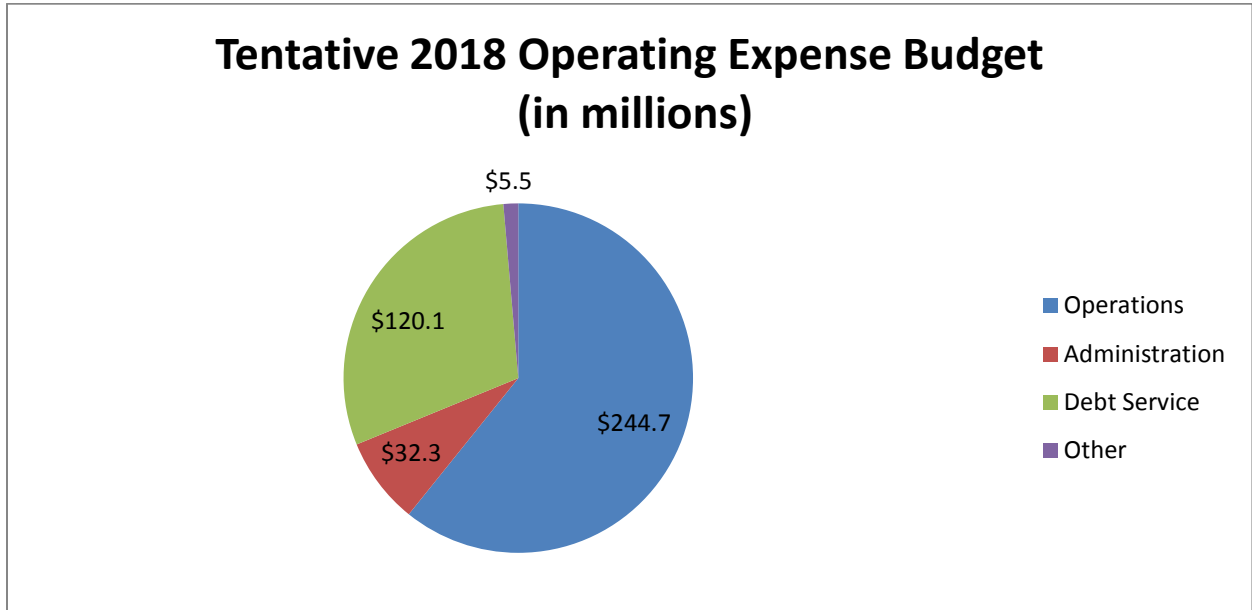
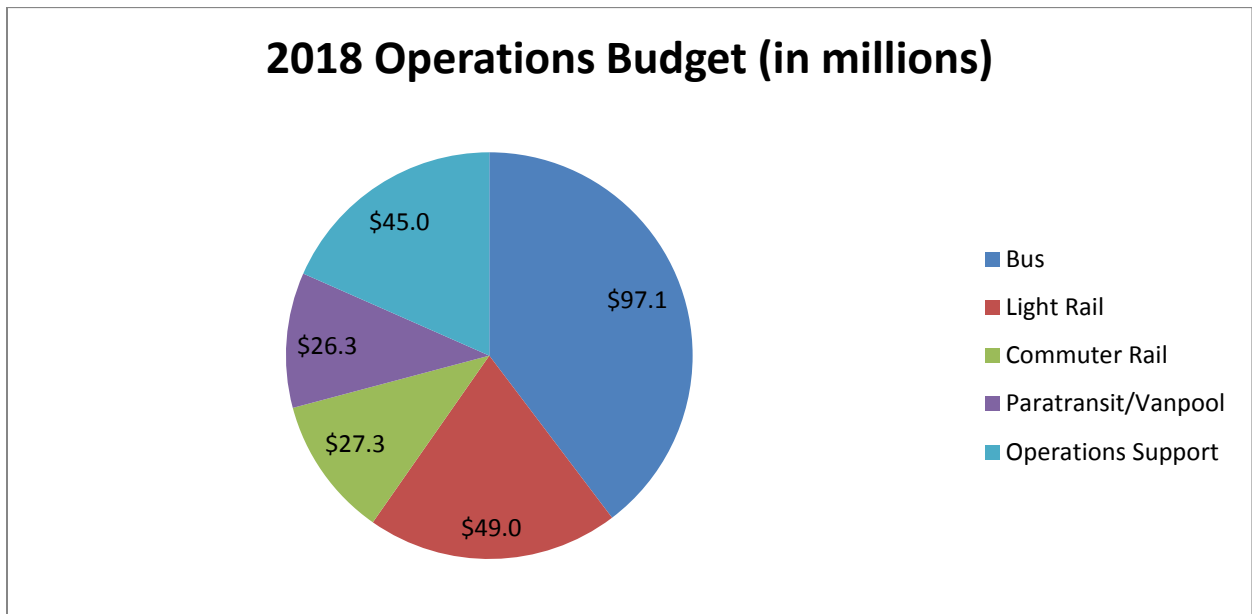


OPERATING EXPENSE AND REVENUE BUDGET

As shown below, of the total \$402.6 million operating budget, operations expense accounts for 61%, debt service accounts for 30%, and administrative and other costs account for 9%.



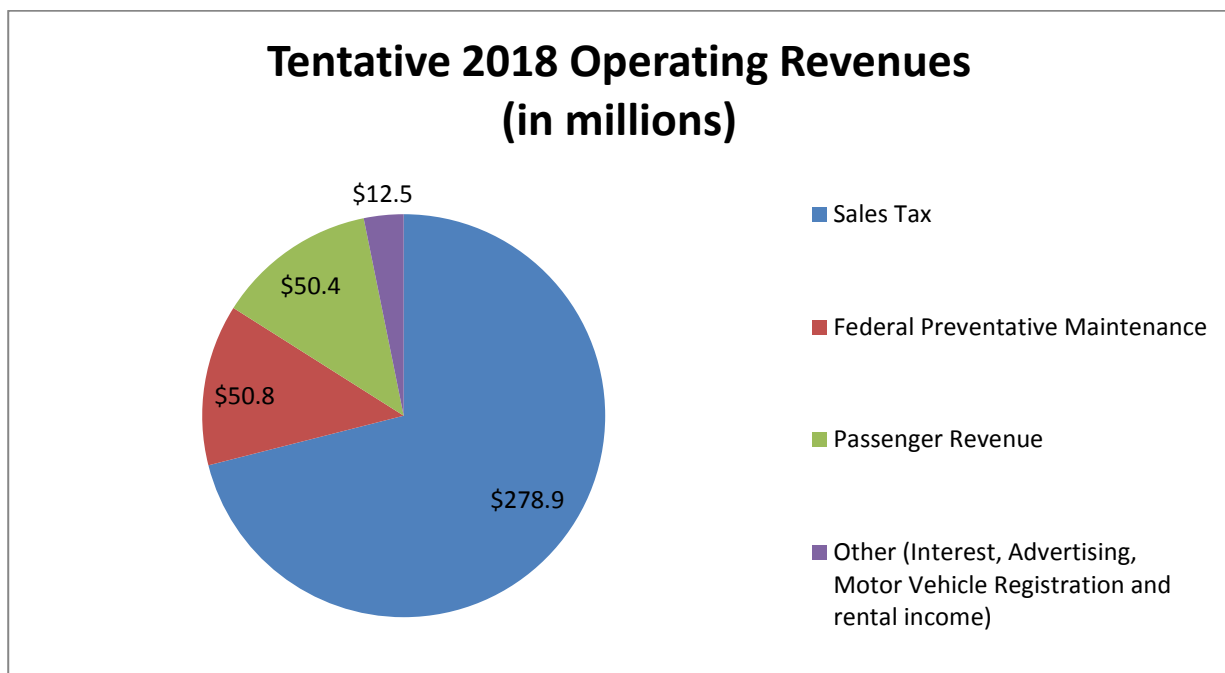
Allocation of the \$244.7 million operations budget is shown below:



Administrative costs represent approximately 8% of the total operations budget. More detail of those costs is provided below.

Category	Services Provided	2018 Budget (in millions)
Finance	Chief Financial Officer, accounting, budget, and procurement	\$2.8
Information Technology	Technology network and applications	\$11.4
Customer Focus	Public relations, marketing, labor relations, and training	\$4.4
Executive	Overall administration including General Manager, government relations, operations administration, and operating contingencies	\$4.0
Personnel	Human resources, labor relations, and training	\$3.3
Internal Audit	Auditing of procedures and process	\$5.5
Legal	Legal counsel, risk management, and Title VI	\$5.9
	Total	\$32.3

Sales tax revenue at \$278.9 million, or 69% of total revenues, represents the largest funding source for the 2018 budget. Federal preventative maintenance and passenger revenues, \$60.8 million and \$50.4 million respectively, are next in size and comprise 28% of the operating revenues. Other revenues total \$12.5 million.

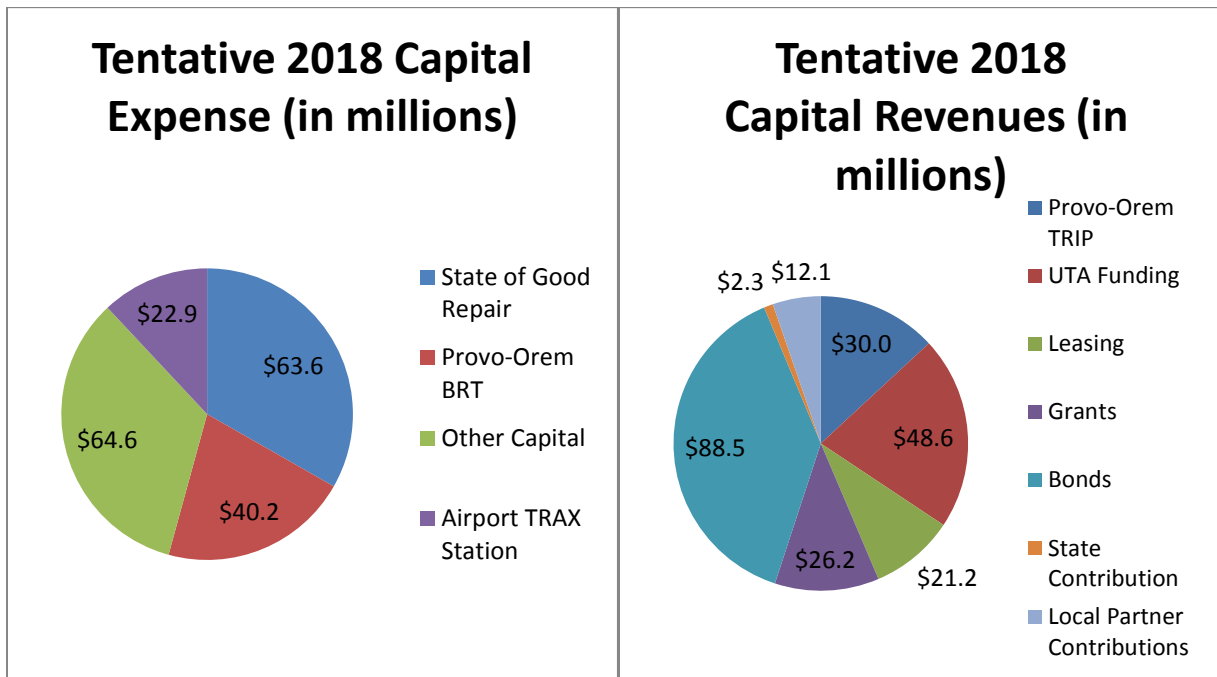


CAPITAL EXPENSE AND REVENUE BUDGET

Capital expense can be divided into four main categories:

- **State of good repair projects.** These include replacement buses, paratransit vans, and rideshare vans as well as TRAX car overhauls, rail system repair projects, and facility maintenance.
- **Provo-Orem Transportation Improvement Project (TRIP) (bus rapid transit).**
- **Airport TRAX Station relocation.**
- **Other capital projects.** These include positive trail control, 5 electric buses, S-Line double tracking, TRAX signal improvements, and passenger enhancements.

Provo-Orem TRIP revenues are expected to be \$30.0 million. Leasing and bonds are estimated at \$21.2 million and \$88.5 million, respectively, grants at \$26.2 million, with contributions from the State of Utah and local partners at \$14.4 million.



Budget Calendar

Approval of the 2018 tentative budget is the first of several steps which culminate in a final, approved 2018 UTA budget. In addition to a public hearing scheduled for November 15, 2017 at UTA headquarters in Salt Lake City, you may comment on UTA’s 2018 tentative budget by email to boardoftrustees@rideuta.com or by mail to 669 West, 200 South, Salt Lake City, Utah 84101 on or before November 30, 2017.

All comments will be provided to the Board of Trustees prior to their consideration of the final 2018 budget at their December 13, 2017 board meeting.

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 OPERATING BUDGET
October 16, 2017**

Exhibit A

	<u>Actual 2016</u>	<u>Budget 2017</u>	<u>Tentative Budget 2018</u>	<u>Percentage Change from 2017 Budget to 2018 Budget</u>
<u>Revenue</u>				
1 Sales Tax	\$ 245,008,417	\$ 258,109,000	\$ 278,909,000	8%
2 Federal Prevent. Maint	63,334,769	60,676,000	60,827,000	0%
3 Passenger Revenue	50,624,354	53,175,000	50,337,000	-5%
4 Advertising	2,266,667	2,333,000	2,483,000	6%
5 Investment Income	1,732,939	2,098,000	3,732,000	78%
6 Other Revenues	3,108,191	6,391,000	4,365,000	-32%
7 Motor Vehicle Registration		1,823,000	1,907,000	5%
8 2015 Crossover Refunding Reserve		4,485,000	-	-100%
9 Total Revenue	<u>\$ 366,075,337</u>	<u>\$ 389,090,000</u>	<u>\$ 402,560,000</u>	3%
<u>Operating Expense</u>				
10 Bus	\$ 82,476,517	\$ 90,762,000	\$ 97,133,000	7%
11 Commuter Rail	29,076,765	27,700,000	27,334,000	-1%
12 Light Rail	39,857,000	48,553,000	48,951,000	1%
13 Paratransit Service	19,172,673	21,795,000	22,929,000	5%
14 Rideshare/Vanpool	2,796,086	2,576,000	3,315,000	29%
15 Operations Support	36,248,482	42,154,000	45,044,000	7%
16 General & Administrative	32,311,210	30,911,000	32,250,000	4%
17 Total Operating Expense	<u>\$ 241,938,733</u>	<u>\$ 264,451,000</u>	<u>\$ 276,956,000</u>	5%
<u>Non-Operating Expense</u>				
18 Contribution to Reserves	\$ -	\$ 4,752,000	\$ -	-100%
19 Planning/Real Estate/TOD/Major Program Development	4,245,093	6,060,000	5,505,000	-9%
20 Total Non-operating Expense	<u>\$ 4,245,093</u>	<u>\$ 10,812,000</u>	<u>\$ 5,505,000</u>	-49%
<u>Debt Service</u>				
21 Principal and Interest	\$ 95,991,432	\$ 107,002,000	\$ 113,977,000	7%
22 Contribution to Early Debt Retirement Reserve	4,323,000	2,842,000	6,122,000	115%
23 Total Debt Service	<u>100,314,432</u>	<u>109,844,000</u>	<u>120,099,000</u>	9%
24 Total Expense	<u>\$ 346,498,258</u>	<u>\$ 385,107,000</u>	<u>\$ 402,560,000</u>	5%

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 CAPITAL BUDGET - SUMMARY
October 16, 2017**

<u>Funding Sources</u>	2018 Budget
25 Provo Orem TRIP Funding	\$ 30,000,000
26 UTA Current Year Funding	20,716,000
27 2017 UTA Carryover Funding	27,883,000
28 Grants	26,227,000
29 Local Partner Contributions	12,070,000
30 State Contribution	2,350,000
31 Bonding	88,526,000
32 Leasing	21,163,000
33 Total Funding Sources	<u>\$ 228,935,000</u>
<u>Expense</u>	
34 Provo-Orem TRIP	\$ 40,227,000
35 Airport Station Relocation	22,902,000
36 State of Good Repair	63,529,000
37 Other Capital Projects	64,629,000
38 Total Expense	<u>\$ 191,287,000</u>

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 CAPITAL BUDGET - DETAIL
October 16, 2017**

Exhibit B

	2018 Capital - New	2017 Capital Carryover	2018 Budget
1 <u>Provo-Orem TRIP</u>	\$ 40,227,000		\$ 40,227,000
2 <u>Airport Station Relocation</u>	\$ 20,000,000	\$ 2,901,499	\$ 22,901,499
<u>State of Good Repair</u>			
<u>Revenue / Service Vehicles</u>			
3 Replacement Buses	\$ 15,800,000		\$ 15,800,000
4 Replacement Paratransit	2,856,000		2,856,000
5 Ogden Trolley Cars	1,195,000		1,195,000
6 Van pool 11-Pass Van replacement	954,429		954,429
7 Van pool 12-Pass Van replacement	572,658		572,658
8 Van pool 7-Pass Van replacement	501,078		501,078
9 Van pool 15-Pass Van replacement	336,996		336,996
10 Bus Engine and Transmission Replacement		1,350,000	1,350,000
11 Non-Rev Service Vehicle Replacement	300,000		300,000
12 Total Revenue/Service Vehicles	\$ 22,516,161	\$ 1,350,000	\$ 23,866,161
<u>Information Technology</u>			
13 Trapeze Enhancements	\$ 25,000	\$ 50,000	\$ 75,000
14 Electronic Fare Collection	40,000	250,000	290,000
15 MDC Next Generation Design and Prototype (Code and HW Design)	50,000		50,000
16 JDE Tools Release Upgrade	75,000	75,000	150,000
17 Server, Storage Infrastructure Equipment and Software	75,000	200,000	275,000
18 JDE Time / Labor Improvements	80,000		80,000
19 SIRE/ECM Replacement (AKA Legal Software)	100,000	500,000	600,000
20 Fares - Reader Replacement	100,000	2,562,850	2,662,850
21 IT Pool	100,000	400,000	500,000
22 New MS SQL Server Licenses	150,000		150,000
23 Radio Communication Infrastructure	250,000		250,000
24 EFS On-Prem Hosting (move from VIX Hosting)	250,000		250,000
25 FarePay Card Provider Alternative (replacement and RFP of INCOM)	325,000		325,000
26 Rail Communication On-Board Technology	365,000		365,000
27 Network Infrastructure Equipment & Software	400,000		400,000
28 Information Security Equipment & Software (PCI Compliance and Cyber Security)	400,000		400,000
29 Bus Communication On-Board Technology	640,000		640,000
30 Rail Passenger Info	300,000	300,000	600,000
31 Mobility Management		617,649	617,649
32 Wi-Fi for light rail vehicles		1,250,000	1,250,000
33 Application Development and Enhancements		200,000	200,000
34 Enterprise Security Replacement		150,000	150,000
35 Paratransit software enhancements		39,319	39,319
34 Expense Underspend	(1,725,000)		(1,725,000)
35 Total Information Technology	\$ 2,000,000	\$ 6,594,818	\$ 8,594,818
<u>Facilities, Safety, & Admin Equip.</u>			
36 Safety and Security	\$ 480,000	\$ 555,796	\$ 1,035,796
37 Total Facilities, Safety, & Admin Equip.	\$ 480,000	\$ 555,796	\$ 1,035,796

	2017 Capital		
	2018 Capital - New	Carryover	2018 Budget
<u>Infrastructure State of Good Repair Projects</u>			
38 Main St/4th S interlocking - Rehab switches/frogs	\$ 6,100,000		\$ 6,100,000
39 LRT Stray Current Control	500,000	250,000	750,000
40 650 South TRAX Station	200,000		200,000
41 American Fork P&R bus pull out removal	10,000		10,000
42 Vehicle Overhauls	5,508,000	10,395,102	15,903,102
43 SD Light Rail Vehicle Rehab	1,092,000		1,092,000
44 Pedestrian Crossing Updates		220,000	220,000
45 Paint Room at Meadowbrook		299,681	299,681
46 Prime mover engine rebuild and turbocharger replacement (Commuter Rail)		1,713,646	1,713,646
47 Comet Car Tires		653,700	653,700
48 Transit Asset Management	125,000	140,000	265,000
49 Commuter Rail Grade Crossing Program	275,000		275,000
50 Roof Replacements	287,500		287,500
51 Bus Lift Replacements	212,500		212,500
52 450 East Crossover	400,000		400,000
53 Office Equipment	100,000		100,000
54 Timp Fit factory remodel and equip replacement	35,000		35,000
55 Replace Vertical Lift Modules - warehouse	686,000	460,000	1,146,000
56 JR Rail Vehicle Maintenance		300,000	300,000
57 Other state of good repair	2,000,000	68,810	2,068,810
58 Project under runs assumed	(2,000,000)		(2,000,000)
59 Total State of Good Repair	\$ 15,531,000	\$ 14,500,939	\$ 30,031,939
60 Total State of Good Repair	\$ 40,527,161	\$ 23,001,553	\$ 63,528,714

Capital Projects

Capital Projects

61 Tiger Grant Projects (w/o Prop#1)	\$ 9,337,089	\$ 3,705,989	\$ 13,043,078
62 Sandy Parking Structure	5,400,000		5,400,000
63 Positive Train Control (PTC)	4,000,000	2,000,000	6,000,000
64 Sugar House double track	4,000,000		4,000,000
65 South Davis BRT	1,200,000		1,200,000
66 Signal Pre-emption Projects w/UDOT	732,000		732,000
67 UDOT I-15 widening/7200 South bridge	2,000,000		2,000,000
68 MOW Building - Clearfield	350,000		350,000
69 SW SLCounty ROW preservation	600,000		600,000
70 Weber Cnty CR ROW Preservation	500,000		500,000
71 Depot District - Phase 1	3,919,928	319,928	4,239,856
72 System -wide ADA bus stop impr.	100,000		100,000
73 Box Elder Right-of-Way	2,050,000		2,050,000
74 Wayfinding Signage Plan	1,000,000		1,000,000
75 DSI Inventory software & scanners	104,200		104,200
76 Bus Bay expansion - Provo Station		150,000	150,000
77 Downtown TRAX signal improvements		199,507	199,507
78 Red Light Signal Enforcement		5,076,193	5,076,193
79 FLHQ Generator		120,000	120,000
80 FL 2015 ROW		447,500	447,500
81 Electric Bus Implementation		6,118,500	6,118,500
81 Other Capital Projects		69,536	69,536
82 Total Capital Projects	\$ 35,293,217	\$ 18,207,153	\$ 53,500,370

Prop 1 Projects

83 Mt Ogden Expansion Buses	\$ 2,647,645		\$ 2,647,645
84 Mt Ogden Expansion Facility		1,247,915	1,247,915
85 Prop 1 Passenger Imp. Weber/Davis County	1,462,200	2,393,907	3,856,107
86 Ogden-WSU BRT/Weber Intermodal	785,400		785,400
87 Prop 1 Passenger Imp - Tooele County	50,000	30,000	80,000
88 Prop #1 for Tiger - Tooele	61,216		61,216
89 Tooele Bus Facility Purchase/Upgrade	2,450,000		2,450,000
90 Total Prop 1 Projects	\$ 7,456,461	\$ 3,671,822	\$ 11,128,283
91 Total Other Capital Projects	42,749,678	21,878,975	64,628,653
92 Total Capital Budget	\$ 143,503,839	\$ 47,782,027	\$ 191,285,866

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 CAPITAL BUDGET - DETAIL
October 16, 2017**

Exhibit C

Bonded Projects

1 PTC	\$	29,983,000
2 Depot District - Phase 1		7,989,806
3 Airport		25,300,000
4 700 South Curve Replacement		1,400,000
5 Red light signal enforcement		5,076,200
6 Main and 4th interlocking		6,100,000
7 Tooele Bus Facility		2,450,000
8 Provo-Orem BRT		10,227,000
		<hr/>
	\$	88,526,006
		<hr/> <hr/>