

Tentative 2024 Budget





2024 Tentative Budget

October 11, 2023



Budget Process

Step 1
Develop Assumptions

Step 2
Base Budget Development

Step 3
Tentative Budget Development

Step 4
Capital Budget Development

Step 5
Budget Review & Approval



OPERATIONS

- Strategic Framework, Assumptions, Targets
- Service Change Process, Initiatives ID / Priority

CAPITAL

- Projects Priority / Selection
- Project Aging / 5-Year Plan

BOARD

- Discussion; Adjustments; Coordination

Agenda Item 11.b.



2024 Key Budget Assumptions

Operating Expenses:

- Labor 2.5% Bargaining, 4% Admin
- Fringe 4% Bargaining, 10% Admin
- Parts - 1.5%
- Fuel:
 - Diesel - \$4.03
 - Gasoline - \$3.20
 - CNG DGE - \$1.90

- Other Expense – 3.6%

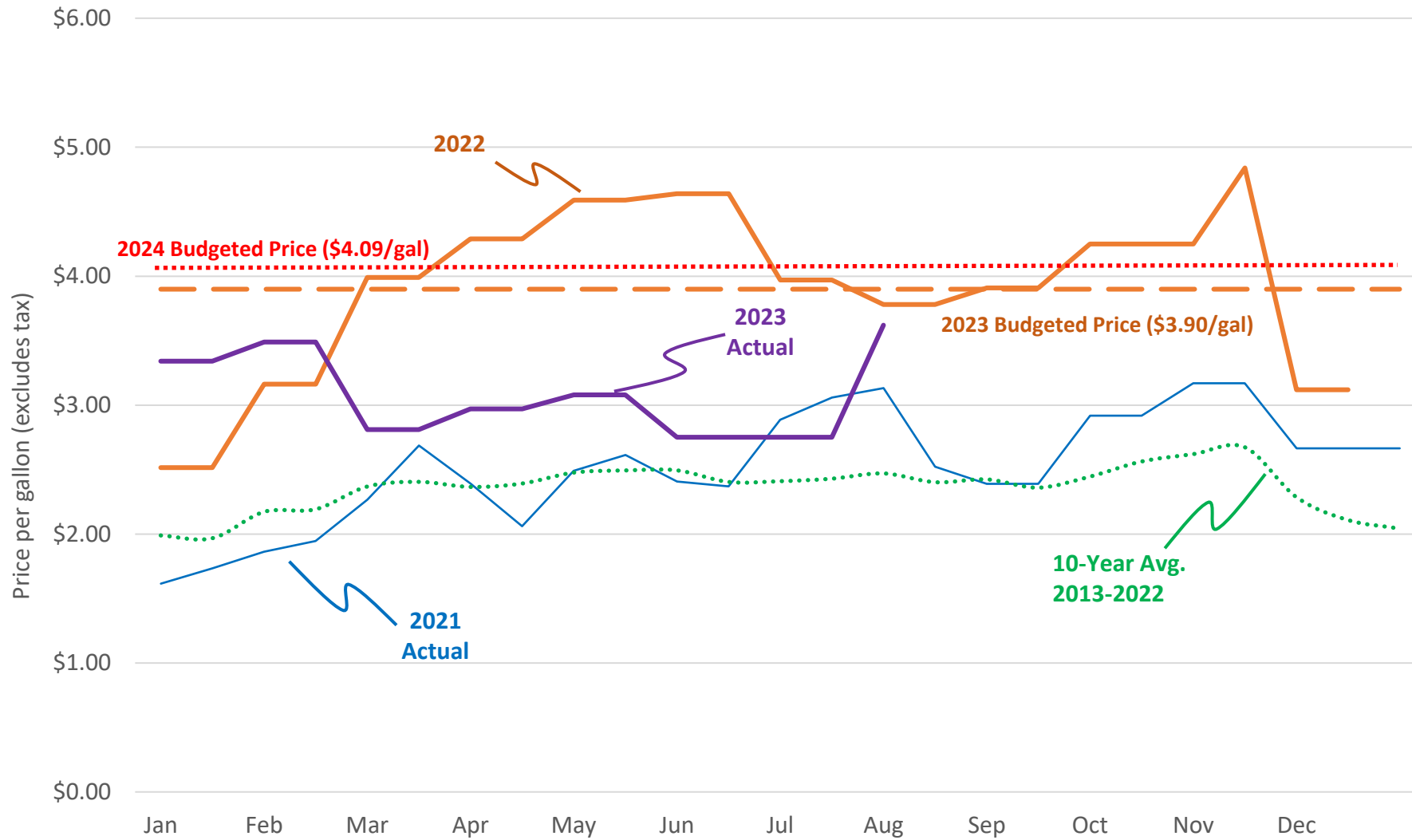
Revenues:

- Sales Tax – 2.65%
- Passenger – 5.9%
- Bipartisan Infrastructure Act – \$23 million



DIESEL PRICES

Diesel Price Trends



2024 Budget Challenges/Opportunities

Labor

- Utah Labor Market
- Recruitment/Retention
- Training

Economic Factors

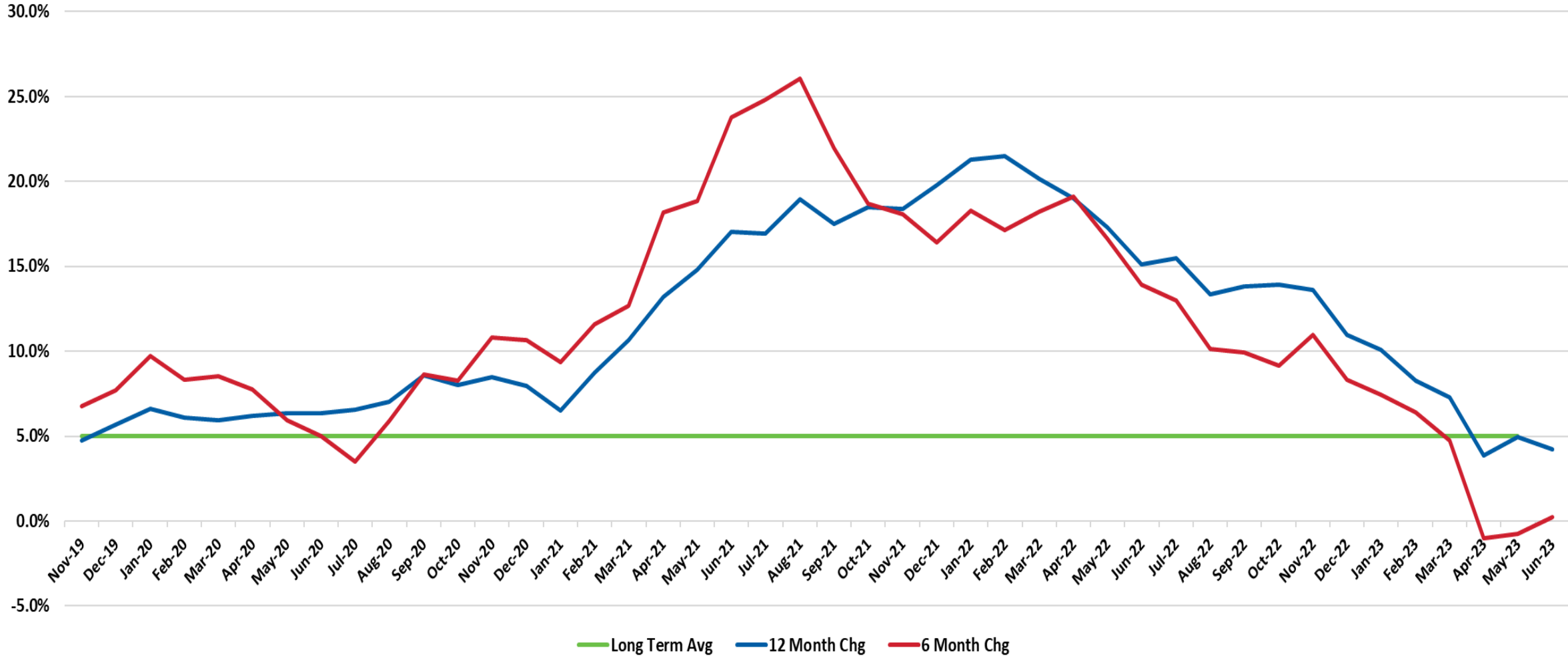
- Inflation
- Fuel/Power
- Construction Costs
- Sales Taxes
- Interest Rates
- Unemployment Rate

Federal and State Funding

- New Federal Grant Opportunities
- State Partnerships



UTA Sales Tax Growth 2019 - 2023



2024 Budget Highlights



2024 Budget Requests

2024 Audit/Federal Compliance

	FTE	Cost	Cumulative Cost
Capital & Lease Accountant (50% capitalized)	0.50	45,000	\$ 45,000
Hepatitis B Vaccine Initiative		150,000	195,000
Subtotal Audit/Federal Compliance	0.50	195,000	195,000



2024 Budget Requests

2024 Agency Requests

Budget Request	FTE	Cost	Cumulative Cost
Contract Servicesto support Org Dev & Coaching		100,000	295,000
Full Time Social Media Strategist	1.00	101,500	396,500
Part Time Graphics/Visual Media position	0.50	47,850	444,350
MOW Trainer	1.00	125,000	569,350
Data Entry Position	1.00	79,000	648,350
Marketing for recruitment		100,000	748,350
Total Rewards & Talent Acquisition temporary help		40,000	788,350
Consulting funds for Inclusion & Belonging		50,000	838,350
Increase PT HR Specialist to FT to support LR/HR work	0.50	31,000	869,350
Operations Planners	2.00	260,000	1,129,350
Contract custodial to maintain DDCFTC shop/yard		150,000	1,279,350
Facilities Service Employees	2.00	154,222	1,433,572
Training for new technology of buses		25,000	1,458,572
ABB Maintenance Contract Electric Bus Chargers		250,000	1,708,572
Budget Analyst	1.00	131,250	1,839,822
Payroll Manager	1.00	170,000	2,009,822
Maintenance costs for Claims Management Software		75,000	2,084,822
A/P Coordinators	2.00	150,000	2,234,822
Module for Transit APP for Detour Tracking		87,600	2,322,422
People/Process Change & Project Management		100,000	2,422,422
Special Projects Manager (funded)	1.00		2,422,422
Systems Integration Analyst	1.00	140,000	2,562,422
Government Relations Admin Increase to Full Time	0.60	34,000	2,596,422
Orchard Trail investment commitment		20,000	2,616,422
Subtotal Agency Requests	14.60	\$ 2,421,422	\$ 2,616,422



2024 Budget Requests

2024 Capital Funded

	FTE	Cost	Cumulative Cost
Capital & Lease Accountant (50% capitalized)	0.50	\$ 45,000	\$ 45,000
GIS Analyst	1.00	102,000	147,000
CFO: Capital Budget Analyst (cost offset by Capital)	1.00	131,250	278,250
Subtotal Audit/Federal Compliance	2.50	\$ 278,250	\$ 278,250
Total Operating and Capital Support Request	17.60	\$ 2,894,672	



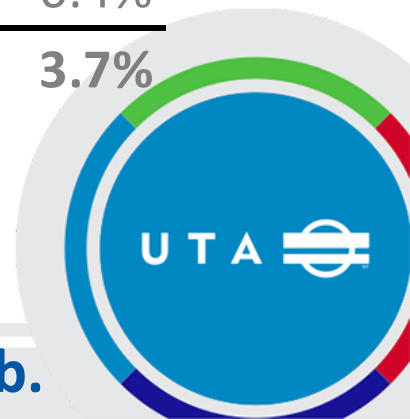
2024 Operating Budget Overview (000's)

	2023 Budget	2023 One-Time Expenses	2023 Additions		2024 Adjustments		2024 Budget			
			Staffing	Service	Wage and Fringe	Other	2024 Base	2023 Carry Forward	2024 Additions	2024 Budget Request
	\$ 409,295	\$ (8,460)	\$ 584	\$ 80	\$ 10,619	\$ 3,707	\$ 415,826	\$ 1,500	\$ 7,217	\$ 424,543



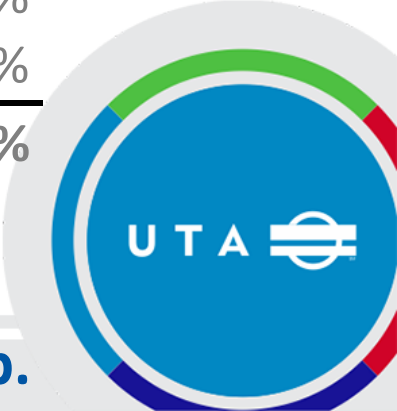
2024 UTA Operating Budget Expenses by Category

Category	FY 2023 Budget	FY 2024 Budget	Change	% Change
Wages	\$193,688,000	\$200,950,000	\$7,262,000	3.7%
Fringe	97,858,000	100,146,000	2,288,000	2.3%
Services	39,960,000	45,260,000	5,300,000	13.3%
Fuel/Power	35,623,000	35,490,000	(133,000)	-0.4%
Parts	23,447,000	25,488,000	2,041,000	8.7%
Utilities	6,189,000	7,371,000	1,182,000	19.1%
Other O&M	24,400,000	22,468,000	(1,932,000)	-7.9%
Capitalized Costs	(11,869,000)	(12,630,000)	(761,000)	6.4%
Total Budget	\$409,295,000	\$424,543,000	\$15,248,000	3.7%



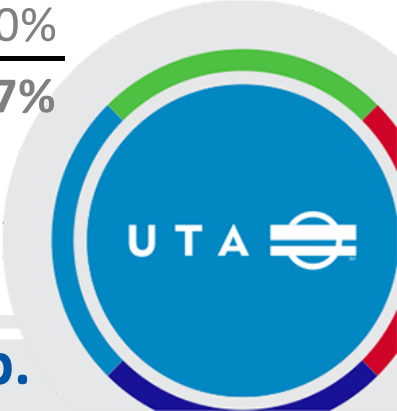
2024 UTA Operating Budget Expenses by Office

Office	FY 2023 Budget	FY 2024 Budget	Change	% Change
Board	\$3,168,000	\$3,370,000	\$202,000	6.4%
Executive Director	6,023,000	6,414,000	391,000	6.5%
Operations	312,599,000	319,000,000	6,401,000	2.0%
Finance	17,461,000	19,726,000	2,265,000	13.0%
Capital Services	8,771,000	7,471,000	(1,300,000)	-14.8%
Planning & Engagement	18,817,000	22,821,000	4,004,000	21.3%
Enterprise Strategy	25,009,000	28,547,000	3,538,000	14.1%
People	12,487,000	11,914,000	(573,000)	-4.6%
Communication	3,962,000	4,279,000	317,000	8.0%
Non-Departmental	1,000,000	1,000,000	-	0.0%
Total Division	\$409,295,000	\$424,543,000	\$15,248,000	3.7%



2024 UTA Operating Budget Expenses by Mode

Mode	FY 2023 Budget	FY 2024 Budget	Change	% Change
Bus	\$139,267,000	\$142,703,000	\$3,436,000	2.5%
Commuter Rail	36,558,000	38,028,000	1,470,000	4.0%
Light Rail	62,982,000	64,530,000	1,548,000	2.5%
Paratransit	28,248,000	29,154,000	906,000	3.2%
Rideshare/Vanpool	4,015,000	4,012,000	(3,000)	-0.1%
Microtransit	9,164,000	12,949,000	3,785,000	41.3%
Operations Support	62,788,000	64,424,000	1,636,000	2.6%
Administration	51,114,000	54,515,000	3,401,000	6.7%
Planning/Capital Support	14,159,000	13,228,000	(931,000)	-6.6%
Non-Departmental	1,000,000	1,000,000	-	0.0%
Total Division	\$409,295,000	\$424,543,000	\$15,248,000	3.7%



UTA FTE Summary

2023 Budget and 2024 Tentative Budget

FTE Summary by Office

Office	FY 2023 Budget	FY 2024 Budget	Change	% Change
Board	15.4	16.0	0.6	4.0%
Executive Director	32.0	31.5	(0.5)	-1.6%
Operations	2,334.2	2,311.7	(22.5)	-1.0%
Finance	124.0	134.0	10.0	8.1%
Capital Services	62.0	59.0	(3.0)	-4.8%
Planning & Engagement	81.2	84.2	3.0	3.7%
Enterprise Strategy	122.0	124.0	2.0	1.6%
Communications	15.0	16.5	1.5	10.0%
People	86.0	94.0	8.0	9.3%
Total FTE	2,871.8	2,870.9	(0.9)	0.0%



2024 Capital Budget and Tentative 5-Year Capital Plan 2024 through 2028

October 11, 2023



5-Year Capital Plan Goals:

- Maintain a safe system that operates in a state of good repair
- Provide a plan consistent with the constraints of the projected capital budget
- Include service expansion projects consistent with the regional long-range transit plans
- Leverage UTA funds with federal grants and partner funds
- Align capital plan with new Agency Goals and Objectives

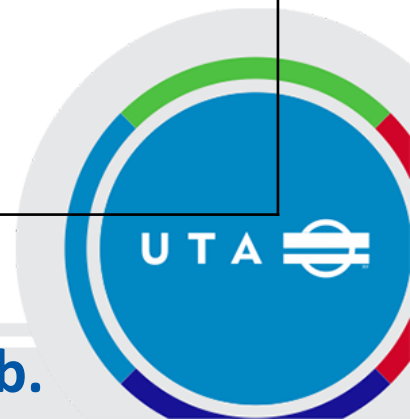


2024 Capital Budget Summaries



2024 Capital Budget Summary

Programs/Projects	2024 Proposed Budget	2024 Grants	2024 Lease	2024 State & Local Partners	2024 UTA Funds (Including Bonds)
Capital Services	\$180,438,000	\$51,872,000	\$27,983,000	\$33,564,000	\$67,019,000
Enterprise Strategy	8,050,000	120,000	-	-	7,930,000
Executive Director (Safety)	2,448,000	-	-	-	2,448,000
Finance	28,535,000	4,951,000	1,127,000	-	22,457,000
Operations	6,277,000	277,000	-	-	6,000,000
People	1,130,000	-	-	-	1,130,000
Planning & Engagement	3,555,000	800,000	1,486,000	-	1,269,000
Grand Total	\$230,433,000	\$58,020,000	\$31,596,000	\$33,564,000	\$107,253,000



2024 Major Initiatives

Programs/Projects	2024 Proposed Budget	2024 Grants	2024 Lease	2024 State & Local Partners	2024 UTA Funds
Traction Power Substation Component Replacement	\$16,000,000	\$12,800,000	-	-	\$3,200,000
Fares Systems Replacement Program	12,141,000	-	-	-	12,141,000
SD100/SD160 Light Rail Vehicle Replacement	10,000,000	5,000,000	-	-	5,000,000*
Mid-Valley Connector	10,000,000	-	-	10,000,000	-
Light Rail Vehicle Rehab	9,500,000	-	-	-	9,500,000
VW Battery Buses	7,391,000	3,268,000	-	625,000	3,498,000
Rail Switches & Trackwork Controls Rehab/Replacement	7,000,000	-	-	-	7,000,000
Rail Replacement Program	6,100,000	4,880,000	-	-	1,220,000
Train Control Rehab & Replacement	6,062,000	-	-	-	6,062,000
Replacement Non-Revenue Support Vehicles	6,000,000	-	6,000,000	-	-
Total	\$90,194,000	\$25,948,000	\$6,000,000	\$10,625,000	\$47,621,000



2024 State of Good Repair Details

Programs/Projects	2024 Proposed Budget	2024 Grants	2024 Financing	2024 State & Local Partners	2024 UTA Funds
Capital Services	\$97,595,000	\$27,800,000	\$26,176,000	-	\$43,619,000
Enterprise Strategy	753,000	-	-	-	753,000
Finance	12,141,000	-	-	-	12,141,000
Operations	4,687,000	-	-	-	4,687,000
Total	\$115,176,000	\$27,800,000	\$26,176,000	-	\$61,200,000



5-Year Sources & Uses

	Actuals 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028
Sources							
A Beginning Balance	\$321.8	\$435.2	\$531.6	\$470.9	\$405.8	\$357.6	\$344.8
Sales Tax	\$480.9	\$480.9	\$493.7	\$518.5	\$543.3	\$568.2	\$593.0
PM Funds (FTA)	47.3	150.0	97.0	97.9	98.9	99.8	100.7
Stimulus Funds	167.8	-	-	-	-	-	-
Passenger Funds	33.5	35.8	38.0	39.2	40.2	40.9	42.0
B Capital Sources	109.5	204.4	113.9	207.0	167.3	131.9	188.1
Other Sources	38.3	21.2	20.6	19.7	19.3	19.8	18.1
C Total Sources	\$877.3	\$892.3	\$763.2	\$882.3	\$869.0	\$860.6	\$941.9
Uses							
D Operating Expense	\$421.2	\$392.2	\$424.4	\$444.1	\$466.0	\$481.2	\$507.7
E Capital Expense	205.3	214.3	230.4	325.9	263.4	194.6	257.6
F Debt Service	149.6	159.4	169.1	177.5	187.9	197.6	213.2
G Total Uses	\$776.1	\$765.9	\$823.9	\$947.4	\$917.2	\$873.3	\$978.5
H Net Change	101.2	126.4	(60.8)	(65.1)	(48.2)	(12.7)	(36.5)
I Cash Amended ¹	12.2	(30.0)	-	-	-	-	-
J Ending Balance	435.2	531.6	470.9	405.8	357.6	344.8	308.3
K Reserves	180.8	190.1	211.1	234.1	257.2	233.2	249.8
L Long-term Capital Exp. Investment	-	-	60.8	65.1	48.2	12.7	36.5
M Unrestricted Fund Balance	\$254.4	\$341.5	\$199.0	\$106.6	\$52.1	\$98.9	\$22.0

J = A + C - G + I

M = J - K - L

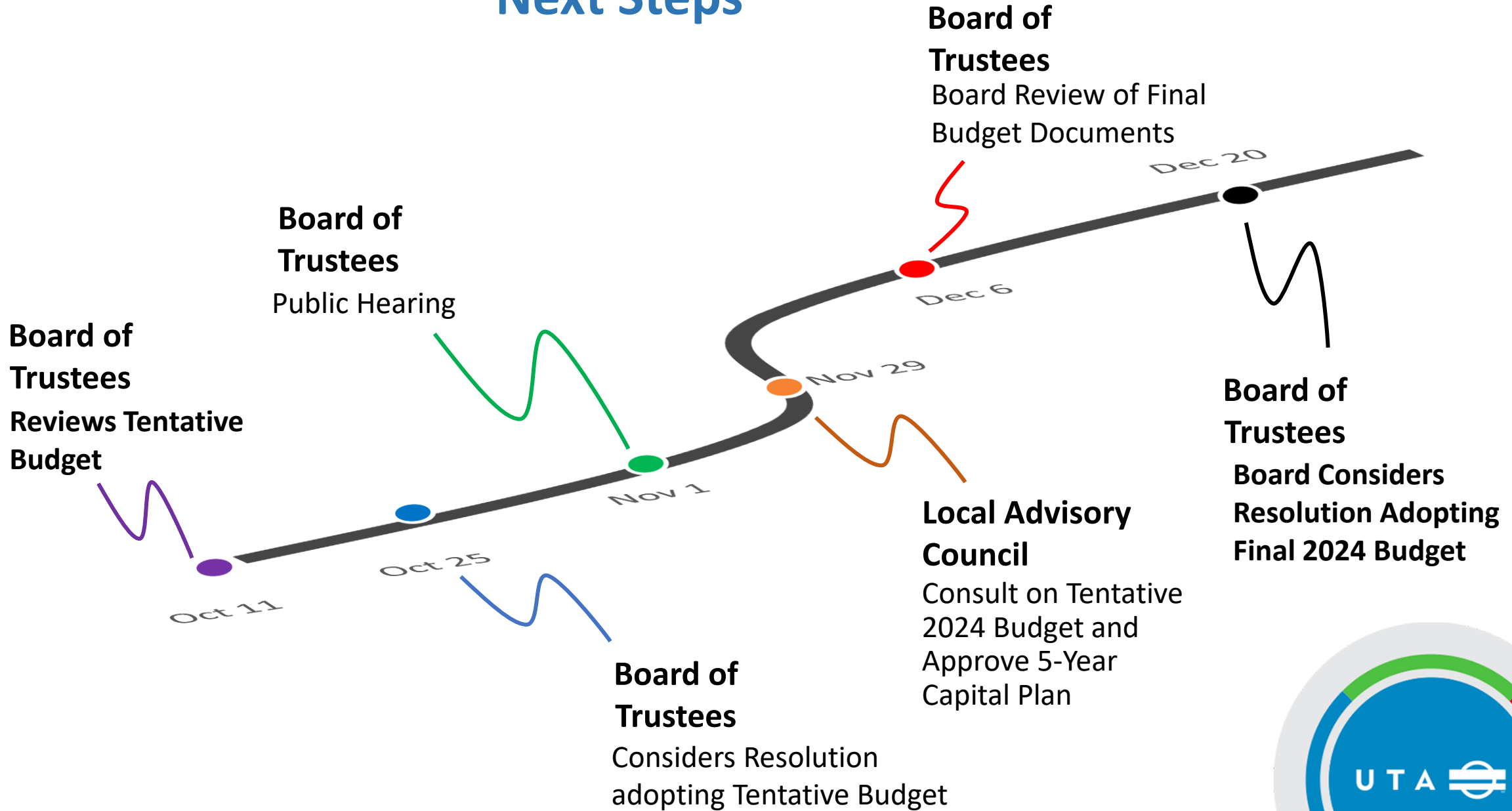
¹Repayment of State funds

Agenda Item 11.b.



UTAH TRANSIT AUTHORITY

Next Steps



Questions?

