget Document** – A formal plan of action for a specified time period that is expressed in monetary terms.

**Capital Budget** - A portion of the annual operating budget that appropriates funds for the purchase of capital equipment items. These expenditures are separated from regular operating items such as salaries, supplies, services and utilities. The capital budget includes funds for capital equipment purchases such as vehicles, construction of new facilities, office equipment, maintenance machinery, microcomputers and off-site improvements. They are distinguished from operating items due to their value (greater than \$5,000) and projected useful life (greater than one year).

**Capital Grant** – Monies received from a grantor , primarily the Federal Transit Administration (FTA) used to acquire fixed assets.

**Capital Reserve** - An account used to segregate a portion of the Authority's equity to be used for future capital program expenditures.

**C.E.O. Quality Program** - A program in operation where the Bus Operator is the CEO of his bus. CEO stands for Control of the bus, always being on time Never Early, and Always On Route.

**CMAQ**- Congestion Mitigation and Air Quality program. Highway program money in TEA-21 and ISTEA to reduce congestion and improve air quality.

**Debt** - The amount of money required to pay interest and principal on the Authorities borrowed funds.

**Debt Limit** – A legal limit of total amount of bonds, notes, warrants or any other type of obligation issued or outstanding that can not be exceeded by the Authority.

**Department** - An organizational unit responsible for carrying out major Authority functions, such as operations, administration, and community relations.

**Distinguished Budget Presentation Awards Program** – A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

**Ends Policies** – Policies to guide Utah Transit Authority about the ends to be achieved and means to those ends.

**Extra board** – Operators who have no assigned run but are used to cover runs deliberately left open or runs left open because of absence of assigned operators.

**Farebox Revenues** – All revenues from sale of passenger tickets, passes, tokens or other instruments of fare payment.

**Flextrans Transportation** - A major Authority program whereby transportation services are provided to the transportation disabled.

**FRA** - Federal Railroad Administration.

**Fringe Benefits** - Benefits provided to the employee such as FICA, Pension, Medical & Dental insurance, Life, Short and Long Term Disability insurance, Unemployment insurance, Tool and Uniform allowance and Educational reimbursement.

**FTA - Federal Transit Administration** - Formerly the Urban Mass Transportation Administration (UMTA). The FTA provides capital and operating funds to the Agency.

**FTE – Full Time Equivalent Positions** – A part time position converted to a decimal equivalent of a full time position based on 2,080 hours per year. For example a part time position working 20 hours per week would be the equivalent of .5 of a full time position.

**GASB - General Accounting Standards Board** – An independent, professional body to establish standards of accounting and financial reporting applicable to state and local governmental entities.

**Goal** – A statement of broad direction, purpose or intent.

**Grants** - A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital.

**Hybird bus** – One that runs on hybrid propulsion. A vehicle power system that runs on electrical power supplied by an onboard generator powered by an internal combustion engine.

**Internal Controls** – Methods and measures implemented to safeguard assets, provide for accuracy of accounting data, and encourage compliance with polices.

**Intermodal** - Those issues or activities which involve or affect more than one mode of transportation, including transportation connections, choices, cooperation and coordination of various modes. Also known as “multimodal”.

**Intermodal Centers** - A location where various types of transportation modes meet.

**Investments** – Securities purchased for the generation of income in the form of interest.

**ITS - Intelligent Transportation System** - Use of computer technology to improve transportation systems.

**Joint development** – Projects undertaken by the public and private sectors. Usually refers to real estate projects and transit projects undertaken adjacent, above and /or below each other as a means of financing transit projects with minimal public expense.

**Light Rail** - An electric railway with a light volume traffic capacity as3 compared to heavy rail.” Light rail may use shared or exclusive rights-of-way, high or low platform loading, and multi-car trains or single cars. Also known as “streetcar,” “trolley car,” and “tramway”.

**Local Match** - The portion of funding provided by UTA or other contributors towards purchase of capital items.

**Low-floor vehicles** – One which an has entranceway and floor closer to the ground for easier access by those with disabilities.

**LRT** – Light rail transit

**LRV - Light Rail Vehicles** - These vehicles will be used on the TRAX Light Rail System.

**MPO** – Metropolitan Planning Organization. Local group tht selects projects, highways and transit to be given funds.

**Operating Budget** - A plan of expenditures and proposed sources of financing current service. The operating budget does not include capital or reserves. The principle sources of revenue are operating income, sales tax, investment income, and federal grants. All departments are financed through this budget.

**Operating Revenue** - Funds that the Authority receives as income to pay for ongoing operations. It includes such items as: sales taxes, fares, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

**Operation Expenses** - This term refers to expenditures paid to obtain goods or services; including such items as payroll, services, supplies, fuel, utilities, insurance, etc. Capital expenditures are not included.

**OV&P - Employee Partnering and Visioning Training** - A week long program where operators receive from and give input to management and training, information about the authority, its people and operations.

**Paratransit** - Comparable transportation service required by the Americans with Disabilities Act (ADA) of 1990 for individuals with disabilities who are unable to use fixed-route transportation systems.

**Park & Ride Lots** - Parking lots provided for patrons to park their vehicles in while commuting on buses or the light rail system.

**Passengers** – The number of transit vehicle boarding’s, including charter and special trips. Each passenger is counted each time that person boards a vehicle.



**Park-and-ride lot** – Lot to which passengers drive their cars, leave them for the day and board transit vehicles.

**Passenger miles** – Total number of miles traveled by passengers on a vehicle. (One bus with 10 passengers traveling 10 miles equals 100 passenger miles.)

**Performance Measures** – Data collected to determine how effective or efficient a program is in achieving its objectives.

**Personnel** - This item includes the cost of all salaries, wages, overtime, and benefits associated with the Authorities staff.

**Platform Hours** - Time during which an operator operates the revenue vehicle, either in line service or deadheading.

**PM - Preventative Maintenance Funds** - Funding provided by the Federal Transit Administration for preventative maintenance of UTA's fleet.

**Policy Document** – A statement of organization-wide financial and programmatic policies and goals that address long-term concerns and issues.

**Program Budget** - A budget that focuses upon the goals and objectives of an Authority, rather than upon its organizational budget units or object classes of expenditure.

**Rapid transit** – Synonym for fixed guideway public transport ( usually rail)

**Reserve** - An account used to indicate the purpose (insurance or capital) for which the Agency's year-end balances may be used.

**Revenue** – Receipts from the sale of a product or provision of service.

**Revenue Hours** -Hours a vehicle travels while in revenue service. A transit vehicle is in revenue service only when the vehicle is available to the public.

**Revenue Miles** -Miles a vehicle travels while in revenue service. A transit vehicle is in revenue service only when the vehicle is available to the public.

**RFP** - Request for proposal.

**Rideshare**- Transportation provided to industry to promote car pooling in UTA and company sponsored vans.

**SAFETEA-LU** – The Safe, Accountable, Flexible and Efficient Transportation Equity Act. A Legacy for Users. The U.S. DOT's six-year \$286 billion surface transportation legislation, signed into law on August 10, 2005

**Sales Tax** - This tax is levied by the State within the service district for the Authority.

**Scheduled Mile** – Total service scheduled. It is computed from internal planning documents and includes the whole trip (e.g., deadhead, layover/recovery, and actual picking up and discharging of passengers).

**Special Bus Revenue** - Revenues generated from special engagements such as special trips to Provo for Brigham Young University football games.

**Strategic Projects** – Projects that prepare UTA for future growth and transportation needs of the community along the Wasatch Front.

**TIP** – Transportation Improvement Program. Federally mandated state program or projects to be implemented over several years.

**TRAX Light Rail** - The light rail system running from approximately 100<sup>th</sup> South, North in Sandy to Salt Lake City.

**Transit Development Plan –TDP-** a in house model developed to forecast cash flow for the next 30 years. It is also used as a sensitivity analysis tool for adding various program and projects to UTA's system showing the cost impact the program may have on our current system.

**UDOT** - Utah Department of Transportation.

**UZA** – Urbanized area. One designated by the Census Bureau as having at least 50,000 inhabitants in a central city or two adjacent cities.

**Vision Statement** - This statement provides long-term guidance to the Authorities purpose and objectives. This Vision Statement is the basis of the Authority's yearly objectives.

**University / Medical Center Light Rail** - A light rail system starting in Salt Lake City, intersecting the north south Trax line, and continuing to the University of Utah and the University Medical Center.