

**TO:** Board of Trustees  
**THROUGH:** Mary DeLoretto, Interim Executive Director  
**FROM:** William Greene, Chief Financial Officer  
**PRESENTER(S):** William Greene, Chief Financial Officer

**TITLE:**

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**R2021-12-08 – Resolution Ratifying the Adoption of the Final 2022 Budget**

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**AGENDA ITEM TYPE:**

Resolution

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**RECOMMENDATION:**

Approve Resolution R2021-12-08 adopting the Agency’s Final 2022 Budget

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**BACKGROUND:**

Each year, a final budget is brought forward to the Board of Trustees for adoption. The 2022 budget development process included the development of a strategic framework, budget planning, evaluation of budget and financial plan assumptions, and the development, prioritization, and selection of budget initiatives and capital projects for inclusion in the 2022 budget.

The resulting Tentative Budget was presented and reviewed by the Board of Trustees with Board adoption at its October 27 meeting. At its November 17 meeting, the Local Advisory Council reviewed the Tentative Budget. The Council also approved the 5-year Capital Plan and recommended its adoption by the Board. The Tentative Budget was sent to Stakeholders and was open for public review and comment from November 3 to December 3, 2021.

At its December 8, 2021 meeting, the Board of Trustees reviewed and discussed the proposed Final 2022 Budget and received the Public Hearing Report from UTA’s Hearing Officer. Approval of the resolution adopting the Final 2022 Budget is the last step in setting the budget for 2022.

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**DISCUSSION:**

This resolution provides for the adoption of the Final 2022 Budget. Summary information about the Final 2022 Budget is provided in the Resolution’s Exhibits A and B. More detail is provided in the Tentative Budget Document previously approved by the Board at their October 27<sup>th</sup> board meeting.

A list of proposed changes to the Tentative Budget Document was presented in detail to the Board on December 8, 2021 for their consideration and are attached for reference (Attachment A).

Following the Board's approval of the Final 2022 Budget, staff will develop and distribute the Adopted Final 2022 Budget Document.

The Resolution's Exhibit A provides summary information for the operating and capital budgets. Budgetary controls are based upon the classifications provided in this exhibit. Exhibit B provides summary information for the operating budget by Office.

Monthly financial reporting for January 2022 and thereafter will include an exhibit which provides budget versus actual financial reporting based upon these classifications.

The Final 2022 Budget Book will provide detailed information for the operating and capital budgets.

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**ALTERNATIVES:**

The Board of Trustees may choose to revise or delay approval of the Final 2022 Budget. If the Final 2022 Budget is not adopted by December 31, 2021, the Tentative 2022 Budget serves as the 2022 budget until the Final 2022 Budget is approved.

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**FISCAL IMPACT:**

Approving the Final 2022 Budget establishes operating and capital budgets for 2022 and supporting 5-year plans.

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**ATTACHMENTS:**

1. R2021-12-08 - Resolution Ratifying the Adoption of the Final 2022 Budget, including:
  - a. Exhibit A – Operating and Capital Budget Summaries
  - b. Exhibit B – Operating Budget Summary by Office
2. Attachment A - Proposed changes to Tentative 2022 Budget Document

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT  
AUTHORITY RATIFYING THE ADOPTION OF THE FINAL 2022 BUDGET**

R2021-12-08

December 15, 2021

WHEREAS, the Utah Transit Authority (the “Authority”) is a large public transit district organized under the laws of the State of Utah and was created to transact and exercise all of the powers provided for in the Utah Limited Purpose Local Government Entities - Local Districts Act and the Utah Public Transit District Act; and

WHEREAS, the Board of Trustees (the “Board”) of the Authority is charged by the State of Utah to complete a budget process and establish an annual budget of the Authority; and

WHEREAS, as part of that budget process, the Board approved a tentative budget, provided notice for, and held a public hearing, and provided copies of that budget and notice to interested persons and to those entities identified by Statute; and

WHEREAS, on November 17, 2021, the Local Advisory Council reviewed the Authority’s tentative budget and provided their consultation and advice to the Board of Trustees; and

WHEREAS, the Board has reviewed the final budget as proposed by the Authority staff, and believes that the final budget reasonably fulfills the needs of the Authority and is in keeping with its responsibility for fiscal conservancy; and

WHEREAS, the Board of Trustees desires to establish management and operating goals that are in keeping with the Board’s philosophy to provide leadership and governance to the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Utah Transit Authority:

1. That the Board hereby ratifies the adoption of the Authority’s Final 2022 Budget, a copy of which is attached to this Resolution as Exhibit A.
2. That the 2022 monthly financial reports shall also include budget versus actual comparisons based upon the operating budget classifications attached to this Resolution as Exhibit B.
3. That this Resolution stay in full force and effect until superseded by further action of the Board.

4. That the Board hereby ratifies any and all actions taken by the Authority, including those taken by the Executive Director, staff, and counsel that are necessary to give effect to this Resolution.
5. That the corporate seal be attached hereto.

APPROVED AND ADOPTED this 15<sup>th</sup> day of December 2021.

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Carlton Christensen, Chair  
Board of Trustees

ATTEST:

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Secretary of the Authority

(Corporate Seal)

Approved As To Form:

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Legal Counsel

## Exhibit A

(Final 2022 Operating and Capital Budget)

**UTAH TRANSIT AUTHORITY**  
**2022 FINAL OPERATING BUDGET**  
**December 15, 2021**

**Exhibit A**

	2022 Final Budget
<b><u>Revenue</u></b>	
1 Sales Tax	\$ 435,700,000
2 Federal Preventive Maintenance	59,500,000
3 Passenger Revenue	34,200,000
4 Advertising	1,377,000
5 Investment Income	5,160,000
6 Other Revenues	15,121,000
7 Stimulus Funding	100,100,000
8 <b>Total Revenue</b>	<b>651,158,000</b>
<b><u>Operating Expense</u></b>	
9 Bus	120,064,000
10 Commuter Rail	32,198,000
11 Light Rail	57,624,000
12 Paratransit Service	26,217,000
13 Rideshare/Vanpool	3,795,000
14 Operations Support	61,736,000
15 Management & Support	51,030,000
16 Planning/Capital Support	9,493,000
17 Non-Departmental	1,000,000
18 <b>Total Operating Expense</b>	<b>363,157,000</b>
<b><u>Debt Service, Contribution to Reserves, and Transfer to Capital</u></b>	
19 Principal and Interest	144,837,000
20 Bond Service Utah County for UVX BRT program	3,374,000
21 Contribution to Reserves	15,904,000
22 Transfer to Capital	123,886,000
23 <b>Total Debt Service and Reserves</b>	<b>288,001,000</b>
24 <b>Total Expense</b>	<b>\$ 651,158,000</b>

**UTAH TRANSIT AUTHORITY  
2022 FINAL CAPITAL BUDGET  
December 15, 2021**

**Exhibit A**

<b><u>Funding Sources</u></b>		<b>2022 Final Budget</b>
25	UTA Current Year Funding	\$ 123,886,000
26	Grants	44,291,000
27	Local Partner Contributions	10,603,000
28	State Contribution	33,446,000
29	Leasing	15,832,000
30	<b>Total Funding Sources</b>	<b>228,058,000</b>
 <b><u>Expense</u></b>		
31	State of Good Repair	71,338,000
32	Depot District	32,562,000
33	Ogden/Weber BRT	25,465,000
34	Front Runner Forward	15,000,000
35	Mid Valley Connector	10,000,000
36	TIGER Program of Projects	8,206,000
37	Other Capital Projects	65,487,000
38	<b>Total Expense</b>	<b>\$ 228,058,000</b>

Exhibit B

(Final 2022 Operating Budget by Office)



**UTAH TRANSIT AUTHORITY**  
**2022 FINAL OPERATING BUDGET**  
**December 15, 2021**

**Exhibit B**

<u>Revenue</u>		<u>2022 Final Budget</u>	
1	Sales Tax	\$ 435,700,000	
2	Federal Preventive Maintenance	59,500,000	
3	Passenger Revenue	34,200,000	
4	Advertising	1,377,000	
5	Investment Income	5,160,000	
6	Other Revenues	15,121,000	
7	Stimulus Funding	100,100,000	
8	<b>Total Revenue</b>	<b>\$ 651,158,000</b>	
<u>Operating Expense</u>			<u>FTE</u>
9	Board of Trustees	\$ 2,702,000	13.4
10	Executive Director	8,490,000	41.5
11	Operations	275,658,000	2,286.2
12	Finance	14,636,000	113.5
13	Service Development	7,783,000	56.0
14	Planning & Engagement	14,884,000	73.2
15	Enterprise Strategy	22,525,000	115.0
16	People	15,479,000	84.0
17	Non-Departmental	1,000,000	
18	<b>Total Operations</b>	<b>363,157,000</b>	<b>2,782.8</b>
19	Debt Service	148,211,000	
20	Contribution to Reserves	15,904,000	
21	Contribution to Capital Budget	123,886,000	
22	<b>Total Final 2022 Operating Expense</b>	<b>\$ 651,158,000</b>	

**UTAH TRANSIT AUTHORITY  
2022 FINAL OPERATING BUDGET  
December 15, 2021**

**Attachment A**

	2022 Tentative	Revenue Backed	Service	Recruitment &	Fuel & Power	JIT	Technical	2022 Final	Category	Final Adjusted
<u>Revenue</u>	<u>Budget</u>	<u>Service</u>	<u>Adjustments</u>	<u>Retention</u>	<u>Price Increases</u>	<u>Adjustments</u>	<u>Budget</u> <u>Adjustments</u>	<u>Budget</u>	<u>Adjustments</u>	<u>2022 Budget</u>
1 Sales Tax	\$ 419,100,000						\$ 16,600,000	\$ 435,700,000	\$ -	\$ 435,700,000
2 Federal Preventive Maintenance	59,500,000							59,500,000	-	59,500,000
3 Passenger Revenue	36,033,000						(1,833,000)	34,200,000	-	34,200,000
4 Advertising	1,370,000						7,000	1,377,000	-	1,377,000
5 Investment Income	4,832,000						328,000	5,160,000	-	5,160,000
6 Other Revenues	13,826,000	1,770,000					(475,000)	15,121,000	-	15,121,000
7 Stimulus Funding	100,100,000							100,100,000	-	100,100,000
8 <b>Total Revenue</b>	<b>634,761,000</b>	<b>1,770,000</b>	-	-	-	-	<b>14,627,000</b>	<b>651,158,000</b>	-	<b>651,158,000</b>
<b><u>Operating Expense</u></b>										
9 Bus	116,830,000		410,000	1,240,000	1,037,000	780,000		120,297,000	(233,000)	120,064,000
10 Commuter Rail	31,721,000		(228,000)	60,000	450,000	47,000		32,050,000	148,000	32,198,000
11 Light Rail	56,900,000			280,000	450,000		(10,000)	57,620,000	4,000	57,624,000
12 Paratransit Service	25,888,000			150,000	183,000			26,221,000	(4,000)	26,217,000
13 Rideshare/Vanpool	3,705,000				90,000			3,795,000	-	3,795,000
14 Operations Support	61,525,000				37,000	25,000	46,000	61,633,000	103,000	61,736,000
15 Management & Support	49,140,000	1,770,000		99,000	14,000		124,000	51,147,000	(117,000)	51,030,000
16 Planning/Capital Support	9,377,000						17,000	9,394,000	99,000	9,493,000
17 Non-Departmental	1,000,000							1,000,000	-	1,000,000
18 <b>Total Operating Expense</b>	<b>356,086,000</b>	<b>1,770,000</b>	<b>182,000</b>	<b>1,829,000</b>	<b>2,261,000</b>	<b>852,000</b>	<b>177,000</b>	<b>363,157,000</b>	-	<b>363,157,000</b>
<b><u>Debt Service, Contribution to Reserves, and Transfer to Capital</u></b>										
19 Principal and Interest	144,340,000						497,000	144,837,000	-	144,837,000
20 Bond Service Utah County for UVX BRT progra	8,872,000						(5,498,000)	3,374,000	-	3,374,000
21 Contribution to Reserves	16,400,000						(496,000)	15,904,000	-	15,904,000
22 Transfer to Capital	109,063,000						14,823,000	123,886,000	-	123,886,000
23 <b>Total Debt Service and Reserves</b>	<b>278,675,000</b>	-	-	-	-	-	<b>9,326,000</b>	<b>288,001,000</b>	-	<b>288,001,000</b>
24 <b>Total Expense</b>	<b>\$ 634,761,000</b>	<b>\$ 1,770,000</b>	<b>\$ 182,000</b>	<b>\$ 1,829,000</b>	<b>\$ 2,261,000</b>	<b>\$ 852,000</b>	<b>\$ 9,503,000</b>	<b>\$ 651,158,000</b>	<b>\$ -</b>	<b>\$ 651,158,000</b>

**UTAH TRANSIT AUTHORITY  
CHANGES FROM TENTATIVE CAPITAL BUDGET  
December 15, 2021**

**Attachment A**

		2022 Tentative	Technical	
		Budget	Budget	
<u>Funding Sources</u>			Adjustments	2022 Final Budget
25	UTA Current Year Funding	\$ 121,386,000	\$ 2,500,000	\$ 123,886,000
26	Grants	44,291,000	-	44,291,000
27	Local Partner Contributions	10,603,000	-	10,603,000
28	State Contribution	35,946,000	(2,500,000)	33,446,000
29	Leasing	15,832,000	-	15,832,000
30	<b>Total Funding Sources</b>	<b>228,058,000</b>	<b>-</b>	<b>228,058,000</b>
<u>Expense</u>				
31	State of Good Repair	71,338,000		71,338,000
32	Depot District	32,562,000		32,562,000
33	Ogden/Weber BRT	25,465,000		25,465,000
34	Front Runner Forward	15,000,000		15,000,000
35	Mid Valley Connector	10,000,000		10,000,000
36	TIGER Program of Projects	8,206,000		8,206,000
37	Other Capital Projects	65,487,000		65,487,000
38	<b>Total Expense</b>	<b>\$ 228,058,000</b>	<b>\$ -</b>	<b>\$ 228,058,000</b>