

BRT Waterfall

1. Start making bond payments
2. Pay for Operations and Maintenance
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6. Reserve account to pay bond early
7. New service level agreement

UTAH COUNTY

\$65,000,000 SUBORDINATED TRANSPORTATION SALES TAX REVENUE BONDS

SERIES 2016

Dated: December 22, 2016

Final Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/22/2016	-	-	-	-	-
05/01/2017	-	-	738,811.67	738,811.67	-
11/01/2017	1,605,000.00	3.172%	1,030,900.00	2,635,900.00	3,374,711.67
05/01/2018	-	-	1,005,444.70	1,005,444.70	-
11/01/2018	1,365,000.00	3.172%	1,005,444.70	2,370,444.70	3,375,889.40
05/01/2019	-	-	983,795.80	983,795.80	-
11/01/2019	1,410,000.00	3.172%	983,795.80	2,393,795.80	3,377,591.60
05/01/2020	-	-	961,433.20	961,433.20	-
11/01/2020	1,450,000.00	3.172%	961,433.20	2,411,433.20	3,372,866.40
05/01/2021	-	-	938,436.20	938,436.20	-
11/01/2021	1,500,000.00	3.172%	938,436.20	2,438,436.20	3,376,872.40
05/01/2022	-	-	914,646.20	914,646.20	-
11/01/2022	1,545,000.00	3.172%	914,646.20	2,459,646.20	3,374,292.40
05/01/2023	-	-	890,142.50	890,142.50	-
11/01/2023	1,595,000.00	3.172%	890,142.50	2,485,142.50	3,375,285.00
05/01/2024	-	-	864,845.80	864,845.80	-
11/01/2024	1,645,000.00	3.172%	864,845.80	2,509,845.80	3,374,691.60
05/01/2025	-	-	838,756.10	838,756.10	-
11/01/2025	1,700,000.00	3.172%	838,756.10	2,538,756.10	3,377,512.20
05/01/2026	-	-	811,794.10	811,794.10	-
11/01/2026	1,750,000.00	3.172%	811,794.10	2,561,794.10	3,373,588.20
05/01/2027	-	-	784,039.10	784,039.10	-
11/01/2027	1,805,000.00	3.172%	784,039.10	2,589,039.10	3,373,078.20
05/01/2028	-	-	755,411.80	755,411.80	-
11/01/2028	1,865,000.00	3.172%	755,411.80	2,620,411.80	3,375,823.60
05/01/2029	-	-	725,832.90	725,832.90	-
11/01/2029	45,765,000.00	3.172%	725,832.90	46,490,832.90	47,216,665.80
Total	\$65,000,000.00	-	\$22,718,868.47	\$87,718,868.47	-

2021 ADOPTED BUDGET

EXHIBIT "A"

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UTAH COUNTY FISCAL YEAR 2021

2019
ACTUAL

2020
BUDGET

2021
BUDGET

2021
ADJ TO

2021
BUDGET

ACTUAL

CURRENT

TENTATIVE

TENTATIVE

FINAL

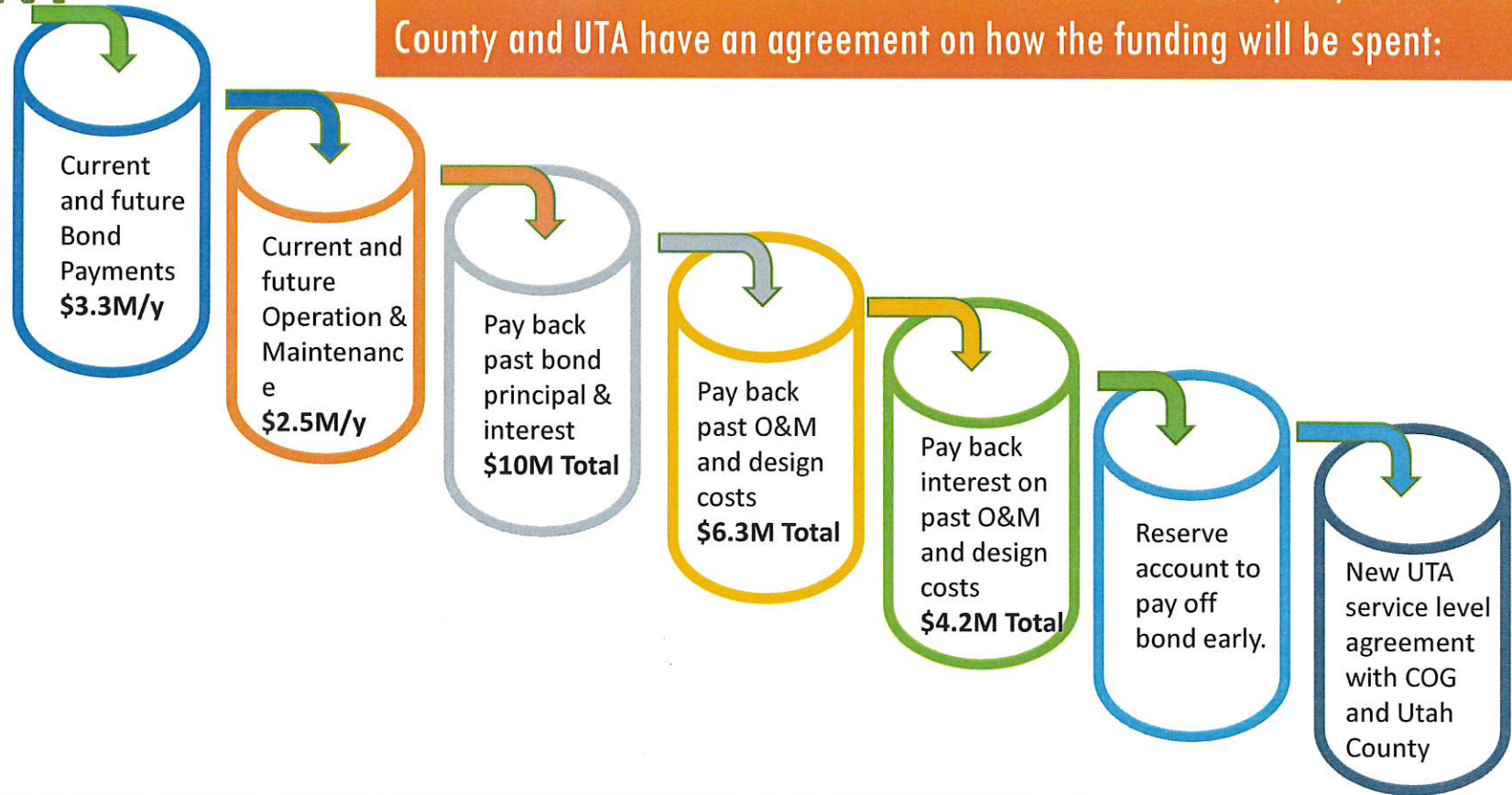
ROAD PROJECTS (247)

Revenues:

31360	SECTION 2216 SALES TAX - COUNTY PORTION	\$ 2,307,686	\$ 2,351,000	\$ 2,644,000	\$ -	\$ 2,644,000
31360-1000	SECTION 2216 SALES TAX - UTA PORTION	\$26,538,391	\$27,036,500	\$30,406,000	-	\$30,406,000
31364	SECTION 2218 SALES TAX	24,032,152	24,500,000	27,542,000	-	27,542,000
31365	SECTION 2208 SALES TAX - UTA	24,034,076	24,500,000	27,542,000	-	27,542,000
31366	SECTION 2219 SALES TAX - COUNTY PORTION	8,478,931	5,000,000	5,508,000	-	5,508,000
31366-1000	SECTION 2219 SALES TAX - CITY/UTA PORTION	10,728,511	19,500,000	22,034,000	-	22,034,000
33401	"B" ROAD FUND ALLOTMENT	3,279,370	3,800,000	3,954,100	(16,556)	3,937,544
33XXX	INTERGOVERNMENTAL REVENUE	-	-	-	-	-
34247	MOTOR VEHICLE REGISTRATION FEE	4,612,744	4,700,000	4,750,000	-	4,750,000
34XXX	CHARGES FOR SERVICES	141,487	-	-	-	-
36XXX	MISCELLANEOUS REVENUE	2,346,092	1,645,000	1,850,000	-	1,850,000
367XX	PROCEEDS FROM ISSUANCE OF BONDS	93,521,275	-	-	-	-
38100	TRANSFER FROM FD 100 (GENERAL)	-	-	-	-	-
38900	APPROPRIATED FUND BALANCE	-	70,126,703	85,123,252	-	85,123,252
	Total Revenues:	\$ 200,020,715	\$ 183,159,203	\$ 211,353,352	\$ (16,556)	\$ 211,336,796

\$11M

If the 4th Quarter is enacted, UTA will receive about \$11M per year. Utah County and UTA have an agreement on how the funding will be spent:



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5. INSURANCE. UTA shall keep adequate reserves in its self-insurance program to insure against losses and liabilities that might arise from the operation of the BRT System.

6. FORWARD PURCHASE. (a) The parties agree that on or around April 1, 2028, but not later than December 31, 2028, UTA will make a payment to the County (the "Forward Payment").

(b) The parties intend that the Forward Payment will be in an amount sufficient to (i) pay off, defease and retire the outstanding County Bonds, and (ii) replace the Section 2218 Tax revenues and any other funds previously expended by Utah County for bond issuance costs and principal and interest payments on the County Bonds.

(c) At the time that the County issues the County Bonds, UTA and the County will agree to the amount of the Forward Payment in the form of a sum certain, said sum to be calculated pursuant to the formula attached and referenced herein as Addendum A hereto.

(d) In consideration for payment of the Forward Payment, the County shall convey, release, and quitclaim its legal title in the BRT System and interest in the Project to UTA.

(e) UTA intends to fund the Forward Payment by issuing bonds backed by Section 2213 Tax revenues collected within Utah County. If, however, interest rates or other financial conditions at the time of the payment make bonding inadvisable, County may agree in its discretion to arrange a different method of financing with UTA, or may allow UTA to delay the payment.

7. OPERATIONS AND MAINTENANCE FUNDING. (a) The parties agree that the County shall provide funding for operations and maintenance costs of the BRT System until December 31, 2028, unless UTA earlier assumes responsibility for such funding, which it may do at any time. The County's responsibility to make operations and maintenance payments shall not begin until the completion of the Project and the commencement of revenue operations of the BRT System. If the operation of the BRT System commences at any time other than the beginning of a calendar year, the County's operations and maintenance payment obligation will be calculated on a pro rata basis for the initial year of operation of the BRT System.

(b) The County's responsibility for the annual operations and maintenance costs of the BRT System shall be strictly limited to the lesser of (i) UTA's actual annual operations and maintenances costs, or (ii) \$2,500,000 (the "O&M Cap"). At the end of the first calendar year of revenue operations, and at the end of every year thereafter, the O&M Cap will be adjusted to account for inflation, in an amount not to exceed 2.4% in any year.

UVX Cost Calculation

Step Four

Timpanogos Business Unit	2021 Budget	Baseline Service	Total Adjusted Cost
UVX Direct Operating & Maintenance Cost	\$ 4,142,000	\$ (2,728,355)	\$ 1,414,000
UVX Depreciation Cost	1,825,000	(647,712)	1,177,000
UVX Allocated Support Cost	2,179,000	(1,131,921)	1,047,000
Total UVX Cost	<u>\$ 8,146,000</u>	<u>\$ (4,507,989)</u>	<u>\$ 3,638,000</u>

The UVX BRT Route replaced a portion of previous baseline service. In order to determine the comparative cost of the prior baseline service, we used comparable service Platform hours paired with **2019** Timpanogos business unit actual costs.

