

R2022-03-09

**Resolution Declaring Official Intent of
the Utah Transit Authority to
Reimburse Itself for Certain Capital
Expenditures Through Lease Financing**



2022 Capital Budget

Revenue & Non-Revenue Service Vehicles

Vehicle/Equipment Replacement	Number	Amount
Buses	20	\$10,900,000
Paratransit	8	\$1,100,000
Vanpool Vans	39	\$1,345,000
Non-Revenue Service Vehicles	13	\$650,000
Totals	80	\$13,995,000

Timing Issue

Delivery vs. Financing

- Vehicle and equipment acquisition and delivery dates vary throughout the year
- Most efficient to execute one lease
- Federal law¹:
 - Financed items may purchased up to 60 days before financing close
 - Financed items may be purchased more than 60 days before financing close if an intent to reimburse resolution is adopted

¹ 26 CFR § 1.150-2

Proposed Intent to Reimburse Resolution

- Establishes maximum reimbursement authorization up to \$14,000,000
- Allows lease financing for budgeted items purchased from January 1, 2022 until lease financing close

Recommended Action

(by roll call)

Motion to approve R2022-03-09
Resolution Declaring Official Intent of the Utah Transit Authority to Reimburse Itself
for Certain Capital Expenditures Through Lease Financing

