

Transit Funding Briefing

Utah State Legislature
Infrastructure and General Government
Appropriations Subcommittee

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NBA
ALL-STAR
GAME 2023

UTA Stewardship

- Integrity and transparency
- Prudent fiscal management
- Outcome-Driven Partnership



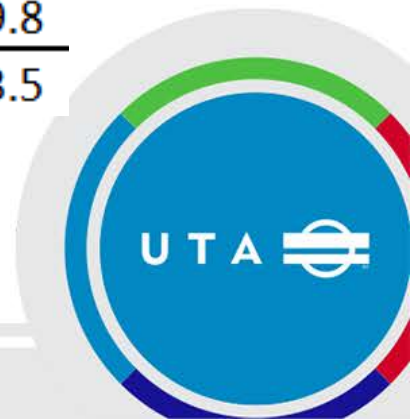
UTA REVENUE ASSUMPTIONS AND USES



UTA's Revenue Assumptions

2023 UTA Budget Book 2023-2027 projected revenues

Sources	Forecast 2023		Forecast 2024		Forecast 2025		Forecast 2026		Forecast 2027	
Sales Tax	\$	480.0	\$	507.5	\$	530.7	\$	551.4	\$	570.6
PM Funds (FTA)		84.9		85.8		86.6		87.5		88.0
Stimulus Funds		-		-		-		-		-
Passenger Funds		35.8		40.1		44.9		50.2		51.8
Capital Sources ²		184.8		155.6		162.5		123.9		183.3
Other Sources		21.2		20.6		19.7		19.4		19.8
Total Sources	\$	806.7	\$	809.5	\$	844.5	\$	832.4	\$	913.5



5-Year UTA Revenue History

Illustrates UTA Revenue Changes Over Time

REVENUE HISTORY BY SOURCE

	2018	2019	2020	2021	2022
Operating (Fares and Advertising)	\$54,464,392	\$55,111,554	\$34,880,272	\$30,386,187	\$35,713,144
Sales taxes	282,933,591	317,797,604	361,590,707	433,360,729	480,925,766
Investment	6,525,872	6,821,490	3,525,448	1,432,026	1,806,825
Reinvestment of proceeds from development agreements	-	-	-	-	19,368,007
Net gain on sale of capital assets	-	-	927,566	1,411,431	3,228,640
Build America Bond Subsidies	-	-	8,893,288	8,158,624	9,259,376
Other	8,155,668	(45,372,222)	9,442,644	9,822,657	11,692,301
	352,079,523	334,358,426	419,259,925	484,571,654	561,994,059
Federal grants					
Federal preventive maintenance grants	61,820,668	-	-	-	47,286,518
Federal operating grants	-	69,746,231	160,258,318	130,631,095	167,777,447
Federal capital grants	31,585,004	16,395,068	20,898,309	48,642,468	50,582,042
	93,405,672	86,141,299	181,156,627	179,273,563	265,646,007
Other capital contributions	32,293,935	18,413,775	3,390,589	19,591,123	31,060,762
	\$477,779,130	\$438,913,500	\$603,807,141	\$683,436,340	\$858,700,828



Past Revenue Growth

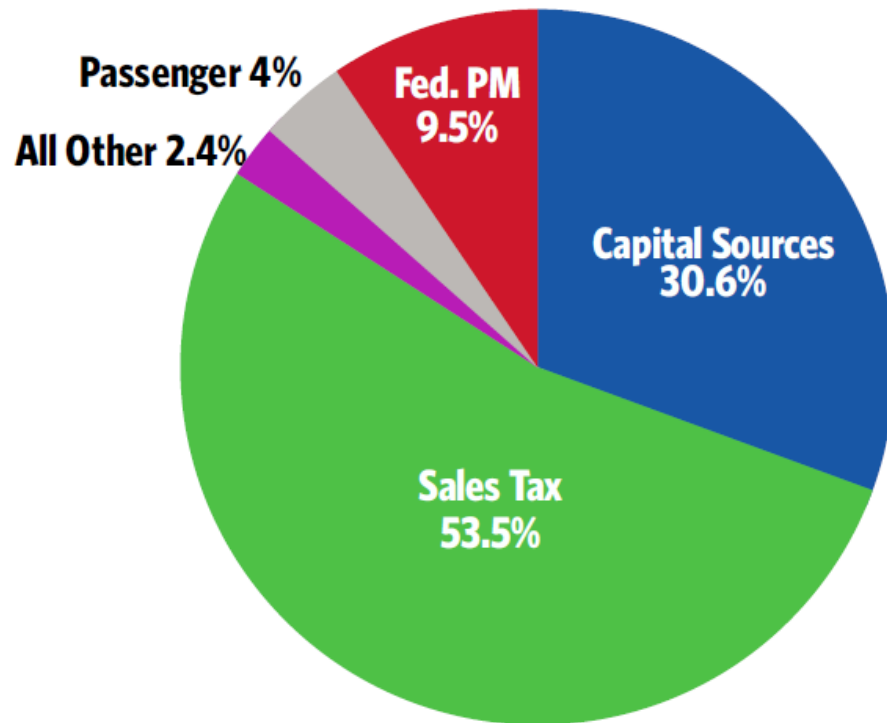
- UTA used past revenue growth to fund the following items
 - Escalation in operating expense: driven primarily by labor, fuel, parts and other supply cost increases
 - Service changes in bus, light rail, commuter rail and paratransit modes
 - Maintaining UTA's existing rail infrastructure and vehicles in a state of good repair
 - Contributions to capital programs



2023 UTA Budget: Sources and Uses

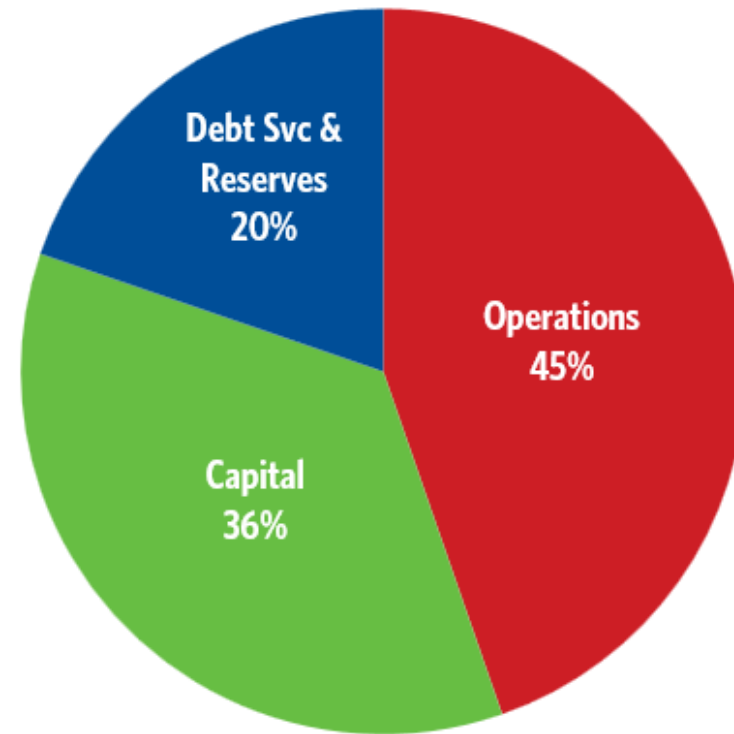
Sources

Where does the money come from?



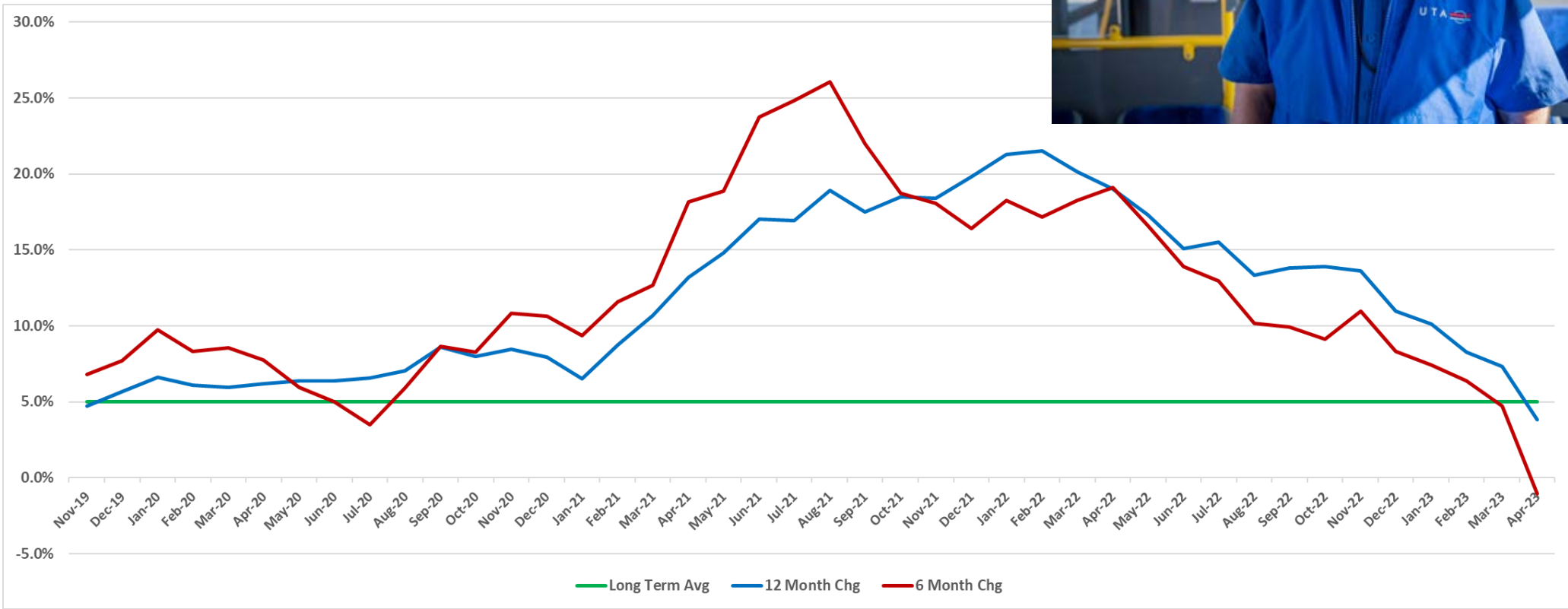
Uses

Where does the money go?



UTA Revenues

Sale and Use Tax Growth: 2019 to 2023



Sustainable Operations

- ***Does UTA project to have enough money to operate the existing system over the next ten years?***
 - Yes, UTA's current 5-Year financial model includes projected existing system and expanded operational revenues and expenses
 - 5-year model shown on following page demonstrates that the planned sources and uses of funds are sufficient to meet operational and capital needs
 - If there are changes in available resources UTA will adjust operating and capital expenditures to meet the available resources



UTA 5-Year Financial Plan: 2023 Budget Book

		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Sources		2022	2023	2024	2025	2026	2027
A	Beginning Balance	\$ 321.8	\$ 516.5	\$ 402.3	\$ 337.4	\$ 292.3	\$ 258.0
	Sales Tax	\$ 480.0	\$ 480.0	\$ 507.5	\$ 530.7	\$ 551.4	\$ 570.6
	PM Funds (FTA)	110.4	84.9	85.8	86.6	87.5	88.0
	Stimulus Funds	167.8	-	-	-	-	-
	Passenger Funds	34.2	35.8	40.1	44.9	50.2	51.8
	Capital Sources	104.2	184.8	155.6	162.5	123.9	183.3
	Other Sources	16.2	21.2	20.6	19.7	19.4	19.8
B	Total Sources	\$ 912.8	\$ 806.7	\$ 809.5	\$ 844.5	\$ 832.4	\$ 913.5
USES							
	Operating Expense	\$ 353.2	\$ 400.6	\$ 425.8	\$ 444.7	\$ 459.1	\$ 474.1
	Capital Expense	212.1	319.0	278.5	270.3	224.2	247.2
	Debt Service	152.8	161.3	170.2	174.6	183.4	174.1
C	Total Uses	\$ 718.1	\$ 880.9	\$ 874.5	\$ 889.6	\$ 866.7	\$ 895.3
D	Net Change	\$ 194.7	\$ (74.2)	\$ (65.0)	\$ (45.1)	\$ (34.3)	\$ 18.2
	Cash Amended ¹	-	(40.0)	-	-	-	-
E	Ending Balance	\$ 516.5	\$ 402.3	\$ 337.4	\$ 292.3	\$ 258.0	\$ 276.2
F	Reserves	168.8	184.4	198.0	210.9	223.4	236.4
G	Unrestricted Cash Balance	\$ 347.8	\$ 217.9	\$ 139.3	\$ 81.4	\$ 34.6	\$ 39.7

E = A + B - C

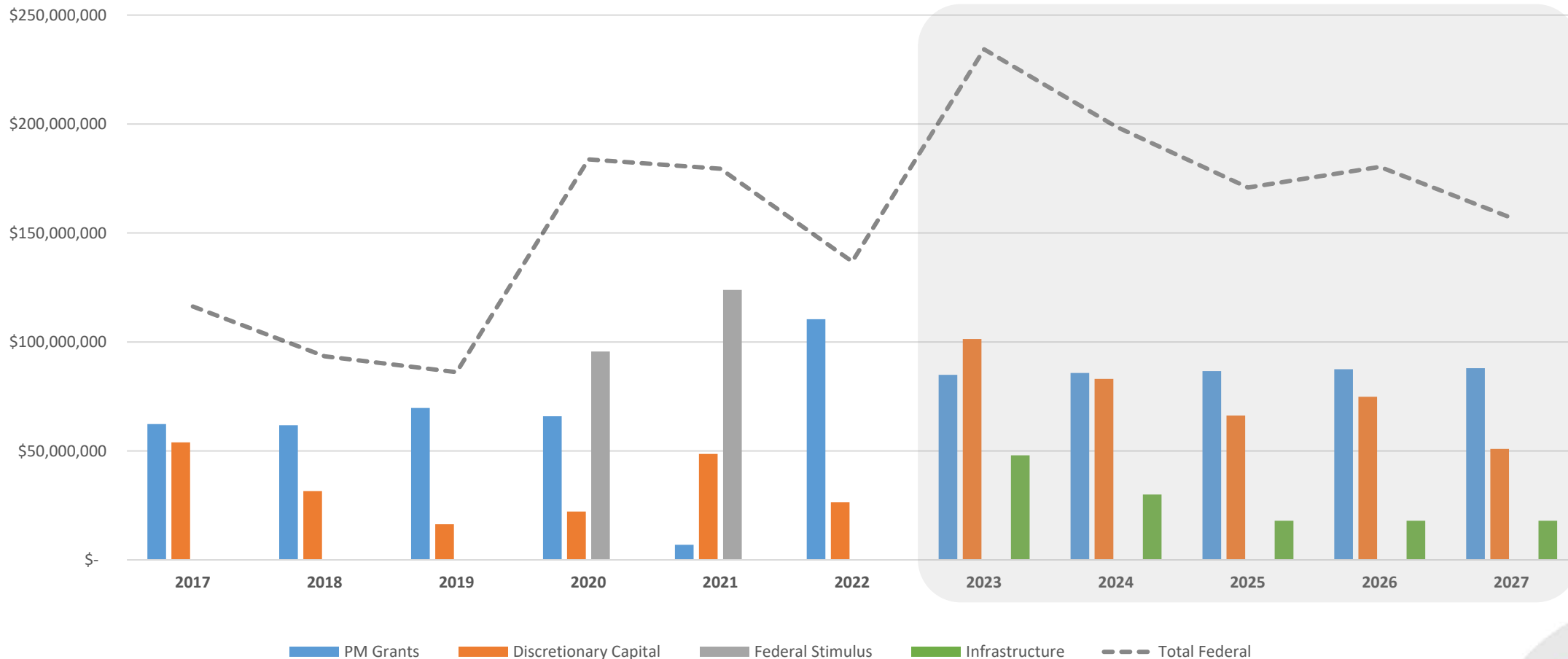
G = E - F

¹ Repayment of state funds



Impact Of Stimulus Funding End

Federal Funding



- ***How has the end of the COVID pandemic stimulus fund flow affected the cost of operations?***
 - Despite the end of stimulus funding, UTA Federal funding projections show no significant reductions





STATE FUNDING OF TRANSIT



Sustainable Future

- ***Does UTA have enough projected revenue to operate the expanded system? (currently funded with State money)***
 - Yes - The 5-year financial plan reflects expected expenses associated with State-funded projects, namely:
 - Mid-Valley BRT
 - Ogden BRT
 - 5600 West BRT
 - FrontRunner Double-tracking project (FRF)
 - System expansion projects (e.g., FRF) require extensive financial review as part of Federal grant applications, including long term projections that account for additional operating and maintenance costs. These costs are included in UTA's long-term forecast



Transit Transportation Investment Funds (TTIF)

Project Description	Funding	Year
Ogden BRT	\$4,000,000	2020
Midvalley Connector BRT	\$22,800,000	2020
5600 West Express Bus	\$20,520,000	2020
S-Line Streetcar extension	\$12,000,000	2021
Midvalley Connector BRT	\$11,000,000	2021
Sharp-Tintic Railroad Consolidation	\$4,000,000	2021
Point of the Mountain Transit - Environmental	\$5,000,000	2021



Questions?

