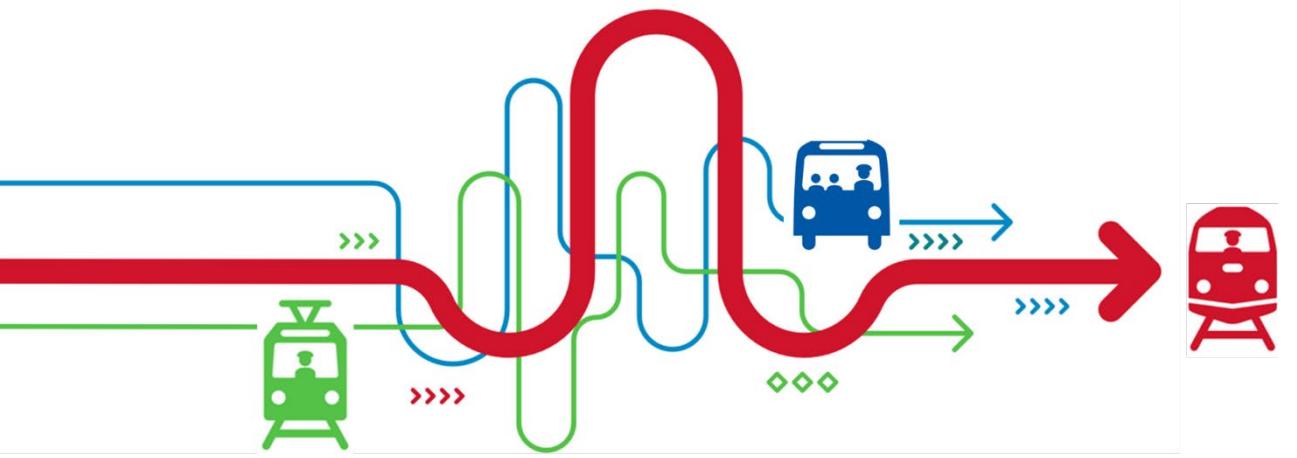


# 2026 Budget Work Sessions

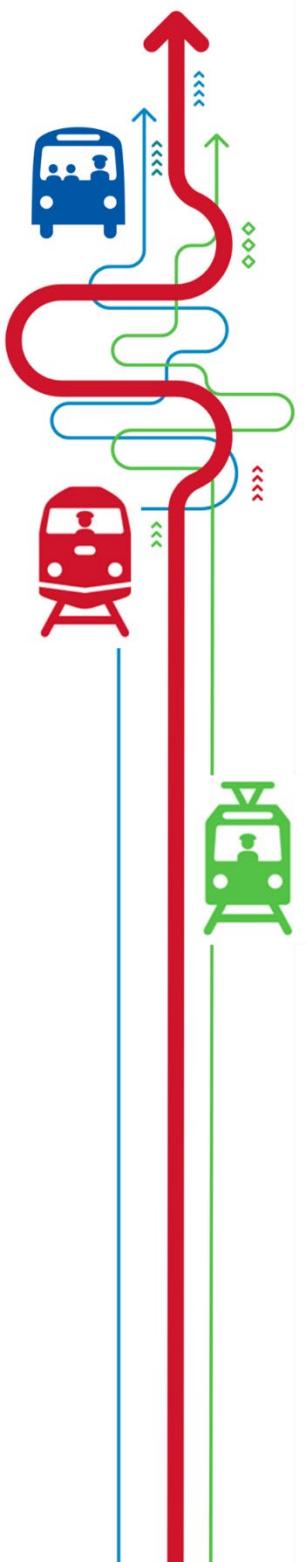
Day 2

8/12/2025



# 2025 Budget Initiative Updates

# 2025 Initiative Status



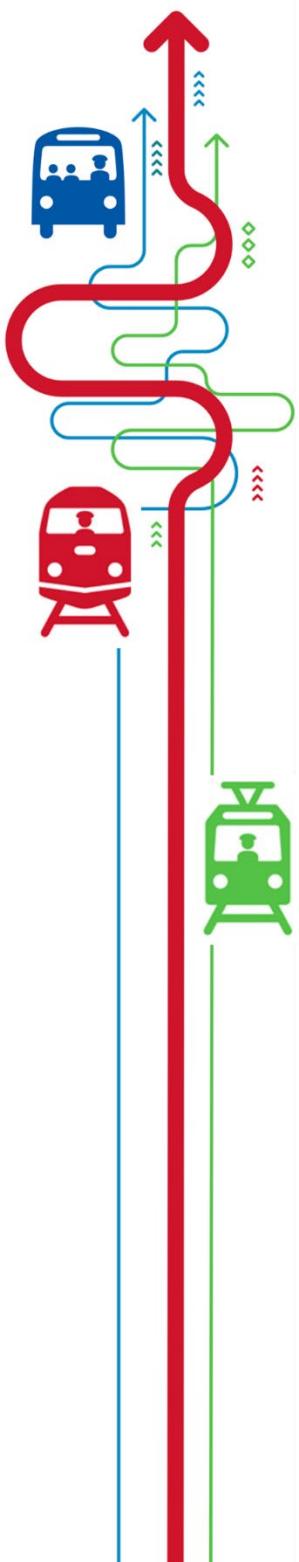
## Board of Trustees

- Consultant for Contract Audits
- Board staffing reorganization

## Executive Director

- Policy Development Consultant
- FTE: Video Security Technician (Safety)

# 2025 Initiative Status



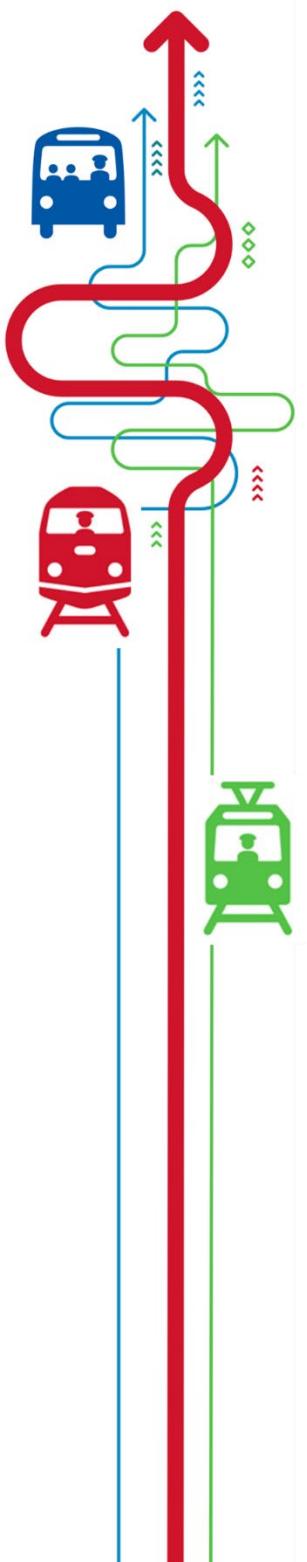
## Capital Services

- FTE: Light Rail Vehicle Overhaul Project Manager
- FTE: Commuter Rail Vehicle Overhaul Project Manager
- FTE: Project Control Specialist
- FTE: Sr. Quality Control Inspector

## Communications

- Prep Costs for APTA Roadeo
- Staff reorganization efforts

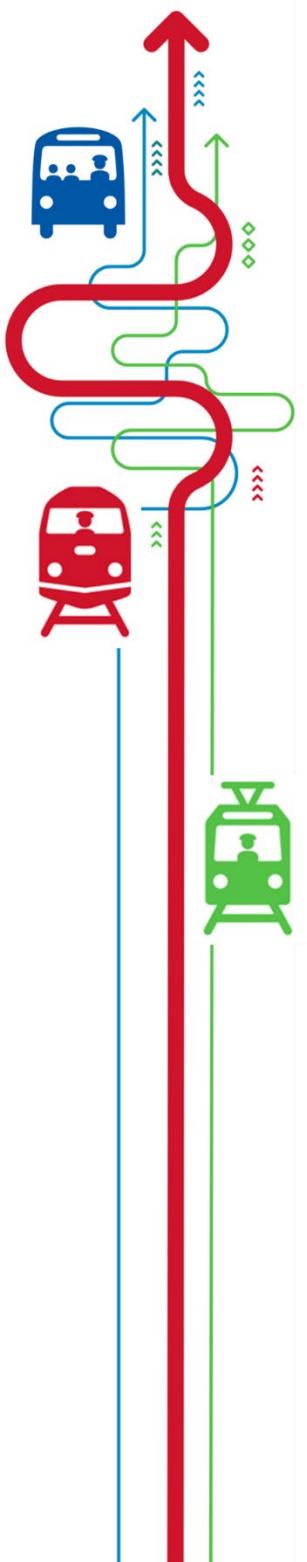
# 2025 Initiative Status



## Enterprise Strategy

- IT Sr. Project Manager
- Information Security Analyst II
- IT Asset and Inventory Analyst
- Network Infrastructure Architect
- ERP Administrator
- Data Governance Engineer
- Records Specialist Supervisor

# 2025 Initiative Status



## Finance

- Grants Accountant
- Workers' Compensation Adjuster
- Fares TVM reorganization

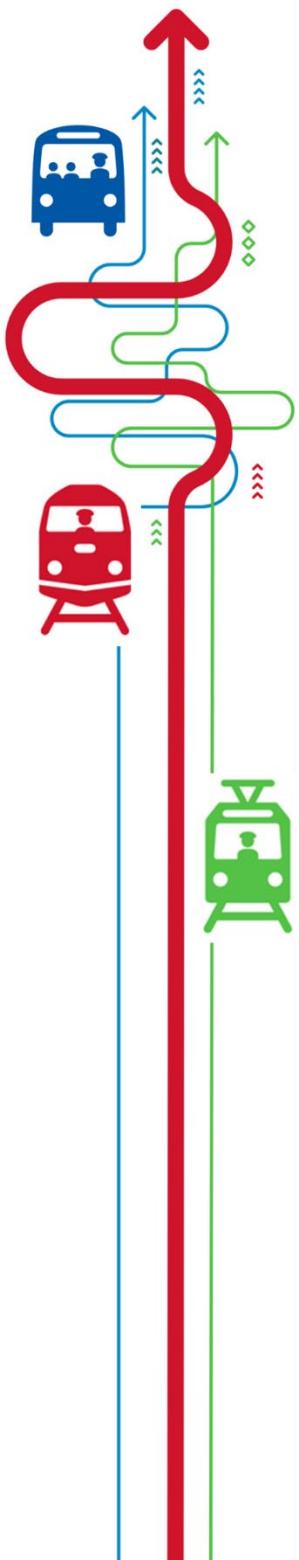
## Operations

- COO initiative funds
- Vanpool insurance increase

# 2025 Initiative Status

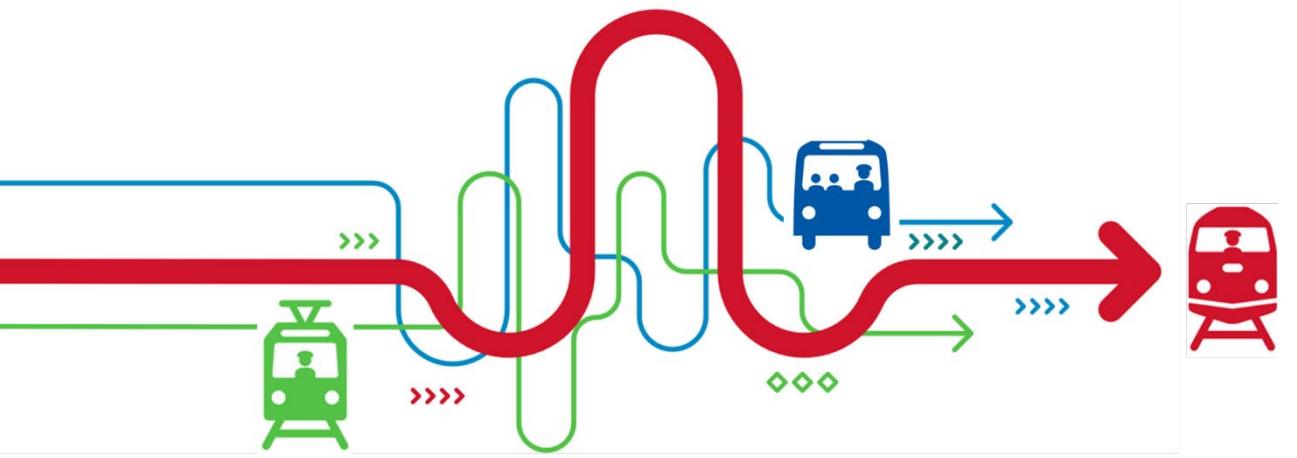
## People Office

- Two Maintenance Training Specialists (TRAX & FrontRunner)
- Positive Train Control training for Maintenance of Way staff
- Operator Trainee increase



## Planning & Engagement

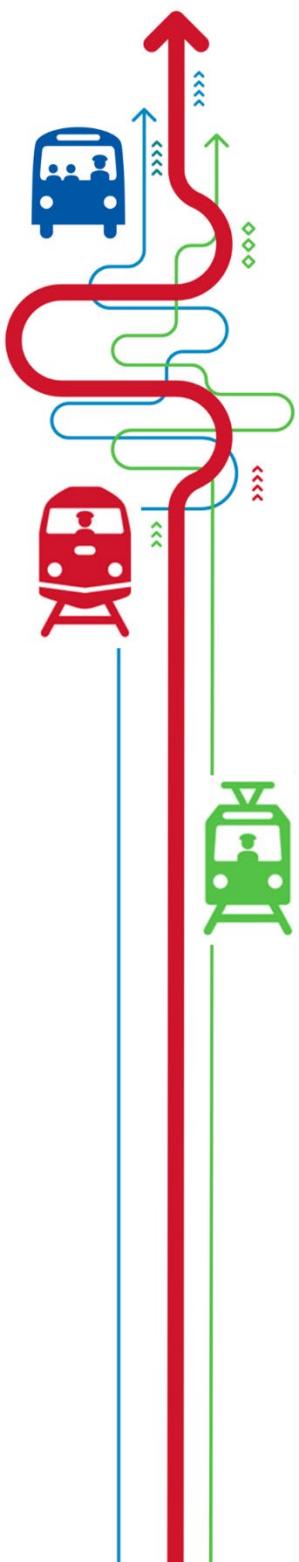
- Community Engagement staff (2.5 FTE)
- Project Development Planner (Innovative Mobility)
- Transit Ambassador program continuation
- Planning studies operational budget increase



# Key Budget Strategies

# 2026 Budget Prioritization Approach

- Essential activities to support service delivery, including April 2026 service additions
- Critical activities for safety, compliance, and risk management
- Repurpose resources to accomplish more without growth



# 2026 FTE Additions

## Executive Director

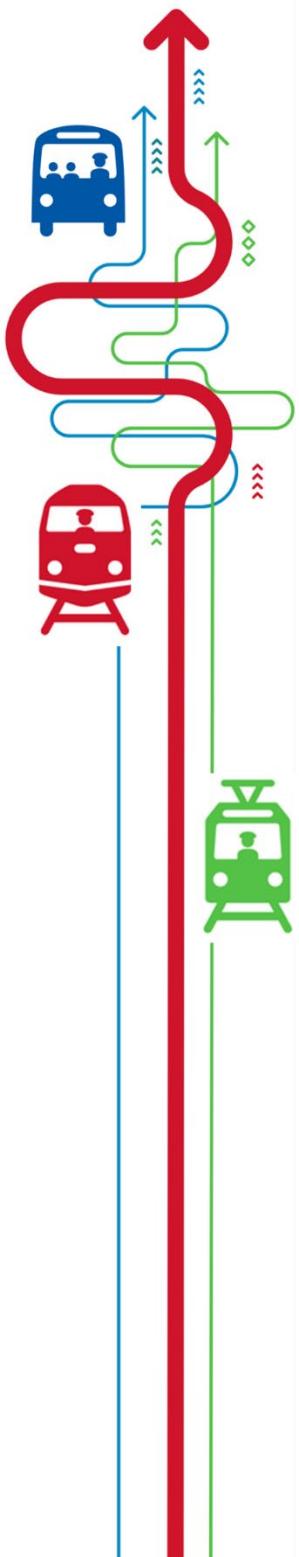
- Compliance Manager
- Two Roadway Protection Specialists (Safety)

## Capital Services

- Part-time Environmental Compliance Administrator

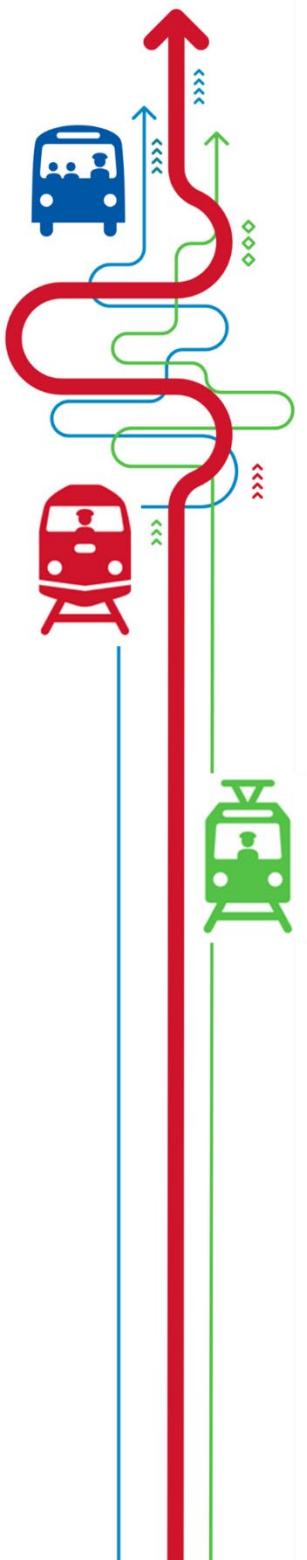
## People

- Drug & Alcohol Specialist

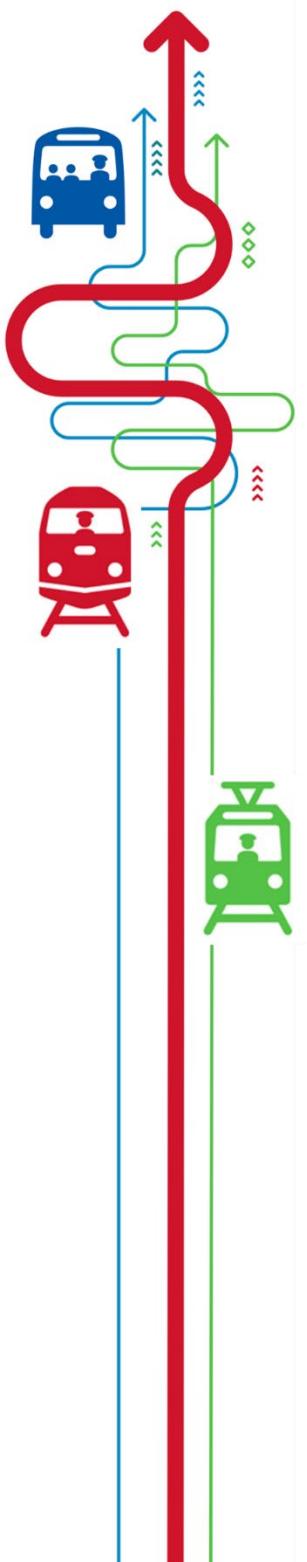


# 2026 Highlights – Reprioritization Efforts

- Process efficiency improvements
- Repurpose resources to higher priority activities
- One-time savings for unfunded needs



# Specific Office Overviews

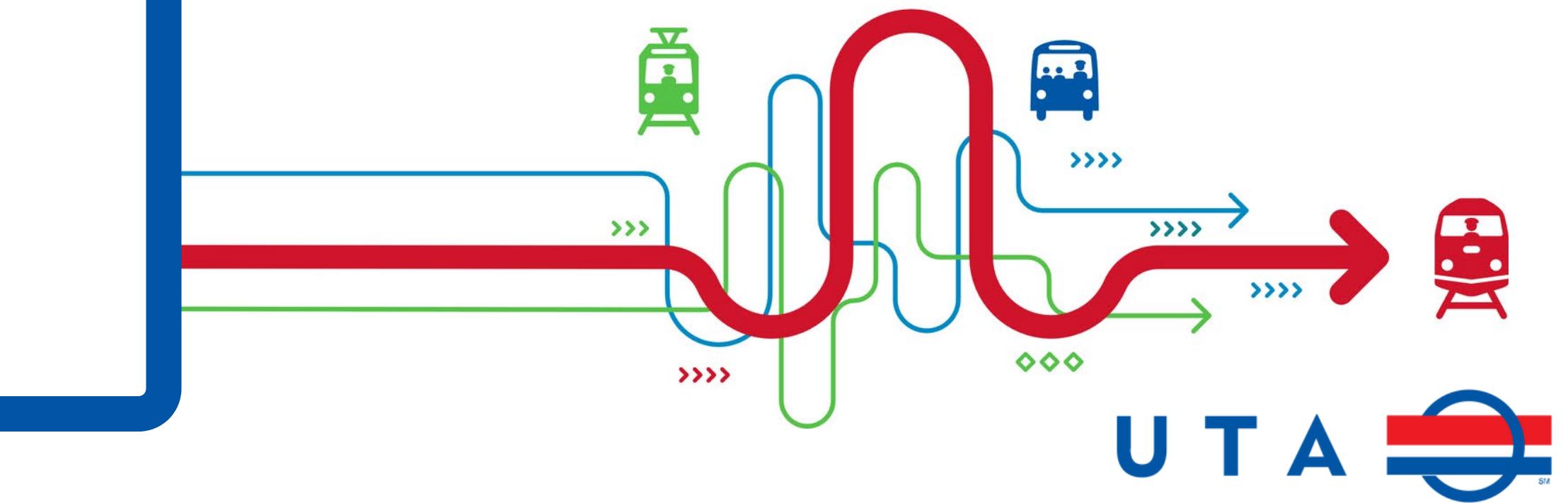


- Finance (including Fares)
- Planning & Engagement
- Enterprise Strategy

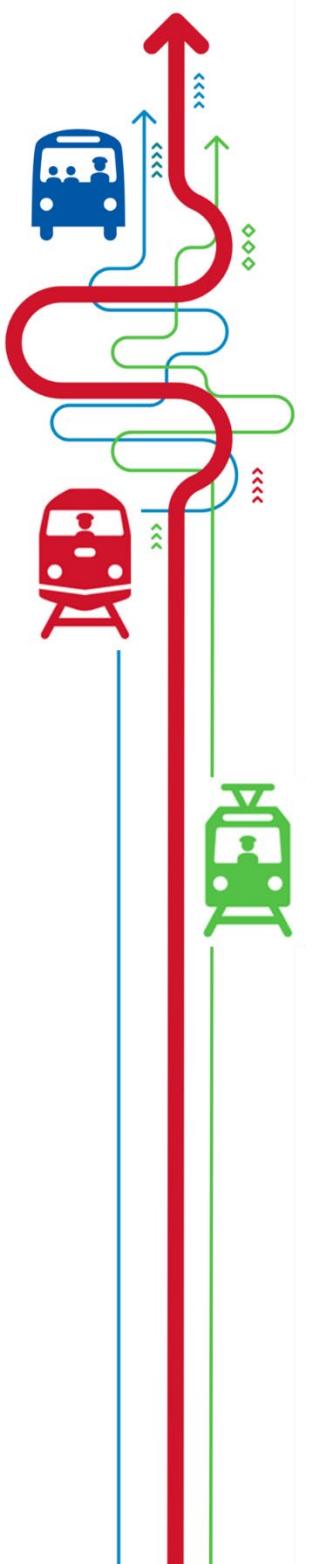
# Finance

## 2026 Budget

### Overview

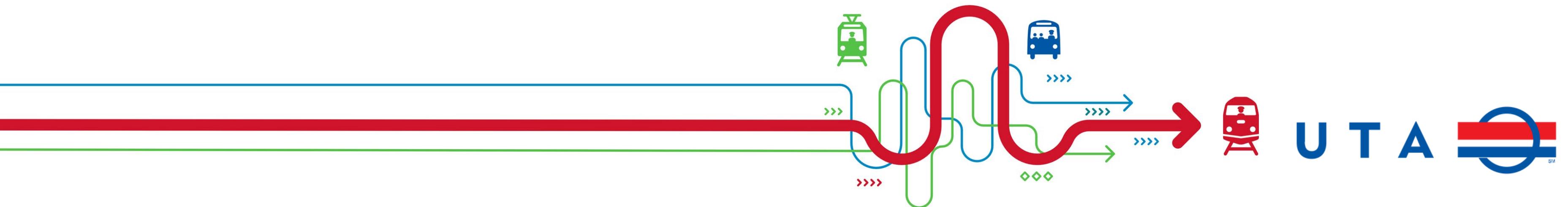


# Finance – Expense by Department



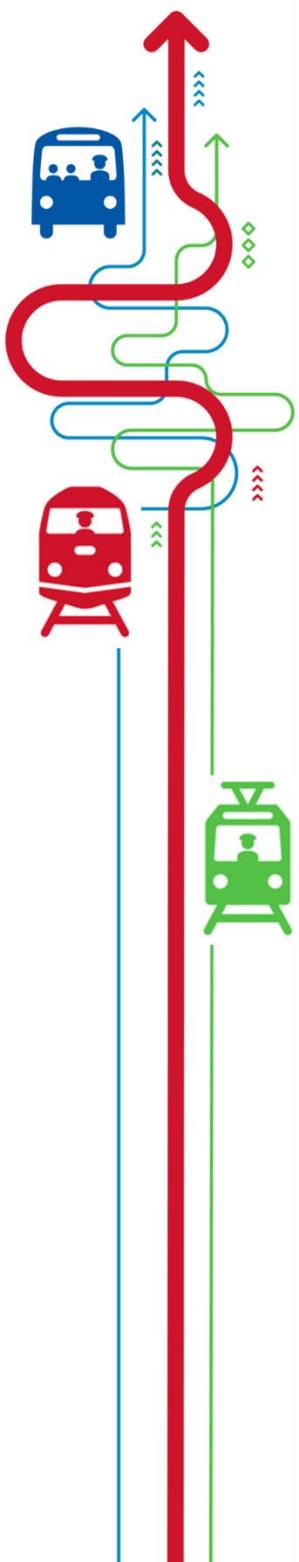
| Department         | FY 2025<br>Budget   | FY 2026<br>Budget   | Change           |
|--------------------|---------------------|---------------------|------------------|
| Accounting         | \$2,980,000         | \$2,982,000         | \$2,000          |
| Budget             | 982,000             | 867,000             | (115,000)        |
| Fares              | 3,694,000           | 3,795,000           | 101,000          |
| Finance            | 1,237,000           | 1,383,000           | 146,000          |
| Grants             | 1,913,000           | 1,963,000           | 50,000           |
| Claims & Insurance | 4,265,000           | 4,267,000           | 2,000            |
| Supply Chain       | 4,008,000           | 3,964,000           | (44,000)         |
| <b>Totals</b>      | <b>\$19,080,000</b> | <b>\$19,222,000</b> | <b>\$142,000</b> |

# Fare Strategy



# Tap On/Tap Off Campaign

- Prepared and released brief stories on social media
- Target students as the key audience
- Promoted “tap on/tap off” messages through rider insider, UTA blog, and other forms of communication
- Future initiative to add audio announcements on stations
- Future initiative to add signage to new rail platform validators
- Updated rail platform posters



# Fare Inspections

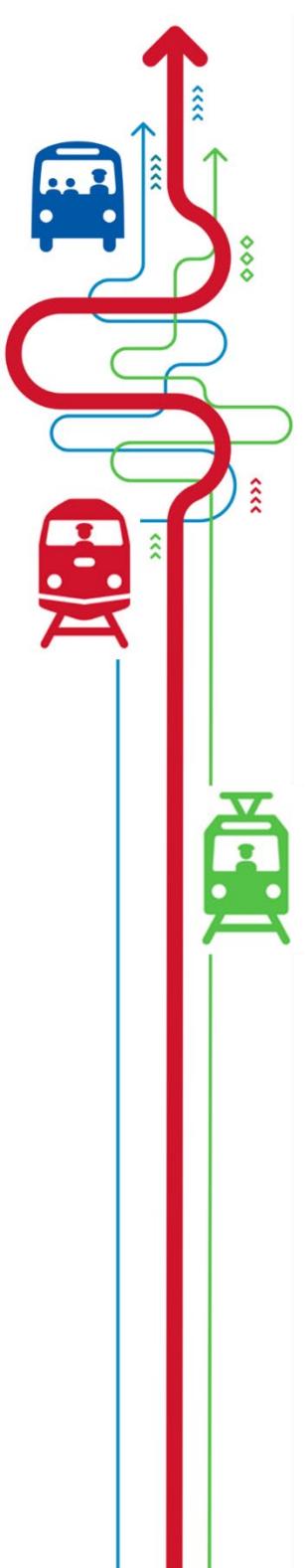
## Year to Date 2025

|                          |         |
|--------------------------|---------|
| Fares Inspected:         | 527,023 |
| Violations Issued*:      | 13,504  |
| Violation Rate:          | 2.6%    |
|                          |         |
| Citations Issued:        | 896     |
|                          |         |
| Citations with Fines     | 654     |
| Citations Resolved**:    | 163     |
| Citation Resolution Rate | 24.9%   |

\* Violations include warnings, fare evasion, and fare theft citations

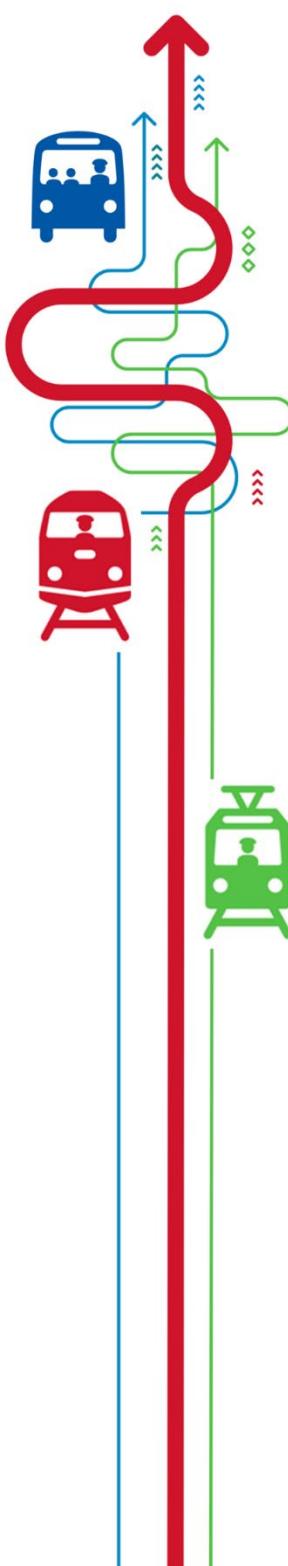
\*\* Resolved includes payment or other resolution to citation

# OGX Fare Collection



- OGX opened in August 2023
- R2023-07-02 adopted free fare through August 2026
- Action plan will mirror UVX
  - A collaborative effort to gather stakeholder feedback
  - Perform a Title VI analysis, including public input to obtain community feedback
  - Communicating changes and educating customers on how to pay fare
  - Updating fare enforcement procedures
  - Educating employees with information to support and serve the riding public
- A formalized timeline will be completed by the end of October

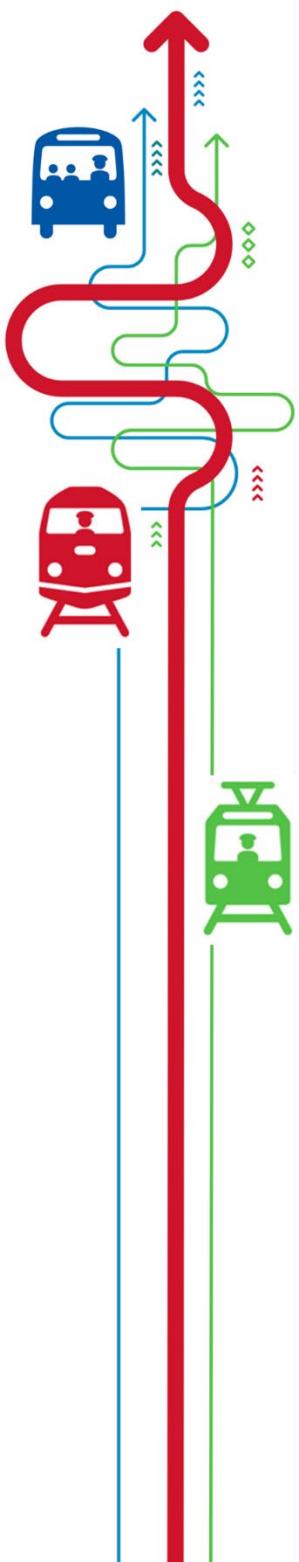
# UTA Claims



| Claim Type                                  | Description   | 2024        | Q2 2025     | % of 2024 |
|---|---|-------------|-------------|-----------|
| Auto  | Vehicle damage, bodily injury, and property                                   | \$2,702,971 | \$1,337,745 | 49%       |
| General Liability                           | General property damages (non-auto)   | 47,516      | 46,593      | 98%       |
| Workers' Compensation (Operations)          | Workers' wages and medical expenses for Operator employees                    | 570,025     | 325,526     | 57%       |
| Workers' Compensation (Maint. & Facilities) | Workers' wages and medical expenses for Maintenance and Facilities employees. | 365,763     | 316,651     | 87%       |
| Workers' Compensation (Administration)      | Workers' wages and medical expenses for Administration and Police employees   | 110,588     | 131,502     | 119%      |
| Totals                                      |   | \$3,796,836 | \$2,158,017 | 57%       |

Note: Pending amounts for Q3 not included; General Liability property claim of \$924,593.63 and Workers' Compensation (Maint. & Facilities) medical claim of \$429,933.76.

# Contract Tracking & Management

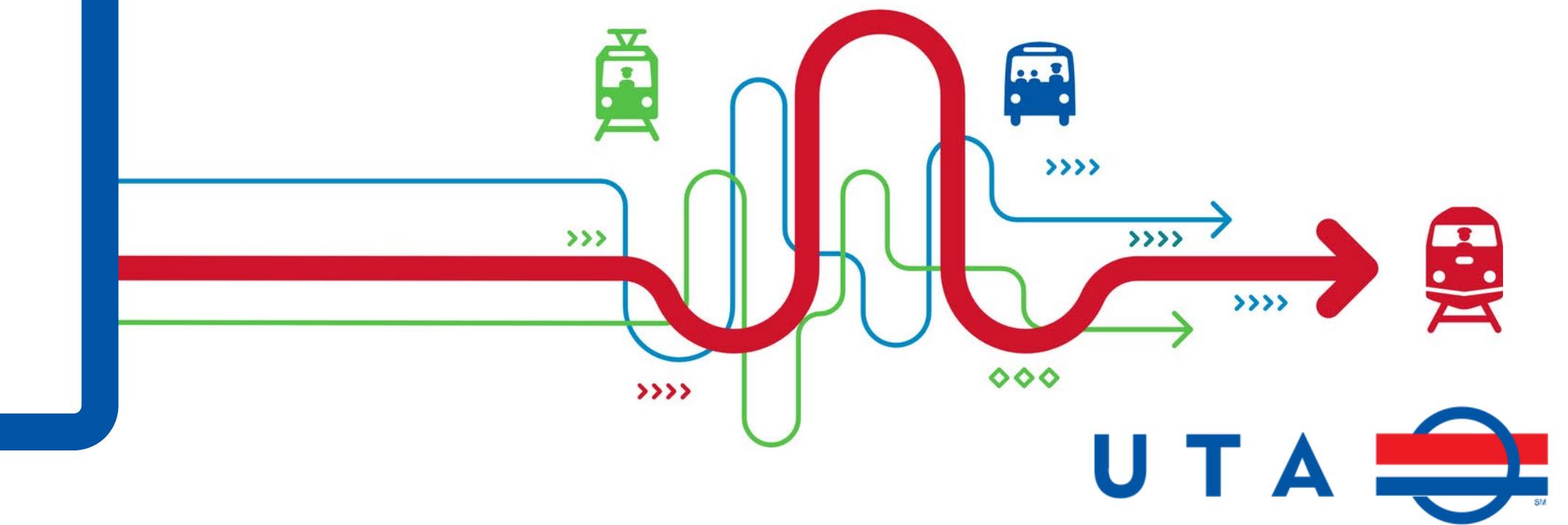


- UTA uses the State of Utah Bonfire system for procurements
- Recently UTA Supply Chain group purchased the Contracts Management module for Bonfire to help better manage contracts
- One of the benefits of the new Contracts Management module has been to more effectively track the expiration of existing UTA contracts
  - Results in helping UTA to anticipate contract expiration and start the procurement process in a timely manner
  - Has also resulted in significant savings of Supply Chain team time, as prior process required several days of manual compilation of expiration dates each quarter

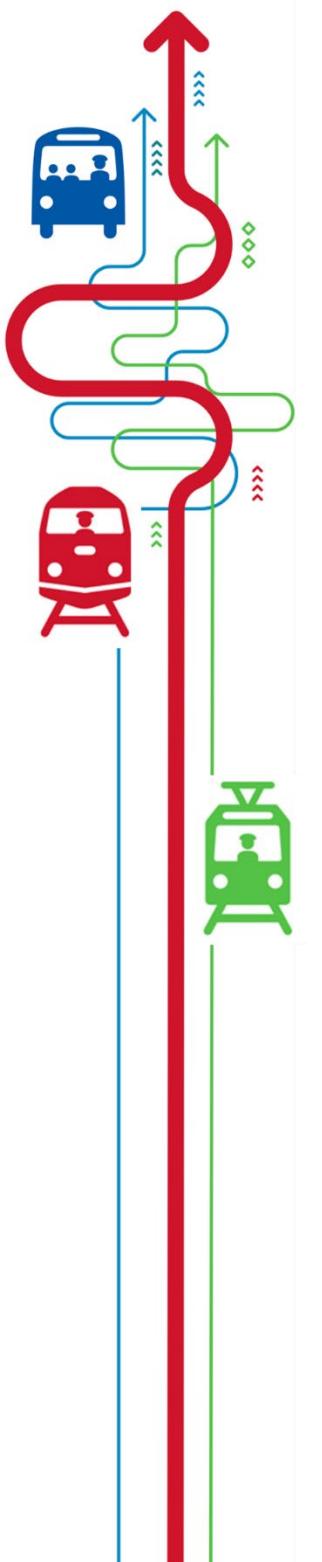
# Planning & Engagement

## 2026 Budget

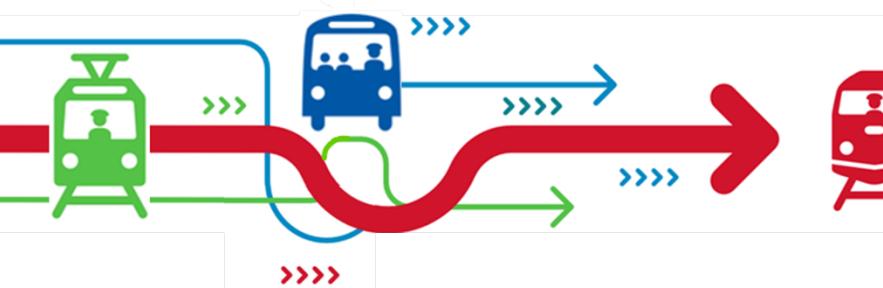
### Overview



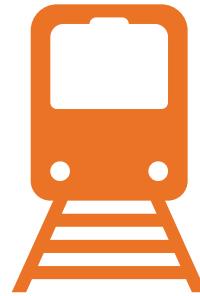
# Planning & Engagement – Expense by Department



| Department                  | FY 2025<br>Budget   | FY 2026<br>Budget   | Change             |
|-----------------------------|---------------------|---------------------|--------------------|
| Chief Planning & Engagement | \$810,000           | \$669,000           | (\$141,000)        |
| Community Engagement        | 2,268,000           | 2,478,000           | 210,000            |
| Customer Service            | 3,626,000           | 3,798,000           | 172,000            |
| Innovative Mobility         | 16,811,000          | 17,968,000          | 1,157,000          |
| Planning                    | 3,882,000           | 4,436,000           | 554,000            |
| <b>Totals</b>               | <b>\$27,397,000</b> | <b>\$29,349,000</b> | <b>\$1,952,000</b> |



# 2026 Planning & Engagement (Q&A)

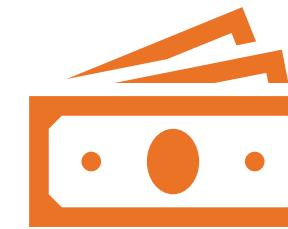


## Ambassador Strategy

Executive Team Strategic Initiative  
"Establish Transit Connections  
Program" for 2025

Needs assessment and  
organizational assessment are  
being considered as part of the  
strategic initiative effort

Recommendations from this  
process are expected by the end  
of 2025



## Member and Sponsorship

Individual member participation  
and attendance fees  
PMO certification



## 2025 Innovative Mobility

Service Budget  
(\$100,000)

One-time expense in 2025 -  
Eliminated from 2026 Budget

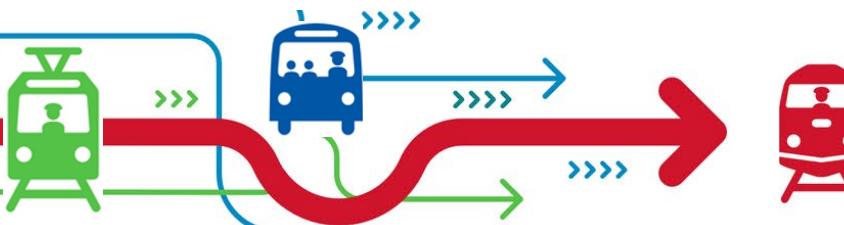
Communications & Marketing  
and Community Engagement –  
Communications department  
chargeback expense

# Planning Budget breakdown



## 6200 Planning Department

- Office, travel, utilities, EE recognition/development: \$106,000
- 6200 contractual obligations: \$772,840
- Studies: \$700,000
- Total Other Expense: \$1,578,840



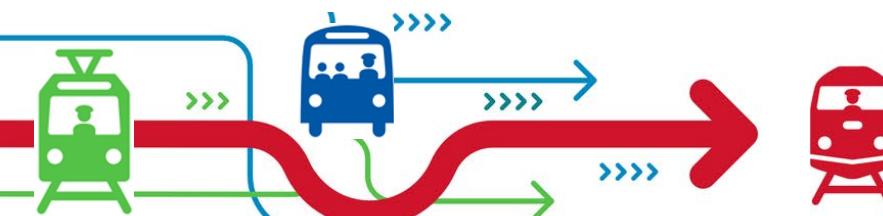
# Long-Range Transit Plan

## UTA Moves – New Elements

- Develop a comprehensive process that is repeatable for future LRTP's
- Additional legislation requires items to be included in the Transit District's long-range plans, including support for HTRZs
- Legislative requirement (SB 174) to complete a mode-level Cost Benefit and Cost Effectiveness Study, including goals, will be part of LRTP.

## UTA Moves 2050

- Sets future direction for LRTP and informs 10YCP, 5YSP, and other agency priorities.
- Provides long-range financial forecasts.
- Tool for UTA to communicate potential future transit with stakeholders.
- Critical to the regional long-range planning process with partners: UDOT, MPOs, Municipal, etc.



# Microtransit (Q&A)

Microtransit UTA's coverage service  
Serves 17 cities and 4 counties

| Ridership                               | Operating Budget                       | Service Area                          |
|---|--|---------------------------------------|
| <b>1.4%</b><br>569,754 rides<br>in 2024 | <b>3.6%</b><br>\$16.8 M<br>2025 budget | <b>21.0%</b><br>821 sq mi.<br>in 2025 |

## On Demand Costing and Subsidy per Rider

- Subsidy per Rider per area (2024)
- Southern Salt Lake County: \$20.45
- Salt Lake City Westside: \$19.30
- South Davis: \$19.82
- Tooele County: \$20.06
- \$268 cost per square mile per day
- Fixed Route: \$1,550 cost per square mile per day

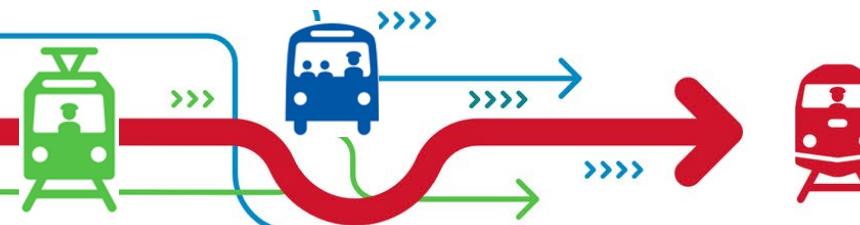
Note: Peer agency averages \$14 for TNC rides and up to \$24 for microtransit rides.

# Microtransit



## Fuel Price Adjustment vs Other Departments

- IMS budget includes full cost for contractor fuel
- Via pays sales tax on fuel, UTA does not
- UTA receives rebate on all fuel sales taxes
- UTA only pays for actual cost of fuel used



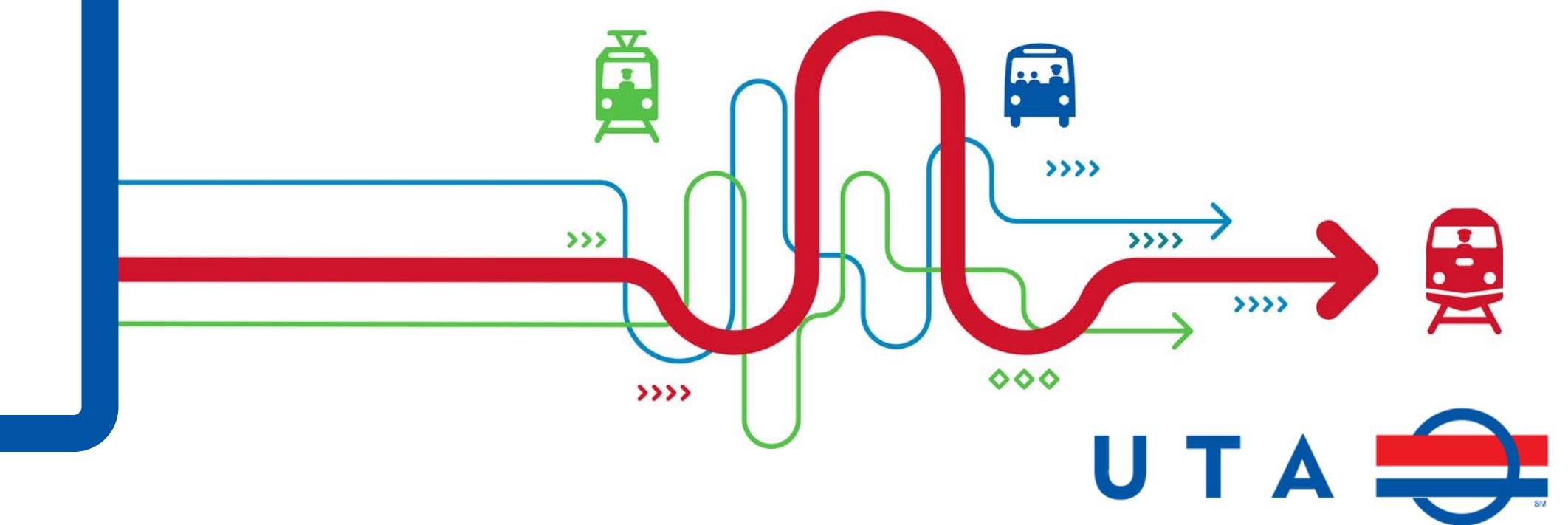
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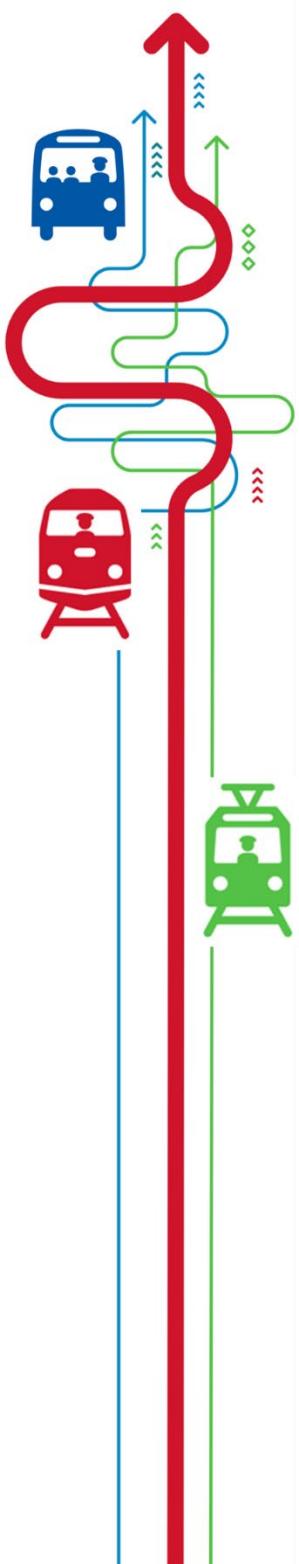
# Enterprise Strategy

## 2026 Budget

### Overview

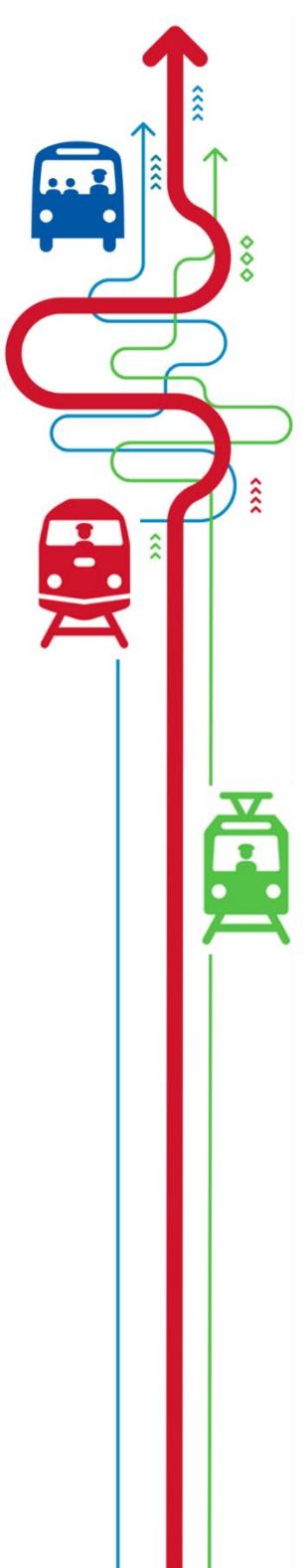


# Enterprise Strategy – Expense by Department



| Department                | FY 2025<br>Budget   | FY 2026<br>Budget   | Change             |
|---------------------------|---------------------|---------------------|--------------------|
| Enterprise Strategy       | \$2,144,000         | \$2,149,000         | \$5,000            |
| IT Director               | 23,482,000          | 26,886,000          | 3,404,000          |
| Ops Analysis              | 3,007,000           | 3,021,000           | 14,000             |
| Data Strategy             | 1,567,000           | 1,726,000           | 159,000            |
| Organizational Excellence | 1,068,000           | 1,018,000           | (50,000)           |
| <b>Totals</b>             | <b>\$31,267,000</b> | <b>\$34,800,000</b> | <b>\$3,533,000</b> |

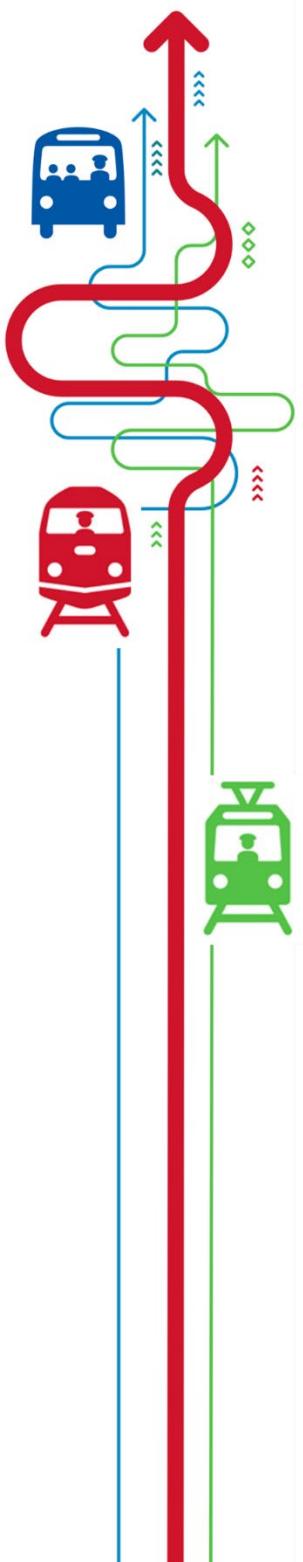
# Enterprise Strategy Overview



The following teams and functions make up Enterprise Strategy:

- Information Technology
- Operational Analysis & Solutions
- Data Strategy
- Organizational Excellence
- Records Management
- Enterprise Risk
- Organizational Development

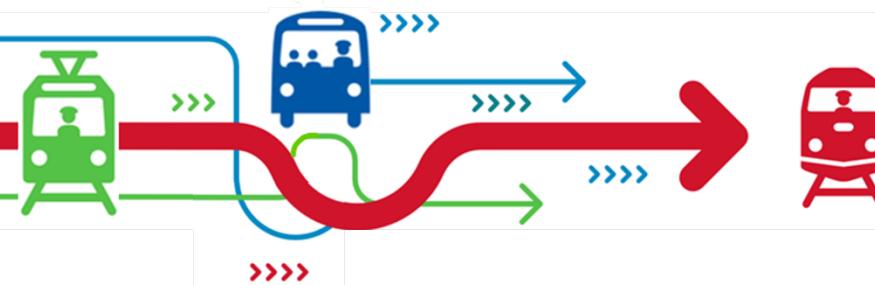
# Spending Trends (\$)



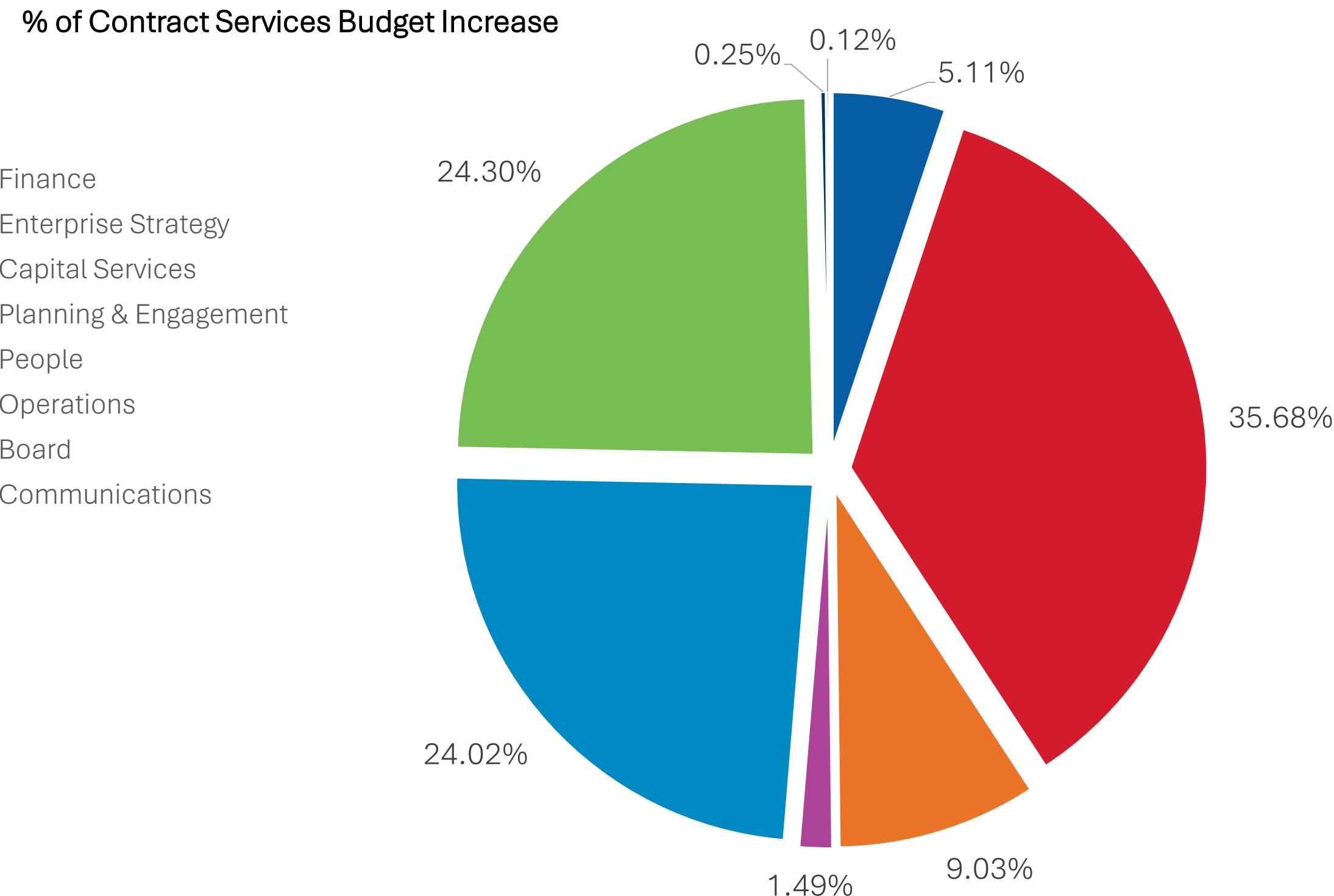
|        | Actual     | Budget     | Variance  | % Variance |
|--------|------------|------------|-----------|------------|
| 2022   | 21,098,073 | 22,524,933 | 1,426,860 | 6%         |
| *2023  | 19,717,897 | 25,008,912 | 5,291,015 | 21%        |
| 2024   | 27,938,838 | 28,645,292 | 706,454   | 2%         |
| **2025 | 14,806,590 | 19,690,881 | 4,884,291 | 25%        |

\* \$1.3M in labor/wages due to multiple vacancies and \$3.4M in contracts due to timing issue with contracts not being put in place until Dec.

\*\* Anticipate \$4.6M in contract spending between Aug - Dec

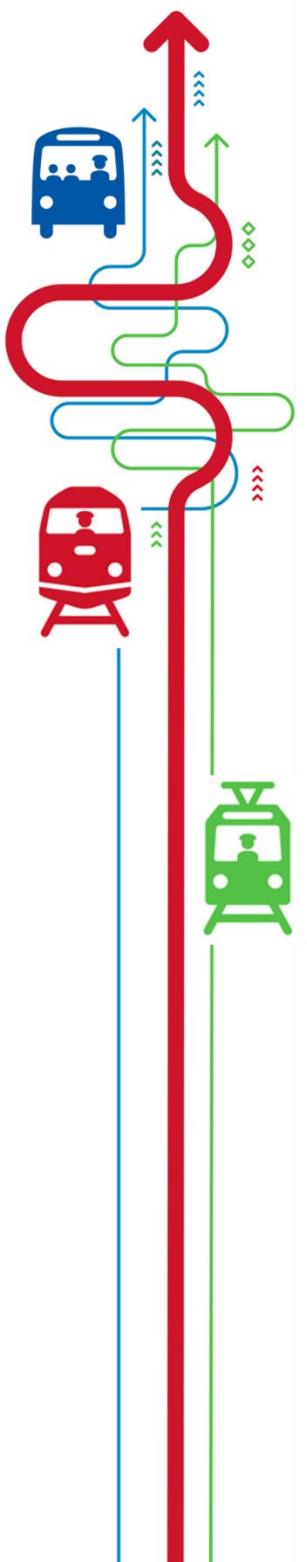


# Contract Expense Growth

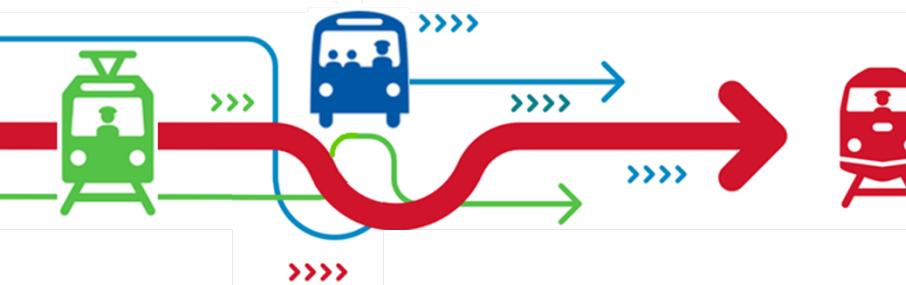


- Contract Upgrades & Renewals
- Growth & Expansion
- New Items
- Costs Increasing ~15-20%

# Benefits of Enterprise Applications



- Process efficiency
- Streamlined workflows
- Reduction of duplicative applications
- Less customization and more configuration
- Improved accuracy and availability of data
- Increase the standardization across the organization
- Ability to serve multiple client groups with the same technology solution
- Increase collaboration and cross functional work processes
- Integration with new and existing systems
- Define administrative roles and responsibilities



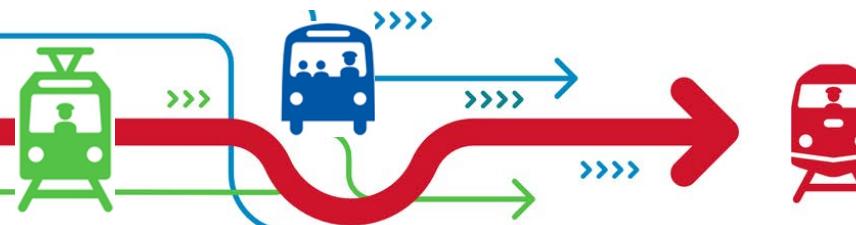
# Prioritization of Technology

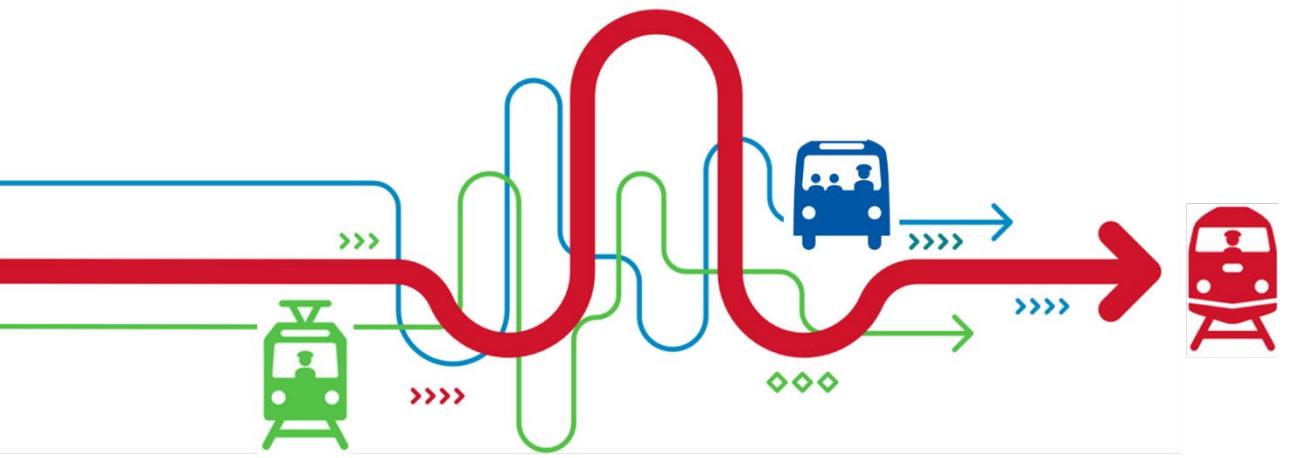
1. All Technology projects are aligned to UTA Strategic Priorities
  - State of Good Repair
    - Priority 1 — Systems — key to daily execution of work
    - Hardware/software
    - Technical debt
  - Information Security requirements
  - Optimization opportunities

# Prioritization of Technology

## 2. Follow the Technical Business Solution Request Process

| Business Need   | Technical Business Review   | Evaluation  | Procurement  | Implementation   | Ongoing Support   |
|---|---|---|--|--|---|
| <ul style="list-style-type: none"><li>• New</li><li>• Update</li><li>• Change</li></ul> | <ul style="list-style-type: none"><li>• Customer requirements</li><li>• Capture current &amp; desired state</li></ul> | <ul style="list-style-type: none"><li>• Review options</li><li>• Review similar needs</li><li>• Identify priorities</li></ul> | <ul style="list-style-type: none"><li>• Determine buys vs build</li><li>• Procurement process</li><li>• Adhere to InfoSecurity</li><li>• Adhere to data requirements</li></ul> | <ul style="list-style-type: none"><li>• Partnership with clients</li><li>• Shared work</li></ul> | <ul style="list-style-type: none"><li>• Updates</li><li>• Security</li><li>• Data</li><li>• Reporting</li><li>• Coordination</li><li>• Administrative Roles</li></ul> |





# Closing Discussion