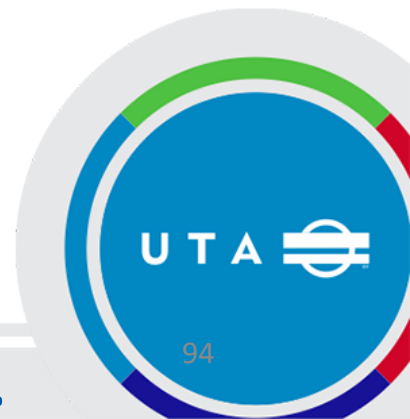


# Tentative 2025 Operating and Capital Budget



# Budget Process Overview

- **Streamline overall budget schedule**
  - Allow Procurement and Talent Acquisition to start sooner in the year
- **Capital budgeting process**
  - Start with base budget
  - Executive submissions for new Capital items
  - Sync of Capital budget with Operating budget schedule



# 10-Year Financial Forecast – w/o UCE

As of 8/16/24 with bonding

**DRAFT**

	Actuals	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Sources</b> (USD \$ Millions)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
A <b>Beginning Balance</b>	\$ 435.2	\$ 373.4	\$ 356.0	\$ 324.7	\$ 259.2	\$ 231.4	\$ 216.7	\$ 167.2	\$ 184.9	\$ 215.4	\$ 226.2	\$ 244.8
Sales Tax OG	\$ 482.4	\$ 492.9	\$ 516.9	\$ 540.8	\$ 569.1	\$ 593.3	\$ 617.5	\$ 642.6	\$ 668.8	\$ 696.0	\$ 724.3	\$ 753.8
HB430 Impact			\$ (3.6)	\$ (7.5)	\$ (7.8)	\$ (8.2)	\$ (8.5)	\$ (8.9)	\$ (9.2)	\$ (9.6)	\$ (10.0)	\$ (10.4)
Sales Tax Less 4th Qtr 10%	\$ 482.4	\$ 492.9	\$ 513.3	\$ 533.3	\$ 561.3	\$ 585.2	\$ 609.0	\$ 633.8	\$ 659.6	\$ 686.4	\$ 714.3	\$ 743.4
PM Funds (FTA)	63.6	114.8	72.4	73.1	73.9	74.6	75.4	76.1	76.9	77.6	78.4	79.2
Passenger Funds	35.4	37.0	37.0	40.9	41.6	42.6	42.9	43.9	44.9	45.8	50.3	51.9
B <b>Capital Sources</b>	104.0	196.8	206.7	159.8	190.5	101.6	118.0	67.5	97.3	124.6	64.3	63.4
Bonding	-	-	60.0	-	-	-	-	-	-	-	-	-
Leasing	32.7	39.8	30.0	47.7	43.3	40.8	22.1	31.1	60.5	87.4	26.8	25.5
Grants	45.2	59.7	39.9	41.8	76.9	4.5	44.4	0.4	0.4	0.4	0.4	0.4
Formula Funds	0.1	72.3	37.1	44.6	59.4	50.0	49.1	36.0	36.4	36.7	37.1	37.5
State	17.6	21.1	2.8	5.1	2.9	5.2	1.2	-	-	-	-	-
TTIF	-	-	29.6	18.0	5.7	-	-	-	-	-	-	-
Local Revenues	8.9	3.9	7.2	2.5	2.2	1.2	1.2	-	-	-	-	-
Other	(0.5)	-	-	-	-	-	-	-	-	-	-	-
<b>Other Sources</b>	42.2	21.9	22.2	21.7	22.0	19.7	19.9	20.1	20.6	21.2	21.6	22.1
C <b>Total Sources</b>	\$ 727.6	\$ 863.3	\$ 851.5	\$ 828.8	\$ 889.2	\$ 823.5	\$ 865.2	\$ 841.5	\$ 899.2	\$ 955.6	\$ 929.0	\$ 960.0
<b>Uses</b>												
D <b>Operating Expense</b>	\$ 386.3	\$ 425.5	\$ 463.9	\$ 479.1	\$ 494.5	\$ 521.3	\$ 538.0	\$ 555.3	\$ 572.7	\$ 590.7	\$ 609.3	\$ 628.4
E <b>Capital Expense</b>	209.9	264.5	248.7	231.1	230.8	121.4	128.9	67.2	92.5	144.7	90.7	75.4
F <b>Debt Service</b>	158.8	160.6	170.2	184.0	191.8	195.5	247.9	201.2	203.6	209.4	210.3	212.5
G <b>Total Uses</b>	\$ 755.0	\$ 850.7	\$ 882.9	\$ 894.3	\$ 917.1	\$ 838.2	\$ 914.8	\$ 823.7	\$ 868.8	\$ 944.8	\$ 910.3	\$ 916.4
H <b>Net Change</b>	\$ (27.4)	\$ 12.6	\$ (31.4)	\$ (65.5)	\$ (27.8)	\$ (14.6)	\$ (49.6)	\$ 17.8	\$ 30.4	\$ 10.8	\$ 18.7	\$ 43.6
I <b>Cash Amended</b>	(34.4)	(30.0)	-	-	-	-	-	-	-	-	-	-
J <b>Ending Balance</b>	\$ 373.4	\$ 356.0	\$ 324.7	\$ 259.2	\$ 231.4	\$ 216.7	\$ 167.2	\$ 184.9	\$ 215.4	\$ 226.2	\$ 244.8	\$ 288.5
K <b>Reserves</b>	203.3	212.1	221.8	231.4	234.3	235.1	188.3	188.9	189.4	189.9	190.5	191.1
L <b>Available For Capital Investment</b>	\$ 170.2	\$ 143.9	\$ 102.9	\$ 27.8	\$ (2.9)	\$ (18.3)	\$ (21.2)	\$ (3.9)	\$ 26.0	\$ 36.2	\$ 54.4	\$ 97.4

# 10-Year Financial Forecast

As of 8/16/24 with bonding

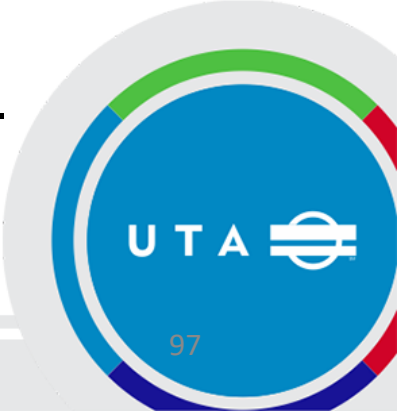
**DRAFT**

Sources <i>(USD \$ Millions)</i>	Actuals	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
A <b>Beginning Balance</b>	\$ 435.2	\$ 373.4	\$ 372.0	\$ 344.8	\$ 258.3	\$ 279.7	\$ 144.8	\$ (25.4)	\$ (72.5)	\$ (103.8)	\$ (148.8)	\$ (193.3)
Sales Tax OG	\$ 482.4	\$ 492.9	\$ 516.9	\$ 540.8	\$ 564.9	\$ 588.9	\$ 612.8	\$ 637.8	\$ 663.7	\$ 690.7	\$ 718.9	\$ 748.1
HB430 Impact			\$ (3.6)	\$ (7.5)	\$ (7.8)	\$ (8.2)	\$ (8.5)	\$ (8.9)	\$ (9.2)	\$ (9.6)	\$ (10.0)	\$ (10.4)
Sales Tax Less 4th Qtr 10%	\$ 482.4	\$ 492.9	\$ 513.3	\$ 533.3	\$ 557.0	\$ 580.7	\$ 604.3	\$ 628.9	\$ 654.5	\$ 681.1	\$ 708.9	\$ 737.7
PM Funds (FTA)	63.6	114.8	72.4	73.1	73.9	74.6	75.4	76.1	76.9	77.6	78.4	79.2
Passenger Funds	35.4	37.0	37.0	40.9	41.6	42.6	46.6	47.3	49.2	50.0	50.7	52.7
B <b>Capital Sources</b>	104.0	196.8	267.1	176.0	246.1	96.8	134.8	93.2	133.5	161.2	101.4	101.0
Bonding	-	-	80.0	-	100.0	-	-	-	-	-	-	-
Leasing	32.7	39.8	38.1	49.0	63.3	46.2	73.1	21.1	60.5	87.4	26.8	25.5
Grants	45.2	59.7	66.6	65.3	32.7	4.6	0.9	12.0	12.2	12.5	12.7	13.0
Formula Funds	0.1	72.3	30.2	37.9	40.2	43.9	51.9	52.0	52.5	53.0	53.6	54.1
State	17.6	21.1	15.5	3.3	2.0	1.0	1.0	-	-	-	-	-
TTIF	-	-	29.6	18.0	5.7	-	-	-	-	-	-	-
Local Revenues	8.9	3.9	7.1	2.4	2.2	1.2	-	-	-	-	-	-
Other	(0.5)	-	-	-	-	-	8.0	8.1	8.2	8.2	8.3	8.4
Other Sources	42.2	21.9	20.8	20.3	20.6	18.7	17.7	17.7	18.7	19.1	19.2	19.5
C <b>Total Sources</b>	\$ 727.6	\$ 863.3	\$ 910.6	\$ 843.6	\$ 939.1	\$ 813.3	\$ 878.7	\$ 863.2	\$ 932.7	\$ 989.0	\$ 958.6	\$ 990.1
<b>Uses</b>												
D Operating Expense	\$ 386.3	\$ 425.5	\$ 449.2	\$ 482.1	\$ 497.8	\$ 524.8	\$ 541.9	\$ 559.5	\$ 577.7	\$ 596.6	\$ 616.0	\$ 636.0
E Capital Expense	209.9	245.3	315.1	262.0	224.7	223.9	241.2	132.4	165.6	210.9	159.0	144.8
F Debt Service	158.8	163.9	173.6	185.9	195.2	199.5	265.9	218.3	220.7	226.5	228.1	229.6
G <b>Total Uses</b>	\$ 755.0	\$ 834.7	\$ 937.8	\$ 930.1	\$ 917.7	\$ 948.2	\$ 1,049.0	\$ 910.2	\$ 964.0	\$ 1,034.0	\$ 1,003.1	\$ 1,010.4
H <b>Net Change</b>	\$ (27.4)	\$ 28.6	\$ (27.3)	\$ (86.5)	\$ 21.4	\$ (134.9)	\$ (170.3)	\$ (47.0)	\$ (31.4)	\$ (45.0)	\$ (44.5)	\$ (20.3)
I Cash Amended	(34.4)	(30.0)	-	-	-	-	-	-	-	-	-	-
J <b>Ending Balance</b>	\$ 373.4	\$ 372.0	\$ 344.8	\$ 258.3	\$ 279.7	\$ 144.8	\$ (25.4)	\$ (72.5)	\$ (103.8)	\$ (148.8)	\$ (193.3)	\$ (213.6)
K <b>Reserves</b>	203.3	222.1	245.9	272.3	247.4	264.1	231.8	247.3	263.3	279.8	296.9	314.4
L <b>Available For Capital Investment</b>	\$ 170.2	\$ 149.9	\$ 98.9	\$ (14.0)	\$ 32.4	\$ (119.2)	\$ (257.3)	\$ (319.8)	\$ (367.1)	\$ (428.6)	\$ (490.1)	\$ (528.0)

# 2025 Tentative UTA Operating Budget

## Expenses by Mode

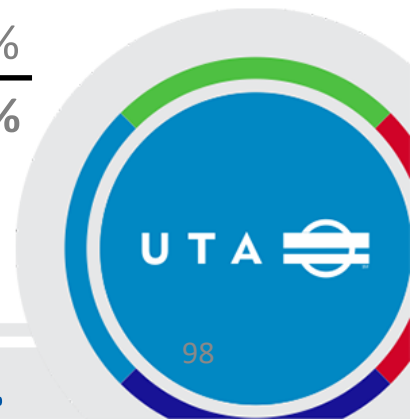
Mode	FY 2024	FY 2025	Change	% Change
	Adj. Budget	Budget		
Bus	\$143,835,000	\$160,181,000	\$16,346,000	11.4%
Commuter Rail	38,105,000	37,674,000	(431,000)	-1.1%
Light Rail	64,499,000	66,925,000	2,426,000	3.8%
Paratransit	29,221,000	29,991,000	770,000	2.6%
Rideshare/Vanpool	4,012,000	3,954,000	(58,000)	-1.4%
Microtransit	12,949,000	16,811,000	3,862,000	29.8%
Operations Support	64,537,000	67,899,000	3,362,000	5.2%
Administration	54,048,000	63,214,000	9,166,000	17.0%
Planning/Capital Support	13,623,000	14,292,000	669,000	4.9%
Non-Departmental	682,000	1,000,000	318,000	46.6%
<b>Total Division</b>	<b>\$425,512,000</b>	<b>\$461,941,000</b>	<b>\$36,429,000</b>	<b>8.6%</b>



# 2025 Tentative UTA Operating Budget

## Expenses by Office

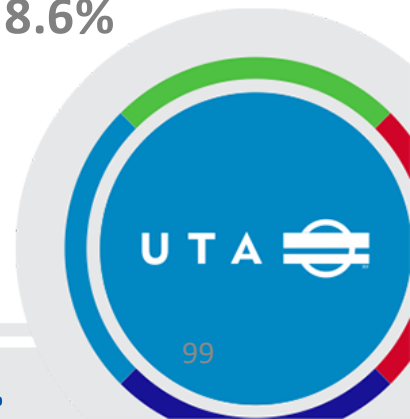
Office	FY 2024	FY 2025	Change	% Change
	Adj. Budget	Budget		
Board	\$3,370,000	\$3,517,000	\$147,000	4.4%
Executive Director	6,522,000	7,595,000	1,073,000	16.5%
Operations	319,027,000	343,300,000	24,273,000	7.6%
Finance	20,287,000	21,526,000	1,239,000	6.1%
Capital Services	7,543,000	8,183,000	640,000	8.5%
Planning & Engagement	23,144,000	27,397,000	4,253,000	18.4%
Enterprise Strategy	28,645,000	31,267,000	2,622,000	9.2%
People	12,013,000	13,343,000	1,330,000	11.1%
Communication	4,279,000	4,812,000	533,000	12.5%
Non-Departmental	682,000	1,000,000	318,000	46.6%
<b>Total Division</b>	<b>\$425,512,000</b>	<b>\$461,941,000</b>	<b>\$36,429,000</b>	<b>8.6%</b>



# 2025 Tentative UTA Operating Budget

## Expenses by Category

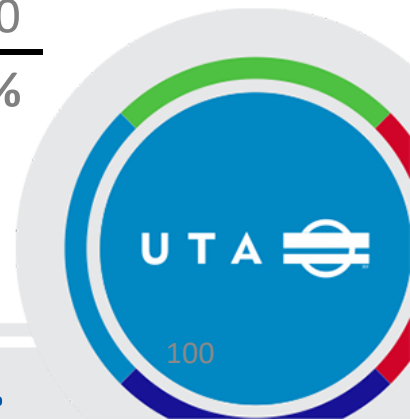
Category	FY 2024	FY 2025	Change	% Change
	Adj. Budget	Budget		
Wages	\$201,903,000	\$213,921,000	\$12,018,000	6.0%
Fringe	100,604,000	109,593,000	8,989,000	8.9%
Services	45,966,000	60,479,000	14,513,000	31.6%
Fuel/Power	35,490,000	33,711,000	(1,779,000)	-5.0%
Parts	25,904,000	29,548,000	3,644,000	14.1%
Utilities	7,373,000	7,228,000	(145,000)	-2.0%
Other O&M	20,901,000	23,562,000	2,661,000	12.7%
Capitalized Costs	(12,630,000)	(16,103,000)	(3,473,000)	27.5%
<b>Total Budget</b>	<b>\$425,512,000</b>	<b>\$461,941,000</b>	<b>\$36,429,000</b>	<b>8.6%</b>



# 2025 Tentative UTA Operating Budget

## FTE Summary by Office

Office	FY 2024 Adj. Budget	FY 2025 Budget	Change	% Change
Board	16.0	15.0	(1.0)	(0.1)
Executive Director	32.5	33.5	1.0	0.0
Operations	2,328.7	2,350.7	22.0	0.0
Finance	136.0	139.0	3.0	0.0
Capital Services	59.0	64.0	5.0	0.1
Planning & Engagement	84.2	100.6	16.3	0.2
Enterprise Strategy	125.0	131.0	6.0	0.0
Communications	17.5	17.5	-	-
People	94.0	97.0	3.0	0.0
<b>Total FTE</b>	<b>2,892.9</b>	<b>2,948.2</b>	<b>55.3</b>	<b>1.9%</b>

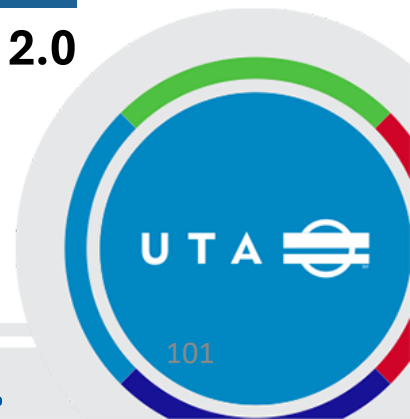


# 2025 Budget Work Session Changes

## Change

Chief	Request	2025 Total Exp	FTE Change
COO	2 Fleet Engineers returned to budget	*\$ -	2.0
	Moved 2025 New Service Expenses to Service Units	(5,653,383)	-
	Moved Salt Lake bus service to SL Bus Service Unit	4,004,928	-
	Moved Timp bus service to Timp Bus Service Unit	1,648,455	-
<b>COO Total</b>		<b>\$ -</b>	<b>2.0</b>
CPE	Cellphone adjustment	3,000	-
	Planning study adjustment	150,000	-
<b>CPE Total</b>		<b>\$ 153,000</b>	<b>-</b>
CMO	Cellphone adjustment	7,000	-
<b>CMO Total</b>		<b>\$ 7,000</b>	<b>-</b>
<b>Grand Total: 2025 Budget</b>		<b>\$ 160,000</b>	<b>2.0</b>

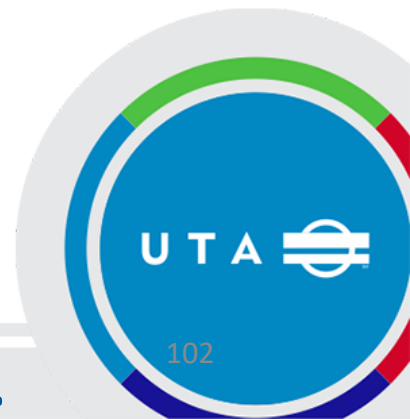
\*\$269,000 In Capital budget



# 2025 Tentative UTA Operating Budget Changes Summary

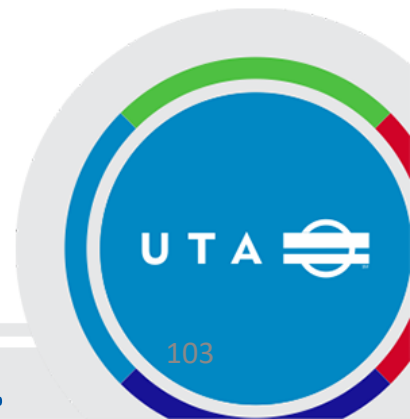
(\$ Thousands)

2024 Adj. Budget	2024 One-Time Expenses	2024 Additions			2024 Adjustments		2025 Budget			
		Staffing	APTA/Wkg Cond/ Barg	Service	Wage and Fringe	Other	2025 Base	2025 Svc Requests	2025 Additions	2025 Budget Request
\$ 425,512	\$ (4,228)	\$ 1,991	\$ 9,816	\$ 4,008	\$ 11,918	\$ 1,967	\$ 450,984	\$ 6,843	\$ 4,114	\$ 461,941



# Total Tentative 2025 Budget Request

	FY 2024 Adj. Budget	FY 2025 Budget	Change	% Change
Operating	\$425,512,000	\$461,941,000	\$36,430,000	8.6%
Capital	264,540,000	330,231,000	65,691,000	24.8%
<b>TOTAL</b>	<b>\$690,052,000</b>	<b>\$792,172,000</b>	<b>\$102,121,000</b>	<b>14.8%</b>

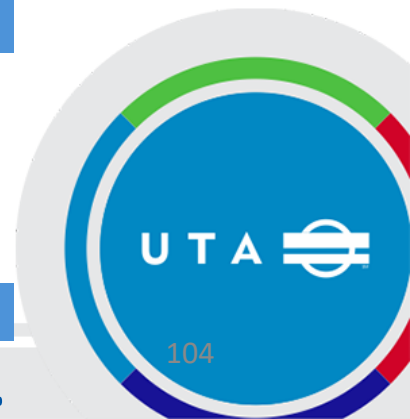


# 2025 Operating Budget Initiatives

## Operating Expense

Chief	Request	2025 Total Exp	FTE Change
CPE	Community Engagement staff	196,130	2.50
	On Demand - supplemental service contract	116,667	1.00
	Option 2: TRAX Ambassador Program Continuation	771,641	12.00
	Supplemental Service Ski and SGR pilot	1,900,000	-
	Planning Studies Operational Budget Increase	150,000	-
<b>CPE Total</b>		<b>\$ 3,134,438</b>	<b>15.50</b>
CES	TL3034 IT Sr. Project Manager (50% capital)	88,950	0.50
	Records Specialist Supervisor	96,000	1.00
	TL2055 Information Security Analyst II	126,300	1.00
	Network Infrastructure Architect (6 months)	77,450	1.00
	Enterprise Apps ERP Technology Administrator / Developer	154,800	1.00
	Data Governance Engineer (6 months)	51,500	1.00
	IT Asset and Inventory Analyst	-	1.00
<b>CES Total</b>		<b>\$ 595,000</b>	<b>6.50</b>
CCSO	Light Rail Vehicle Overhaul PM (80% capital)	30,400	0.20
	Commuter Rail Overhaul PM (80% capital)	30,400	0.20
	Project Controls Staff (80% capital)	48,000	0.40
	Sr Quality Inspector to Quality team (80% capital)	24,000	0.20
<b>CCSO Total</b>		<b>\$ 132,800</b>	<b>1.00</b>

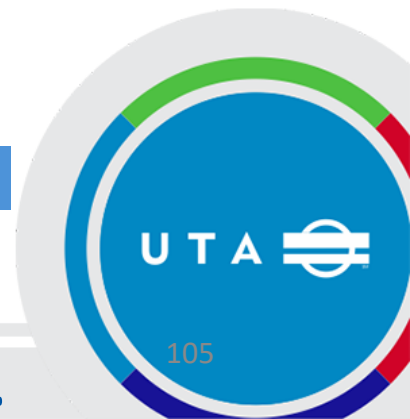
Agenda Item 9.c.



# 2025 Operating Budget Initiatives

## Operating Expense

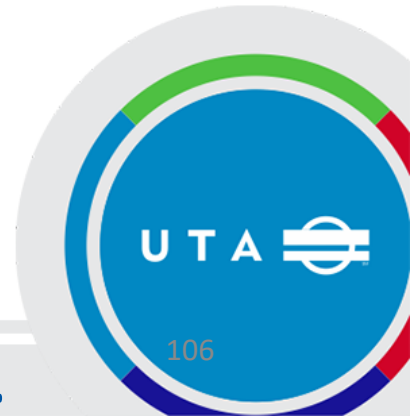
Chief	Request	2025 Total Exp	FTE Change
CPO	Funding for PTC Training for MOW (Requirement)	123,420	-
	Maintenance Training Specialist for rail	205,500	2.00
<b>CPO Total</b>		<b>\$ 328,920</b>	<b>2.00</b>
COO	O&M Support Services	1,000,000	
<b>COO Total</b>		<b>\$ 1,000,000</b>	<b>-</b>
ED	Video Security Tech	76,966	1.00
	Legal: Policy Development Consultant	350,000	
<b>ED Total</b>		<b>\$ 426,966</b>	<b>1.00</b>
Board	Internal Audit: Consultant for Contracts Audits	200,000	
<b>Board Total</b>		<b>\$ 200,000</b>	<b>-</b>
CFO	Grants Accountant	\$ 105,000	1.00
	Work Comp Adjuster	91,000	1.00
	Grant Services Team Administrator (\$115k funded by Grant funds)	-	1.00
<b>CFO Total</b>		<b>\$ 196,000</b>	<b>3.00</b>
<b>Grand Total: Operating Budget</b>		<b>\$ 6,014,124</b>	<b>29.00</b>



# 2025 Capital Budget Initiatives

## Capital Expense

Chief	Request	2025 Total Exp	FTE Change
CES	TL3034 IT Sr. Project Manager (50% capital)	88,950	0.50
<b>CES Total</b>		<b>\$ 88,950</b>	<b>0.50</b>
CCSO	Light Rail Vehicle Overhaul PM (80% capital)	152,000	0.80
	Commuter Rail Overhaul PM(80% capital)	152,000	0.80
	Project Controls Staff (80% capital)	240,000	1.60
	Sr Quality Inspector to Quality team (80% capital)	120,000	0.80
<b>CCSO Total</b>		<b>\$ 664,000</b>	<b>4.00</b>
<b>Grand Total: Capital Budget</b>		<b>\$ 752,950</b>	<b>4.50</b>



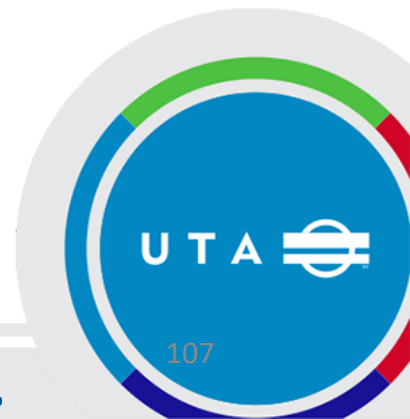
# 2025 Key Budget Assumptions

## Operating Expenses:

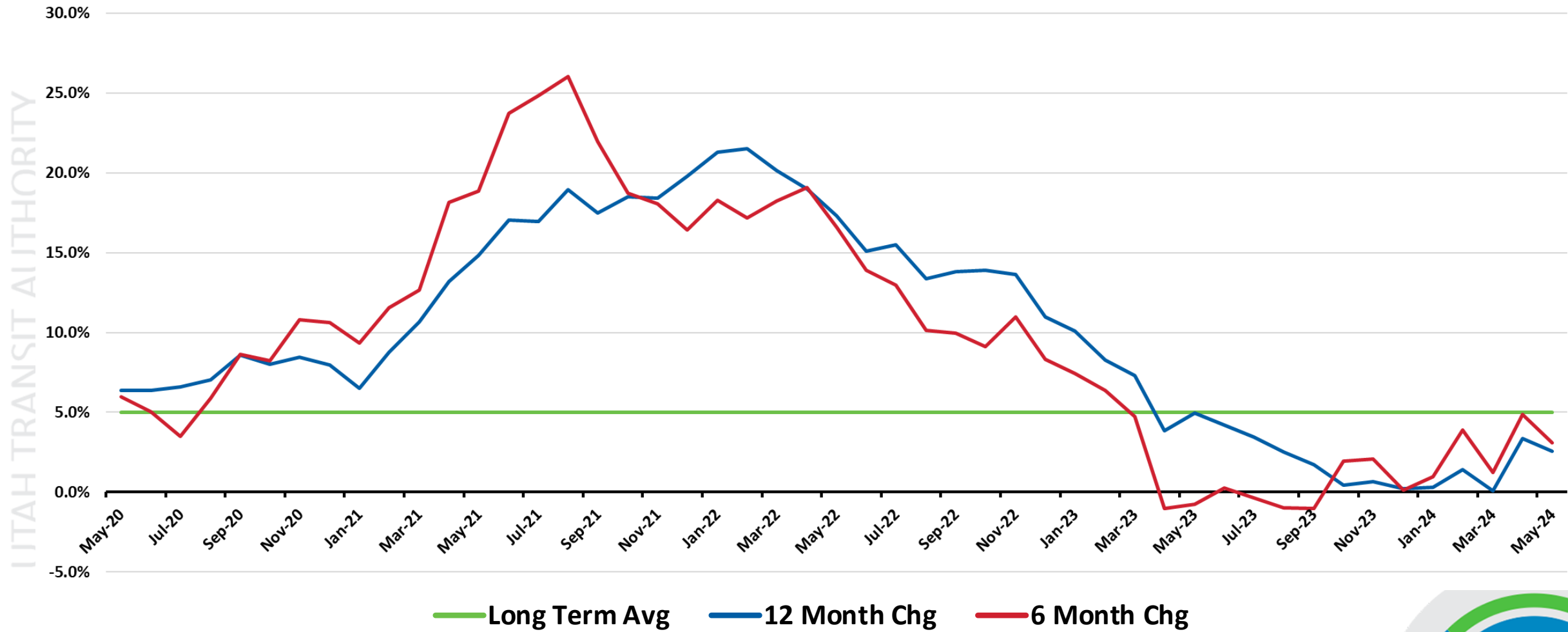
- Labor 3.5% Bargaining, 4% Admin
- Fringe 4.5% Bargaining, 9% Admin
- Parts – 3.5%
- Fuel:
  - Diesel - \$3.60
  - Gasoline - \$3.10
  - CNG DGE - \$2.15
- Other Expense ~2.2% (may vary due to contract)

## Revenues:

- Sales Tax – 4.9%
- Passenger – 0.0%

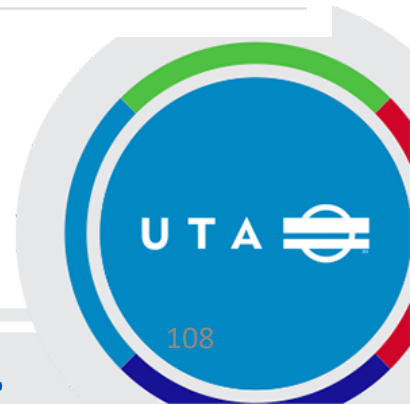


# UTA Sales Tax Growth 2020 - 2024



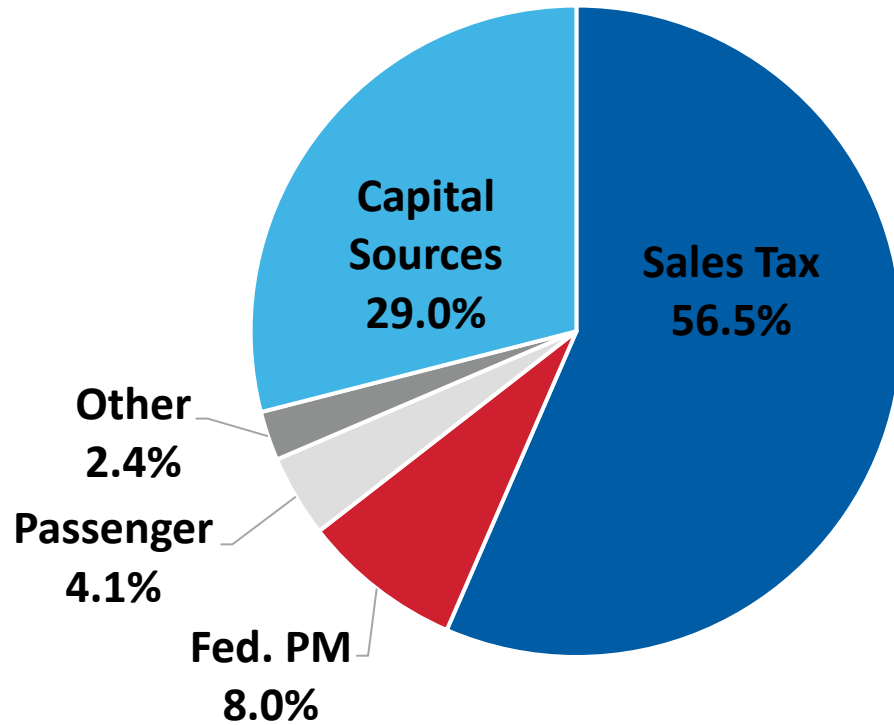
9/11/2024

Agenda Item 9.c.

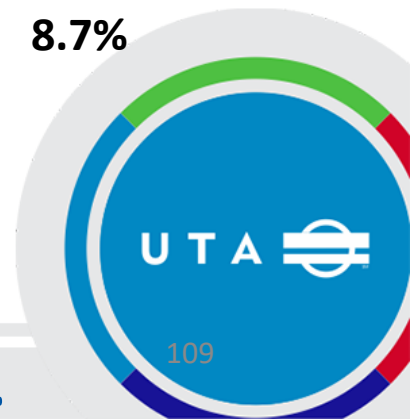
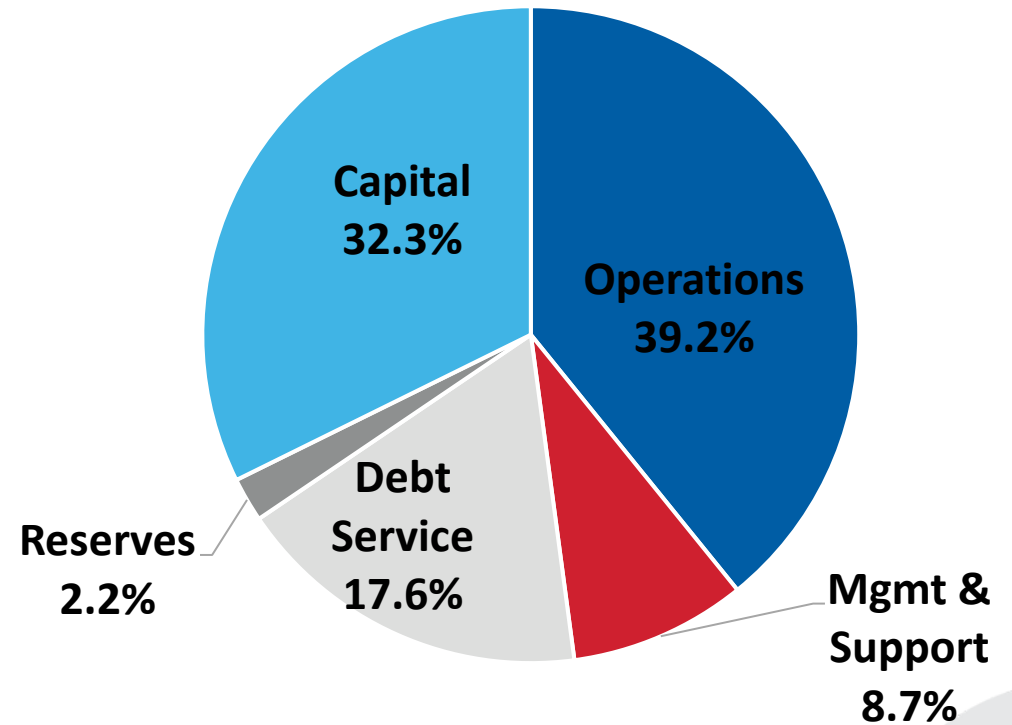


# Sources and Uses

## Where the Money Comes From



## Where the Money Goes

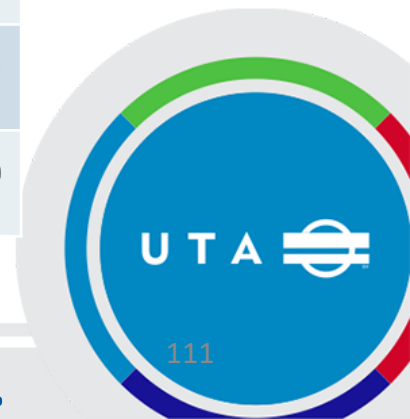


# 2025 Tentative Capital Budget



# 2025 Tentative Capital Budget Overview

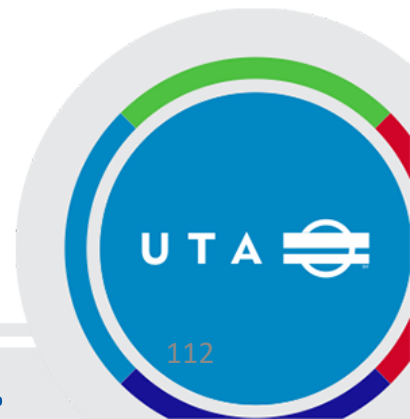
Office	2025 Total Budget
Capital Services	\$276,029,000
Enterprise Strategy	15,809,000
Executive Director (Safety)	1,996,000
Finance	21,211,000
Operations	9,700,000
People	2,145,000
Planning & Engagement	3,341,000
<b>Grand Total</b>	<b>\$330,231,000</b>



# 2025 Capital Budget Work Session Changes

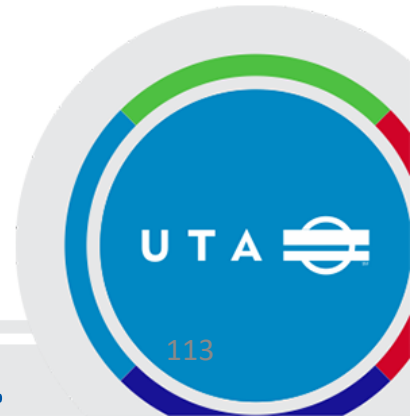
## Change

Project	Request	2025 Exp Increase
MSP 252 FrontRunner 2x	Vehicle procurement partnership with UDOT	\$ 592,000
MSP 253 MidValley Connector	Revised project schedule forward to 2025	15,000,000
MSP 265 Program Mgmt.	Additional employee's capital billing to projects	330,000
MSP 320 TRAX Modernization	Increase yearly funding	100,000
SGR 390 Jordan River #2	Revised project schedule forward to 2025	2,700,000
<b>Grand Total: 2025 Budget</b>		<b>\$ 18,722,000</b>



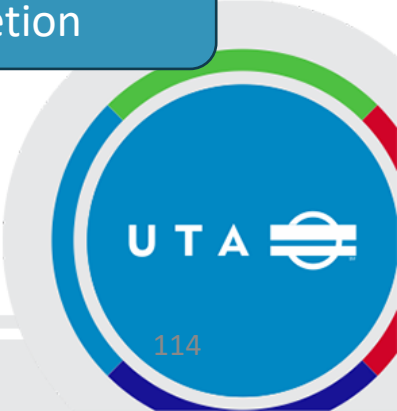
# 2025 Capital Funding Details

Total Budget	Bond	Executed Grants	Lease Funds	State Funds (including TTIF)	Local Partner	UTA Funds
\$330,231,000	\$23,055,000	\$127,571,000	\$32,652,000	\$45,619,000	\$5,020,000	\$96,314,000



# Major 2025 Capital Milestones

- |  |                                   |   |  |
|--|-----------------------------------|---|--|
| 5600 West Bus Construction & Bus Receipt       | MVX Construction                  | S-Line Construction                           | 90+ NRV's Received                                     |
| Jordan River 2 Construction                    | OGX 4 Additional Electric Buses   | Light Rail Vehicle Replacement Under Contract | Mt. Ogden Admin Building Begin Construction            |
| HRIS System Implementation                     | 50 of Bus Stops<br>3 of Restrooms | New Radio System NTP                          | Two Interlocking Upgrades (Rice & 450 East – Red Line) |
| New Station in South Jordan – Daybreak opening | Davis SLC Next Steps              | Techlink Next Step                            | Substation Project Completion                          |



# Major 2025 Capital Milestones

Facilities Master Plan

25 CNG Buses

7 Grade Crossings

Automatic Passenger Counter Upgrades

Light Rail Vehicle Rehabilitations

Rehab 4 San Diego Bi-Levels

Trapeze Upgrade

10-Year Capital Plan

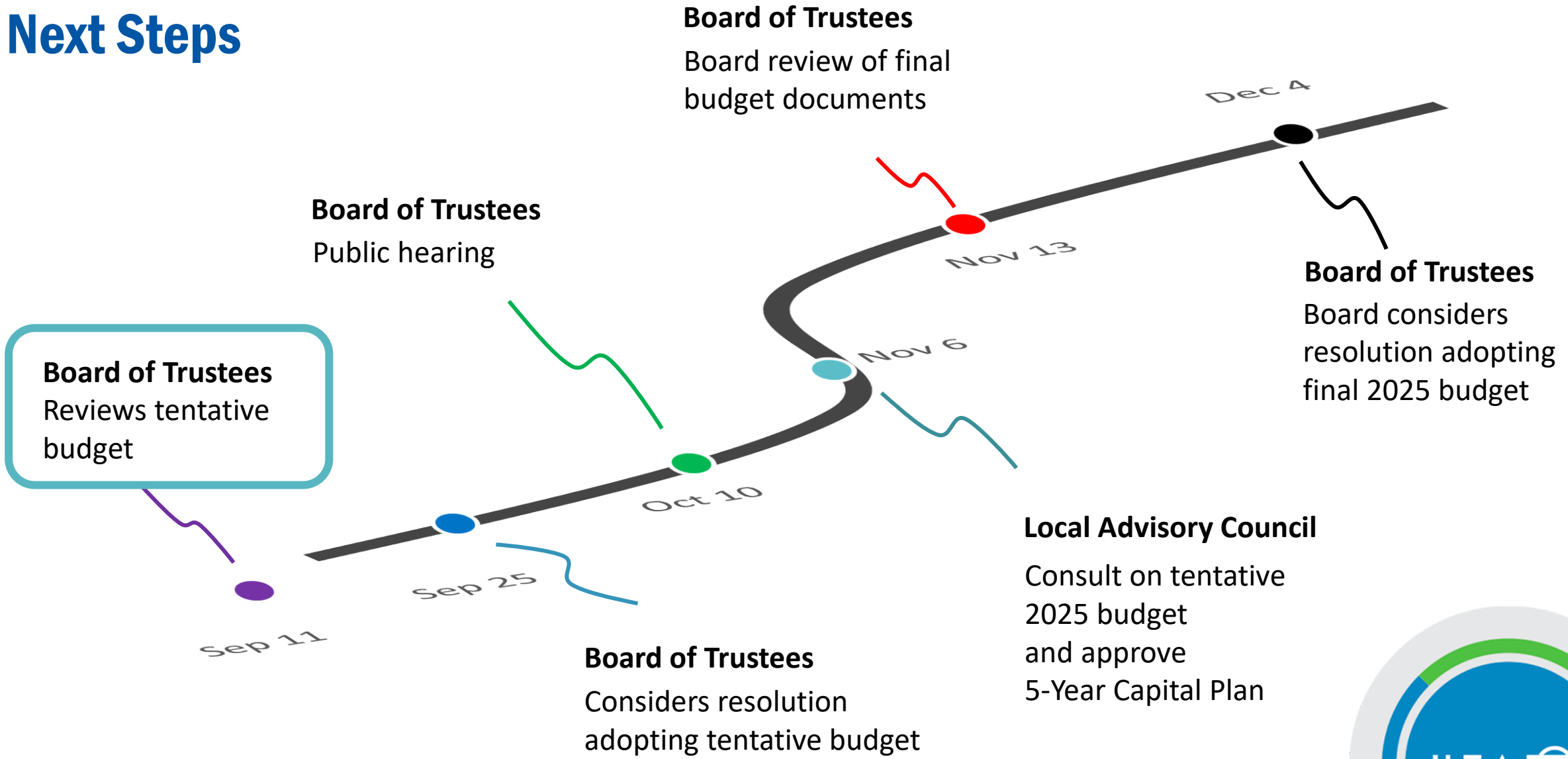
Sustainability Master Plan

UVX Station

Utah County Park and Rides



# Next Steps



7/11/2024

